

Rodamco Europe Finance B.V.

Interim Financial Statements

**First half year
June 30, 2011**

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Report of the Management Board

Rodamco Europe Finance B.V. has acted throughout the first half year of 2011 as a dedicated finance company within the Unibail-Rodamco Group, with the objective to borrow funds from third parties and to lend funds to companies of the Unibail-Rodamco Group, in particular to companies held (indirectly) by Rodamco Europe N.V. The Management Board consists of Mr. Peter van Rossum and Mr. Ruud Vogelaar, both also being authorized representatives for Unibail-Rodamco's branch in The Netherlands. The Company had no employees in 2011. Management fees are cross charged through Group Service Charges and recognised as part of other administrative expenses.

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

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

The overall result of the Company for the first half year increased from a negative result of €11.4 million in 2010 with €8.2 million to a negative result of €3.2 million for the first half year of 2011. The interest margin increased with €16.8 million, whereas administrative expenses and other financial expenses increased with together €0.3 million. The fair value result of derivative financial instruments had a more negative result of €4.6 million, whereas foreign exchange result decreased with €3.7 million.

This report contains restated results for the full year 2010. The restatement follows an omission discovered in the preparation of the H1 2011 accounts. Note 2 a) provides further information.

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

The management board of Rodamco Europe Finance B.V. hereby states that, to the best of its knowledge:

- the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of Rodamco Europe Finance B.V.;
- the management board report gives a true and fair view of the important events which occurred during the first six months of 2011 and their effect on the interim financial statements, as well as of the principal risks and uncertainties the issuer faces for the final six months of 2011 and the most important related party transactions.

August 30, 2011

P.M. van Rossum

R. Vogelaar

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

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

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

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

Unaudited Interim Financial Statements

Interim Statement of Income

For the six months ended June 30, 2011

| <i>(in € thousands)</i> | <i>Note</i> | 30.06.2011 | 31.12.2010 <i>(full year)</i> | 30.06.2010 |
|--|-------------|-----------------------|---|------------------------|
| Interest income | | 40.302 | 56.572 | 38.251 |
| Interest expenses | | (40.274) | (91.211) | (55.046) |
| Fair value gain / (loss) derivative financial instruments | 6 | (2.645) | 784 *) | 1.947 |
| Gain on sale of receivables from group companies at amortised cost | | 0 | 0 | 0 |
| Other financial income / (expenses) | | (724) | (1.974) | (668) |
| Net operating income | | <u>(3.341)</u> | <u>(35.829)</u> | <u>(15.516)</u> |
| Administrative income / (expenses) | | (469) | 139 | (182) |
| Foreign exchange gain / (loss) | | 630 | 6.219 | 4.329 |
| Total operating expenses | | <u>160</u> | <u>6.358</u> | <u>4.147,4</u> |
| Profit before taxation | | <u>(3.181)</u> | <u>(29.471)</u> | <u>(11.369)</u> |
| Income tax income / (expense) | 3 | 0 | 0 | 0 |
| Profit / (loss) for the year | | <u><u>(3.181)</u></u> | <u><u>(29.471)</u></u> | <u><u>(11.369)</u></u> |

*) explanation restatement 2010 see note 2 a)

Interim Statement of Comprehensive Income

For the six months ended June 30, 2011

| <i>(in € thousands)</i> | 30.06.2011 | 31.12.2010 <i>(full year)</i> | 30.06.2010 |
|--|-----------------------|---|------------------------|
| Profit / (loss) for the year | (3.181) | (29.471) * | (11.369) |
| Other comprehensive income, net of tax | 0 | 0 | 0 |
| Total comprehensive income for the year, net of tax | <u><u>(3.181)</u></u> | <u><u>(29.471)</u></u> | <u><u>(11.369)</u></u> |

