

PRESS RELEASE

**RODAMCO EUROPE REPORTS 2.6% INCREASE IN
DIRECT RESULT AFTER TAX IN FIRST THREE MONTHS 2007**

Rotterdam, 8 May 2007 – Rodamco Europe N.V. reports a 2.6% increase in direct result after tax. The net shareholders' profit rose nearly 58%. Strong like-for-like growth in net rental income of 7.2%. Triple NAV per share went up by 6.0%, whereas Property assets grew by 2.8% in comparison to year-end 2006.

Key figures Q1 2007 (amounts in € mln):

	Q1 2007	31.12.2006	Change
Property assets	€10,879	€10,582	2.8%
Property assets in retail sector (%)	93.9% ¹	94.0% ¹	-0.1%
Net initial yield investment property (%)	5.3%	5.4%	0.1%
Committed pipeline	€1,311	€1,308	0.2%
Uncommitted pipeline	€1,352	€1,320	2.4%
Total pipeline	€2,663	€2,628	1.3%
Triple NAV (NNNAV) per share (in €)	€81.01	€76.45	6.0%
Triple NAV (NNNAV)	€7,262	€6,853	6.0%
Market capitalization	€9,327	€9,036	3.2%
		Q1 2006	
Direct result after tax	€96.1	€93.7	2.6%
Indirect result after tax	€290.0	€151.1	91.9%
Net shareholders' profit	€386.1	€244.8	57.7%
Direct result after tax per share (in €)	€1.07	€1.05	2.6%
Indirect result after tax per share (in €)	€3.24	€1.69	91.9%
Net shareholders' profit per share (in €)	€4.31	€2.74	57.7%
Net rental income	€147.8	€136.2	8.5%
Net rental income like for like growth (%)	7.2%	2.5%	4.7%
Overall occupancy rate (%)	98.3%	97.7%	0.6%
Retail occupancy rate (%)	98.9%	98.4%	0.5%
Valuation result investment property	€323.4	€167.1	93.5%

¹Including offices in Sweden



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CEO Maarten Hulshoff: *“We are pleased with the good results in the first three months of 2007, particularly with the like-for-like growth in net rental income of 7.2%, which is mainly due to Rodamco Europe’s focus on top quality retail in dominant locations in key European cities as well as our active retail management. Both the value of our pipeline and property assets continued to grow to respectively € 2.7 billion and € 10.9 billion while the net shareholders profit rose nearly 58%. This once again shows the continued strength and steadiness of Rodamco Europe’s unique and high quality portfolio. We are, more than ever, ready for the proposed merger with Unibail.”*

PERFORMANCE

PORTFOLIO

Property assets increased by €297 million to €10,879 million in the first three months of 2007 compared to €10,582 million at the end of 2006. The contributors to this increase were the substantial valuation results of investment property (€323 million) and pipeline (€7 million), acquisitions (€26 million), capital expenditures in investment properties (€17 million), capitalized costs, interest and investments in pipeline projects (€44 million at cost), offset by divestments (minus €45 million) and various other movements (minus €75 million, mainly currency translation differences).

During the 1st quarter of 2007, Rodamco Europe acquired 6 office buildings in shopping center Leidsenhage in the Netherlands for €24 million. Rodamco bought these offices with the intention to convert them into retail units. Rodamco sold Zeilgalerie shopping center in Germany for an amount of €42 million at a net initial yield of 5.3%.

PIPELINE

The total pipeline - committed, uncommitted and under consideration - adds up to around 1 million m² (approximately one third of our total standing portfolio). The committed and uncommitted pipeline add up to a GLA of approximately 650,000 m² and as per the end of the first quarter amounts to €2.7 billion (end of 2006: €2.6 billion), of which around 49% is committed and 51% uncommitted.

Rodamco Europe has not yet been able to benefit from its agreed 50% interest in the retail section of Złote Tarasy Center in Warsaw, Poland (opened on 7 February, 2007). Rodamco Europe and ING Real Estate are still discussing the formalities regarding the future transfer of ownership and the retail management.



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TRIPLE NET ASSET VALUE

IFRS ignores some business aspects in valuing real estate companies. In line with the Best Practice Policy Recommendations of the European Public Real Estate Association (EPRA) for transparent, uniform and comparable financial information by real estate companies, Rodamco Europe reports the triple net asset value ("Triple NAV" or "NNNAV"). This performance measure does not replace the IFRS disclosure, but provides additional information to help the investors understand the performance of Rodamco Europe even better.

(in € mln)

	Q1 2007	31.12.2006	Change
Net Asset Value	6,858	6,487	371
Valuation surplus pipeline projects	106	93	13
Nominal deferred taxes provisions	598	559	39
Discount deferred taxes provisions	-326	-304	-22
Marked-to-market value of loans and borrowings	26	18	8
Triple NAV (NNNAV)	7,262	6,853	409

The Triple NAV increased by 6.0% to €7,262 million at the end of the first quarter 2007, or €81.01 per share (end of 2006: €76.45) before final dividend 2006 per share of €2.34, which will be paid today. The increase of €409 million was supported by the net shareholders' profit of €386 million, a negative result on foreign currencies of €15 million, a positive movement in the marked-to-market value of loans and borrowings of €8 million, as a result of interest rates moving up, a €13 million higher committed pipeline revaluation potential and a positive net impact of deferred tax provisions of €17 million.

