CÓRIO

HALF-YEAR REPORT 2014

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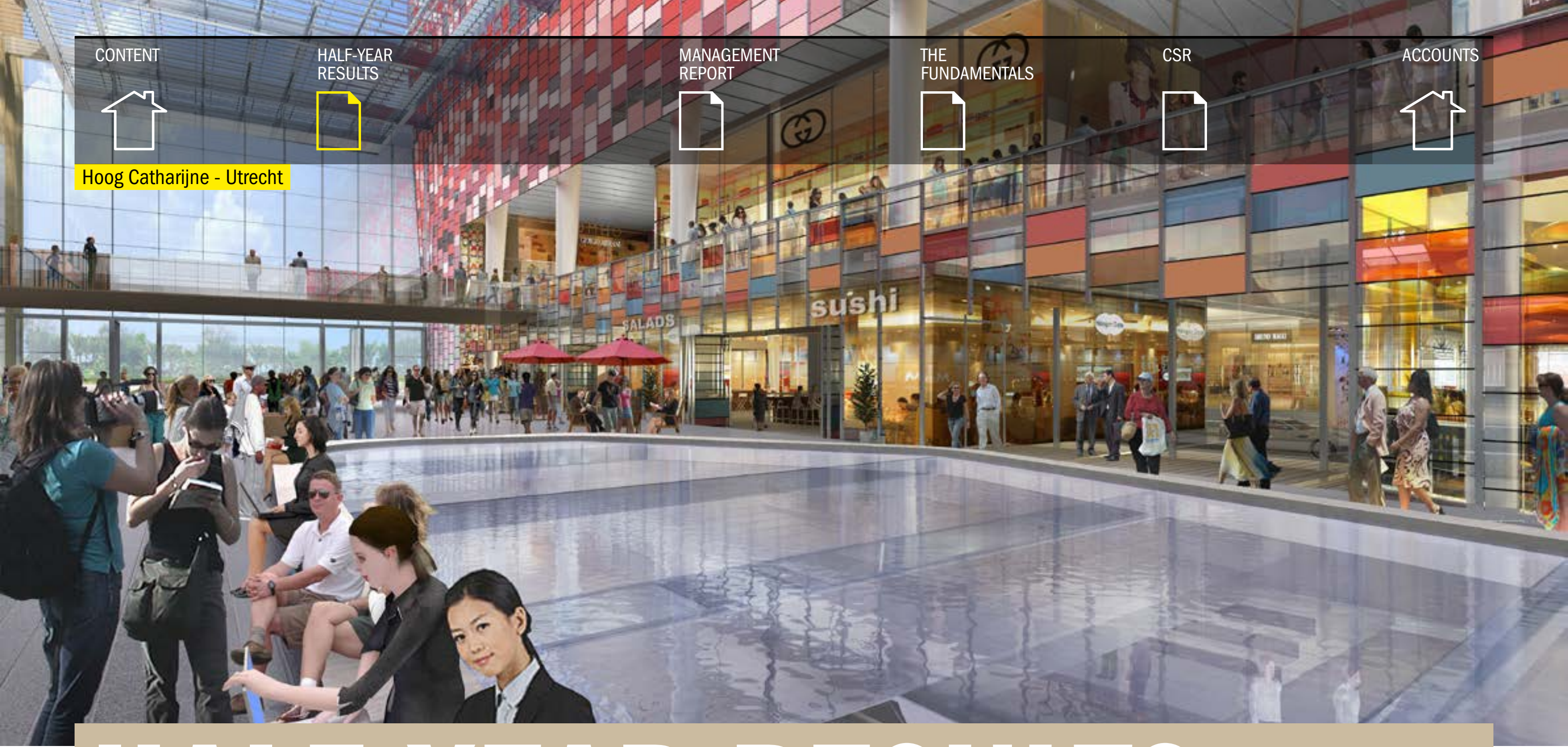


Hoog Catharijne - Utrecht

HALF-YEAR RESULTS

LOOKING BACK AT CORIO'S OPERATIONAL PERFORMANCE DURING THE FIRST HALF OF 2014, I'M PLEASED TO BE ABLE TO CONCLUDE THAT THE TREND OF QUARTERLY IMPROVEMENTS OF OUR OPERATING METRICS HAS CONTINUED. BOTH OUR KPI'S SUCH AS FOOTFALL AND SALES AS WELL AS FINANCIAL METRICS SUCH AS RE-LETTING & RENEWALS AND THE LIKE-FOR-LIKE PERFORMANCE SHOWED AN UPWARD TREND. AND WE EXPECT THIS TREND TO CONTINUE. IN AN ONGOING CHALLENGING MARKET PLACE THESE ARE ENCOURAGING SIGNS, CLEARLY INDICATING THAT CORIO IS ON THE RIGHT TRACK.

Utrecht, 6 August 2014

Gerard Groener:
'Looking back at Corio's operational performance during the first half of 2014, I'm pleased to be able to conclude that the trend of quarterly improvements of our operating metrics has continued. Both our kpi's such as footfall and sales as well as financial metrics such as re-letting & renewals and the like-for-like performance showed an upward trend. And we expect this trend to continue. In an ongoing challenging market place these are encouraging signs, clearly indicating that Corio is on the right track.
In the midst of this upward movement we have the intention to team up with Klépierre. An exciting step as we feel that the combination can accelerate this positive trend. Both companies firmly believe that all our stakeholders will benefit from the proposed transaction. Size is becoming an increasingly decisive factor in the retail property market in order to create attractive shareholder returns over the long term and being able to compete for larger high-performing retail properties. The combined group is geographically complementary and will benefit from significant scale advantages, synergies and a solid financial position. The combination will be able to offer 180-plus locations to the leading retail brands in order to expand their business. I am confident that the combination will play an important role in the further consolidation of the European real estate investment industry. While working on the next steps of this process together with Klépierre, the focus of our teams will be on the ongoing improvement of our businesses in line with our strategy, aiming for a continuation of the upward trend we have seen during the first half of the year.'

Nave de Vero - Venice

MANAGEMENT REPORT

BUSINESS INDICATORS

- Footfall strong with 1.0% up and stable tenant sales

OPERATIONAL PERFORMANCE

- Direct result € 122.6 m or € 1.24 per share
- Net rental income like-for-like number continues an upward trend; 0.6% negative for H1 2014 (H1 2013: 4.4% negative)
- Average occupancy stable at 94.9% (2013: 95.0%)
- Efficiency improved by reducing administrative expenses €7.9 m from € 22.7 m to € 14.8 m supported by a few one-offs in charges (down to 6.3% of Gross Theoretical Rental Income)
- Re-letting and renewal of portfolio 2.5% negative, improved from 8.2% negative in H1 2013
- Overall, the portfolio showed further signs of improvement compared to previous periods reflecting the successful implementation of our refined strategy as announced in December 2012

FINANCING

- Financing costs decreased to 3.5% in Q2 2014 (Q2 2013: 3.7%)
- Solid headroom of € 606 m
- Leverage at 42.2% as per 30 June 2014, (31 December 2013: 43.7%)

PORTFOLIO

- Valuations (including EAI and turnkey projects) slightly down with € 51.5 m or 0.7% negative.
- Successful opening of Nave de Vero near Venice (€ 188.8 m) with a 98% occupancy rate, now valued at € 200.3 m
- Multiple leasing and re-tenanting activities expanding with leading brands like Inditex, H&M, Primark and Apple, throughout the portfolio
- Following the progress made on the disposal program, the portfolio now consists almost entirely of core assets in strategic locations
- Asset by asset business plans to set the stage for budget cycle and capital recycling

DISPOSAL PROGRAM

- As per 6 August 2014, 31 assets were sold to a number of buyers since early 2013 for total proceeds of € 638 m
- Sold and transferred in H1 2014: € 397.2 m
- Disposal program ahead of schedule

OUTLOOK

- Corio expects to arrive at a direct result between € 227 m and € 233 m or between € 2.28 and € 2.34 on a per share basis for 2014

EVENTS AFTER REPORTING DATE

- Klépierre and Corio announced on 29 July 2014 that they have reached conditional agreement to create the leading pure play retail property company in Europe. For more details we refer to our website (www.corio-eu.com)

Hoog Catharijne - Utrecht

THE FUNDAMENTALS

Centre managers, with the support of country staff, are constantly working on the growth of the number of visitors. Active programming of events, carefully adapted to the needs of the catchment area, aim to attract the right brands. Together with the right retail mix in cooperation with our tenants this converts into sales as the main driver for our rental growth.

Overall footfall was positive with a growth of 1.0%, showing growth in the Netherlands, France, Germany and Turkey. Footfall was positive in most of our centres and especially in Grand Littoral thanks to the renovation and re-tenanting achieved including the first Primark store in France.

FOOTFALL

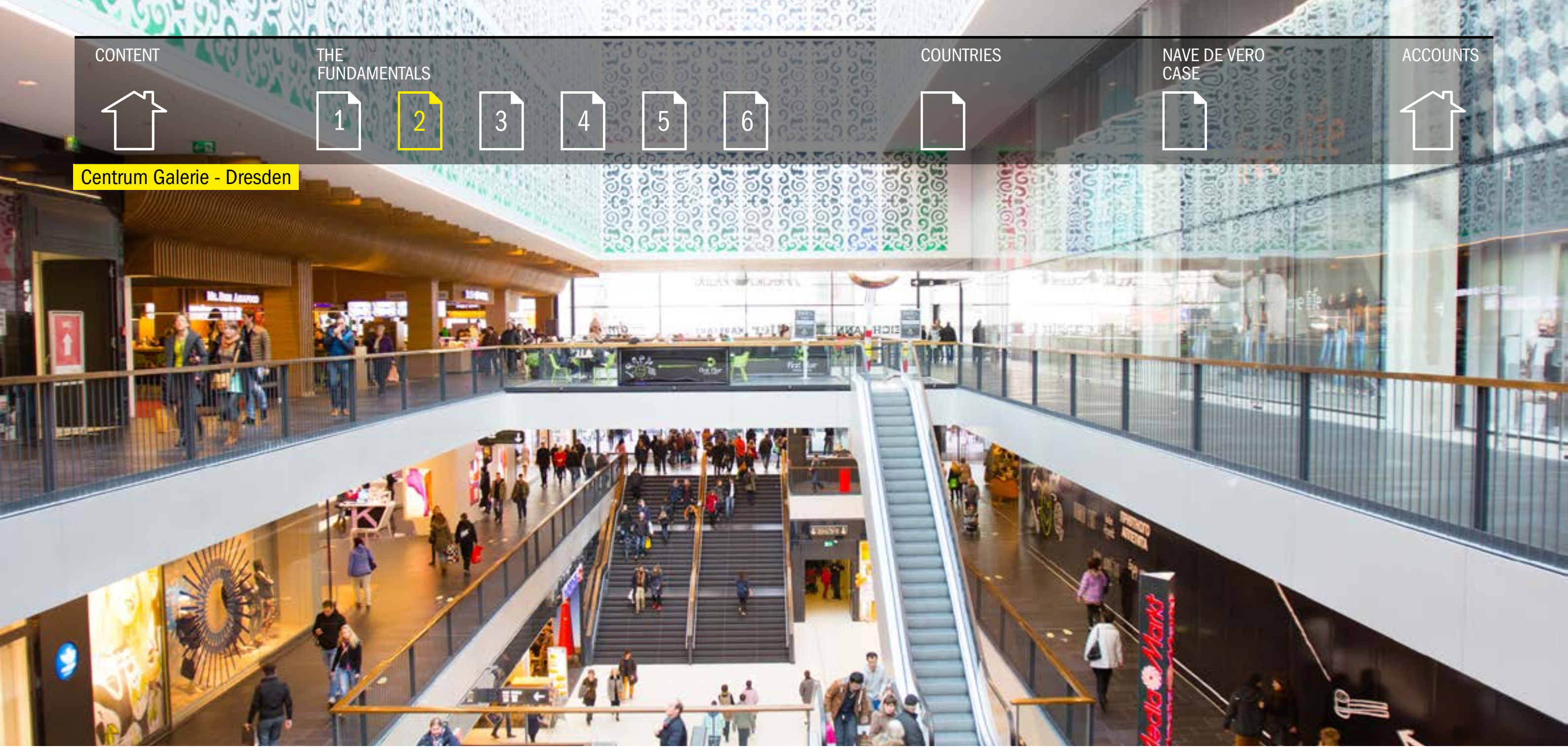
Footfall (like-for-like) change portfolio (%)	H1 2014	H1 2013
Portfolio average	**1.0**	**-1.2**
Italy	-1.0	1.9
The Netherlands	1.6	-2.0
France	5.3	-3.1
Germany	1.3	-3.0
Spain/Portugal	-2.3	-2.8
Turkey	2.9	-0.6

Footfall, tenant sales and like-for-like exclude Hoog Catharijne (NL), St Jacques (FR) and Centrum Galerie (GE) as these projects are subject to major redevelopments

TENANT SALES

Tenant sales change (like-for-like) portfolio %	H1 2014	H1 2013
Portfolio average	**-0.1**	**-3.6**
Italy	-1.0	-4.1
The Netherlands	NA*	NA*
France	0.3	-2.3
Germany	-1.4	-5.8
Spain/Portugal	-2.5	-8.3
Turkey	4.3	5.9

* Not Available



Centrum Galerie - Dresden

During H1, we saw flat sales growth on average. All countries, except for Turkey, improved compared with last year. The Italian tenant sales % does not yet include the restructured areas in Campania, Porta di Roma and Le Gru as they are not recognized as like-for-like.

