

Rodamco Europe Finance B.V.

Interim Financial Statements

**First half year
June 30, 2012**

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Report of the Management Board

Rodamco Europe Finance B.V. (herein after ‘The Company’) has acted throughout the first half year of 2012 as a dedicated finance company within the Unibail-Rodamco Group, with the objective to borrow funds from third parties and to lend funds to companies of the Unibail-Rodamco Group, in particular to companies held (indirectly) by Rodamco Europe N.V. On June 14, 2012 Mr. Peter van Rossum resigned as managing director and on June 14, 2012 Mr. Jaap Tonckens and Mr. John van Haaren were appointed as managing directors. The Management Board consists of Mr. Jaap Tonckens, Mr. Ruud Vogelaar and Mr. John van Haaren.

The Company had no employees in 2011 and the first half year of 2012. Management fees are charged to the Company by the Group and recognised as part of other administrative expenses.

The Company continued to obtain financing from various sources. Debt has been arranged to ensure an appropriate maturity profile and maintain short-term liquidity. The debt maturity profile has been managed by spreading repayment dates and extending credit facilities.

The Company uses interest rate derivatives to manage and structure its interest rate exposures. Furthermore, the Company hedged translation risks of the Group by entering into derivative instruments. For more details we refer to note 6.

The overall result of the Company for the first half year decreased by € 6.3 million from a negative result of € 3.2 million in the first half year of 2011 to a negative result of € 9.5 million for the first half year of 2012. The interest margin decreased by € 94 million, whereas administrative expenses and other financial expenses decreased by € 0.5 million. The fair value result of derivative financial instruments caused a € 1.4 million lower loss, whereas foreign exchange result increased with € 1.2 million.

Notable events in the first half year of 2012 were:

- Further alignment of some interest rates on loan contracts between the Company and group companies.
- Termination of both the internal and external Cross Currency swaps (in CZK) with effective termination date May 4, 2012.
- The EUR3M rate has decreased by 70 bpts to 0.66 % in June 2012 compared to 1.36 % at year end 2011.

The Company is considering the scope and extent of its activities. The financial position of the Company will be maintained in such a way that all its obligations will be safeguarded. In this respect, reference is made to the robust financial position of its (ultimate) shareholder.

The Management Board of the Company hereby states that, to the best of its knowledge:

- the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Management Board report gives a true and fair view of the important events which occurred during the first six months of 2012 and their effect on the interim financial statements, as well as of the principal risks and uncertainties the issuer faces for the final six months of 2012 and the most important related party transactions.

This report contains certain forward-looking statements which involves certain risks. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "should," "will" and "would" or the negative of those terms or other comparable terminology. The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or are within our control. If a change occurs, our business, financial condition, results of operations, liquidity, investments, share price and prospects may vary materially from those expressed in our forward-looking statements.

Some of the factors that could cause actual results to vary from those expressed in our forward-looking statements and other risks and uncertainties include, but are not limited to:

(i) general economic conditions, (ii) changes in the availability of, and costs associated with, sources of liquidity, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness (iii) performance of financial markets, including developing markets, (iv) interest rate levels, (v) credit spread levels, (vi) currency exchange rates, (vii) general competitive factors, (viii) general changes in the valuation of assets (ix) changes in law and regulations, including taxes (x) changes in policies of governments and/or regulatory authorities, (xi) the results of our strategy and investment policies and objectives and (xii) the risks and uncertainties as addressed in this report, the occurrence of which could cause the Company actual results and/or performance to differ from those predicted in such forward-looking statements and from past results.

The forward-looking statements speak only as of the date hereof.

The foregoing is not a comprehensive list of the risks and uncertainties to which we are subject. Except as required by applicable law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the events described by our forward-looking statements might not occur. Neither the Company nor any of its directors do make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. We qualify any and all of our forward-looking statements by these cautionary factors. Please keep this cautionary note in mind as you read this report.

