Rodamco Europe

PRESS RELEASE

RODAMCO EUROPE REPORTS 10.0% INCREASE IN DIRECT RESULT AFTER TAX IN FIRST NINE MONTHS OF 2006

Rotterdam, 13 November 2006

Highlights first nine months 2006:

- Property assets increased 10.1% to €10.0 billion (end of 2005: €9.1 billion); 93.5% of portfolio is invested in the retail sector (end of 2005: 90.3%);
- Triple NAV[1] (NNNAV) up 17.3% to €6,355 million (end of 2005: €5,418 million), NNNAV per share is €70.90[2] (end of 2005: €60.44[3]);
- Direct result after tax up 10.0% to €281.1 million (9 mths. 2005: €255.6 million), driven by a 11.9% increase in gross rental income;
- Direct result after tax per share up 10.0% to €3.14 (9 mths. 2005: €2.85);
- Net rental income up 14.3% to €422.3 million (9 mths. 2005: €369.6 million), like for like[4] growth of net rental income was 4.8% (9 mths. 2005: 4.0%);
- Overall occupancy rate increased to 98.2% (end of 2005: 97.9%); retail occupancy increased slightly to 98.7% (end of 2005: 98.6%);
- Net shareholders' profit up 4.8% to €982.4 million, which includes indirect result after tax of €701.3 million (9 mths. 2005: €681.7 million);
- Valuation result of investment property €742.1 million; 75% due to yield shift and 25% due to rental income change; net initial yield[5] on investment property is 5.6% (end of 2005: 6.1%);
- Outlook for the full year 2006 is upwardly revised. Direct result after tax for full year is now expected to grow by at least 8% (earlier outlook was "more than 7%").

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[1] Following the EPRA definition.
[2] After final dividend 2005 of €2.17 per share; before interim dividend 2006 of €1.37 per share.
[3] Before final dividend 2005 of €2.17 per share.
[4] Following EPRA like-for-like definition.
[5] Net initial yield is calculated by expressing estimated annual net rental income as percentage of gross open market value (including transfer costs); this follows the EPRA definition.

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Rodamco Europe, the largest publicly listed property investment and management company in the retail sector in Europe, is reporting good results for the first nine months of 2006. Direct result after tax is up 10.0% and Triple NAV per share grew by 17.3% to €70.90 per share. Rodamco Europe is focusing on these two items in evaluating its performance: direct result after tax for its operational performance and Triple NAV for the intrinsic value. Triple NAV growth was supported by a substantial valuation result.

CEO Maarten Hulshoff: *"On the operating side we showed strong like for like growth of 4.8%, whilst our loss of rent ratio[6] improved to 3.7%, compared to the loss of rent during 2005 of 4.6%. As to the indirect result, the investor market remained robust resulting in a 10 bp yield shift in the third quarter to 5.6% at the end of the third quarter of 2006. We are pleased to see a law allowing development for FBIs has been sent to the Dutch Parliament. Once approved, most likely during the first quarter of 2007, we cautiously will expand our business model to include developments for our own account and risk. Over time we will therefore evolve as an "Investor – Manager – Developer", covering the whole spectrum in the European shopping center sector."*

<u>PERFORMANCE</u>

PORTFOLIO

Property assets increased by €922 million to €10,017 million in the first nine months of 2006 compared to €9,095 million at the end of 2005. The contributors to this increase were the substantial valuation results of investment property (€742 million) and pipeline (€38 million), acquisitions (€123 million), capital expenditures (€51 million), capital expenditure and investments in pipeline projects (€124 million at cost), offset by divestments (minus €157 million) and other movements (€1 million).

During the 3rd quarter of 2006, Rodamco Europe divested a portfolio of high street shops in the Netherlands, for an amount of approximately €115 million at a net initial yield of 4.4%.

In the same quarter the divestment was announced of Rodamco Europe's office properties in business park "Klaver Vier", situated in Papendorp, Utrecht, the Netherlands, for an amount of €13.2 million. The realized part of the project was sold at a net initial yield of 7.1%.