RE-LETTING AND RENEWALS

Re-letting and renewal results portfolio (%)	H1 2014	H1 2013
Portfolio average	**-2.5**	**-8.2**
Italy	13.4	-0.4
The Netherlands	-3.3	-0.4
France	0.7	1.2
Germany	0.0	-
Spain	-21.2	-33.5
Turkey	0.2	-3.8

We renegotiated 210 contracts in the first half of 2014. The Italian portfolio showed strong results after the re-positioning of 3 large centres last year. Spain shows that we need less discounts towards retailers in a still overall weak market. Leasing activities in Dresden are progressing well. We expect to be fully leased and opened before the end of 2014.

OCCUPANCY RATES

Average Financial occupancy rate portfolio* (%)	H1 2014	H1 2013
Portfolio average	**94.9**	**95.3**
Italy	98.7	97.4
The Netherlands	95.4	96.4
France	93.0	93.1
Germany	99.3	100
Spain	88.3	89.2
Turkey	93.0	93.8

* Including rental guarantees

The occupancy rates within the portfolio, continue to be strong with an average of 94.9%. The small drop in occupancy rate is mainly the effect of a few specific events in the portfolio. In the Netherlands this is predominantly linked to the remaining non-core portfolio and in Turkey it was highly affected by the departure of Leroy Merlin, who decided to exit the Turkish market. In the Netherlands, Italy and Germany which represent two third of our income stream (including Equity Accounted Investees), we see rates between 95% and 99%. We encountered weakness in Spain, however, our portfolio occupancy levels are well above the national averages. Príncipe Pío, Maremagnum and La Loma have occupancies well above 94%.

LIKE-FOR-LIKE

Like-for-like change portfolio* (%)	H1 2014 GRI	H1 2013 GRI	H1 2014 NRI	H1 2013 NRI
Portfolio average	**-0.1**	**-1.6**	**-0.6**	**-4.4**
Italy	4.1	-1.4	3.6	-1.9
The Netherlands	-1.7	0.9	-0.3	-2.9
France	4.3	-0.5	2.8	-1.8
Germany	-0.3	6.7	-6.0	2.5
Spain	-8.8	-8.4	-12.0	-15.6
Turkey	-3.2	-4.5	-2.8	-8.7

* Including rental guarantees

The like-for-like (GRI/NRI) has significantly improved from the previous period. In France and Italy the like-for-like numbers are strong. The increased like-for-like in Italy is largely related to the re-tenanting activities in Le Gru in Turin, Campania near Naples and Porta di Roma which also improved occupancy levels. The Netherlands shows the impact of slightly elevated vacancy. The performance in Spain is the result of ongoing challenging market conditions. However, Príncipe Pío and Maremagnum show an increase in like-for-like net rental income of 7% on average. In Turkey the decline is predominantly the result of renovation works in Akmerkez.

Hoog Catharijne - Utrecht

ITALY

General sentiment over the Italian economy is improving, retailers starting to look at development opportunities again but consumers are still cautious. Large re-tenanting activities in Le Gru, Campania and Porta di Roma, executed in 2013, delivered a clear impact on like-for-like. The shopping centres are currently 99% occupied and the net like-for-like came out at 3.6% which is far beyond the overall index of 0.3%. The successful re-tenanting resulted in re-lettings and renewals in these 3 centres of above 15%, driving the overall result in this metric to 13.4%.

THE NETHERLANDS

Economic indicators (like increased consumer confidence and a housing market bottoming out) show a slight recovery in The Netherlands, market circumstances remain difficult. Sales growth is still coming from volumes while prices are still under pressure, affecting retailer's margins. Our Dutch portfolio is not immune to this and shows a slight decline of 0.3% in like-for-like net rental income, which is much better than the 2.9% decline in H1 2013. Consumer confidence has risen almost continuously since the summer of 2013, and is now at the same level as 2007. The refurbishment of our largest Dutch centre, Hoog Catharijne, is on track.

FRANCE

Unemployment rate is stabilizing and household confidence index is flat producing a slightly better environment. The ability to attract Primark to open its first French store in Grand Littoral Marseille, indicated the strategic importance of the shopping centre to the region. We saw good footfall performances in our main centres TNL in Nice +8.1%, Mondeville 2 in Caen +3.5%, Mayol in Toulon +0.2% and Grand Littoral in Marseille +28.9%. Like-for-like net rental income in France of 2.8% with an index of around 0% benefited from successful re-letting and renewal in a number of centres.

GERMANY

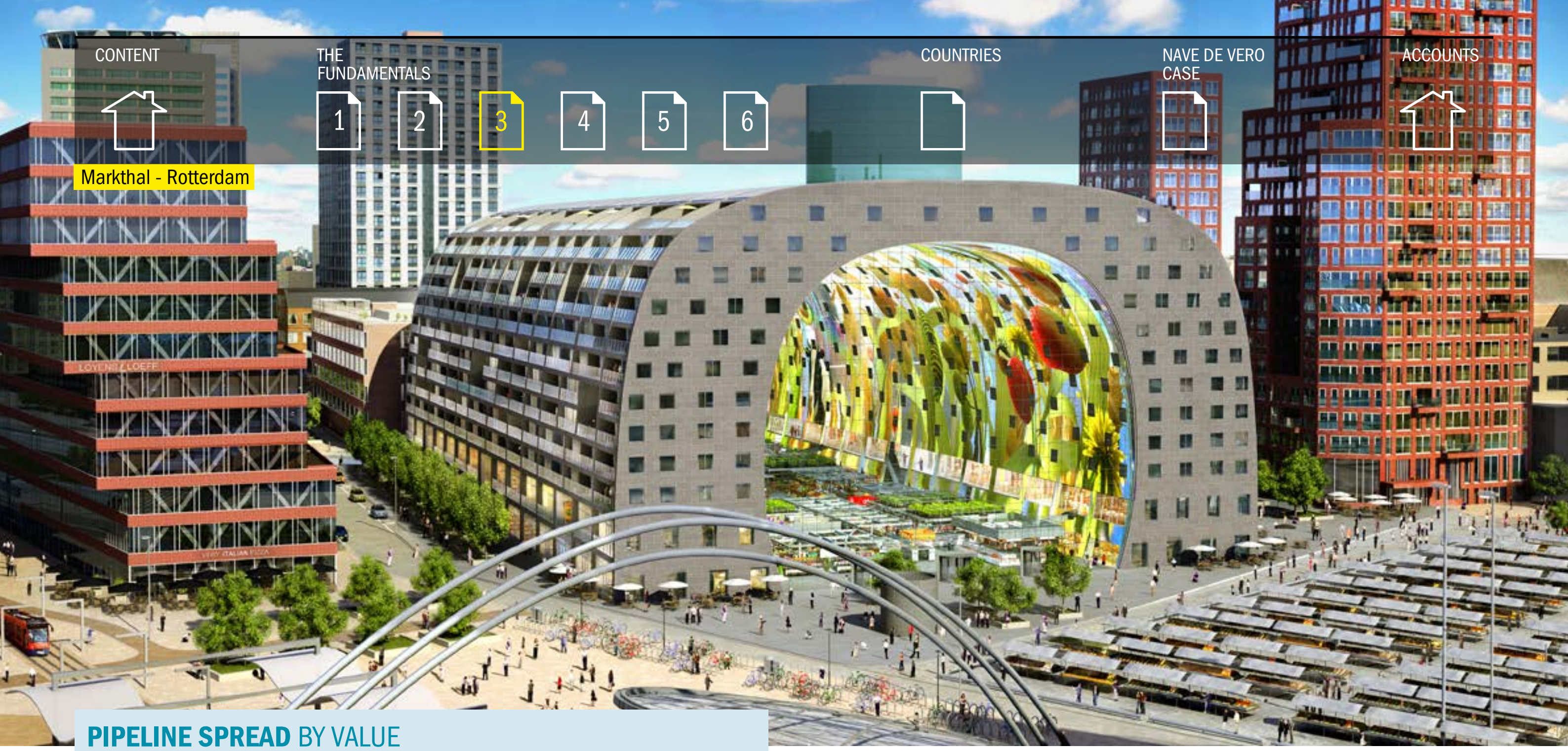
In Germany three centres were responsible for the like-for-like net rental income decrease of 6.0% negative in H1 2014. This is the result of increased net service charges and bad debt provision. Berlin and Dresden are not yet part of the like-for-like numbers. Berlin was acquired in mid-January 2013 and Dresden is undergoing a redevelopment. The signing of the agreement in January 2014 for Primark to enter Centrum Galerie Dresden is expected to have a material positive impact on signing new leases to strong fashion brands which, in turn, will strengthen the centre and reduce vacancy in 2014.

SPAIN/PORTUGAL

The general economy is clearly improving on fundamentals creating a better environment but household consumption stays fragile. In Spain, our high quality assets Maremagnum and Principe Pío continue to perform well, showing both a positive like-for-like number of 7% on average. Many of the tenants in the more regional locations continue to suffer from a difficult trading environment. Like-for-like net rental income did improve compared to last year, but is still at a low 12.0% negative in H1 2014.

TURKEY

Political stability has been restored in the second quarter of 2014 after the Municipal elections, the economy stabilized and consequently consumer confidence index shifted up starting from May 2014. In Turkey like-for-like net rental income was 2.8% negative. This relates mainly to tenant changes in Akmerkez. Re-lettings and renewals were up 0.2%.



Markthal - Rotterdam

PIPELINE SPREAD BY VALUE

PIPELINE DEVELOPMENT

€ million	Committed	Deferrable	Total
Already paid	148.4	117.0	265.4
Cost to completion	480.9	316.2	797.1
Total	629.3	433.2	1,062.5
Net Yield on cost (%)	6.8	7.9	7.3

The total pipeline decreased € 160 m from € 1,223 m to € 1,063 m in the first half of 2014. This decrease relates mainly to the transfer of Nave de Vero in Venice to the operational portfolio and a cancelled project in France (extension of Cote de Nacre in Caen). In addition, some smaller changes in the composition of the pipeline were made. The yield on cost of the pipeline was 7.3% at 30 June 2014.

Projects in the pipeline are on track, both in terms of planning as well as in terms of leasing progress and profitability. The investments related to the committed pipeline over the remainder of 2014 are approximately € 100 m. For 2015 this will be approximately € 123 m.

DISPOSALS

We transferred € 397.2 m of disposals to buyers in the first half of 2014. As per 6 August 2014 Corio sold 31 assets to a number of buyers for total proceeds of € 638 m since the beginning of 2013.

ORGANISATION

On the back of substantial disposals in the Netherlands and France we have executed the planned re-organisation. The programme is near to completion, waiting a few vacancies to be filled. In the Netherlands we finalized 1 May and in France 1 July. In the Netherlands and France combined staff was reduced by over 25%. The reorganisation and related staff reduction will result in increased efficiency.

EFFICIENCY TARGET

Corio aims to reduce administrative expenses relative to GTRI, increasing efficiency. The objective is to maximise the level to 8% of GTRI. We decreased it mainly as a result of a number of one-offs to 7.6% in 2013 and expect to reach ca. 8% in 2014.