	Q1 2007	31.12. 2006	Change
NAV after tax (€ mln)	€6,858	€6,487	5.7%
Triple NAV (NNNAV) after tax (€ mln)	€7,262	€6,853	6.0%
NAV after tax per share	€76.51	€72.37	5.7%
Triple NAV (NNNAV) per share	€81.01	€76.45	6.0%
Share price end of period	€104.05	€100.80	3.2%
Premium share price versus Triple NAV	28.4%	31.9%	-3.5%



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DIRECT RESULT AFTER TAX

Rodamco Europe focuses on direct result after tax as the key operational performance indicator and for its dividend policy. Direct result after tax increased 2.6% to €96.1 million in the first three months of 2007, compared to €93.7 million in the same period of 2006. This was largely driven by the like for like growth of net rental income.

RENTAL INCOME

The gross rental income increased 7.4% to €169.6 million (first three months 2006: €157.9 million). This increase is the result of rent generated from acquisitions during 2006 and 2007 (€2.5 million; mainly Aupark in Slovakia), from properties coming into operation during 2006 and 2007 (€3.7 million; mainly shopping center Stadshart Almere in the Netherlands and Allee-Center extension in Magdeburg, Germany) and rent increases of €6.2 million. Furthermore, gross rental income increased with higher sales based rent and specialty leasing income.

The increase in gross rental income was partially offset by the effect of disposals, mainly the high street shop portfolios (in 2006) in the Netherlands, which reduced the gross rental income by €4.6 million in the first three months of 2007.

Net rental income increased 8.5% to €147.8 million, compared to €136.2 million in the first three months of 2006.

Overall occupancy went down slightly to 98.3% compared to 98.4% at the end of 2006; retail occupancy remained stable at 98.9% (year end 2006: 98.9%). However, versus the first three months of 2006 overall- and retail occupancy rose by respectively 0.6% and 0.5%.

Like-for-like growth in net rental income was 7.2% against a weighted average indexation of 2.6%. This growth exceeds the 2.5% like-for-like net rental growth in the first three months of 2006 due to strong income growth as a result of new leases, a higher average indexation, sales based rent and additional specialty leasing income. The 7.2% reported like-for-like growth over the first three months of 2007 represents a very strong growth improvement (2006: 4.5% and Q1 2006: 2.5%), however part of this (around 1%) relates to an improvement of the Dutch office occupancy during the second half of 2006 and to additional sales based rent in Central Europe as final 2006 tenant sales exceeded expectations.

The loss of rent improved during the first three months of 2007 to 3.3% (at the end of 2006: 3.8%) due to solid operational management (lower vacancy, less lease incentives) and divestments.

Property operating expenses (excluding net service charges) decreased by 2.4% to €20.2 million in the first three months of 2007 (first three months 2006: €20.7 million).

ADMINISTRATIVE EXPENSES

The administrative expenses increased to €14.1 million in the first three months of 2007 compared to €11.2 million in the same period of 2006. This was mainly caused by an increase of



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IT expenses, increased staffing due to the growth of the investment portfolio in new markets and an increase of pension costs.

NET FINANCING RESULT

The average debt increased slightly with approximately €36 million. The average interest rate during the first three months of 2007 increased to 4.12% (3.84% in the first three months of 2006), despite of the 73% fixed rate funding which caused an increase of interest expenses of €2.4 million. The interest income was €0.6 million lower, due to lower capitalized interest on pipeline projects and higher other interest expenses of €0.3 million.

This resulted in an increase of the net interest expenses by 13.7%, from €30.7 million in the first three months of 2006, compared to €34.9 million in the first three months of 2007.

	Q1 2007	31.12. 2006
Loan to value (total debt/ total capital)	31.9%	33.6%
Net interest coverage EBITDA	3.6	3.6
FFO/total debt	11.2%	11.6%

Under IFRS the foreign exchange result (€0.7 million) and the change in unhedged fair value of financial instruments are also included in the net financing result. In the first three months of 2007, a positive fair value result of financial instruments of €0.7 million was reported (as part of the indirect result), primarily arising on valuation movements of unhedged interest rate swaps. These swaps are not directly linked to specific loans and are therefore not subject to hedge accounting treatment.

TAXES

The movement in the deferred tax position as a result of valuation results of properties and the realization of deferred tax assets (tax losses carry forward) resulted in €47.0 million of deferred income tax expenses (first three months 2006: €22.9 million). The deferred tax expenses are calculated using the nominal tax rates or capital gain tax rates for those countries where there is no tax efficient status like in the Netherlands (FBI) and in France (SIIC).

Income tax expenses amounted to €3.5 million, compared to €0.7 million in the first three months of 2006. A part of the income tax expenses (€0.5 million) is allocated to the indirect result since this relates to tax liabilities arising on indirect results.

NET SHAREHOLDERS' PROFIT

Net shareholders' profit not only takes into account the direct result after tax, but also includes non-cash items ('indirect result after tax') such as the valuation result, the fair value result on derivative financial instruments, the deferred income tax expenses and, as cash item, the



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realized result on disposals of investment property and pipeline. The net shareholders' profit under IFRS fully includes any minority share. Our net shareholders' profit, as the main indicator for Rodamco Europe's overall performance, excludes minority shares. The 8.5% increase in net rental income and the valuation result compared to the first three months of 2006 are the main drivers for the 57.7% growth in net shareholders' profit to €386.1 million.

RESULTS PER SHARE

Direct result after tax per share increased 2.6% to €1.07 in the first three months of 2007, compared to €1.05 in the same period of 2006. The net shareholders' profit per share amounted to €4.31 in the first three months of 2007, an increase of 57.7% compared to €2.74 in the same period of 2006.

VALUATION RESULT AND RESULT ON DISPOSALS

The valuation result of Rodamco Europe's property assets added €330.6 million in value in the first three months of 2007. Approximately 45% was attributable to increased rental income, while the remaining 55% of the valuation result on the investment property was attributable to yield shifts. The net initial yield on investment property moved from 5.4% end of 2006 to 5.3% at the end of the first quarter of 2007.