During the 3rd quarter, Rodamco Europe announced the strengthening of its position in France by expanding its presence in the Paris prime shopping centers Velizy 2 and Parly 2 for the total amount of €25.9 million.

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[6] Loss of Rent = rent reductions + rent los due to vacancy + provisioning for doubtful debtors.

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In a swap transaction with the French real estate company Union Financière de Gestion (UFG), Rodamco Europe acquired retail units in Velizy 2 for an amount of €19.4 million, at a net initial yield of 4.5%. UFG in turn acquired offices in the Credit Lyonnais tower in Lyon, for the same value. In addition to this transaction, Rodamco Europe has divested to UFG some non strategic retail units in Bordeaux (Villeneuve d'Ornon) for an amount of €11.3 million at a net initial yield of 7.5% and some non strategic retail units in Paris (Bobigny) for an amount of €12.2 million at a net initial yield of 8%.

In Parly 2 Rodamco Europe has acquired retail units for an amount of €6.5 million at a net initial yield of 4.9%.

With these transactions Rodamco Europe's stake in Parly 2 increased to 69.3% and in Velizy 2 to 27.1%, thus strengthening its position in Velizy 2 as largest shareholder with Auchan.

PIPELINE

The total pipeline as per 30 September 2006 amounts to € 2.2 billion (end of 2005: €2.4 billion), of which 36% are committed projects and 64% uncommitted projects, and will potentially add GLA 615,000 m^2. During the first nine months of 2006, four projects in the Netherlands (Hasselo in Hengelo: 4,000 m^2, Woensel in Eindhoven: 650 m^2 ; Parade in Bergen op Zoom: 5,700 m^2 and Stadshart Almere in Almere: 41,000 m^2), one project in Germany (Allee Center in Magdeburg: 10,000 m^2) and one project in Sweden (Nova 2 in Lund: 6,100 m^2) have (partially) come into operation, for a total amount of €239 million (market value) resulting in a positive revaluation of €39 million.

In Q3 2006, Almere-Buiten phase 5 and Markthal in Rotterdam, both in the Netherlands, have been transferred from the uncommitted to the committed pipeline for the amount of €62 million. Completion of these projects is expected during 2009.

In the remaining three months of 2006 some smaller committed pipeline projects are expected to come into operation in France, Spain and the Netherlands. The estimated total development costs for these projects are €36 million.

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.

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(in €)	**30/9/2006**	**31/12/2005**
Net Asset Value	6,063 mln	5,272 mln
Valuation surplus on pipeline projects	85 mln	45 mln
Nominal deferred taxes	475 mln	361 mln
Discount deferred taxes	-258 mln	-193 mln
Marked-to-market value of loans and borrowings	- 10 mln	- 67 mln
Triple NAV	6,355 mln	5,418 mln

The Triple NAV increased by 17.3% to €6,355 million at the end of September 2006, or €70.90 per share (end of 2005: €60.44) after final 2005 dividend per share of €2.17 that was paid in April 2006, and before interim dividend 2006 of €1.37 per share. The increase of €937 million was mainly supported by the net shareholders' profit of €982 million, final 2005 dividend minus €195 million, a positive movement in the marked-to-market value of loans and borrowings of €57 million, as a result of interest rates moving up and a €40 million higher pipeline revaluation potential.

DIRECT RESULT AFTER TAX

Rodamco Europe focuses on direct result after tax[7] as the key operational performance indicator and for its dividend policy. Direct result after tax increased 10.0% to €281.1 million in the first nine months of 2006, compared to €255.6 million in the same period of 2005. This was largely driven by pipeline projects coming into operation and the net positive effect of acquisitions and divestments.