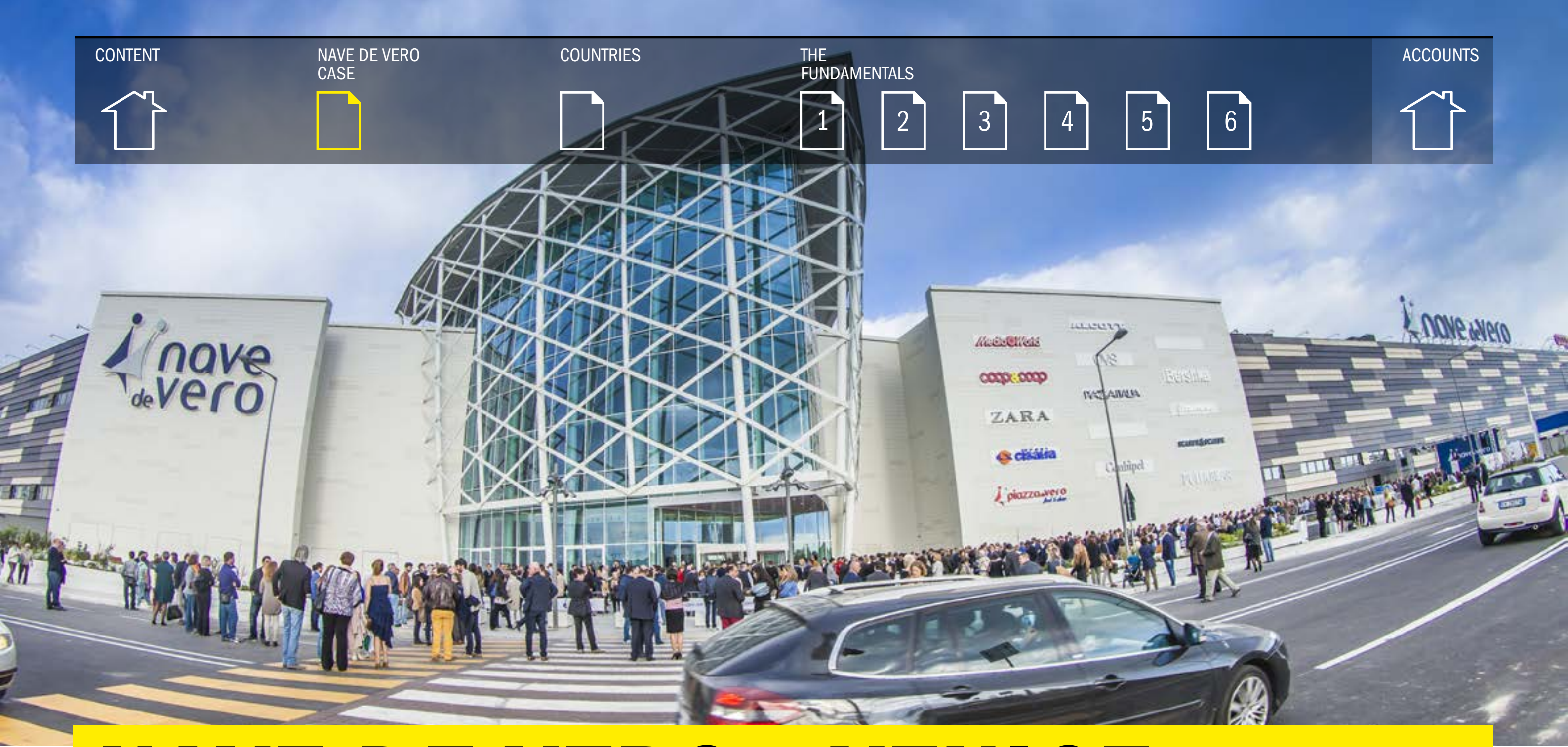
DIRECT RESULT

Direct result amounted to € 122.6 m (H1 2013: € 130.6 m). The direct result per share decreased by € 0.11 to € 1.24. Net rental income for Corio's portfolio decreased to € 194.6 m (including Equity Accounted Investees) (H1 2013: € 215.3 m). This mainly relates to the disposal of 31 assets for in total € 638 m in 2013 and early 2014 which is only partially compensated by the acquisition of Nave de Vero in Venice.

OCCUPANCY COST RATIO (OCR)

The Occupancy Cost Ratio's fluctuate due to a combination of an increased number of turnover contracts, changing sales and change in rental income.

%	H1 2014	2013
Italy	12.3	11.9
France	11.5	10.7
Spain	13.5	14.9
Turkey	13.4	12.3



NAVE DE VERO - VENICE

NAVE DE VERO IN VENICE OPENED ON 17 APRIL 2014: 98% OCCUPIED, RENTS SLIGHTLY ABOVE PROJECTION

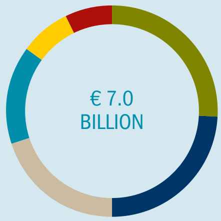
Nave de Vero shopping centre in Marghera (near Venice) opened its doors on 17 April 2014 (just before Easter). The launch campaign was built around the three key themes ‘good looks, good taste and good fun’, this refers to the three tiered offering of the shopping centre. A state of the art design with strong reference to the region and the city, excellent food offer and a full entertainment offer, applying the experience and skills gained in our dominant centres like Le Gru in Torino and Campania near Naples. The new building is also the first project in the Italian market in this sector to have obtained the BREEAM ‘Very Good’ certification. In addition to its success Nave de Vero is set to create over 1,000 new jobs. On the opening day we hosted 50,000 visitors.

Corio acquired the shopping centre in line with last published pipeline details with an investment of € 188.8 m, the value increased to € 200.3 m at 30 June 2014. The shopping centre was 98% occupied at opening.

TENANTS

- Coop&Coop with its innovative format utilising an area of 5,500 m^2 offering quality food, a pharmacy, and an eatery;
- Six of the best known brands of Inditex: Zara, Pull & Bear, Bershka, Oysho, Stradivarius and Zara Home
- Other tenants are a.o. Apple, Oviesse, Cisalfa, Alcott, Liu Jo, Calzedonia, Intimissimi, Tezenis, Benetton, Piazza Italia, Scarpe & Scarpe, Desigual, Sephora and Footlocker.

GEOGRAPHIC SPREAD BY VALUE (PROPERTY VALUE OF EAI FOR CORIO SHARE)



- ITALY 26%
- NETHERLANDS 24%
- FRANCE 20%
- GERMANY 15%
- SPAIN/PORTUGAL 8%
- TURKEY 7%

VALUATION OVERVIEW H1 2014 (INCLUDING EQUITY ACCOUNTED INVESTEES AND IMPAIRMENTS FOR TURNKEY DEVELOPMENTS)

€ million	IT	NL	FR	GE	SP/PO	TU	Total
Grand total	**78.1**	**-26.0**	**-27.6**	**-32.3**	**-30.7**	**-13.0**	**-51.5**
Revaluation standing and development assets	52.8	-32.7	-29.6	-32.3	-30.7	-12.4	-84.8
Valuation EAI	25.3		2.0			-0.6	26.7
Impairment for turnkey development		6.7					6.7

NET THEORETICAL YIELDS**

%	IT	NL	FR	GE	SP/PO	TU	Total
30 June 2014	6.3	6.7	5.7	5.7	7.3	8.5	6.5
31 December 2013	6.6	7.1	6.1	6.0	8.0	8.4	6.8

* Total IFRS adjustment on capitalised lease incentives amounts to € 1.4 m.

** Net Theoretical Yield (NTY) is calculated as an output yield by dividing the Net Theoretical Rental Income by the Net Market Value. The Net Theoretical Rental Income is the sum of the annualised contractual rent plus turnover based rent plus other income plus market rent for vacancy minus total non-recoverable operating expenses.

EXPENSES

Operating expenses were down € 1.6 m, at € 38.1 m (H1 2013: € 39.7 m). This is mainly the result of the disposals. Net administrative expenses in the first half year at € 14.8 m were lower than last year (H1 2013: € 22.7 m) due to staff reduction following the disposal program, some timing effects and a relative high level of charges to disposals and Nave de Vero project.

EQUITY ACCOUNTED INVESTEES

The direct share of results from Equity Accounted Investees (EAIs) decreased by € 2.6 m to € 12.4 m (H1 2013: € 15.0 m). The decrease in direct result for the EAIs is related to the sales of Le Kupka C and a one off related to foreign exchange results in H1 2013 of € 3.0 m.

DIRECT FINANCING EXPENSES

Net direct financing expenses decreased € 7.5 m in H1 2014 to € 45.4 m (H1 2013: € 52.9 m). The interest expense decreased € 7.1 m as a result of lower interest rates and a lower average debt level.

CORPORATE INCOME TAX

The corporate income tax was close to the level of 30 June 2013 with € 4.6 m (H1 2013: € 4.3 m).

INDIRECT RESULT

The valuation of the property portfolio showed an overall impact of € 51.5 m negative consisting of: revaluation of standing and development assets in the portfolio (€ 84.8 m negative), revaluation Equity Accounted Investees (€ 26.7 m) and a positive effect based on impairment assessments of turnkey development projects (€ 6.7 m in other indirect result). Related to the positive revaluations, especially in Italy, we saw an increase of deferred tax liability (€ 11.6 m). The positive contribution in finance expenses is driven by the value change of derivatives (€ 13.5 m).

REVALUATION OF PORTFOLIO

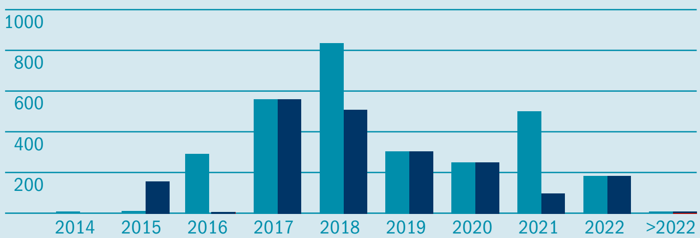
In line with Corio's valuation policy, the operational portfolio and the development portfolio are appraised quarterly at fair value. All valuations comply with IFRS and all external valuations are performed in compliance with the valuation standards in the 'Red Book' of the Royal Institute of Chartered Surveyors (RICS) and the International Valuation Standards of the International Valuation Standard Committee (IVSC).

All properties were valued externally as per 30 June 2014, with the exception of some properties for which a sale was initiated or agreed upon, but the ownership was not transferred yet. For these properties the agreed sales price has been taken as the value.

Total revaluations for the portfolio over H1 2014 including Equity Accounted Investees and developments were € 51.5 m negative. Mainly as a result of the disposals and transfer of properties the Net Theoretical Yield decreased from 6.8% at year-end 2013 to 6.5% at 30 June 2014.

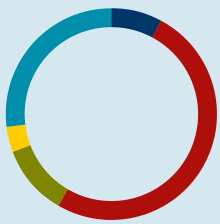
Alexandrium - Rotterdam

MATURITY AND INTEREST RESET DATE € MILLION



MATURITY
INTEREST RESET DATE (INTEREST RESET FOR 2014 € 860 M)

COMPOSITION DEBT PORTFOLIO



UNSECURED LOANS 8%
EURO BONDS 51%
RCF 9%
SECURED LOANS 4%
US PPS 28%

NET RESULT

The net result in H1 2014 (sum of direct and indirect result) amounted to € 55.6 m, or € 0.56 per share.

PORTFOLIO

The value of the property portfolio decreased in H1 2014 by € 214.0 m, from € 7,007.2 m to € 6,793.2 m. This decrease reflects the balance of downward revaluations of € 86.2 m, acquisitions and investments of € 245.4 m (including capitalised interest of € 6.6 m), executed disposals of € 397.2 m and other changes of € 24.0 m.

FINANCING

%	30 June 2014	31 December 2013
Leverage (%)	42.2	43.7
Average interest for the last Quarter (%)	3.5	3.5
Average duration of debt (year)	4.6	4.8
% loans with a fixed interest	74	65
Interest cover ratio	3.5	3.5
Headroom (€ m)	606	611

Shareholders' equity (including non-controlling interests) decreased € 70.1 m to € 3,625.6 m in H1 2014 (year-end 2013: € 3,695.7 m). This reflects the effects of the net result of € 55.6 m, the cash distribution of dividend of € 120.1 m, the consolidation of the results of the non-controlling interests amounting to € 0.6 m, and other changes of € 5.0 m.

The net asset value on a per share basis excluding non-controlling interests (NAV) amounted to € 35.46 per share at 30 June 2014 (year-end 2013: € 37.07). NNNAV was € 34.88 per share on 30 June 2014 (year-end 2013: € 37.65 per share).

Leverage was 42.2% on 30 June 2014 from 43.7% at year-end 2013 (both after netting debt with freely available cash and cash deposits at group level). The decrease of the leverage is mainly the result of proceeds from disposals, acquisition of Nave de Vero and payment of dividend early June 2014. The financing headroom under committed facilities was € 606 m (year-end 2013: € 611 m).

Total interest-bearing debt decreased to € 2,918.8 m at 30 June 2014 from € 3,079.1 m at year-end 2013. The average maturity of the debt decreased to 4.6 years on 30 June 2014 from 4.8 years at year-end 2013 and the proportion of fixed-interest debt was 74% at 30 June 2014 (65% at year-end 2013). The average interest rate in Q2 2014 was 3.5% (Q2 2013: 3.7%).

Campania - Naples

42.6% OF SHAREHOLDERS OPTED FOR STOCK

The General Meeting of Shareholders approved the dividend of € 2.13 per share for the 2013 financial year in cash or stock, within the constraints imposed by the company's FBI status. 42.6% of total dividend was distributed in stock.

OUTLOOK

With the effect of disposals during H1 and developments coming into operation, Corio expects to arrive at a direct result between € 227 m and € 233 m or between € 2.28 and € 2.34 on a per share basis for 2014.

RISKS

With regard to existing risks, reference is made to our 2013 Annual Report (page 68-70). The key risks have not changed. These are still applicable and represent the key challenges we currently face.

The Dutch Financial Markets Supervision Act (Wet op het financieel toezicht) has been amended further to implementation of the European Directive 2011/61/EU on Alternative Investment Fund Managers (the "AIFMD"). Pursuant to this amendment, Corio is no longer an investment institution within the meaning of the Dutch Financial Markets Supervision Act, whereby the current license will not by operation of law be converted as of 22 July 2014. As a result hereof, the license of Corio as investment institution ended as of 22 July 2014. The regulations applicable to listed companies, as amongst others laid down in the Dutch Financial Markets Supervision Act, continue to apply in full.

RELATED PARTY TRANSACTIONS

With regard to related party transactions, we refer to page 37 of this report.

MANAGEMENT BOARD STATEMENT

We hereby declare that, to the best of our knowledge, the semi-annual financial statements, which have been prepared in accordance with IAS 34, 'Interim Financial Reporting', give a true and fair view of the assets, liabilities, financial position and income statement of Corio N.V. and the undertakings included in the consolidation as a whole, and the semi-annual management report, includes a fair review of the information required pursuant to section 5:25d. subsections 8 and 9 of the Dutch Act on Financial Supervision (Wet op het financieel toezicht).

Utrecht, 6 August 2014

G.H.W. Groener,
CEO and Chairman of the Management Board of Corio N.V.

B.A. van der Klift,
CFO and Member of the Management Board of Corio N.V.

F.Y.M.M. Fontaine,
CDO and Member of the Management Board of Corio N.V.