Valuation results on investment properties in all sectors were positive during the first three months 2007 (€323.4 million), revaluations on retail investment properties were €297.9 million, offices showed a positive revaluation of €22.1 million and logistic €3.4 million. Revaluation results on investment properties in all home regions over the period were as follows: the Netherlands and Belgium (€32.9 million), France (€76.1 million), Spain (€98.9 million), Nordic (€59.7 million) and Central Europe (€55.8 million).

A net valuation result of €7.2 million was realized on completed pipeline projects transferred to investment property mainly due to the completion of parts of Stadshart Almere and Parade, Bergen op Zoom in the Netherlands.

Rodamco Europe divested for a total sale price of €52 million, mainly Zeilgalerie in Germany. The total net profit on disposal amounted to €6.7 million before tax.

OUTLOOK

As indicated earlier, the direct result after tax for the full year 2007 is expected to grow by 3% or more. This outlook excludes the impact of the intended merger with Unibail Holding S.A. The estimated amount of Rodamco's expenses related to the merger are around €25 million, mainly success fee based, and will be charged to income in Q2.



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SENSITIVITY ANALYSIS

As an indication of sensitivity², a change in interest rates of 100 basis points would have an impact of €9 million on direct result before tax per annum; a plus or minus yield shift of 50 basis points would affect 2007 indirect result before tax with negative €918 million (+50 basis points) to positive €1,109 million (-50 basis points); a 10% change in the SEK/€ exchange rate would have a €37 million impact on shareholders' equity.

SUBSEQUENT EVENTS

INTENDED MERGER RODAMCO EUROPE – UNIBAIL

On 10 April, Rodamco Europe announced the intended merger with Unibail, to create the leading pan-European commercial property company with a combined pro-forma 2006 portfolio of € 21.7 billion and a pro-forma 2006 net rental income of € 974 million.

The combination will be a merger of equals which will offer investors a unique investment platform.

The merger will be implemented through an exchange offer (the "Offer") initiated by Unibail consisting of 0.530 of a Unibail common share for each Rodamco Europe common share. The terms of the Offer reflect broad neutrality in EPS and NNNAV for all shareholders. Both sets of investors will equally benefit from the expected synergies.

The envisaged transaction represents:

- a 15% premium based on Unibail's and Rodamco Europe's closing share prices as of 5 April 2007
- a 15% premium based on Unibail's and Rodamco Europe's volume weighted average closing share prices over the month ending 5 April 2007

The combined group will adopt a two-tier Board structure with a Supervisory Board and a Management Board, whose composition will reflect the balanced contribution of Rodamco Europe and Unibail to the combined group. CEO Maarten Hulshoff (59) of Rodamco Europe has decided not to take a seat on the new management board of the new company. He will officially step down upon settlement of the Offer.

The international headquarter operations will be based in the Netherlands and the registered office will be in Paris. It is expected the combination will introduce a new company name at a

² All amounts in this paragraph are estimated amounts.



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later stage. In the meantime the date for the Rodamco Europe Extraordinary General Meeting of Shareholders, to discuss the intended merger, has been set at early June, 2007.

FINANCIAL CALENDAR

Publication of Offering Memorandum and Prospectus	Mid May 2007
Extraordinary General Meeting of Shareholders	Early June 2007

WEBSITES

The websites of some of the shopping centers mentioned in this press release are listed below:



- www.4meren.nl
- www.allee-center-magdeburg.de
- www.aupark.sk
- www.barnasud.com
- www.centrumchodov.cz
- www.hallundacentrum.se
- www.jumbo.fi
- www.lecentrev2.com
- www.leidsenhage.nl
- www.parly2.fr
- www.parquesur.com
- www.pontis-haus.de
- www.spaziozoetermeer.nl
- www.stadshart.nl
- www.stadshart-almere.nl
- www.stadshartamstelveen.nl
- www.tabycentrum.com
- www.winkelcentrumwoensel.nl



For more information about Rodamco Europe, please visit our website:

www.rodamco.com

COMPANY PROFILE RODAMCO EUROPE N.V.

Rodamco Europe with headquarters in Rotterdam, the Netherlands, is both investor and manager of its dominant shopping centers in its home regions The Netherlands & Belgium, the Nordic countries, France, Spain and Central Europe. Top quality shops and shopping centers form around 94%² of Rodamco Europe's €10.9 billion property assets. This makes Rodamco Europe the largest listed property investment and management company in the retail sector in Europe. Rodamco Europe is listed on the Stock Exchanges in Amsterdam, Paris, Frankfurt and

² Including offices in Sweden.



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Brussels. A Euronext 100 company, Rodamco Europe is included in the Euronext AEX Index (AEX) and in the MSCI World Index. For more information on Rodamco Europe, please visit our website: www.rodamco.com.

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Certain of the statements contained in this release are statements of future expectations and other forward-looking statements. These expectations are based on management's current views and assumptions and involve known and unknown risks and uncertainties. The outlook is based on the current property portfolio and estimated timing of completion of pipeline projects and disregards the potential effects of acquisitions and divestments, or significant changes in exchange and interest rates. Actual results, performance or events may differ materially from those in such statements due to, among other things, (i) general economic conditions, in particular economic conditions in Rodamco Europe's core markets, (ii) performance of financial markets, (iii) interest rate levels, (iv) currency exchange rates, (v) changes in laws and regulations, and (vi) changes in the policies of governments and/or regulatory authorities. Rodamco Europe assumes no obligation to update any forward-looking information contained in this document.



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Rodamco Europe Glossary/Definitions

Capital Expenditures

Expenditures are being capitalized on a property asset when it is probable that the future economic benefits that are being associated with these expenditures will flow to the group.