**) explanation restatement 2010 see note 2 a)*

Interim Statement of Financial Position at June 30, 2011

| <i>(in € thousands)</i> | <i>Note</i> | 30.06.2011 | 31.12.2010 | 30.06.2010 |
|--|-------------|-------------------|-------------------|-------------------|
| Assets | | | | |
| Receivables from Group companies | 5 | 68.301 | 68.256 | 92.720 |
| Derivative financial instruments | 6 | 29.443 | 26.183 | 24.614 |
| Derivative financial instruments Group companies | 6 | 0 | 0 | 655 |
| Total financial non current assets | | 97.744 | 94.439 | 117.988 |
| Total non current assets | | 97.744 | 94.439 | 117.988 |
| Receivables from Group companies | 5 | 3.823.661 | 3.599.112 *) | 2.275.542 |
| Derivative financial instruments Group companies | 6 | 0 | 25.010 | 6.151 |
| Other receivables | | 2 | 0 | 941 |
| Cash and bank balances | | 25.827 | 12.510 | (5.634) |
| Total current assets | | 3.849.489 | 3.636.633 | 2.276.999 |
| Total assets | | 3.947.233 | 3.731.072 | 2.394.988 |
| Shareholders' equity | | | | |
| Share Capital | | 350 | 350 | 350 |
| Share Premium | | 2.354 | 2.354 | 2.354 |
| Retained earnings | | 202.070 | 231.541 | 237.757 |
| Unappropriated net profit for the year | | (3.181) | (29.470) *) | (11.369) |
| Total shareholders' equity | 4 | 201.594 | 204.775 | 229.092 |
| Liabilities | | | | |
| Bonds | 7 | 997.380 | 996.803 | 996.206 |
| Derivative financial instruments | 6 | 0 | 0 | 22.443 |
| Liabilities to Group companies | | 500.000 | 500.000 | 0 |
| Total non current liabilities | | 1.497.380 | 1.496.803 | 1.018.649 |
| Bonds | 7 | 0 | 0 | 499.277 |
| Interest-bearing loans and borrowings | 7 | 534.870 | 539.724 | 30.821 |
| Derivative financial instruments | 6 | 7.886 | 75.573 | 53.652 |
| Trade and other payables | | 23.076 | 5.876 | 44.052 |
| Liabilities to Group companies | 5 | 1.682.428 | 1.408.321 | 519.445 |
| Total current liabilities | | 2.248.260 | 2.029.494 | 1.147.246 |
| Total liabilities | | 3.745.640 | 3.526.297 | 2.165.895 |
| Total equity and liabilities | | 3.947.233 | 3.731.072 | 2.394.988 |

*) explanation restatement 2010 see note 2 a)

Interim Statement of Changes in Equity

For the six months ended June 30, 2011

(in € thousands)

| | Share Capital | Share Premium | Retained earnings | Unappropriated net profit for the year | Total |
|--|------------------|------------------|----------------------|--|------------------|
| Opening balance at January 1, 2010 | 350 | 1.432.354 | 923.046 | 172.471 | 2.528.221 |
| Appropriation of net result 2009 | - | - | 172.471 | (172.471) | - |
| Repayment equity | - | (1.430.000) | - | - | (1.430.000) |
| Dividend | - | - | (857.760) | - | (857.760) |
| Total comprehensive income / (loss) for the year, net of tax | - | - | - | (11.369) | (11.369) |
| Balance at June 30, 2010 | 350 | 2.354 | 237.757 | (11.369) | 229.092 |

(in € thousands)

| | Share Capital | Share Premium | Retained earnings | Unappropriated net profit for the year | Total |
|--|------------------|------------------|----------------------|--|-------------------|
| Opening balance at July 1, 2010 | 350 | 2.354 | 237.757 | (11.369) | 229.092 |
| Dividend | - | - | (6.216) | - | (6.216) |
| Total comprehensive income / (loss) for the year, net of tax | - | - | - | (18.101) | (18.101) |
| Balance at December 31, 2010 | 350 | 2.354 | 231.541 | (29.470) | 204.775 *) |

(in € thousands)

| | Share Capital | Share Premium | Retained earnings | Unappropriated net profit for the year | Total |
|--|------------------|------------------|----------------------|--|----------------|
| Opening balance at January 1, 2011 | 350 | 2.354 | 231.541 | (29.470) | 204.775 |
| Appropriation of net result 2010 | - | - | (29.470) | 29.470 | - *) |
| Total comprehensive income / (loss) for the year, net of tax | - | - | - | (3.181) | (3.181) |
| Balance at June 30, 2011 | 350 | 2.354 | 202.071 | (3.181) | 201.594 |

*) explanation restatement 2010 see note 2 a)