DIRECT AND INDIRECT RESULT AND NAV

Corio recognises direct and indirect result as shown in the table below. Direct result reflects recurring income from core operational activities and certain company-specific adjustments. Unrealised changes in valuation, gains or losses on disposal of properties, and certain other items do not provide an accurate picture of the company's underlying operational performance and are therefore shown separately as indirect result.

GROUP RESULTS

€ million	H1 2014	H1 2013
Gross rental income	214.6	236.5
Property operating expenses (including service charges)	-38.1	-39.7
Net rental income	**176.5**	**196.8**
Administrative expenses	-14.8	-22.7
Operating income	**161.7**	**174.1**
Share of profit of equity accounted investees (direct)	12.4	15.0
EBIT	**174.0**	**189.1**
Net finance expenses (direct)	-45.4	-52.9
Current tax	-4.6	-4.3
Other direct result	0.1	-0.1
Direct result	**124.1**	**131.8**
Non-controlling interest (direct)	1.5	1.2
Direct result (excluding non-controlling interest)	**122.6**	**130.6**
Net revaluation on investment and development properties	-80.4	-176.4
Result on sale of investment properties	-5.8	-9.0
Share of result of equity investees (indirect)	20.1	-10.3
Impairment of goodwill	-0.8	0.0
Net finance expense (indirect)	15.3	-19.3
Deferred tax expense / current tax	-11.6	-10.1
Other income / expense	-5.9	-13.7
Indirect result	**-69.0**	**-238.8**
Non-controlling interest (indirect)	-2.0	-1.8
Indirect result (excluding non-controlling interest)	**-67.0**	**-237.0**
Net result (including non-controlling interest)	55.0	-107.0
Shareholders	55.6	-106.4
Non-controlling interest	-0.6	-0.6
Result per share (€) based on weighted number of shares		
Direct result	1.24	1.35
Indirect result	-0.68	-2.45
Net result	0.56	-1.10
Number of shares end of period	100.8	98.3
Average weighted number of shares	98.7	96.5

RECONCILIATION EQUITY ACCOUNTED INVESTEES DIRECT RESULT

€ million	H1 2014	H1 2013
Net rental income	18.1	18.5
Administrative expenses	-0.8	-1.0
Net finance expenses	-4.9	-5.2
Corporate income tax	0.1	-0.3
Other direct result	-0.1	3.0
Total	**12.4**	**15.0**

RECONCILIATION ADJUSTED NAV AND NNNAV TOTAL

€ million	30-06-2014	31-12-2013
Shareholders' equity	3,574.2	3,643.7
Fair value of financial instruments	24.5	27.6
Deferred tax	315.1	293.8
Goodwill as a result of deferred tax	-71.0	-56.6
Adjusted NAV	**3,842.8**	**3,908.5**
Fair value of financial instruments	-24.5	-27.6
Change loans to market value	-274.4	-150.6
Deferred tax (EPRA)	-29.7	-29.7
Adjusted NNNAV	**3,514.2**	**3,700.5**

RECONCILIATION ADJUSTED NAV AND NNNAV ON A PER SHARE BASIS

€ per share	30-06-2014	31-12-2013
Shareholders' equity	35.46	37.07
Fair value of financial instruments	0.24	0.28
Deferred tax	3.13	2.99
Goodwill as a result of deferred tax	-0.70	-0.58
Adjusted NAV	**38.13**	**39.76**
Fair value of financial instruments	-0.24	-0.28
Change loans to market value	-2.72	-1.53
Deferred tax (EPRA)	-0.29	-0.30
Adjusted NNNAV	**34.88**	**37.65**
Share price at closing	37.30	32.58
NAV Premium/(discount) %	5.2%	-13.5%

EPRA COST RATIO

€ million	H1 2014	H1 2013	2013	2012
Administrative expenses	14.8	22.7	39.1	45.4
Operating expenses	26.2	30.9	59.2	58.9
Net service charges	11.9	8.8	23.4	19.1
Share of Equity Accounted Investees expenses	4.1	4.6	9.2	9.4
Ground rent payable	-5.1	-5.6	-11.3	-10.6
EPRA Costs (including direct vacancy costs (A)	**51.9**	**61.4**	**119.6**	**122.2**
Direct vacancy costs	-9.4	-7.0	-18.7	-15.3
EPRA Costs (excluding direct vacancy costs) (B)	**42.5**	**54.4**	**100.9**	**106.9**
Gross Rental Income less ground rents	209.5	230.9	450.8	465.0
Gross Rental Income less ground rents EAI	21.5	22.9	44.3	44.7
EPRA Gross Rental Income (C)	**231.0**	**253.8**	**495.1**	**509.7**
EPRA Cost Ratio (including direct vacancy costs) (A/C)	22.5%	24.2%	24.2%	24.0%
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	18.4%	21.4%	20.4%	21.0%
Overhead and operating expenses capitalised	6.1	4.3	12.3	10.3

L'Orto - Campania - Naples

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corio has chosen a company specific shared value approach as a basis for CSR. This means that we have the ambition to optimise performance on elements that create value environmentally, socially and economically at the same time. The case for this approach is clear. It helps us build strong and meaningful relations with consumers and anticipate their changing demands and needs. Consumer loyalty helps us sustain and increase visitor count. It deepens the relationship with retailers, often having sustainability goals of their own, fuelling innovative partnerships and sustaining high occupancy levels. It enables us to provide our employees a sound working environment, where they can get the best out of themselves. It helps us hedge against rising energy prices and other environmental challenges. It further embeds our centres in the communities in which we operate, securing our license to operate and to grow.

L'Orto - Campania - Naples

HIGHLIGHTS AND PERFORMANCE FOR SIX MONTHS ENDED 30 JUNE 2014

Key performance indicator	FMP/ TRC	H1 2014	Target
Consumer surveys held (%)	FMP	47	50% of all FMP's every year
Vacant Gross Leasable Area (GLA) used for community investment projects (%)	FMP	0.64	Develop and implement a community strategy around the impact areas Entrepreneurship, Education and Employment
Electricity intensity (kWh/m^2)	FMP and TRC	33	- 15% by 2015 (2009 - 2015)
Sustainable electricity (% of total)	FMP and TRC	55	Increase sustainable electricity
Green leases signed (%)	FMP	88	100% of all new contracts are Corio green leases
Green clauses in contracts suppliers (%)	FMP	98	100% compliant
Code of conduct signed by suppliers in development (%)	FMP and TRC	66	Increase active supply chain management
Developments opened with BREEAM certification (%)	FMP and TRC	100	100% new developments delivered with BREEAM Good or higher certificate

Performance assessment on CSR takes place using two sets of measuring entities: the Key Performance Indicators (KPI's) and the targets with a 2014 deadline and continuous timeframe, both consolidated and on business unit level. Only centres that have been in operation for the full reporting period are in scope.

In the first six months (further: H1) of 2014 Corio continued to outperform on it's long term environmental target which are: 15% reduction on energy consumption intensity and 25% reduction on CO_2 emission intensity (for the period 2009-2015). The current performance on these long term targets is -28% electricity use (kWh/m^2), -33% energy use (GJ/m2) and -60% CO_2 emissions (tonnes CO_2/m^2). Several stakeholder engagement topics (consumer and tenant engagement and supply chain compliance) remain challenging, which has our attention. Electricity intensity remains on course in reduction, which is according to target. Overall performance on the short term target slightly decreased from 78% of the targets achieved in H1 2013 to 74% of the targets achieved in H1 2014:

Target, continuous or with 2013 deadline, is 100% achieved or with a SMART plan to make this target

Target with continuous timeline, partially achieved, in progress, some issues or risks involved to make this target

Target with a 2013 timeline not achieved and no SMART plan to make this target

PERFORMANCE ON THE CORIO CSR KEY TOPICS

PUTTING CONSUMERS FIRST

By driving consumer satisfaction, through engagement and dialogue, we create strong relationships and loyalty. We measure consumer satisfaction through consumer surveys performed in the centres and consumer complaint procedures implemented.

Slightly less centres have performed consumers surveys in H1 2014 (47%) when compared to H1 2013 (59%). H1 2014 again saw an increase in initiatives to inform consumers and visitors about CSR measures and results on the centres. In other business units plans are being developed for the second half of 2014 in collaboration with the marketing department.

Targets related to this topic have been achieved for 83%, remaining stable when compared to H1 2013 (86%):

ROOTED IN SOCIETY

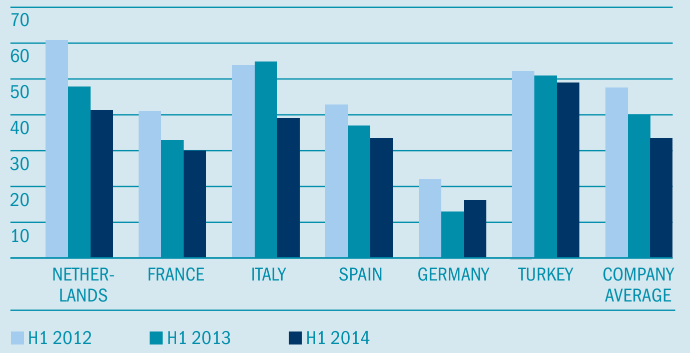
Engagement with the community secures our license to operate and to grow. We increase this by investing in three areas that directly influence the success of our centres: Employment, Education and Entrepreneurship (the 3E strategy). This defines our community investment approach and secures our licence to operate.

Please find below some examples of community investment projects, performed in H1 2014:

	3E project
Netherlands	Donating lettable units in Hoog Catharijne (Utrecht) to starting companies
France	‘Forum des métiers’ in Grand Littoral (Marseille)
Spain	Gran Via de Hortaleza (Madrid) shopping centre invests in the foreign language education of the children in the neighbourhood
Italy	Information days from University for local high school students in GrandE-milia (Modena)
Germany	Opening of a free public library in Forum Duisburg (Duisburg)
Turkey	Seminars for students in Teras Park (Denizli) on how to a define successful career path

The investments Corio makes within this scope are currently measured in terms of vacant GLA made available for community investment projects. This KPI is an input indicator, reflecting the effort we are making and does not give information on the results and outcomes of these investments. This is however a first step in assessing our impact on the community. We relate the performance on this key topic for H1 2014 to organising 3E projects which have been achieved for 100%:

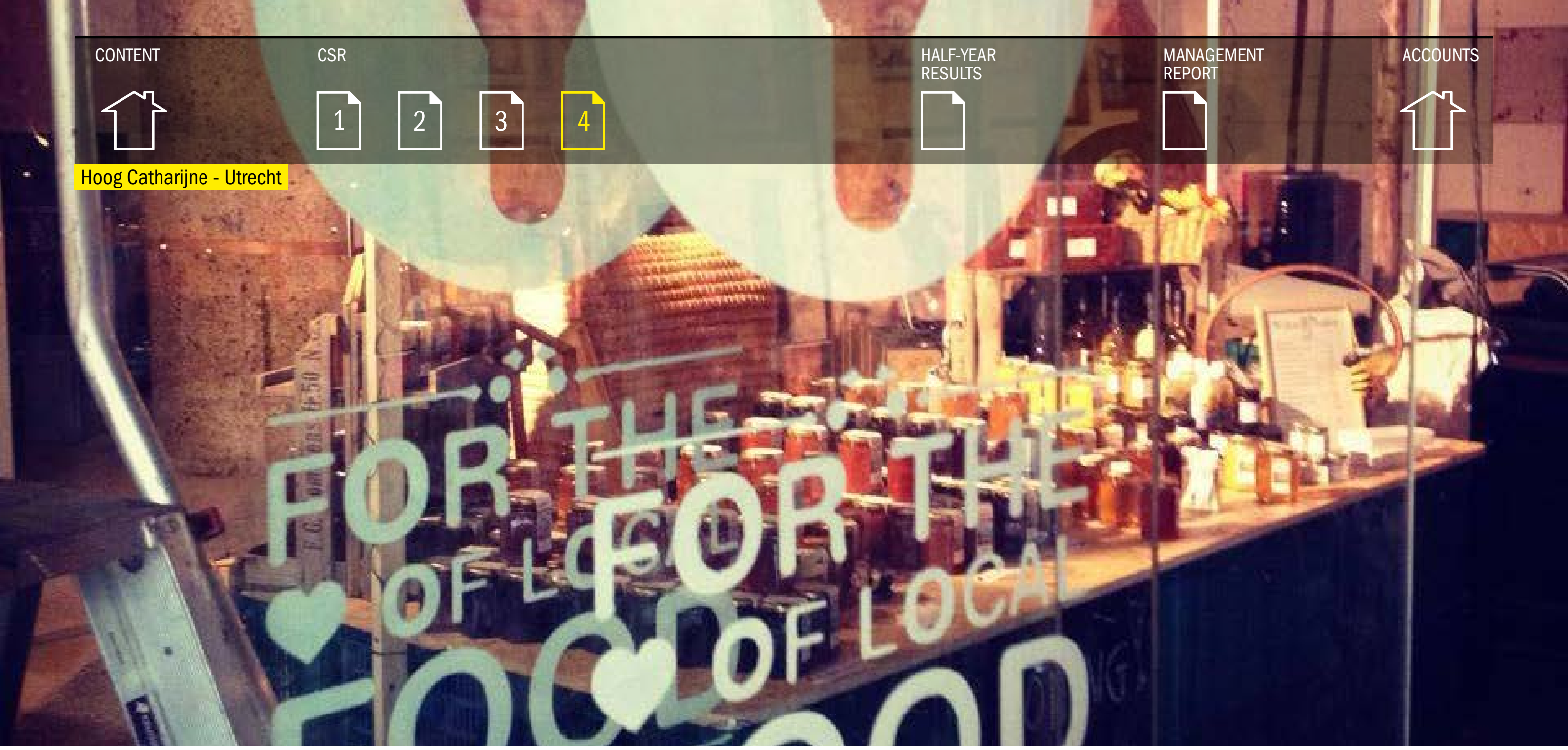
ELECTRICITY INTENSITY (KWH/M²)



SUSTAINABILITY IN OUR OPERATIONS

To us, sustainability means to find the optimal mix in the integration of social, environmental, aesthetic and economic quality in our centres. We measure sustainability in our operations by means of electricity consumption, CO_2 intensity and stakeholder engagement: the signing of green leases with our tenants, and our suppliers sign green clauses and the code of conduct.