Direct result

Direct result after tax approximates the net cash earnings of the company over the period. It comprises net rental income, other income and expenses minus the administrative expenses (also referred to as EBITDAV) minus the net interest expenses, the net foreign exchange result, share of the profit of associates, the current part of income tax expense (excluding part related to indirect result) and a part of the minority interest.

Dividend yield

Paid interim dividend plus proposed final dividend in relation to the share price at period end.

EBITDA

Net rental income minus administrative expenses, plus net result on disposal of property assets plus net result of other income and expenses plus other operating leases.

Gross Rental Income

The minimal guaranteed rent for the period for let units (excluding vacant units) including turnover rent and other rental income, after taking into account the net effect of straight lining for net lease incentives.

Indirect result

Indirect result is defined as the total sum of revaluation result on investment properties, renovation projects and pipeline projects plus the result on disposal of property assets plus or minus the fair value result derivative financial instruments, minus the deferred income tax expenses minus the income tax expenses related the indirect result minus minority interest.

Like for like growth

Like for like growth compares the income growth of the part of the portfolio which has been consistently in operation during the full two periods under review (so called stabilized portfolio).

Loan-to-value

Total carrying amount debt, adjusted for bank overdrafts, operating leases and postretirement benefit obligations, expressed as a percentage of property assets adjusted for deferred tax.

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Market value of investment property

The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each act knowledgeably, prudent and without compulsion. This value is excluding transfer costs.

Market value is also referred to as Net Market Value.

Net asset value per share

Shareholders' equity divided by the number of shares outstanding at the end of the period under review.

Net initial yield

The estimated first year annual net rental income expressed as a % of gross open market value (Market value including transfer costs).

Net Rental Income

Gross rental income including service charge income and less property operating expenses and service charges expenses.

NNNAV

The net asset value corrected for fair value adjustments of equity elements which are not reported at fair value under IFRS. The following elements are corrected for fair value: pipeline projects, deferred tax, bonds, interest bearing loans and borrowings.

Occupancy

The total annualized minimum guaranteed rent of current occupied units at measurement date expressed as a percentage of the total annualized theoretical rental income. Vacant units for which a lease contract has been signed with a lease commencement date within 12 month of the reporting date are considered occupied. This ratio provides a spot (forward looking) measurement, rather than an average rate over the past reporting period (financial measurement).

Pipeline

Properties that are being (or will be) constructed or developed for future use as an investment property.

Committed pipeline

Stand-alone projects and/or extension projects with a commitment, construction has started or will start in the near future.



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Uncommitted pipeline

Stand-alone projects and/or extension projects, internally initiated and/or approved, but not yet externally committed.

Under consideration

Other projects being pursued in various stages.

Property operating expenses

All expenses directly related to rental income and include costs such as day-to-day property management, property tax, maintenance, insurance premiums, appraisal costs, etcetera which are for the account of the property owner.



RODAMCO EUROPE

CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

per March 31, 2007



CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED MARCH 31, 2007

(All amounts in euro millions unless otherwise stated)

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CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

	Period ending March 2007	Period ending March 2006	Difference
Gross rental income	169.6	157.9	7.4%
Service charge income	25.7	24.2	
Revenues	195.3	182.1	
Service charge expenses	-27.3	-25.2	
Property operating expenses	-20.2	-20.7	2.4%
	-47.5	-45.9	-3.5%
Net rental income	147.8	136.2	8.5%
Valuation result investment property	323.4	167.1	93.5%
Valuation result renovation projects	0.0	0.0	
Valuation result pipeline projects	7.2	4.7	
Valuation result	330.6	171.8	
Result on disposal of investment property and pipeline	6.7	0.0	
Administrative expenses	-14.1	-11.2	-25.9%
Other income and expenses	0.0	0.0	
Operating profit	471.0	296.8	58.7%
Interest expenses	-34.9	-30.7	-13.7%
Fair value result derivative financial instruments	0.7	2.7	
Foreign exchange result	0.7	0.3	
Financing result	-33.5	-27.7	-20.9%
Share of the profit of associates	0.0	0.0	
Profit before tax	437.5	269.1	62.6%
Deferred income tax expense	-47.0	-22.9	
Income tax expense	-3.5	-0.7	
Net profit for the period	387.0	245.5	57.6%
<u>Attributable to:</u>			
Minority interest	0.9	0.7	
Equity holders of the parent (net shareholders' profit for the period)	386.1	244.8	57.7%
Basic earnings per share (euro)	4.31	2.74	
Diluted earnings per share (euro)	4.31	2.74	

Split net shareholders' profit for the period			
	Period ending March 2007	Period ending March 2006	Difference
Direct result	96.1	93.7	2.6%
Indirect result	290.0	151.1	
Net shareholders' profit for the period	386.1	244.8	57.7%

**RECONCILIATION DIRECT AND INDIRECT RESULT**

The European Public Real Estate Association (EPRA) has issued its Best Practice Policy Recommendation for transparent, uniform and comparable financial information by real estate companies. Rodamco Europe states its shareholders' profit for the year based on IFRS, but additionally splits it into a direct result and an indirect result following EPRA guidelines. This split does not replace the IFRS measures but provide additional information to help investors understand the Group's performance even better.

Direct result after tax approximates the net cash earnings of the group over the period. It comprises net rental income, other income and expenses minus the administrative expenses (also referred to as EBITDAV) minus the net interest expenses, the foreign exchange result, the current part of income tax expense (excluding the part related to indirect result) and a part of the minority interest.