RENTAL INCOME

Net rental income increased 14.3% to €422.3 million, compared to €369.6 million in the first nine months of 2005 and the gross rental income increased 11.9% to €486.2 million (9 mths. 2005: €434.5 million). The gross rental income increase is primarily a result of rent generated from acquisitions during 2005 (€16.1 million; mainly Amstelveen in the Netherlands and Jumbo in Finland), acquisitions in 2006 (€4.6 million; mainly Aupark in Slovakia), from properties coming into operation during 2005 and 2006 (€27.6 million; mainly shopping centers in the Netherlands Vier Meren, Spazio, parts of Stadshart Almere and parts of De Parade, Bergen op Zoom, Parquesur extension and Albacenter in Spain and Chodov in the Czech Republic) and rent increases of €10.2 million.
Furthermore, gross rental income increased, amongst others, due to higher specialty leasing income and lower vacancy.

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[7] 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, the current part of income tax expense (partly) and a part of the minority interest.

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The increase in gross rental income was partially offset by the effect of disposals, mainly Mecc in the Netherlands (exhibition, office, and hotel), Hallunda and Sollentuna in Sweden (shopping centers), Pontis Haus (offices) and Rozalia Park (logistics) in Central Europe and two offices in Paris (Marceau and Serbie), France which reduced the gross rental income by €11.6 million in 2006.

Overall occupancy increased to 98.2% in September 2006 compared to the end of 2005 (97.9%); retail occupancy increased slightly to 98.7% (year end 2005: 98.6%).

Like-for-like growth in net rental income was 4.8%, which is higher than the like for like growth in the first nine months of 2005 (4.0%).

The Loss of Rent improved during the first nine months of 2006 to 3.7% (in 2005: 4.6%) due to tight operational management (lower vacancy) and divestments.

Property operating expenses (excluding net service charges) decreased with 0.7% to €60.2 million in the first nine months of 2006 (9 mths 2005: €60.6 million). This decrease is amongst others the result of a refund of property taxes in Denmark.

ADMINISTRATIVE EXPENSES

The administrative expenses increased 21.0% to €35.8 million in the first nine months of 2006 compared to €29.6 million in the same period of 2005. This was mainly caused by higher abortive purchase costs in connection with two large potential retail property acquisition projects which have not materialized, an increase of ICT expenses, increased staffing due to the growth of the investment portfolio and an increase of compliance activities.

NET FINANCING RESULT

The total debt increased from €3.1 billion at the end of September 2005 to €3.3 billion at the end of September 2006, which caused an increase in interest expenses of €14.7 million. The average interest rate decreased to 3.89% over the first nine months of 2006 (4.11% over the first nine months of 2005). The €4.9 million positive effect of the lower average interest rate, was partly compensated by lower interest income of €4.6 million, due to lower capitalized interest and higher other interest expenses of €3.1 million (mainly the interest of the French SIIC exit tax liability). This resulted in an increase of the net interest expenses by 21.2%, from €82.4 million in the first nine months of 2005, to €99.9 million in the same period of 2006.

Under IFRS the foreign exchange result (minus €0.6 million) and the change in fair value of financial instruments are also included in the net financing result. In the first nine months of 2006, a positive fair value result of financial instruments of €4.7 million was reported (as part of the indirect result), primarily arising on interest rate swaps. These swaps are not directly linked to specific loans and are therefore not subject to hedge accounting treatment.

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TAXES

The change in deferred tax position as a result of valuation results and the realization of deferred tax assets (tax losses carry forward) resulted in €102.4 million of deferred income tax expense (9 mths. 2005: €70.6 million). The deferred tax expenses are calculated using the effective tax rates for those countries where there is no tax efficient status like in the Netherlands (FBI) and in France (SIIC).

Income tax expense amounted to €5.0 million, compared to €2.6 million in the first nine months of 2005. A part of the income tax expense of 2006 (€0.8 million) is allocated to the indirect result since this relates to tax liabilities on indirect result. A number of tax positions are being challenged by local tax authorities or may be challenged in the future. Some items are being litigated before courts. The potential tax exposure may range from nil to a maximum of €70 million, of which €20 million is provided for in the balance sheet.