Next to reducing it’s overall electricity use, Corio remains to increase it’s purchase of electricity from sustainable resources: it currently makes up 55% of the electricity mix, compared to 45% in H1 2013. The KPI for carbon emissions is only fully measured at year end, when data on gas, fuel, heat and cold is available as well. However, the consistent reduction of electricity consumption and the increase of sustainable electricity purchased results in a continuing decrease of the Corio CO_2 footprint. Tenant engagement remains stable around 70% of the targets achieved, when compared to last year, but supplier engagement (and subsequently procurement) needs further attention as these remain below target.



Hoog Catharijne - Utrecht

We have set targets on increasing stakeholder engagement (64% green), reduction in green house gas emissions (83% green) and increasing the sustainability of operational centres (72% green). Our key long term environmental targets reads: 15% reduction on energy consumption intensity and 25% reduction on CO_2 emission intensity (for the period 2009-2015). As per year-end 2013 the performance on these targets is -28% electricity use (kWh/m^2), -33% energy use (GJ/m^2) and -60% CO_2 emissions (tonnes CO_2/m^2). These totals exclude Germany, as the German assets have not been in portfolio from 2009. The long term targets have been achieved well within time.

CREATING SUSTAINABLE CENTRES

We integrate sustainability fully in the design and construction of all centres. We implement this ambition by obtaining BREEAM certificates from an independent agency and by the signing of our code of conduct by our development suppliers.
In the first six months of 2014 Nave de Vero (Marghera, Italy) opened it's doors with a BREEAM 'Very Good'. Corio further received a BREEAM development certification for two parts of Hoog Catharijne: the Entrance Building received a BREEAM 'Very Good' and the 'Poortgebouw' even scored BREEAM 'Excellent'.
66% of suppliers for our (re)developments have signed the Code of Conduct in the first half of 2014, compared to 95% in the first half of 2013.
We have set targets on minimizing our environmental impact of the (re)developments (75% green): the compliance to BREEAM Good standard and the realisation of Environmental Impact Assessments.

LOOKING AHEAD

The focus in the second half year of 2014 will be on the following:

- Executing the BREEAM in Use target and collection of best practices from the BU's in order to extend the scope in 2015 efficiently;
- Enhancing structural stakeholder engagement, such as consumer and tenant satisfaction and supply chain management;
- The execution of a climate change risk assessment of the portfolio, resulting in a comprehensive plan to mitigate risks.

Please also see www.corio-eu.com/csr for more information about CSR strategy, targets and highlights.

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

CONDENSED CONSOLIDATED INCOME STATEMENT

€ million	Note	Six months ended 30 June 2014	2013
Gross rental income		**214.6**	**236.5**
Service charges recovered from tenants		46.9	51.9
Service charges		-58.8	-60.7
Net service charges		**-11.9**	**-8.8**
Property operating expenses		**-26.2**	**-30.9**
Net rental income		**176.5**	**196.8**
Proceeds from sales of investment property		397.2	69.3
Carrying amount of investment property sold	6	-403.0	-78.3
Results on sales of investment property		**-5.8**	**-9.0**
Valuation gains		148.2	66.1
Valuation losses		-228.6	-242.5
Net valuation gain/loss on investment property	**6**	**-80.4**	**-176.4**
Administrative expenses		**-14.8**	**-22.7**
Impairment of assets	**8**	**-0.8**	**–**
Other income and expenses	**2**	**-5.8**	**-13.8**
Results before finance expenses and tax		**68.9**	**-25.1**
Finance costs		-34.7	-76.8
Finance income		4.6	4.6
Net finance expenses	**3**	**-30.1**	**-72.2**
Share of result of equity accounted investees (net of income tax)	**4**	**32.5**	**4.7**
Result before tax		**71.3**	**-92.6**
Current Tax		-6.5	-4.8
Deferred Tax		-9.8	-9.6
Tax	**5**	**-16.3**	**-14.4**
Net result		**55.0**	**-107.0**
Attributable to:			
Shareholders		55.6	-106.4
Non-controlling interest		-0.6	-0.6
Net result		**55.0**	**-107.0**
Weighted average number of shares		98,679,279	96,512,430
Result per share (€)			
Basic earnings per share	**10**	0.56	-1.10
Diluted earnings per share	**10**	0.56	-1.10

The notes on pages 25 to 37 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ million	Six months ended 30 June 2014	2013
Net result attributable to shareholders	**55.6**	**-106.4**
Net result attributable to non-controlling interest	-0.6	-0.6
Net result	**55.0**	**-107.0**
Other comprehensive income:		
Items that may be subsequently be reclassified to profit and loss		
Foreign currency translation differences for foreign operations	0.1	0.4
Effective portion of the changes in fair value of the cash flow hedges	-5.1	-0.9
Other comprehensive income for the year, net of tax*	**-5.0**	**-0.5**
Total comprehensive income	**50.0**	**-107.5**
Attributable to:		
Shareholders	50.6	-106.9
Non-controlling interest	-0.6	-0.6
Total comprehensive income	**50.0**	**-107.5**

* Effective tax rate for comprehensive income is nil.

The notes on pages 25 to 37 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ million	Note	30 June 2014	31 December 2013
ASSETS			
Investment property	6	5,789.9	6,063.8
Investment property under development	6	630.7	594.5
Investment in equity accounted investees		372.6	348.9
Other property related investments		111.6	111.3
Derivative financial instruments	12	1.3	1.3
Intangible assets	8	78.2	63.1
Property, plant and equipment		21.1	23.1
Deferred tax assets		30.4	28.4
Other non-current receivables		27.0	18.6
Total non-current assets		**7,062.8**	**7,253.0**
Trade and other receivables		182.5	174.6
Other property related investments		0.2	22.6
Derivative financial instruments		0.2	0.6
Cash and cash equivalents		22.3	8.8
Total current assets		**205.2**	**206.6**
Total assets		**7,268.0**	**7,459.6**
EQUITY			
Share capital	9	1,007.8	983.0
Share premium	9	1,469.1	1,404.6
Reserves	9	1,041.7	1,506.6
Net result for the year		55.6	-250.5
Total shareholders' equity		**3,574.2**	**3,643.7**
Non-controlling interest		51.4	52.0
Total equity		**3,625.6**	**3,695.7**
LIABILITIES			
Loans and borrowings	11	2,589.3	2,678.1
Provisions		33.7	39.2
Deferred tax liabilities		345.5	322.2
Derivative financial instruments	12	26.0	24.5
Other non-current payables		37.2	45.1
Total non-current liabilities		**3,031.7**	**3,109.1**
Bank overdraft		13.7	15.5
Loans and borrowings	11	329.5	401.0
Trade and other payables		267.5	233.4
Derivative financial instruments		-	4.9
Total current liabilities		**610.7**	**654.8**
Total liabilities		**3,642.4**	**3,763.9**
Total equity and liabilities		**7,268.0**	**7,459.6**

The notes on pages 25 to 37 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

€ million	Note	Six months ended 30 June 2014	2013
Cash flows from operating activities			
Result before tax		71.3	-92.6
Adjustments for:			
Share of result of equity accounted investments		-32.5	-4.7
Net finance costs	3	30.1	72.2
Depreciation/Amortisation/Impairment		0.4	2.4
Valuation gains and losses	6	80.4	176.4
Gains and losses on disposals		5.8	9.0
Change receivables		-40.5	-22.2
Change payables		0.2	98.3
Change in provisions and employee benefits		-5.6	2.3
Cash generated from operations		**109.6**	**241.1**
Finance income received		5.8	4.6
Finance expense paid		-48.5	-75.3
Tax paid		-6.5	-4.8
Net cash from / (used in) operating activities		**60.4**	**165.6**
Cash flows from investing activities			
Proceeds from sale of investment property	6	398.1	69.3
Acquisition of investment property	6	–	-404.1
Investment in investment property	6	-20.8	-18.8
Acquisition through business combinations, net of cash	7	-9.4	–
Change in other property related investments		22.2	48.8
Investment in investment property under development	6	-39.6	-34.6
Change in equity accounted investees		2.9	–
Investment in property, plant and equipment and other intangible assets		-0.9	-2.1
Dividends received		7.5	9.2
Net cash used in investing activities		**360.0**	**-332.3**
Cash flows from financing activities			
Share premium non-controlling interest		–	–
Proceeds from loans and borrowings		243.1	782.0
Repayments of loans and borrowings		-527.7	-439.3
Dividends paid	9	-120.1	-190.0
Cash settlement net investment hedges		-0.4	-0.4
Net cash from / (used in) financing activities		**-405.1**	**152.3**
Net increase/(decrease) in cash and cash equivalents		**15.3**	**-14.4**
Cash and cash equivalents at 1 January		-6.7	-7.1
Cash and cash equivalents at 30 June*		**8.6**	**-21.5**
* Reconciliation of cash and cash equivalents at 30 June			
Cash and cash equivalents		22.3	13.1
Bank overdraft		**-13.7**	**-34.6**
Net cash and cash equivalents		**8.6**	**-21.5**

The notes on pages 25 to 37 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2013

€ million	Share Capital	Share Premium	General Reserve	Re-valuation Reserve	Associates Reserve	Hedge Reserve	Translation Reserve	Net result for the period	Total	Non-controlling interest	Total
Balance as at 31 December 2012	**961.8**	**1,425.8**	**212.0**	**1,451.3**	**38.0**	**-7.8**	**-15.3**	**16.0**	**4,081.8**	**48.0**	**4,129.8**
Profit appropriation 2012	–	–	109.1	-104.2	11.1	–	–	-16.0	–	–	–
Balance as at 1 January 2013	**961.8**	**1,425.8**	**321.1**	**1,347.1**	**49.1**	**-7.8**	**-15.3**	**–**	**4,081.8**	**48.0**	**4,129.8**
Net result	–	–	–	–	–	–	–	-106.4	-106.4	-0.6	-107.0
Other comprehensive income	–	–	–	–	–	-0.9	0.4	–	-0.5	–	-0.5
Total comprehensive income	**–**	**–**	**–**	**–**	**–**	**-0.9**	**0.4**	**-106.4**	**-106.9**	**-0.6**	**-107.5**
Dividends to shareholders	21.1	-21.2	-189.9	–	–	–	–	–	-190.0	–	-190.0
Non-controlling interest due to acquisitions	–	–	–	–	–	–	–	–	–	7.6	7.6
Additional share premium non-controlling interest	–	–	–	–	–	–	–	–	–	0.7	0.7
Balance as at 30 June 2013	**982.9**	**1,404.6**	**131.2**	**1,347.1**	**49.1**	**-8.7**	**-14.9**	**-106.4**	**3,784.9**	**55.7**	**3,840.6**

CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2014

€ million	Share Capital	Share Premium	General Reserve	Re-valuation Reserve	Associates Reserve	Hedge Reserve	Translation Reserve	Net result for the period	Total	Non-controlling interest	Total
Balance as at 31 December 2013	**983.0**	**1,404.6**	**131.9**	**1,347.1**	**49.1**	**-5.9**	**-15.6**	**-250.5**	**3,643.7**	**52.0**	**3,695.7**
Profit appropriation 2013	–	–	-86.0	-164.5	–	–	–	250.5	–	–	–
Balance as at 1 January 2014	**983.0**	**1,404.6**	**45.9**	**1,182.6**	**49.1**	**-5.9**	**-15.6**	**–**	**3,643.7**	**52.0**	**3,695.7**
Net result	–	–	–	–	–	–	–	55.6	55.6	-0.6	55.0
Other comprehensive income	–	–	–	–	–	-5.1	0.1	–	-5.0	–	-5.0
Total comprehensive income	**–**	**–**	**–**	**–**	**–**	**-5.1**	**0.1**	**55.6**	**50.6**	**-0.6**	**50.0**
Dividends to shareholders	24.8	64.5	-209.4	–	–	–	–	–	-120.1	–	-120.1
Non-controlling interest due to acquisitions	–	–	-	–	–	–	–	–	–		
Additional share premium non-controlling interest	–	–	–	–	–	–	–	–	–		
Balance as at 30 June 2014	**1,007.8**	**1,469.1**	**-163.5**	**1,182.6**	**49.1**	**-11.0**	**-15.5**	**55.6**	**3,574.2**	**51.4**	**3,625.6**

The notes on pages 25 to 37 are an integral part of these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

REPORTING ENTITY

Corio N.V. ('Corio' or 'the Company') is a closed-end property investment fund and is licensed under the Dutch Act on Financial Supervision (Wet op het financieel toezicht: 'WFT'). The Company is domiciled in Utrecht, the Netherlands. Corio is listed on the Dutch Stock Exchange. The Group owns and manages shopping centers. This condensed consolidated interim financial information has been prepared by the Management Board and was authorised for publication on 6 August 2014. These condensed consolidated interim financial statements have been reviewed, not audited.