August 31, 2012

J.L. Tonckens

R. Vogelaar

J.C. van Haaren

Unaudited Interim Financial Statements

Interim Statement of Income

For the six months ended June 30, 2012

<i>(in € thousands)</i>	<i>Notes</i>	30.06.2012	30.06.2011
Interest income		39.324	40.302
Interest expenses		(48.782)	(40.274)
Fair value gain / (loss) derivative financial instruments		(1.278)	(2.645)
Other financial income / (expenses)		(595)	(724)
Net operating income		(11.331)	(3.341)
Administrative income / (expenses)		(7)	(469)
Foreign exchange gain / (loss)		1.876	630
Total operating expenses		1.869	160
Profit before taxation		(9.462)	(3.181)
Income tax income / (expense)	3	0	0
Profit / (loss) for the year		(9.462)	(3.181)

Interim Statement of Comprehensive Income

For the six months ended June 30, 2012

<i>(in € thousands)</i>	30.06.2012	30.06.2011
Profit / (loss) for the year	(9.462)	(3.181)
Other comprehensive income, net of tax	0	0
Total comprehensive income for the year, net of tax	(9.462)	(3.181)

Interim Statement of Financial Position

at June 30, 2012

(in € thousands)

	Notes	30.06.2012	31.12.2011
Assets			
Receivables from Group companies	5	34.539	34.218
Derivative financial instruments	6	<u>10.186</u>	<u>10.424</u>
Total financial non current assets		44.725	44.642
Total non current assets		44.725	44.642
Receivables from Group companies	5	3.409.225	3.313.451
Derivative financial instruments Group companies	6	0	15.376
Other receivables		8	3
Cash and bank balances		<u>31.579</u>	<u>35.395</u>
Total current assets		3.440.812	3.364.225
Total assets		3.485.537	3.408.867
Shareholders' equity	4		
Share Capital		350	350
Share Premium		2.354	2.354
Retained earnings		200.978	202.071
Unappropriated net profit for the year		<u>(9.462)</u>	<u>(1.093)</u>
Total shareholders' equity		194.220	203.682
Liabilities			
Bonds	7	498.327	497.958
Liabilities to Group companies	5	<u>500.000</u>	<u>500.000</u>
Total non current liabilities		998.327	997.958
Bonds	7	499.818	499.617
Interest-bearing loans and borrowings	7	50.237	205
Derivative financial instruments	6	0	0
Trade and other payables		22.710	5.793
Liabilities to Group companies	5	<u>1.720.224</u>	<u>1.701.613</u>
Total current liabilities		2.292.989	2.207.227
Total liabilities		3.291.317	3.205.185
Total equity and liabilities		3.485.537	3.408.867

Interim Statement of Changes in Equity

For the six months ended June 30, 2012

(in € thousands)

	Share Capital	Share Premium	Retained earnings	Unappropriated net profit for the year	Total
Opening balance at July 1, 2011	350	2.354	202.071	(3.181)	201.594
Total comprehensive income / (loss) for the year, net of tax	-	-	-	2.088	2.088
Balance at December 31, 2011	350	2.354	202.071	(1.093)	203.682

(in € thousands)

	Share Capital	Share Premium	Retained earnings	Unappropriated net profit for the year	Total
Opening balance at January 1, 2012	350	2.354	202.071	(1.093)	203.682
Appropriation of net result 2010	-	-	(1.093)	1.093	-
Total comprehensive income / (loss) for the year, net of tax	-	-	-	(9.462)	(9.462)
Balance at June 30, 2012	350	2.354	200.978	(9.462)	194.220