NET SHAREHOLDERS' PROFIT

Net Profit not only takes the direct result after tax into account, but also includes non-cash items ('indirect result after tax') such as the valuation result, the realized result on disposals of investment property, the fair value result derivative financial instruments and the deferred income tax expense. The net profit under IFRS fully includes any minority share. The net shareholders' profit (net profit attributable to Rodamco Europe's shareholders) excludes minority shares and is used under IFRS as the main indicator for Rodamco Europe's overall performance. The 14.3% increase in net rental income compared to the first nine months of 2005 is the main driver for the 4.8% growth in net shareholders' profit to €982.4 million. This is relatively modest compared to the growth of 63.0% in the first half year of 2006, due to the large valuation result in the third quarter of 2005.

RESULTS PER SHARE

Direct result after tax per share increased 10.0% to €3.14 in the first nine months of 2006, compared to €2.85 in the comparable period of 2005. The net shareholders' profit per share amounted to €10.96 for the first nine months of 2006, an increase of 4.8% compared to €10.46 in the same period of 2005.

VALUATION RESULT AND RESULT ON DISPOSALS

The valuation result of Rodamco Europe's property assets added €780 million in value in the first nine months of 2006. Approximately 75% of the valuation result on the investment property was attributable to a yield shift, while the remaining 25% was attributable to increased rental income. The net initial yield on investment property moved from 6.1% end of 2005 to 5.6% per 30 September 2006.

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Valuation results on investment properties in all sectors were positive during the first nine months of 2006 (€742 million), revaluations on retail investment properties were €683 million, offices showed a positive revaluation of €50 million and logistic €9 million. Revaluation results on investment properties in all home regions over the period were as follows: the Netherlands and Belgium (€183 million), France (€129 million), Spain (€188 million), Nordic (€145 million) and Central Europe (€97 million).

A net valuation result of €38 million was realized on pipeline projects transferred to investment property mainly due to the opening of Stadshart Almere in the Netherlands and the Allee Center extension in Germany, as well as an impairment on pipeline projects.

Rodamco Europe has divested for a total sales price of €179 million in assets, mainly consisting of the divestment of a portfolio of assets in the Netherlands, for an amount of approximately €115 million. Besides this divestment, some industrials in France, small projects in the Netherlands and part of a logistic site in Spain were divested. The total net results on disposals amounted to €22 million.

FINANCING DEVELOPMENTS

Total debt increased to €3.3 billion at the end of September 2006. Approximately 74% of the debt was fixed rate funded as per 30 September 2006 at an average interest rate of 4.02% (year-end 2005: 3.86%).

SENSITIVITY ANALYSIS

As an indication of sensitivity[8], a change in interest rates of 100 basis points would have an impact of €8.7 million on direct result before tax per annum; a plus or minus yield shift of 50 basis points would affect 2006 indirect result before tax with negative €806 million (+50 basis points) to positive €964 million (-50 basis points); a 10% change in the SEK/€ exchange rate would have a €31 million impact on shareholders' equity.

SUBSEQUENT EVENTS

In October 2006, Rodamco Europe has been informed by ING Real Estate about the delay in opening of the Zlote Tarasy shopping center in Warsaw, Poland. According to ING Real Estate, the developer of the shopping center, the opening has been postponed to the first quarter of 2007.

Currently there are uncertainties regarding the timing of the opening and delivery of the Zlote Tarasy project. Rodamco Europe is studying its position and the possible consequences of the further delay of this project.

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[8] All amounts in this paragraph are estimated amounts.

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EXPLORING OPTIONS FOR PROJECT DEVELOPMENT

The Dutch Ministry of Finance has sent proposed legislation to the Dutch parliament (Tweede Kamer) allowing Dutch FBIs to be involved in project development activities for their own portfolio. This new law is expected to pass parliament early 2007 and will, if passed, be effective 1 January 2007.