A reconciliation of direct and indirect result to the Group's net shareholders' profit is as follows:

(in € millions)	2007	2006
DIRECT RESULT		
Net rental income	147.8	136.2
Administrative expenses	(14.1)	(11.2)
Interest income	2.3	2.9
Interest expenses	(37.2)	(33.6)
Income tax expenses	(3.0)	(0.7)
Foreign exchange result	0.7	0.3
Other income and expenses	-	-
Minority interest	(0.4)	(0.2)
Total	96.1	93.7
INDIRECT RESULT		
Valuation result	330.6	171.8
Result on disposal of investments property and pipeline	6.7	-
Fair value result derivative financial instruments	0.7	2.7
Income tax expenses	(0.5)	-
Deferred income tax expenses	(47.0)	(22.9)
Minority interest	(0.5)	(0.5)
Total	290.0	151.1
TOTAL NET SHAREHOLDERS' PROFIT	386.1	244.8

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

	note	as per 03/ 31/2007	as per 12/ 31/2006
Assets			
Investment property		10,649	10,349
Pipeline projects		230	233
	5	<u>10,879</u>	<u>10,582</u>
Goodwill		31	33
Investments in associates		1	1
Other investments		-	1
Other property, plant and equipment		25	25
Deferred tax assets		18	18
Derivative financial instruments		1	1
Deferred lease incentives		9	10
Other assets		5	5
Total non-current assets		10,969	10,676
Income tax receivables		1	1
Derivative financial instruments		3	-
Trade and other receivables		100	75
Cash at banks		64	46
Total current assets		168	122
Total Assets		<u>11,137</u>	<u>10,798</u>
Shareholders' equity			
Share capital		717	717
Share premium		2,956	2,956
Other reserves		-12	3
Retained earnings		3,197	2,811
Total shareholders' equity		6,858	6,487
Minority interest		12	11
Total equity		6,870	6,498
Liabilities			
Bonds	7	1,980	2,098
Interest-bearing loans and borrowings	7	939	1,014
Derivative financial instruments		18	28
		2,937	3,140
Employee benefits	8	5	5
Provisions	9	35	35
Deferred tax liabilities		616	577
Income tax payable		24	24
Deferred lease incentives		7	7
Total non-current liabilities		3,624	3,788
Bank overdrafts		16	31
Bonds	7	307	200
Interest-bearing loans and borrowings	7	33	8
Trade and other payables		287	273
Total current liabilities		643	512
Total liabilities		4,267	4,300
Total Equity and Liabilities		<u>11,137</u>	<u>10,798</u>

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the parent					Minority interest	Total Equity	
	<i>note</i>	Share capital	Share premium reserve	Other Reserves	Retained earnings			Total
Balance at January 1, 2006		717	2,956	-4	1,603	5,272	8	5,280
Foreign currency translation		-	-	-3	-	-3	-	-3
Gain/(loss) on net investment hedge		-	-	-	-	-	-	-
Net gains on cash flow hedges		-	-	2	-	2	-	2
Total income and expense for the year recognized directly in equity		-	-	-1	-	-1	-	-1
Profit for the year		-	-	-	245	245	-	245
Total income and expense for the year		-	-	-1	245	244	-	244
Issue of share capital		-	-	-	-	-	-	-
Share-based payment		-	-	-	-	-	-	-
Dividends to shareholders		-	-	-	-	-	-	-
Other movements		-	-	-	-	-	-	-
Balance at March 31, 2006		717	2,956	-5	1,848	5,516	8	5,524
Balance at January 1, 2007		717	2,956	3	2,811	6,487	11	6,498
Foreign currency translation		-	-	-25	-	-25	-	-25
Gain/(loss) on net investment hedge		-	-	10	-	10	-	10
Net gains on cash flow hedges		-	-	-	-	-	-	-
Total income and expense for the year recognized directly in equity		-	-	-15	-	-15	-	-15
Profit for the year		-	-	-	386	386	1	387
Total income and expense for the year		-	-	-15	386	371	1	372
Issue of share capital		-	-	-	-	-	-	-
Share-based payment		-	-	-	-	-	-	-
Dividends to shareholders		-	-	-	-	-	-	-
Other movements		-	-	-	-	-	-	-
Balance at March 31, 2007		717	2,956	-12	3,197	6,858	12	6,870

The share capital consists of 204,524,430 authorized shares of which 89,639,292 shares are issued and fully paid up at March 31, 2007, similar to 2006. The shares have a par value of € 8 each.

Other reserves are reserves to be maintained following IFRS and comprise, hedging reserves and currency translation reserves. The amounts recognized by these reserves, totaling € -12, are not freely distributable.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS UNDER INDIRECT METHOD

	Period ending March 2007	Period ending March 2006
OPERATING ACTIVITIES		
Net profit before tax	437.5	269.1
Adjustments for :		
Valuation result	-330.6	-171.8
Net result on disposal of investment properties and pipeline	-6.7	0.0
Net interest expenses	34.9	30.7
Movement in trade and other receivables	-5.4	12.0
Movement in trade and other payables	17.5	8.2
Movement in derivative financial instruments	-1.7	4.3
Increase in provisions and employee benefits	0.1	0.6
Movement in deferred income tax	0.0	-0.9
Other adjustments	1.1	0.4
	<u>-290.8</u>	<u>-116.5</u>
Cash generated from operations	146.7	152.6
Interest paid	-37.7	-19.2
Interest received	0.6	0.6
Current income taxes paid	-3.5	-0.7
	<u>-40.6</u>	<u>-19.3</u>
Cash flow from operating activities	106.1	133.3
INVESTING ACTIVITIES		
Divestments in investment property and pipeline	52.1	0.9
Investments in property and pipeline	-31.8	0.0
Cost capitalized on investment property and renovation projects	-13.8	-17.6
Capital expenditure on pipeline projects	-36.7	-43.6
Other divestments/(investments)	-0.9	-2.8
Cash flow from investing activities	-31.1	-63.1
FINANCING ACTIVITIES		
Proceeds from bonds and interest-bearing loans and other borrowings	63.7	163.5
Repayment of bonds and interest-bearing loans and other borrowings	-105.9	-213.6
Payment of transaction costs	0.0	0.0
Dividends paid	0.0	0.0
Cash flow from financing activities	-42.2	-50.1
Net increase/(decrease) in cash and banks	32.8	20.1
Cash at banks at January 1	14.5	72.3
Effect of exchange rate fluctuations on cash held	0.3	0.3
Cash at banks at March 31	47.6	92.7