Interim Statement of Cashflows

For the six months ended June 30, 2012

<i>(in € thousands)</i>	<i>Note</i>	30.06.2012	30.06.2011
Operating activities			
Profit/ (loss) before tax		(9.462)	(3.181)
Adjustments to reconcile profit (loss) before tax to net cashflows			
Interest income		(39.324)	(40.302)
Interest expenses		48.782	40.274
Other adjustments			
Movement in trade and other receivables		(5)	(2)
Movement in intercompany receivables and liabilities	5	(77.484)	53.446
Movement in trade and other payables		16.918	(5.828)
Movement in derivative financial instruments	6	15.614	(45.937)
Fair value adjustments and depreciations		(5)	723
Interest paid		(45.844)	(17.246)
Interest received		36.391	36.363
Net cashflows from operating activities		(54.419)	18.311
Financing activities			
Proceeds from bonds and interest-bearing loans and other borrowings		50.602	177.000
Repayment of bonds and interest-bearing loans and other borrowings		0	(182.000)
Net cashflows from (used in) financing activities		50.602	(5.000)
Net increase/(decrease) in cash and bank balances		(3.816)	13.311
Cash and bank balances at January 1		35.395	12.510
Effect of exchange rate fluctuations on cash held		0	6
Cash and bank balances at June 30		31.579	25.827

Notes to the interim condensed financial statements

1 General Information

Rodamco Europe Finance B.V. ('the Company') is a private limited liability company incorporated in the Netherlands with its statutory seat in Rotterdam and place of business at Schiphol Boulevard 371, Tower H, 1118 BJ Luchthaven Schiphol (Municipality of Haarlemmermeer), the Netherlands. The Company is part of the Unibail-Rodamco S.E. Group ('the Group'), a listed company under European law. The company is a 100% subsidiary of Rodamco Europe Properties B.V., part of the same group.

The Company is a dedicated finance company within the Unibail-Rodamco Group. Its objective is to borrow funds from third parties and to lend funds to companies within the Unibail-Rodamco Group, in particular to companies held (indirectly) by Rodamco Europe N.V.

The Management Board consists of Mr. Jaap Tonckens, Mr. Ruud Vogelaar and Mr. John van Haaren. The Company as such does not have a Supervisory Board or an Audit Committee. Governance however is exercised through its parent Rodamco Europe N.V. and the ultimate shareholder Unibail-Rodamco S.E. and its Boards and Audit Committee.

The interim financial statements were authorized for issue by the Management Board on August 30, 2012.

2 Basis of preparation and accounting policies

(a) Basis of preparation

The interim financial statements for the six months ended 30 June 2012 have been prepared in accordance with IAS 34 "Interim financial reporting" of the International Financial Reporting Standards (IFRS) and are compliant with the EPRA best practices policy recommendations.

The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at December 31, 2011.

(b) Significant accounting policies

The interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". As these are interim financial results, they do not include all of the information required by the IFRS and must be read in relation with the Company's annual financial accounts for the year ended December 31, 2011.

The accounting principles applied for the preparation of these half-yearly financial accounts are in accordance with the IFRS and interpretations as adopted by the European Union as of June 30, 2012. 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, 2011, except for the application of the following new obligatory standards and interpretations:

- IAS 12 A : Deferred Tax - Recovery of Underlying Assets

These standards, amendments and interpretations do not have a significant impact on the Group's accounts for the first half of 2012.

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 19 A: Employee Benefits
- IAS 28 R : Investments in Associates and Joint Ventures
- IAS 32 A: Financial instruments: Presentation & Offsetting Financial Assets and Financial Liabilities
- IFRS 7 A: Disclosures - Offsetting Financial Assets and Financial Liabilities
- 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
- Improvements to IFRS (2009-2012)
- Transition guidance (Amendments to IFRS 10,11,12)

The measurement of the potential impacts of these texts on the consolidated accounts of Unibail-Rodamco is ongoing.

3 Income tax

As reported in its press release of December 11, 2009, the Group expects that the Dutch tax authorities will deny the status of FBI (Fiscale Beleggings Instelling) in The Netherlands for the Group's Dutch activities for 2010 onwards. In light of the significant Dutch tax loss carry forwards identified by Group's fiscal advisors in the Netherlands, this should have no impact on the result for 2011 nor for the foreseeable future.

Consequently, the corporate income tax in the Statement of Income of the Company is nil.