Development profits will be taxable. However, developments and renovations resulting in an increase of value not exceeding 30% of the WOZ value ("Wet Waardering Onroerende Zaken") at the start of a renovation, are deemed to qualify as 'investing', and therefore will not be taxed.

Rodamco Europe welcomes the proposed change in the Dutch FBI regulations and will explore all options to continuously realize portfolio growth through development.

OUTLOOK

Rodamco Europe has upwardly revised its outlook for the full year 2006. It now expects direct result after tax over the full year 2006 to increase by at least 8%[9] (earlier outlook was "more than 7%").

We emphasize that the 10.0% reported growth over the first nine months of 2006 is not representative for the whole year, as part of the forecasted growth is attributable to acquisitions and projects which came into operation in the first half year of 2005, and to some positive one off events in the fourth quarter of 2005.

This outlook is based on the current investment property and estimated timing of completion of pipeline projects and disregards changes in IFRS policies, the potential effects of additional acquisitions and divestments and the potential effects of significant changes in exchange rates, interest rates and the economic situation.

FINANCIAL CALENDAR

26 February 2007	Publication of 2006 results
27 April 2007	2006 Annual General Shareholders Meeting

[9] This figure excludes the (indirect) valuation result, fair value result derivative financial instruments, result on disposal of investment property and deferred tax expense.

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WEBSITES

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

- www.allee-center-magdeburg.de
- www.4meren.nl
- www.aupark.sk
- www.centrumchodov.cz
- www.galeriamokotow.pl
- www.jumbo.fi
- www.markthalrotterdam.nl
- www.novalund.com
- www.parquesur.com
- www.spaziozoetermeer.nl
- www.stadshart.nl
- www.stadshart-almere.nl
- www.stadshartamstelveen.nl
- www.winkelcentrumwoensel.nl
- www.zlotetarasy.pl

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 94% of Rodamco Europe's €10.0 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 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

RODAMCO EUROPE

CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

PER 30 SEPTEMBER 2006

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(All amounts in euro millions unless otherwise stated)

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

	as per 30/9/2006		as per 31/12/2005	
Assets				
Investment property	9,837		8,831	
Renovation projects	0		0	
Pipeline projects	180		264	
	10,017		**9,095**	
Goodwill	32		20	
Investments in associates	1		1	
Other property, plant and equipment	16		11	
Deferred tax assets	20		24	
Derivative financial instruments	4		11	
Deferred lease incentives	10		9	
Total non-current assets		**10,100**		**9,171**
Income tax receivables	3		2	
Derivative financial instruments	1		10	
Trade and other receivables	109		109	
Cash and banks	65		88	
Total current assets		**178**		**209**
Total Assets		**10,278**		**9,380**
Shareholders' equity	**6,063**		**5,272**	
Minority interest	10		8	
Total equity		**6,073**		**5,280**
Liabilities				
Bonds	2,297		1,791	
Interest-bearing loans and borrowings	801		1,094	
Derivative financial instruments	19		28	
	3,117		**2,913**	
Employee benefits	6		5	
Provisions	29		21	
Deferred tax liabilities	495		385	
Income tax payable	51		51	
Deferred lease incentives	8		4	
Total non-current liabilities		**3,706**		**3,379**
Bank overdrafts	8		16	
Interest-bearing loans and borrowings	197		418	
Trade and other payables	294		287	
Total current liabilities		**499**		**721**
Total liabilities		**4,205**		**4,100**
Total Equity and Liabilities		**10,278**		**9,380**

(All amounts in euro millions unless otherwise stated)