SELECTED EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

1 GENERAL INFORMATION

Rodamco Europe N.V. (the 'Company') is a public limited company in Rotterdam and is engaged in the holding of group companies that invest in and manage property. The address of its registered office is Hofplein 20, 3032 AC in Rotterdam, the Netherlands. The consolidated financial report comprises the Company and its subsidiaries (together referred to as the 'Group') and the Group's interest in associates and jointly controlled entities. The Company is listed on the stock exchanges in Amsterdam, Paris, Frankfurt and Brussels.

On July 19, 2006, the Company has been granted a renewed license under the Act on the Supervision of Investment Institutions by the Netherlands Authority for Financial Markets ("Autoriteit Financiële Markten" or AFM) and as a consequence has become subject to AFM supervision. Together with a number of other supervision acts, the Act on the Supervision of Investment Institutions has been incorporated into a single Act: the Act on Financial Supervision. The Act on Financial Supervision has come into effect on January 1, 2007 and as a consequence has replaced the existing supervision acts. The AFM is responsible for the supervision of market conduct and focuses on the question of whether the participants in the financial markets are handled properly and whether they have accurate information.

2 BASIS OF PREPARATION

This condensed consolidated interim financial report for the period ending March 31, 2007 has been prepared in accordance with the IAS 34 standard named 'Interim financial reporting'. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial group statements as per December 31, 2006.

3 ACCOUNTING POLICIES

The accounting policies applied by the Group are consistent with those disclosed in the consolidated annual financial statements for the year ended December 31, 2006.

The following new standards, amendments to standards and interpretations are mandatory for financial year beginning on or after January 1, 2007:

- IAS 1 (Amendment), Presentation of Financial Statements. The impact of this amendment on the financial statements is adding disclosures that enable an evaluation of the Group's objectives and policies for managing its capital;
- IFRIC 7, Applying the Restatement Approach under IAS 29, Financial Reporting in Hyperinflationary Economies. The impact of this interpretation is nil as the Group has no identified investments in hyperinflationary economies;
- IFRIC 8, Scope of IFRS 2. The impact of this interpretation is nil as the Group has not granted shares for apparently nil or inadequate consideration;



- IFRIC 9, Reassessment of Embedded Derivatives. Application of this interpretation has not resulted in the recognition of new contracts ;
- IFRIC 10, Interim Reporting and Impairment. The impact of this interpretation is nil as the Group had no identified impairment reversals;
- IFRS 7, Financial Instruments: Disclosures. This new standard will replace the disclosure requirements of IAS 32 Financial Instruments: Disclosure and Presentation and adds new disclosure requirements for outlining the risks arising from financial instruments and the management thereof.

There are no new standards, amendments and interpretations mandatory for accounting periods beginning on January 1, 2007 that are not relevant for the Group's operations.

New standards, amendments to standards and interpretations have been issued but are not effective for 2007. The Group has decided not to early adopt the following standards, amendments and interpretations:

- IAS 23, Borrowing Costs;
- IFRIC 11, IFRS 2 Group and Treasury Share Transactions;
- IFRIC 12, Service Concession Arrangements;
- IFRS 8, Operating Segments

4 SEGMENT INFORMATION

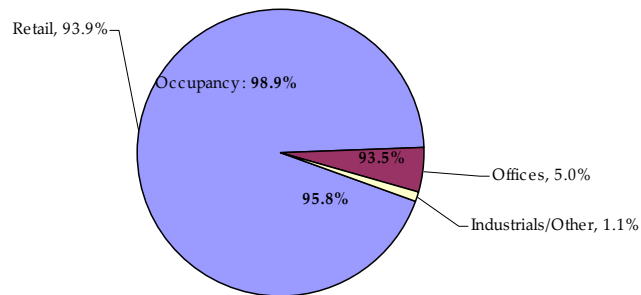
Business Segments	Retail		Offices		Industrials / other		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
Period ending March								
Gross rental income	151.5	139.5	14.4	14.5	3.7	3.9	169.6	157.9
Net service charge expenses	-1.7	-0.6	0.1	-0.2	0.0	-0.2	-1.6	-1.0
Property operating expenses	-17.6	-17.5	-2.1	-2.4	-0.5	-0.8	-20.2	-20.7
Net rental income	132.2	121.4	12.4	11.9	3.2	2.9	147.8	136.2
Valuation result investment properties (excluding pipeline)	297.9	154.4	22.1	9.5	3.4	3.2	323.4	167.1

Geographical Segments	Netherlands/ Belgium		France		Spain		Nordic		Central Europe		Consolidate group	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Period ending March												
Gross rental income	59.9	58.5	27.4	24.1	24.7	22.9	33.9	31.8	23.7	20.6	169.6	157.9
Net service charge expenses	-0.2	-0.4	-0.9	-0.4	-0.4	-0.1	0.0	0.0	-0.1	-0.1	-1.6	-1.0
Property operating expenses	-6.3	-5.8	-2.1	-2.1	-1.4	-2.0	-8.7	-9.1	-1.7	-1.7	-20.2	-20.7
Net rental income	53.4	52.3	24.4	21.6	22.9	20.8	25.2	22.7	21.9	18.8	147.8	136.2
Valuation result investment properties (excluding pipeline)	32.9	51.5	76.1	32.1	98.9	40.2	59.7	29.8	55.8	13.5	323.4	167.1