TAX STATUS

Corio has the tax status of an investment company in accordance with section 28 of the Dutch "Wet op de vennootschapsbelasting 1969". This means that no corporation tax is due in the Netherlands, provided that certain conditions are met. The main conditions concern the requirement to distribute the taxable profit as dividend and the restrictions with respect to financing of investments with loans. The subsidiaries in France have a similar status. Subsidiaries in other countries have no specific tax status.

BASIS OF PREPARATION

STATEMENT OF COMPLIANCE

This condensed consolidated interim financial information for the six months ended 30 June 2014 has been prepared in accordance with IAS 34 Interim Financial Reporting. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with the International Financial Reporting Standards ('IFRS') as adopted by the European Union.

BASIS OF MEASUREMENT

The condensed consolidated interim financial information has been prepared on the basis of historical cost except for investment property, investment property under development, financial assets at fair value through income statement and derivatives, which are recognised at fair value and loans and receivables are measured at amortised cost. Unless otherwise stated, the figures are presented in millions of euros rounded to one decimal place.

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') The condensed consolidated financial information is presented in euros, which is the Company's functional currency and the Group's presentation currency.

USE OF ESTIMATES AND ASSUMPTIONS

The preparation of the condensed consolidated interim financial information in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and various other factors considered appropriate. Actual results may differ from these estimates. The estimates and underlying assumptions are constantly reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period relate to

- The value of the investment property (under construction)
- The impairment test of goodwill
- The fair value of derivatives

SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial information for the six months ended 30 June 2014 relates to the Company and its subsidiaries (together referred to as the 'Group') and to the Group's investments in associates and interests in joint arrangements.

The accounting policies applied and methods of computation are consistent with those of the annual financial statements for the year ended 31 December 2013, as described in those financial statements, except for the changes mentioned in section (B) 'NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP'.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to the expected total annual earnings.

CHANGES IN ACCOUNTING POLICIES

The following new standards, amendments to standards and interpretations relevant to Corio are applied for the first time for the financial year beginning 1 January 2014. Unless otherwise mentioned, these changes had no impact on income statement and equity.

(A) CHANGES IN ACCOUNTING POLICIES

Corio has not changed her accounting policies, except for the changes mentioned in section (B) 'NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP'.

(B) NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The Group applies, for the first time, certain standards and amendments that require restatement of previous financial statements. These include IAS 27 (Revised 2011) Separate financial statements, IAS 28 (revised 2011) Associates and joint ventures, IAS 32 Financial instruments: Presentation, IFRS 10 Consolidated financial statement, IFRS 11 Joint arrangement, IFRS 12 Disclosures of Interest in other entities. As required by IAS 34, the nature and the effect of these changes are disclosed below.

Several other new standards and amendments apply for the first time in 2014. However, they do not impact the annual consolidated financial statements of the Group or the interim condensed consolidated financial statements of the Group.

The nature and the impact of each new standard/amendment relevant to the Group, is described below:

IAS 27, 'Separate financial statements', IAS 27 (revised 2011) includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10. IAS 27 only applies to separate financial statements and has not materially impacted the Group's financial position or result.

IAS 28, 'Associates and joint ventures', IAS 28 (revised 2011) includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11. The revised standard defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment. Application of the revised standard has not materially impacted the Group's financial position or result.

Amendments to IAS 32, 'Financial instruments: Presentation', on asset and liability offsetting. These amendments are to the application guidance in IAS 32 'Financial instruments: Presentation', and clarify some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. The amendment affected presentation only and has not materially impacted the Group's financial position or result.

IFRS 10, 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. IFRS 10 includes a new definition of control that contains three elements: a) power over an investee, b) exposure, or rights to variable returns from involvement with the investee, and c) the ability to use power over the investee to affect the amount of the investor's returns. The Group has considered the IFRS10 guidance in order to determine whether the changed definition of control changes the consolidation conclusion made by the Group. Based on this consideration the Group has concluded that the control and consolidation conclusions remain unchanged for the Group.

IFRS 11, 'Joint arrangements'. IFRS 11 is focusing on the rights and obligations of the parties to the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and therefore accounts for its share of assets, liabilities, revenue and expenses. Joint ventures arise where the joint venturer has rights to the net assets of the arrangement and therefore equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed. The group conducted an analysis of all existing arrangements to determine whether the Group has invested in a joint operation or a joint venture upon adoption of the new standard. Based on this consideration the Group has concluded that the application of the new standard does not impact the Group's financial position or result.

IFRS 12, 'Disclosure of interests in other entities'. IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Group assessed the Information disclosed in the notes to the consolidated financial statements and extent some of the notes in order to fulfil the IFRS 12 requirements. IFRS 12 affected presentation only and had no impact on the Group's financial position or result.

(C) NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT EFFECTIVE FOR THE FINANCIAL YEAR BEGINNING 1 JANUARY 2014 AND EARLY ADOPTED

Corio has not early adopted new and amended standards.

(D) NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT EFFECTIVE FOR THE FINANCIAL YEAR BEGINNING 1 JANUARY 2014 AND NOT EARLY ADOPTED

IFRS 9, 'Financial instruments', addresses the (a) classification, measurement and recognition, (b) impairment and (c) hedge accounting of financial assets and financial liabilities. The final version of IFRS 9 has been issued in July 2014. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. Corio Intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2018.

IFRIC 21, 'Levies' provides guidance on when to recognise a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amount of the levy is certain. The interpretation clarifies that an entity recognises a liability for a levy no earlier than when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. IFRIC 21 is endorsed for financial periods starting after 17 June 2014. Corio will adopt IFRIC 21 starting 1 January 2015. The Group is currently analysing the impact of IFRIC 21 on the financial position and result of the Group.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the group.

(E) CHANGE IN PRESENTATION

Management considers the business from a geographic perspective and no longer from a portfolio perspective following strong progress on the disposal programme. The new segment information is based on Corio's management structure and on the internal reporting lines at Corio. The comparative figures have been adjusted accordingly.

1 SEGMENTED INFORMATION

BUSINESS SEGMENT INFORMATION SIX MONTHS ENDED 30 JUNE 2014

€ million	Netherlands	France	Italy	Spain/ Portugal	Germany	Turkey	Head office and other	Total
Gross rental income	**57.7**	**39.7**	**46.3**	**23.7**	**30.2**	**17.0**	**–**	**214.6**
Net service charges	-2.3	-3.1	-0.2	-2.5	-2.5	-1.3	–	-11.9
Property operating expenses	-9.9	-3.1	-4.0	-4.6	-2.2	-2.4	–	-26.2
Net rental income	**45.5**	**33.5**	**42.1**	**16.6**	**25.5**	**13.3**	**–**	**176.5**
Results on sales of investment property	**-1.8**	**-3.8**	**–**	**-0.2**	**–**	**–**	**–**	**-5.8**
Valuation gains	70.4	4.1	55.3	7.1	8.9	2.4	–	148.2
Valuation losses	-101.8	-29.5	-0.8	-37.9	-43.5	-15.2	–	-228.6
Net valuation gains/losses on investment property	**-31.4**	**-25.4**	**54.5**	**-30.8**	**-34.6**	**-12.8**	**–**	**-80.4**
Administrative expenses	-3.8	-3.3	-0.2	-1.2	-2.4	-2.2	-1.7	-14.8
Impairment of assets	–	–	-0.8	–	–	–	–	-0.8
Other income/expense	5.1	-6.4	-3.6	-0.5	–	–	-0.4	-5.8
Results before finance expense	**13.6**	**-5.4**	**92.0**	**-16.1**	**-11.5**	**-1.7**	**-2.1**	**68.9**
Finance costs	–	–	–	–	–	–	-34.7	-34.7
Finance income	–	–	–	–	–	–	4.6	4.6
Net finance expense	**–**	**–**	**–**	**–**	**–**	**–**	**-30.1**	**-30.1**
Share of results of equity accounted investees	–	3.8	23.7	–	–	5.1	-0.1	32.5
Result before tax	**13.6**	**-1.6**	**115.7**	**-16.1**	**-11.5**	**3.4**	**-32.3**	**71.3**
Current tax	–	-0.1	-1.1	-4.2	-0.6	-0.3	-0.2	-6.5
Deferred tax	–	-0.4	-20.2	1.3	0.5	2.3	6.8	-9.8
Tax expense	**–**	**-0.5**	**-21.3**	**-2.9**	**-0.1**	**2.0**	**6.6**	**-16.3**
Net result	**13.6**	**-2.1**	**94.3**	**-19.0**	**-11.6**	**5.4**	**-25.6**	**55.0**
Non-controlling interest	–	0.2	–	0.3	-1.2	0.1	–	-0.6
Net result attributable to shareholders	**13.6**	**-2.3**	**94.3**	**-19.3**	**-10.4**	**5.3**	**-25.6**	**55.6**

30 June 2014 € million	Netherlands	France	Italy	Spain/ Portugal	Germany	Turkey	Head office and other	Total
Investment property	1,539.6	1,188.2	1,439.4	543.6	735.6	343.4	–	5,789.9
Investment property under development	149.1	157.0	–	–	313.0	–	11.6	630.7
Investments in equity accounted investees	–	84.2	121.4	–	–	167.0	–	372.6
Other assets	26.3	55.4	110.1	59.6	45.5	30.5	147.5	474.8
Total assets	**1,715.0**	**1,484.8**	**1,670.9**	**603.2**	**1,094.1**	**540.9**	**159.2**	**7,268.0**

BUSINESS SEGMENT INFORMATION SIX MONTHS ENDED 30 JUNE 2013*

€ million	Netherlands	France	Italy	Spain/ Portugal	Germany	Turkey	Head office and other	Total
Gross rental income	70.4	48.0	42.3	26.8	32.0	17.0	–	236.5
Net service charges	-2.1	-3.7	0.5	-2.4	-0.1	-1.0	–	-8.8
Property operating expenses	-12.7	-3.3	-3.9	-5.0	-3.3	-2.7	–	-30.9
Net rental income	**55.6**	**41.0**	**38.9**	**19.4**	**28.6**	**13.3**	**–**	**196.8**
Results on sales of investment property	**-9.0**	**–**	**–**	**–**	**–**	**–**	**–**	**-9.0**
Valuation gains	18.0	8.0	22.9	0.3	9.2	3.7	–	62.1
Valuation losses	-71.6	-95.4	-2.4	-46.1	-14.3	-8.7	–	-238.5
Net valuation gains/losses on investment property	**-53.6**	**-87.4**	**20.5**	**-45.8**	**-5.1**	**-5.0**	**–**	**-176.4**
Administrative expenses	-4.3	-3.9	-3.0	-1.4	-3.9	-2.9	-3.3	-22.7
Impairment of assets	–	–	–	–	–	–	–	–
Other income/expense	-2.0	–	-9.2	–	-1.9	-0.1	-0.6	-13.8
Results before finance expense	**-13.3**	**-50.3**	**47.2**	**-27.8**	**17.7**	**5.3**	**-3.9**	**-25.1**
Finance costs	–	–	–	–	–	–	-76.8	-76.8
Finance income	–	–	–	–	–	–	4.6	4.6
Net finance expense	**–**	**–**	**–**	**–**	**–**	**–**	**-72.2**	**-72.2**
Share of results of equity accounted investees	–	-2.6	3.2	–	–	4.4	-0.3	4.7
Result before tax	**-13.3**	**-52.9**	**50.4**	**-27.8**	**17.7**	**9.7**	**-76.4**	**-92.6**
Current tax	-0.1	-0.5	-0.8	-1.6	-1.5	-0.2	-0.1	-4.8
Deferred tax	–	0.5	-10.6	10.5	0.2	-10.2	–	-9.6
Tax expense	**-0.1**	**–**	**-11.4**	**8.9**	**-1.3**	**-10.4**	**-0.1**	**-14.4**
Net result	**-13.4**	**-52.9**	**39.0**	**-18.9**	**16.4**	**-0.7**	**-76.5**	**-107.0**
Non-controlling interest	–	–	–	-0.1	1.1	-1.6	–	-0.6
Net result attributable to shareholders	**-13.4**	**-52.9**	**39.0**	**-18.8**	**15.3**	**0.9**	**-76.5**	**-106.4**

31 December 2013 € million	Netherlands	France	Italy	Spain/ Portugal	Germany	Turkey	Head office and other	Total
Investment property	1,741.8	1,392.3	1,196.6	611.1	769.5	352.5	–	6,063.8
Investment property under development	116.6	157.8	4.9	–	303.6	–	11.6	594.5
Investments in equity accounted investees	–	83.3	97.8	–	–	167.8	–	348.9
Other assets	29.8	50.4	112.7	58.1	35.7	57.4	108.2	452.3
Total assets	**1,888.2**	**1,683.8**	**1,412.0**	**669.2**	**1,108.8**	**577.7**	**119.8**	**7,459.5**

* The figures have been adjusted for presentation purposes as mentioned in the notes.