Interim Statement of Cashflows

For the six months ended June 30, 2011

| <i>(in € thousands)</i> | <i>Note</i> | 30.06.2011 | 31.12.2010 <i>(full year)</i> | 30.06.2010 |
|---|-------------|-------------------|---|-------------------|
| Operating activities | | | | |
| Profit/ (loss) before tax | | (3.181) | (29.471) | (11.369) |
| Adjustments to reconcile profit (loss) before tax to net cashflows | | | | |
| Interest income | | (40.302) | (56.572) | (38.251) |
| Interest expenses | | 40.274 | 91.211 | 55.046 |
| Other adjustments | | | | |
| Movement in trade and other receivables | | (2) | 3.056 | 2.116 |
| Movement in intercompany receivables and liabilities | 5 | 53.446 | 98.370 | 17.893 |
| Movement in trade and other payables | | (5.828) | (17.707) | (17.465) * |
| Movement in derivative financial instruments | 6 | (45.937) | 26.880 | 44.676 |
| Other adjustments | | 723 | 1.790 | 555 |
| Interest paid | | (17.246) | (85.434) | (11.335) |
| Interest received | | 36.363 | 54.861 | 35.891 |
| Current income taxes paid | | 0 | 0 | 0 |
| Net cashflows from operating activities | | 18.311 | 86.982 | 77.757 |
| Financing activities | | | | |
| Proceeds from bonds and interest-bearing loans and other borrowings | | 177.000 | 539.130 | 245.000 **) |
| Repayment of bonds and interest-bearing loans and other borrowings | | (182.000) | (618.125) | (333.000) **) |
| Net cashflows from (used in) financing activities | | (5.000) | (78.993) | (88.000) |
| Net increase/(decrease) in cash and bank balances | | 13.311 | 7.989 | (10.243) |
| Cash and bank balances at January 1 | | 12.510 | 4.556 | 4.556 |
| Effect of exchange rate fluctuations on cash held | | 6 | (36) | 53 |
| Cash and bank balances at June 30 | 7 | 25.827 | 12.510 | (5.634) |

* Non-cash financing activities include the repayment of share premium (€1,430 thousand) and retained earnings (€864 thousand) which were excluded from the statement of cash flows under IAS 7. Please refer to note 4.

** Figure of 30.06.2010 (when compared to 30.06.2010 statement) divided between proceeds from and repayment of bonds and interest-bearing loans and other borrowings

Notes to the interim condensed financial statements

1 General Information

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

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

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

The interim financial statements were authorized for issue by the management board on August 30, 2011.

2 Basis of preparation and accounting policies

(a) Basis of preparation

The interim financial statements for the six months ended 30 June 2011 have been prepared in accordance with IAS 34 "Interim financial reporting" of the International Financial Reporting Standards (IFRS) and are compliant with the EPRA best practices policy recommendations.

The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at December 31, 2010.

2010 Restatement:

In the preparation of the H1 2011 accounts, an omission in the full year 2010 accounts was identified. It involves a swap transaction between Rodamco Europe Finance B.V. and an affiliated Unibail-Rodamco S.E. company which was omitted from the full year 2010 result. Given the intragroup nature, this omission had no impact on the Unibail-Rodamco S.E. (parent company and guarantor of Rodamco Europe Finance B.V.) consolidated accounts. As a result of the omission, the Rodamco Europe Finance B.V. 2010 net income and equity have been understated by €27.7 million. Corrected 2010 numbers are included in this report in the Interim statement of Income under fair value gain / (loss) derivative financial instruments and Interim Statement of Financial Position under receivables from group companies.

(b) Significant accounting policies

The interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”. As these are interim financial results, they do not include all of the information required by the IFRS and must be read in relation with the Company’s annual consolidated financial accounts for the year ended December 31, 2010.

The accounting principles applied for the preparation of these half-yearly financial accounts are in accordance with the IFRS and interpretations as adopted by the European Union as of June 30, 2011. These can be consulted on the website

http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

The accounting principles and methods used are consistent with those applied for the preparation of the annual consolidated financial statements as at December 31, 2010, except for the application of the following new obligatory standards and interpretations:

- IAS 24 : Related Party Disclosures
- IAS 32 A : Classification of Rights Issues
- IFRIC 14 : Minimum Funding Requirements and their Interaction
- IFRIC 19 : Extinguishing Financial Liabilities with Equity Instruments
- Improvements of IFRS 2010 :
 - IAS 34 A : Interim Financial Reporting
 - IFRS 7 A : Financial Instruments : Disclosures

These standards, amendments and interpretations do not have a significant impact on the Group’s accounts for the first half of 2011.

The following texts were published by the IASB but have not yet been adopted by the European Union:

- IFRS 7 A : Disclosures – Transfers of Financial Assets
- IFRS 9 : Financial instruments
- IFRS 13 : Fair Value Measurement

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

3 Income tax

The Company belongs to a fiscal unity with other Dutch entities of the Group in The Netherlands. It is expected that the Dutch tax authorities will deny the FBI status for the Group's Dutch activities for 2010 onwards. The Group does not agree with this position. In this context of uncertainty, no deferred tax asset has been recognized for significant Dutch tax-loss carry forwards.

In line with this, no tax is shown in the income statement of the Company.

4 Shareholders' equity

The share capital consists of 3,500 authorized shares of which 700 shares are issued and fully paid up at June 30, 2011, identical to 2010. The shares have a par value of €500 each. No movements occurred in 2011 and 2010.

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

In the first half year of 2010, part of the funds available for distribution were paid to the shareholder, partly as repayment on equity, partly as dividend.