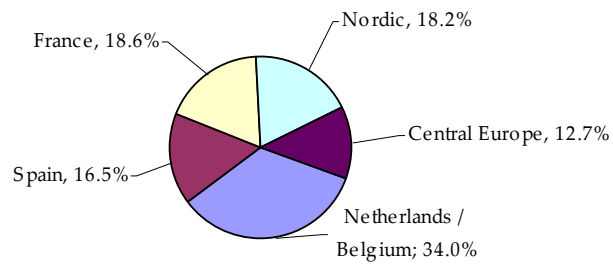


Retail 93.9 % including offices Sweden.

**Sector spread of property assets %
(as per 31/3/2007)**



**Geographical spread of property assets %
(as per 31/3/2007)**





5 PROPERTY ASSETS

The Group's property assets increased as follows:

	Period ending March 2007	Period ending March 2006
Balance at January 1	10,582	9,095
Acquisitions	26	-
Pipeline investments	6	-
Capital expenditure	17	18
Cost capitalized on pipeline projects	36	45
Interest capitalized	2	2
Disposals (carrying value)	(45)	(1)
Revaluations (including lease incentives)	330	172
Currency translation differences	(55)	(12)
Other	(20)	-
Balance at March 31	<u>10,879</u>	<u>9,319</u>

6 EQUITY

See condensed consolidated interim statement of changes in equity for reconciliation of movements in equity.

7 MOVEMENTS in BONDS, INTEREST-BEARING LOANS AND BORROWINGS

Total debt	Period ending March 2007	Period ending March 2006
Balance at January 1	3,320	3,303
New loans	64	164
New bonds	-	-
Redemptions	(106)	(214)
Other movements (such as currency translation differences and amortization)	(19)	(6)
Balance at March 31	<u>3,259</u>	<u>3,247</u>



Total debt comprises:

	as per 03/31/2007	as per 03/31/2006
Non-current bonds	1,980	1,791
Non-current interest-bearing loans and borrowings	939	1,199
Current bonds	307	-
Current interest-bearing loans and borrowings	33	257
Balance at March 31	3,259	3,247

8 EMPLOYEE BENEFITS

SHARE BASED PAYMENTS

In 2006, the Group introduced a Long Term Incentive Plan for the Management Board and other senior staff and conditionally granted shares to the management board, with grant date April 24, 2006, and other senior staff, with grant date May 18, 2006. As in 2006, with grant date March 1, 2007, the Group conditionally granted shares to management board and other senior staff in 2007. The number of shares that will actually be delivered is based on meeting performance conditions. The fair value of the plan has been calculated by a professional actuarial firm and is equally spread over the vesting period (until vesting date April 24, 2009).

This plan falls under the scope of IFRS 2 Share Based Payment as the Group receives services from the management board and senior staff during the vesting period and will pay for these services in its own shares.

The fair value is measured using the Monte Carlo simulation model, a generally accepted valuation methodology for pricing financial instruments and incorporates all factors and assumptions that knowledgeable, willing market participants would consider in setting the price.

With the introduction of this plan, no more grants under the Share Purchase Plan will be done.

PENSION PLAN

The majority of the Group's pension schemes in its home regions are defined contribution plans. The Dutch Group companies have pension plans (final pay and average pay) with both defined benefit as well as defined contribution components.



The movements in the net liability for defined benefit obligations are:

	Period ending March 2007	Period ending March 2006
Employee benefits January 1	5	5
Contributions paid	(1)	(1)
Expense recognized in the profit and loss account	1	1
Employee benefits March 31	5	5

The amounts recognized in the income statement were as follows:

	Period ending March 2007	Period ending March 2006
Current service costs	1	1
Interest on obligations	-	-
Expected return on plan assets	-	-
Total for the period	1	1

9 PROVISIONS

A provision is recognized in the balance sheet when the Group has a legal or constructive obligation as result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Interest charges arising from the passage of time before settlement are accounted for as interest expense in the profit and loss account.

	Period ending March 2007	Period ending March 2006
Balance at January 1	35	21
Provisions made during the year	-	-
Provisions used during the year	-	-
Provisions reversed during the year	-	-
Balance at March 31	35	21



Provisions consist of provisions for tax claims and other obligations. A number of tax positions are being challenged by the local tax authorities or may be challenged in the future. Some items are being litigated before courts. The total potential tax exposure may range from nil to a maximum of €65, of which €20 is provided for in the balance sheet.

The other obligations relate to the contractual agreed earn out in respect of the Aupark acquisition. The earn out is based on the expected net rental income of 2008 and the adjustment has subsequently been discounted to March 2007.

10 TAXES

Income tax expense is recognized on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

11 CAPITAL COMMITMENTS

The Group has a substantial committed pipeline (€1,311) to support its growth in the coming years and actively works on new opportunities in both new projects and (extension of) current shopping centers. Of this €1,311, €216 was invested until March 31, 2007.

12 DIVIDENDS

See condensed consolidated interim statement of changes in equity for dividends paid.

13 CHANGES IN CONTINGENT LIABILITIES/ ASSETS

Potential consequences of claims and legal procedures towards the Group have been provided where necessary. The assessment of these cases has been made using internal and if necessary external expert opinions. A number of tax positions are being challenged by the local tax authorities or may be challenged in the future. Some items are being litigated before courts. The total potential tax exposure may range from 0 to a maximum of €65 of which €20 is provided for in the balance sheet. Other contingent liabilities are not expected to give rise to any material loss.