2 OTHER INCOME AND EXPENSES

€ million	30 June 2014	30 June 2013
Other income	0.1	–
Other expenses	-5.9	-13.8
Other income and expenses	**-5.8**	**-13.8**

In 2014 other income and expenses mainly consist of the net effect of additions and a release to the provision for turnkey projects in The Netherlands amounting to € 6.8 million (positive effect) and restructuring costs in The Netherlands and France amounting in total to € 2.5 million. Furthermore acquisition costs (regarding the acquisition of Nave de Vero) and disposal costs totalling € 9.7 million are included. The 2013 other expenses consisted mainly of costs of cancelled projects amounting to € 10.0 million and an addition to the provision related to a turnkey project in the Netherlands.

3 NET FINANCE EXPENSES

€ million	30 June 2014	30 June 2013
Finance costs	-34.7	-76.8
Finance Income	4.6	4.6
Net finance expenses	**-30.1**	**-72.2**

The finance costs are lower compared to the same period last year, because of one-off repayment costs for the early redemption of a loan (€ 16.0 million) in 2013 and because of a positive effect of € 13.5 million related to changes in the fair value of derivatives in the first six months of 2014. Furthermore the interest expense decreased € 7.1 million as a result of lower interest rates and a lower average debt level.

4 SHARE OF RESULT OF EQUITY ACCOUNTED INVESTEES

The increase of the result in equity accounted investees from € 4.7 million in the first six months of 2013 to € 32.5 million in the first six months of 2014 is mainly the result of the positive revaluation of the Italian investment property.

5 TAX

The tax charge increased with € 1.9 million from € 14.4 million in the first half of 2013 to € 16.3 million in the first half of 2014. The deferred tax charge increase mainly relates to positive revaluation of the Italian investment property.

6 INVESTMENT PORTFOLIO

€ million	Investment property	Investment property under development	Total
Balance as at 1 January 2014	**6,063.8**	**594.5**	**6,658.3**
Acquisitions	–	–	–
Investments	20.8	33.0	53.8
Acquisitions through business combinations	185.0	–	185.0
Transfer from property under development	2.5	-2.5	–
Transfer from investment property	–	–	–
Capitalised interest	–	6.6	6.6
Sales	-403.0	–	-403.0
Revaluations	-79.5	-0.9	-80.4
Other	0.3	–	0.3
Balance as at 30 June 2014	**5,789.9**	**630.7**	**6,420.6**

The line item ‘acquisitions through business combinations’ in the first half year of 2014 relates to the acquisition of Nave de Vero In Italy. Investments amounted to € 60.4 million (including capitalised interest) are mainly done in the Netherlands, Germany, France and Turkey. In the first half year of 2014 eleven shopping centres in The Netherlands, two in Spain and eight in France were sold with a carrying amount of € 403.0 million. Total revaluation amounted to € 80.4 million negative. Investment property and investment property under development on the disposal list as at 30 June 2014 amounts to € 432.2 million (Excluding EAI) (31 December 2013: € 868.0 million).

FAIR VALUE OF INVESTMENT PROPERTY

Investment properties measured at fair value in the statement of financial position are categorised by level according to the significance of the inputs used in making the measurements. Based on the fact that the significant inputs are unobservable the fair value measurement of investment property is categorised in Level 3 (valuation technique based on assumptions that are not based on available observable market data).

Corio's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of event or change in circumstances that caused the transfer from unobservable to observable inputs. There were no transfers in or out of Level 3 fair value measurements for investment properties in the first half year of 2014.

Fair values for investment properties are determined using the discounted cash flow method and/or the direct capitalisation method, in which market parameters concerning rents and yields are based on comparable and current market transactions. In all cases reference transactions for both market rent and yield are included in the valuation report.

Investment properties are valued on a highest and best used basis. For all of Corio's investment properties the current use is considered to be the highest and best use.

Movements in fair value of investment property is presented in the income statement under the line Item Valuation gains or Valuation losses.

VALUATION PROCESSES

Corio's valuation policy entails a quarterly appraisal of fair value for the operational and development portfolio. All external valuations are performed in compliance with the valuation standards in the 'Red Book' of the Royal Institute of Chartered Surveyors (RICS) and the International Valuation Standards of the International Valuation Standard Committee (IVSC). External valuations, based on the highest and best use, are performed twice a year at 30 June and 31 December for all investment properties that generate rental income. The external valuations are carried out by independent certified appraisers with recognised and relevant professional qualifications and experience within the local market and the category of properties to be valued. Corio provides the appraiser with adequate information to conduct a comprehensive valuation. At least once every three years a rotation or change in appraisers takes place. To assure the independence of the appraisers, valuation fees are not directly related to the market value of the properties.

The net Theoretical Yield (NTY) is calculated as an output yield by dividing the Net Theoretical Rental Income by the Net Market Value. The Net Market Value is the estimated amount for which a property should exchange on the date of valuation. The Net Theoretical Rental Income (NTRI) is the sum of the annualised contractual rent (excl. discounts and rent incentives) plus turnover based rent plus other income plus market rent for vacancy minus total non-recoverable operating expenses. Gross Leasable Area (GLA) is any part of property, expressed in physical m2 and owned by Corio.

Significant unobservable inputs at 30 June 2014 In Level 3 valuations are as follows:

Class	Input	Weighted average	Input	Weighted average in €
Retail				
Netherlands	NTY	6.7%	NTRI/GLA	243
France	NTY	5.7%	NTRI/GLA	282
Italy	NTY	6.3%	NTRI/GLA	353
Spain/Portugal	NTY	7.3%	NTRI/GLA	237
Germany	NTY	5.7%	NTRI/GLA	217
Turkey	NTY	8.8%	NTRI/GLA	125
Other	NTY	15.6%	NTRI/GLA	119

ESTIMATES

The fair value of the portfolio implies a net theoretical yield of 6.5% (2013: 6.8%). If the yields used for the appraisals of investment properties on 30 June 2014 had been 100 basis points higher than is currently the case, the value of the investment would decrease with 13.3% (2013: 13.7%).

A sensitivity analysis with possible changes in yield and net theoretical rental income (NTRI) result in the following changes in portfolio value:

SENSITIVITIES OF OPERATIONAL PORTFOLIO VALUE (EXCL EQUITY ACCOUNTED INVESTEES)

Change in Portfolio Value (in%)		Change in Yield			
2014		-50 base points	50 base points	100 base points	150 base points
	6.5%	6.0%	7.0%	7.5%	8.0%
Change in NTRI		8.3%	-7.1%	-13.3%	-18.7%
+5%	5.0%	13.7%	-2.5%	-8.9%	-14.6%
-5%	-5.0%	2.9%	-11.7%	-17.6%	-22.7%
-10%	-10.0%	-2.6%	-16.4%	-21.9%	-26.8%
-15%	-15.0%	-8.0%	-21.0%	-26.3%	-30.9%

effect of change in yield only	effect of change in NTRI only	combined effect of change in yield and NTRI

FAIR VALUE OF INVESTMENT PROPERTY UNDER DEVELOPMENT

Investment properties under development measured at fair value in the statement of financial position are categorised by level according to the significance of the inputs used in making the measurements. Based on the fact that the significant inputs are unobservable the fair value measurement of investment property under development is categorised in Level 3.

Corio's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of event or change in circumstances that caused the transfer from unobservable to observable inputs. There were no transfers in or out of Level 3 fair value measurements for investment properties under development in the first six months of 2014.
Fair values for investment properties under development are calculated using the discounted cash flow method and/or the direct capitalisation method, in which market parameters concerning rents and yields are based on comparable and current market transactions. In all cases reference transactions for both market rent and yield are included in the valuation report.

Investment properties under development are valued on a highest and best used basis. For all of Corio's investment properties under development the current use is considered to be the highest and best use.

Movements in fair value of investment property under construction is presented in the income statement under the line Item Valuation gains or Valuation losses.

VALUATION PROCESSES

Corio's valuation policy entails a quarterly appraisal of fair value for the operational and development portfolio. All external valuations are performed in compliance with the valuation standards in the 'Red Book' of the Royal Institute of Chartered Surveyors (RICS) and the International Valuation Standards of the International Valuation Standard Committee (IVSC). External valuations, based on the highest and best use, are performed twice a year at 30 June and 31 December for investment properties under development. The external valuations are carried out by independent certified appraisers with recognised and relevant professional qualifications and experience within the local market and the category of properties to be valued. Corio provides the appraiser with adequate information to conduct a comprehensive valuation. At least once every three years a rotation or change in appraisers takes place. To assure the independence of the appraisers, valuation fees are not directly related to the current market value of the properties.

For the largest objects in investments under development significant unobservable inputs at 30 June 2014 in Level 3 valuations are as follows: Market rent is the estimated amount for which a part in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. The market rent is a gross rent before any deduction of operational expenses. The Exit yield is the Net Initial Yield (NIY) at the end of the projected cash flow. For Investment property under construction valuations it represents the yield applied at the end of the cash flow to the net income when the property has become fully operational to arrive at the gross value of the property. Gross Lettable Area (GLA) is any part of property, expressed in physical m2 and owned by Corio.

Class	Market rent per GLA in €	Exit Yield (range)
Largest objects*	211 - 504	4.95% - 6.20%

*The largest objects in this table represent 92.68% of total portfolio investments under development

7 BUSINESS COMBINATIONS

SUMMARY OF ACQUISITIONS FOR THE SIX MONTHS ENDED AS AT 30 JUNE 2014 (€ MILLION)

Company name	Acquisition date	Interest	Consideration	Goodwill
Shopping centre Nave de Vero, Marghera	14 April 2014	100%	10.5	15.2

The acquisition of Nave de Vero as at 14 April 2014 is the result of Corio's objective to expand in existing markets if a shopping centre fits in Corio's strategy. Nave de Vero is a shopping centre in Marghera, Venice. Control is obtained by acquiring the majority of the shares resulting in a majority of the voting power in this company. Corio owns 100% of the shares of the company.

The acquisition of shopping centre Nave de Vero, Marghera resulted in a positive goodwill. This amount has been included in the statement of financial position as part of the intangible assets. The positive goodwill is caused by the difference between purchase price and net equity acquired, mainly the result of a deferred tax liability that is accounted for under IFRS at nominal value which has not been taken into account at nominal value at the acquisition.

SUMMARY OF RECOGNISED AMOUNTS AS OF THE ACQUISITION DATE

€ million	Recognised amount*
Investment property	188.0
Intangible Assets	–
Deferred tax assets	–
Trade and other receivables (current)	10.1
Cash and cash equivalents	1.1
Loans and borrowings	-150.4
Deferred tax liabilities	-11.6
Trade and other payables (current)	-41.9
Net assets and liabilities (Equity)	-4.7
Non-controlling interest	–
Equity	-4.7
Goodwill (statement of financial position)	15.2
Consideration	10.5

* The fair value determined in the purchase price allocation are preliminary figures

The consideration has been paid in cash. Corio has not agreed on any contingent considerations.

The fair value of the company's trade and other receivables represent the best estimate at acquisition date of the contractual cash flows that can be collected. This amount equals gross contractual amount.

ACQUISITION-RELATED COSTS

Acquisition-related costs for the Business Combinations are included in the income statement as part of 'other income and expense' for an amount of € 3.4 million.

Net rental income included in the condensed consolidated income statement from acquisition date (14 April 2014) to 30 June 2014 contributed by Nave de Vero was € 2.2 milion. Nave de Vero also contributed profit of € 10.6 million over the same period, mainly as a result of the positive fair value change of the investment property as per 30 June 2014.

Had Nave de Vero been consolidated from 1 January 2014, the condensed consolidated income statement for the six months ended 30 June 2014 would show pro-forma net rental income of € 2.2 million and pro-forma profit of € 9.6 million.

8 INTANGIBLE ASSETS

The negative revaluations on some shopping centres have been indications that the related goodwill may need to be impaired. For those cash generating units, goodwill was tested for impairments. For the first half year of 2014 an impairment on goodwill was recorded for an amount of € 0.8 million. This amount is presented in the income statement on the line item impairment of assets.

9 EQUITY

SHARE CAPITAL

As at 30 June 2014, the share capital comprised 100,776,951 fully-paid up shares (31 December 2013: 98,295,391).

The shareholders are entitled to receive the dividends declared from time to time and are entitled to cast one vote per share at meetings of the Company.

The authorised capital comprises 120 million shares each with a nominal value of € 10. As at 30 June 2014, 100,776,951 shares were issued (31 December 2013: 98,295,391). The number of shares issued has increased due to stock dividend on 3 June 2014 (2,481,560 shares).

DIVIDEND

Corio offered the shareholders a dividend of € 2.13 per share for the financial year 2013 entirely in cash, less 15% dividend tax, or entirely in shares charged to the share premium reserve, or to receive the dividend as a combination of the two options, within the constraints imposed by the company's FBI (fiscale beleggingsinstelling) status and the wish of Corio to retain the maximum of earnings in the company.

The management Board announced on 28 May 2014 that shareholders wish to receive a distribution in cash for 57.36% of the total dividend. The shareholders who have opted for a distribution in cash have received cash dividend (less 15% dividend tax). Of the dividend for 2013 € 89.3 million was paid out in stock and € 120.1 million in cash.