5 Receivables and liabilities Group Companies

| <i>(in € thousands)</i> | 30.06.2011 | 31.12.2010 |
|---|------------------|---------------------|
| Non-current Receivables from Group companies | 68.301 | 68.256 |
| Current Receivables from Group companies | 3.823.661 | 3.599.112 *) |
| Total receivables from Group companies | 3.891.962 | 3.667.368 *) |
| Non-current Liabilities to Group companies | 500.000 | 500.000 |
| Current Liabilities to Group companies | 1.682.428 | 1.408.321 |
| Total liabilities from Group companies | 2.182.428 | 1.908.321 |

*) explanation restatement 2010 see note 2 a)

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

| <i>(in € thousands)</i> | 30.06.2011 | 31.12.2010 |
|--|------------------|---------------------|
| Group company assets | | |
| Balance at January 1 | 3.639.704 | 5.449.891 |
| New loans | 315.478 | 1.215.749 *) |
| Redemptions | (346) | (2.733.944) |
| Loans sold to another company within the Unibail-Rodamco Group | 0 | (264.419) |
| Other movements (e.g. currency translation differences and amortization) | 45 | 91 |
| Balance at period end | 3.891.962 | 3.667.368 *) |
| Group company liabilities | | |
| Balance at January 1 | 1.908.321 | 1.297.744 |
| New loans | 367.757 | 902.131 |
| Redemptions | (3.101) | (291.554) |
| Other movements (e.g. currency translation differences and amortization) | 0 | 0 |
| Balance at period end | 2.182.428 | 1.908.321 |

*) explanation restatement 2010 see note 2 a)

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

For the Group companies current assets, weighted average fixed interest rates amount to 1.4%; floating interest rates are based on the major European interest rates including a margin between 1.7% and 2.4%.

6 Derivative Financial Instruments

The tables below summarize the number of contracts, notional amounts, duration and fair values of all outstanding derivative financial instruments. In 2011 the majority of the derivative financial instruments expired.

| <i>(in € thousands)</i> | 30.06.2011 | | | 31.12.2010 | | |
|---|---------------------|----------------|-----------------|---------------------|---------------|-----------------|
| | Number of contracts | Notional in € | Fair value in € | Number of contracts | Notional in € | Fair value in € |
| Interest rate swaps | | | | | | |
| Up to 1 year | 0 | 0 | 0 | 0 | 0 | 0 |
| From 1 to 5 year | 1 | 135,000 | 7,075 | 1 | 135,000 | 9,878 |
| From 5 to 10 years | 0 | 0 | 0 | 0 | 0 | 0 |
| Cross currency swaps | | | | | | |
| Up to 1 year | 2 | (16,212) | 14,482 | 14 | (47,807) | (47,691) |
| From 1 to 5 year | 0 | 0 | 0 | 2 | (16,212) | 13,433 |
| From 5 to 10 years | 0 | 0 | 0 | 0 | 0 | 0 |
| Fx Swap | | | | | | |
| Up to 1 year | 0 | 0 | 0 | 0 | 0 | 0 |
| From 1 to 5 year | 0 | 0 | 0 | 0 | 0 | 0 |
| From 5 to 10 years | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 3 | 118,788 | 21,557 | 17 | 70,981 | (24,380) |
| Derivatives non-current assets | | | 29,443 | | | 26,183 |
| Derivatives current assets | | | 0 | | | 25,010 |
| Swaps with a positive fair value | | | 29,443 | | | 51,193 |
| Derivatives non-current liabilities | | | 0 | | | 0 |
| Derivatives current liabilities | | | (7,886) | | | (75,573) |
| Swaps with a negative fair value | | | (7,886) | | | (75,573) |

7 Bonds, interest-bearing loans and borrowings

| <i>(in € thousands)</i> | 30.06.2011 | 31.12.2010 |
|--|------------------|------------------|
| Non-current liabilities | | |
| Eurobond 7yr (till 2012), nominal € 500 mio, fixed rate 3.75 % | 499,794 | 499,588 |
| Eurobond 10yr (till 2014), nominal € 500 mio, fixed rate 4.375 % | 497,587 | 497,215 |
| | <u>997,380</u> | <u>996,803</u> |
| Current liabilities | | |
| Other, fixed and floating rates average 1,01 % | 534,870 | 539,724 |
| Total debt | <u>1,532,250</u> | <u>1,536,527</u> |

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

| <i>(in € thousands)</i> | 30.06.2011 | 31.12.2010 |
|--|------------------|------------------|
| Balance at January 1 | 1,536,527 | 1,613,734 |
| New loans | 177,000 | 540,000 |
| Redemptions | (182,000) | (618,000) |
| Other movements (e.g. currency translation differences and amortization) | 723 | 793 |
| Balance at period end | <u>1,532,250</u> | <u>1,536,527</u> |

Luchthaven Schiphol, August 30, 2011

Management board :

P.M. van Rossum

R.Vogelaar