14 RELATED PARTY TRANSACTIONS

The Group has a related party relationship with its subsidiaries, joint ventures, associates, employees and with its key-management personnel. Key-management personnel comprise both members of the management board and senior managers. There were no related party relationships with close members of the family of members of supervisory board and the management board.

One of our major shareholders Aegon, a large life insurance and pension company, has its headquarters in The Hague, the Netherlands, a property that in return is owned by the Group. In 2007, both parties have agreed to jointly participate in an improvement plan of the building starting later this year. In addition, Aegon provides the Group with a customized local pension



and employee benefits program. For the purpose of this financial reporting, these transactions qualify as related party transactions, yet these transactions have all been done based on arm's length conditions. There have been no related party transactions with other large shareholders.

The relations between the parent and its subsidiaries, joint ventures and associates involve transactions that are necessary for managing the Group's normal operations.

All transactions between the Group and its related parties are done at an arm's length basis.

Transactions with key management personnel comprise:

Share Purchase Plan

- The management board disposed in Q1 2007 nihil shares under the SPP and simultaneously redeemed nihil interest-free loans for participation in the SPP. As at March 31, 2007 the management board holds 16,298 number of shares under the SPP and total outstanding interest-free loans for participation in the SPP amount to € 1;
- Other employees disposed of in the three months period ending March 31, 2007 2,907 of shares under the SPP and simultaneously redeemed € 0 interest-free loans for participation in the SPP in Q1 2007. As at March 31, 2007 other employees hold 30,043 number of shares under the SPP and total outstanding interest-free loans for participation in the SPP amount to € 1.

1) One of the management board members privately owns 884 shares of Rodamco Europe

Performance Share Plan

See note 8 for transactions long-term incentive plan. In 2006 number of shares granted to the management board is 18,883 and other senior staff 30,870 and in 2007 respectively 8,148 and 18,819 number of shares were granted. No shares have been actually vested and delivered yet. The fair value of the plan has been calculated by a professional actuarial firm and over Q1 2007 an expense of € 0.4 has been recognized as such, total for management board and other senior staff.

Remuneration of the management board and supervisory board

In Q1 2007, the Group's remuneration policy resulted in the following variable and non-variable rewards to the management board and is specified as follows:

	Period ending March 2007	Period ending March 2006
Base salary	0.3	0.2
Other (e.g. performance related bonus and pension)	0.3	0.1
	<u>0.6</u>	<u>0.3</u>



The total remuneration in Q1 2007 of the supervisory board members amounts to € 0.1 (Q1 2006 € 0.1). Supervisory board members do not receive options on or compensation in Rodamco Europe shares, nor will personal loans or guarantees be granted by the Group.

15 CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may issue new debt or buy-back existing outstanding debt, adjust the amount of dividends paid to shareholders (subject to the FBI and SIIC regimes), return capital to shareholders, issue new shares or buy-back outstanding shares or sell assets to reduce debt. The Group has disclosed the loan-to-value ratio (LTV) as this is the measure the Group uses to monitor capital. This ratio is calculated as the net debt expressed as a percentage of total capital. Net debt is calculated as the total carrying amount of debt (including bank overdrafts, operating leases and post-retirement benefit obligations). Total capital is calculated as the total carrying amount of property assets adjusted for deferred tax liability, as shown in the consolidated balance sheet.

The loan-to-value ratios at March 31, 2007 and December 31, 2006 were as follows:

	Period ending March 2007	Period ending December 2006
Total borrowings	3,259	3,320
Plus: bank overdrafts	16	31
Plus: operating leases *	-	11
Plus: post-retirement benefit obligations †	-	3
Total net debt	3,275	3,365
Total property assets	10,879	10,582
Less: deferred tax liability	(616)	(577)
Total capital	10,263	10,005
Loan-to-value ratio	31.9 %	33.6 %

* Only at year end there will be corrections on operating leases. This has an (marginal) impact on the LTV ratio

† Only at year end there will be corrections on postretirement benefit obligations. This has an (marginal) impact on the LTV ratio



During 2007, the Group's strategy, which was unchanged from 2006, was to maintain a loan-to-value ratio of between 40% (comfortable) and 45% (maximum). However, leverage is still well below the 40% level at 32% at the end of first quarter 2007. The impact of revaluations combined with low levels of acquisitions, due to tight market conditions, more than matched divestments.

16 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

In January, the Group has announced its intention to propose to the next Annual General Meeting of Shareholders to split its shares in a ratio of 4 new shares for 1 existing share. In view of the announced business combination (see hereafter), the share split proposal will be subject to the completion of the business combination and as a consequence can only be conditionally approved. This proposal has been approved by The Annual General Meeting on April 27, 2007.

On April 10, 2007, the Group has announced in a joint communiqué with Unibail Holding S.A. ('Unibail') their intention to combine both companies to create the leading pan-European commercial property company. The merger will be implemented through an exchange offer (the 'Offer') initiated by Unibail consisting of 0.530 of a Unibail common share for each Rodamco common share.

17 OTHER INFORMATION

The expense ratio[‡] at March 31, 2007 amounts to 2.57% (March 31, 2006: 2.71%).

This condensed consolidated interim financial report has not been audited by an external auditor.



[‡] According to the Dutch Act on Financial Supervision (Wft) the expense ratio is reported by investment institutions in order to provide clear and comparable information on the level of costs. The expense ratio is calculated, in accordance with 'Further Regulations on the Supervision of Investment Companies 2005', as the percentage of total costs (excluding interest expenses external loans) to the weighted average net asset value over the last five quarters.