10 EARNINGS PER SHARE

NET RESULT PER ORDINARY SHARE

The calculation of earnings per share as at 30 June 2014 is based on the net result for the period which is attributable to the shareholders, amounting to € 55.6 million positive (2013: € 106.4 million negative), and the weighted average number of issued shares during the first half year, calculated as follows:

	Six months ended 30 June	
€ million	2014	2013
Net result attributable to shareholders	55.6	-106.4
Weighted average number of ordinary shares	98,679,279	96,512,430
Earnings per share (€)	**0.56**	**-1.10**

The earnings per share are not subject to any potential dilutive effects.

11 LOANS AND BORROWINGS

This note gives information on the contractual conditions of the Group's loans and borrowings. See note 12 for more information.

€ million	30 June 2014	31 December 2013
Long-term		
Mortgaged bank loans	99.1	193.9
Other loans	1,231.8	1,224.3
Bonds	1,258.4	1,259.9
	2,589.3	**2,678.1**
Short-term		
Mortgaged bank loans	7.2	14.3
Other loans	322.3	386.7
	329.5	**401.0**
	2,918.8	**3,079.1**

The decrease of the long-term secured loans is mainly the result of the early repayment of several secured loans. Movements in short-term other loans consist mainly of less commercial paper and less drawdowns under revolving credit facilities.

12 FINANCIAL INSTRUMENTS

FINANCIAL RISK

The Group is exposed to a number of financial risks, i.e. credit risk, liquidity risk and market risk (mainly currency risk and interest rate risk).

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2013.

During the first six months of 2014, there were:
- no changes in the risk management policy;
- no significant changes in the financial risks mentioned in the Group's annual financial statement as at 31 December 2013; and
- no reclassifications of financial assets.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The financial statements have been prepared on a historical cost basis, except for property investments and some of the financial instruments, which are carried at fair value. The carrying amounts of the financial instruments and their fair values were as follows:

€ million		30 June 2014		31 December 2013
	Carrying amount	Fair value	Carrying amount	Fair value
Loans and receivables (excluding taxes)	224.2	224.2	254.7	254.7
Derivative financial instruments (assets)	1.5	1.5	1.9	1.9
Cash and cash equivalents	22.3	22.3	8.8	8.8
Loans and borrowings	-2,932.5	-3,207.0	-3,094.6	-3,245.2
Derivative financial instruments (liabilities)	-26.0	-26.0	-29.4	-29.4
Other payables (excluding taxes)	-239.7	-239.7	-248.4	-248.4

The fair value of the non-current items are measured based on the swap yield curve plus credit spreads applicable to the Group and credit spreads applicable to the counterparties. The fair value adjustments for short term money market securities are minor, due to the short dated nature of the instruments and the relative small notional sizes. Their total fair value approximates the carrying amount because the securities are issued on different dates and for different maturities and amounts, which means that, on average, the minor positive and negative fair value adjustments cancel each other out.

FAIR VALUE HIERARCHIES

The fair values of financial instruments are measured at three levels:
- Level 1: For Corio's public debt the fair value is based on quoted prices in active markets for identical assets or liabilities.
- Level 2: For Corio's private debt the fair value is the present value of the stream of cash flows it is expected to pay. The fair value of the debt is obtained by discounting the expected cash flows to the present using an appropriate discount rate. The discount rate is determined by reference to similar instruments issued by Corio in the public market. Various related yield-measures are calculated for the given price. Financial instruments, whose fair value is based on a valuation technique whose inputs include only observable market data, either directly (i.e., as prices) or indirectly (i.e., derived from prices). The derivatives, with assets totalling € 1.5 million (2013: € 1.9 million) and liabilities of € 26.0 million (2013: € 29.4 million) are categorised at level 2.
- Level 3 Financial instruments, whose fair value is determined in whole or in part using a valuation technique based on assumptions that are not based on available observable market data, are not applicable to Corio.

Level 2 hedging derivatives comprise forward foreign exchange contracts and interest rate swaps. These forward foreign exchange contracts have been fair valued using forward exchange rates that are quoted in an active market. Interest rate swaps are fair valued using forward interest rates extracted from observable yield curves and observable credit default rates. Corio uses a Value At Risk (VAR) model for quantifying the credit risk on the derivatives. The valuation technique used to determine the credit value adjustment (CVA) is based on the Variance/Co-Variance approach, whereby the price action is assumed to be normally distributed, and the variance is determined based on historical time series. Other inputs include Corio's own credit default probabilities and those of the counterparties.

Corio's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of event or change in circumstances that caused the transfer. In the first six months of 2014 there were no transfers between level 1, level 2 and level 3, nor were any transfers into or out of level 3.

13 CONTINGENT LIABILITIES

INVESTMENT COMMITMENTS

As at 30 June 2014, Corio's total committed pipeline amounts to € 629.3 million (2013 € 780.1 million), of which an amount of € 148.4 (2013 € 125.3 million) is already invested, resulting in a future committed pipeline of € 480.9 million (2013: € 654.9 million). These commitments are made up as follows:

€ million	30 June 2014	31 December 2013
First year	145.3	339.0
Second to fourth year	335.6	315.9
Fifth year and more	–	–

Projects in the deferrable pipeline on 30 June 2014 represented a total investment of € 433.2 million (2013: € 442.9 million), including € 117.0 million (2013: € 139.1 million) already invested.

LEASE COMMITMENTS

Minimum lease commitments totalling € 412.5 million (2013: € 430.5 million), mainly related to ground leases, are made up as follows:

€ million	30 June 2014	31 December 2013
First year	12.8	13.8
Second to fourth year	35.5	37.6
Fifth year and more	364.2	379.1

GUARANTEES

Guarantees totalling € 97.0 million (2013: € 63.8 million) have been granted for other possible acquisitions and guarantees for an amount of € 14.1 million (2013: € 16.6 million) for other purposes.

LAWSUITS AND CLAIMS

In February 2012 Corio received a letter from the Bursa municipality requesting to return part of the title of the land on which our Anatolium project is located. This request follows after a lawsuit regarding the expropriation of the former landowners against the municipality. This lawsuit is not yet finalized. The loss of title could materially impact the value of the property, however we are legally contesting the Municipality's request in which we have a strong position. We therefore consider it very unlikely that we will lose part of the title of the land. In addition, Corio has an indemnification of the vendor for any damage that we may suffer in this regard.

For 2006 the Italian tax authorities have issued an assessment for a total amount of € 58.6 million (including penalties and interest) of VAT which according to the tax authorities was incorrectly claimed back by Corio because the underlying transaction is allegedly considered as void by the Tax Authorities. We are legally contesting this assessment in which we have a strong position. We therefore consider it very unlikely that this will lead to material disbursements for the company.

The Italian tax authorities have taken the position that two Italian subsidiaries of Corio were not entitled to apply the exception to the general thin cap rules which states that interest paid on mortgage loans is fully deductible if certain conditions are met. Corio has legal and fiscal opinions which state we have good grounds to defend our position. We therefore consider it unlikely that this will lead to amounts tax payable.

The Spanish tax authorities have made their assessment that the sale and purchase transaction, carries out in 2009 through which Corio acquired the shares of one of our Spanish entities, was subject to transfer tax and proposed a settlement of € 10.3 million of tax payable (including late-payment interest and penalty). We are legally contesting this assessment in which we have strong defence arguments. We therefore consider it unlikely that this will lead to amounts tax payable.

14 RELATED PARTIES

Qualifying as related parties of the Group are its subsidiaries, joint arrangements, associates, members of the Supervisory Board and Management Board and Stichting Pensioenfonds ABP (through direct and indirect holdings). Transactions with related parties take place at arm's length.

Members and close family members of the Supervisory Board and Management Board do not have any material interest in Corio's voting shares and do not have options on the shares. In 2011 one of the Management Board members (B.A. van der Klift) purchased Eurobonds with a nominal value of € 30,000 which were placed by the company at an 4.625% interest rate in October 2010. Mr. Carrafiell (member of the Supervisory Board) is a partner at GreenOak Real Estate. GreenOak Real Estate acts as a consultant with regard to one of Corio's projects. In this regard Mr. Carrafiell did not take part in the deliberations and decision-making regarding these topics in the Supervisory Board, nor did the Company share any information for decision-making with him, in accordance with article 11 of the Supervisory Board rules. In the first six months of 2014 Corio paid an amount of € nil (2013: € 0.12 million) to GreenOak Real Estate. Access to Quality, of which Mr. Van den Berg (member of the Supervisory Board) is one of the owners, has advised Corio on some projects. The related amount Corio paid in the first six months of 2014 is € 0.07 million (2013: € 0.05 million). The Group has not granted any loans to the members of the Supervisory Board and Management Board. Pursuant to the Dutch Authority on Financial Supervision, the members of the Supervisory Board and Management Board of Corio report that they held no personal interest in the Company's investments in 2014.

To the best of Corio's knowledge, ABP is the only shareholder which can be considered a related party within the meaning of the Decree on the Supervision of the Conduct of Financial Undertakings (under the WFT) in that it holds more than 20% of the voting rights conferred by Corio shares. ABP acts as pension fund provider for a number of employees. In 2010, this agreement was extended by five years. The pension contributions are determined according to the ABP retirement plans. During the first six months of 2014, these contributions amounted to € 0.5 million (2013: € 0.5 million). In 2009, Corio contracted a floating-rate inflation linked loan of € 200 million for seven years from a subsidiary of ABP. The balance of this loan as per 30 June 2014 amounts to € 217.4 million (2013: € 216.6 million) and the interest expense for the six months ended 30 June 2014 amounts to € 0.8 million (six-months ended 30 June 2013: € 5.3 million). As per 30 June 2014 Corio has a loan receivable of € 86 million (2013: € 86 million) toward its joint arrangements International Shopping Centre Investment S.A. (Porta di Roma). An amount of € 2.3 million (2013: € 2.2 million) is received as interest income on this loan.

OTHER INFORMATION

EVENTS AFTER THE REPORTING PERIOD

Klépierre and Corio announced on 29 July 2014 that they have reached conditional agreement to create the leading pure play retail property company in Europe. For more details we refer to our website (www.corio-eu.com).

REVIEW REPORT

TO: THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF CORIO N.V.

INTRODUCTION

We have reviewed the accompanying condensed consolidated interim financial information for the six-month period ended 30 June 2014 of Corio N.V., Utrecht, which comprises the condensed consolidated statement of financial position as at 30 June 2014, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and the selected explanatory notes for the six-month period then ended. The Management Board is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

SCOPE

We conducted our review in accordance with Dutch law including standard 2410, Review of Interim Financial Information Performed by the Independent Auditor of the company. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2014 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

Amsterdam, 6 August 2014

PricewaterhouseCoopers Accountants N.V.
Original version signed by drs. P.J. van Mierlo RA

PIPELINE PORTFOLIO

	Project	Additional m² developed	Already Invested incl. capitalised Interest (x € m)	Capitalised Interest (x € m)	Total Investment (x € m)	Expected opening date	Pre let m²	Pre let €	YoC
NETHERLANDS									
Nieuwegein	City Plaza	8,600	1.4	0.4	42.6	Q4 15	70%	100%	7.2%
Rotterdam	Markthal	11,300	3.7	0.1	50.1	Q4 14	60%	100%	6.5%
Utrecht	HC, Phase 2*	20,600	88.5	9.9	330.3	Q2 19	0%	0%	7.1%
Utrecht	Leidsche Rijn Centrum	26,500	3.8	0.5	140.1	Q1 18	0%	0%	5.5%**
Total Netherlands committed			**97.4**	**10.9**	**563.1**				
Total Netherlands deferrable			**24.3**	**5.6**	**186.0**				
TOTAL PIPELINE NETHERLANDS			**121.7**	**16.5**	**749.1**				
FRANCE									
Metz	Saint Jacques***	16,400	5.5	0.9	8.7	Q3 14	75%	73%	11.2%
Total France committed			**5.5**	**0.9**	**8.7**				
TOTAL PIPELINE FRANCE			**5.5**	**0.9**	**8.7**				
GERMANY									
Dresden	Centrum Galerie***	1,000	45.4	5.1	57.5	Q4 14	90%	81%	7.6%
Total Germany committed			**45.4**	**5.1**	**57.5**				
Total Germany deferrable			**92.7**	**8.3**	**247.2**				
TOTAL PIPELINE GERMANY			**138.1**	**13.4**	**304.7**				
Total committed			**148.4**	**16.9**	**629.3**				**6.8%**
Total deferrable			**117.0**	**13.9**	**433.2**				**7.9%**
TOTAL PIPELINE			**265.4**	**30.8**	**1,062.5**				**7.3%**

* Including 1,250 parking places. Project execution in phases, opening will happen seccessively from Q1 2017 to Q2 2019.
** Provisions have been made to mitigate the effect of low yield.
*** Pre-let is a combination of existing rental income and pre-let.

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This financial information contains forward-looking information with respect to the financial position, plans and objectives, activities and market conditions in which the company operates. By their nature, forward-looking statements and forecasts imply risks and uncertainties, as they relate to known and unknown events and circumstances which may or may not happen in the future. The forward-looking statements and forecasts in this report are based on management's current insights and assumptions. The actual results and developments may deviate from those expected, under the influence of factors such as: general economic circumstances, results on the financial markets, changes in interest rate levels and exchange rates, changes in the law and regulatory framework and in the policy of governments and/or regulatory authorities.

QUESTIONS
Should you have any questions, please contact the Investor Relations Department: investor.relations@nl.corio-eu.com or +31 (0) 30 234 67 43.

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