4 Shareholders' equity

The share capital consists of 3,500 authorized shares of which 700 shares are issued and fully paid up at June 30, 2012, identical to 2011. The shares have a par value of € 500 each. No movements occurred in the first half year 2012 and the full year 2011.

The share premium reserve relates to capital contributions on shares issued in excess of their par value as part of the legal merger of different companies into the Company in 2006.

5 Receivables and liabilities Group Companies

<i>(in € thousands)</i>	30.06.2012	31.12.2011
Non-current Receivables from Group companies	34.539	34.218
Current Receivables from Group companies	3.409.225	3.313.451
Total receivables from Group companies	3.443.764	3.347.669
Non-current Liabilities to Group companies	500.000	500.000
Current Liabilities to Group companies	1.720.225	1.701.613
Total liabilities to Group companies	2.220.225	2.201.613

The movement in receivables from and liabilities to Group companies were:

<i>(in € thousands)</i>	30.06.2012	31.12.2011
Group company assets		
Balance at January 1	3.347.669	3.667.368
New loans / increase facilities	111.356	0
Redemptions / decrease facilities	(15.582)	(319.790)
Other movements (e.g. currency translation differences and amortization)	322	91
Balance at period end	3.443.764	3.347.669
Group company liabilities		
Balance at January 1	2.201.613	1.908.321
New loans / increase facilities	46.919	293.292
Redemptions / decrease facilities	(28.306)	0
Balance at period end	2.220.225	2.201.613

Receivables from and liabilities to Group companies are receivables from and liabilities to companies part of the Unibail-Rodamco Group. Interest is calculated on all loans and facilities to group companies. Interest is determined at an arm's length basis.

For the Group companies current assets, all interest rates are floating. Floating interest rates are based on the major European interest rates resulting in an effective interest rate of between 1.8% and 2.4%.

6 Derivative Financial Instruments

The tables below summarize the number of contracts, notional amounts, duration and fair values of all outstanding derivative financial instruments. In the first half year of 2012 the cross currency swaps expired.

(in € thousands)	30.06.2012			2011		
	Number of contracts	Notional in €	Fair value in €	Number of contracts	Notional in €	Fair value in €
Interest rate swaps						
Up to 1 year	0	0	0	0	0	0
From 1 to 5 year	1	135.000	10.186	1	135.000	10.424
From 5 to 10 years	0	0	0	0	0	0
Cross currency swaps						
Up to 1 year	0	0	0	2	(16.212)	15.376
From 1 to 5 year	0	0	0	0	0	0
From 5 to 10 years	0	0	0	0	0	0
Total	1	135.000	10.186	3	118.788	25.800
Derivatives non-current assets			10.186			10.424
Derivatives current assets			0			15.376
Swaps with a positive fair value			10.186			25.800
Derivatives non-current liabilities			0			0
Derivatives current liabilities			0			0
Swaps with a negative fair value			0			0

7 Bonds, interest-bearing loans and borrowings

<i>(in € thousands)</i>	30.06.2012	31.12.2011
Non-current liabilities		
Eurobond 10yr (Maturity October 2014), nominal € 500 mio, fixed rate 4.375 %	498.327	497.958
	498.327	497.958
Current liabilities		
Eurobond 7yr (Maturity December 2012), nominal € 500 mio, fixed rate 3.75 %	499.818	499.617
Other (including deferred expenses on currently non utilized facility)	50.237	205
Total debt	1.048.382	997.780

The movement in bonds, interest-bearing loans and borrowings during the year was:

<i>(in € thousands)</i>	30.06.2012	31.12.2011
Balance at January 1	997.780	1.536.527
New loans / increase facilities	50.000	0
Redemptions / decrease facilities	0	(540.000)
Other movements (e.g. currency translation differences and amortization)	602	1.253
Balance at period end	1.048.382	997.780

Luchthaven Schiphol, August 31, 2012

Management board :

J.L. Tonckens

R.Vogelaar

J.C. van Haaren