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

	Periods ending September 2006		Periods ending September 2005		*Difference*
Gross rental income	486.2		434.5		*11.9%*
Service charge income	76.2		62.7		
Revenues		**562.4**		**497.2**	
Service charge expenses	-79.9		-67.0		
Property operating expenses	-60.2		-60.6		*0.7%*
		-140.1		-127.6	*-9.8%*
Net rental income		**422.3**		**369.6**	***14.3%***
Valuation result investment property	742.1		719.5		
Valuation result renovation projects	0.0		0.0		
Valuation result pipeline projects	37.6		24.7		
Valuation result		**779.7**		**744.2**	
Net result on disposal of investment property		22.3		5.7	
Administrative expenses		-35.8		-29.6	*-21.0%*
Other income and expenses		0.0		2.1	
Net operating profit		**1,188.5**		**1,092.0**	***8.8%***
Net interest expenses	-99.9		-82.4		*-21.2%*
Fair value result derivative financial instruments	4.7		2.5		
Net foreign exchange result	-0.6		-0.7		
Net financing result		**-95.8**		**-80.6**	***-18.9%***
Share of the profit of associates		0.0		0.0	
Net profit before tax		**1,092.7**		**1,011.4**	***8.0%***
Deferred income tax expense		-102.4		-70.6	
Income tax expense		-5.0		-2.6	
Net profit for the year		**985.3**		**938.2**	***5.0%***
Attributable to :					
Minority interest		2.9		0.9	
Equity holders of the parent (net shareholders' profit for the year)		**982.4**		**937.3**	***4.8%***
Basic earnings per share (euro)		10.96		10.46	
Diluted earnings per share (euro)		10.96		10.46	

Split net shareholders' profit for the year *

	Periods ending September 2006	Periods ending September 2005	*Difference*
Direct result *	281.1	255.6	*10.0%*
Indirect result *	701.3	681.7	
Net shareholders' profit for the year	**982.4**	**937.3**	***4.8%***

* Rodamco Europe states its result based on IFRS. This split up does not replace the IFRS measures but provide additional information to help investors understand the Group's performance. 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, the current part of income tax expense (excluding part related to indirect result €0.8) and a part of the minority interest (€0.7).

CONDENSED CONSOLIDATED FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2006

(All amounts in euro millions unless otherwise stated)

	01/07 - 30/09/2006 3 months		01/07 - 30/09/2005 3 months		*Difference*
Gross rental income	165.0		148.2		*11.3%*
Service charge income	30.1		24.7		
Revenues		**195.1**		**172.9**	
Service charge expenses	-31.4		-26.2		
Property operating expenses	-20.1		-20.2		*0.5%*
		-51.5		-46.4	*-11.0%*
Net rental income		**143.6**		**126.5**	***13.5%***
Valuation result investment property	197.6		483.2		
Valuation result renovation projects	0.0		0.0		
Valuation result pipeline projects	32.2		17.4		
Valuation result		**229.8**		**500.6**	
Net result on disposal of investment property		22.1		3.4	
Administrative expenses		-11.5		-10.1	*-13.9%*
Other income and expenses		0.0		0.0	
Net operating profit		**384.0**		**620.4**	***-38.1%***
Net interest expenses	-35.0		-28.4		*-23.2%*
Fair value result derivative financial instruments	-0.4		1.5		
Net foreign exchange result	-1.0		-1.1		
Net financing result		**-36.4**		**-28.0**	***-30.0%***
Share of the profit of associates		0.0		0.0	
Net profit before tax		**347.6**		**592.4**	***-41.3%***
Deferred income tax expense		-31.7		-64.1	
Income tax expense		-1.9		-1.1	
Net profit for the year		**314.0**		**527.2**	***-40.4%***
Attributable to :					
Minority interest		0.7		0.3	
Equity holders of the parent (net shareholders' profit for the year)		**313.3**		**526.9**	***-40.5%***
Basic earnings per share (euro)		3.50		5.88	
Diluted earnings per share (euro)		3.50		5.88	

Split net shareholders' profit for the year *

	01/07 - 30/09/2006 3 months	01/07 - 30/09/2005 3 months	*Difference*
Direct result *	94.6	85.6	*10.5%*
Indirect result *	218.7	441.3	
Net shareholders' profit for the year	**313.3**	**526.9**	***-40.5%***

* Rodamco Europe states its result based on IFRS. This split up does not replace the IFRS measures but provide additional information to help investors understand the Group's performance. 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, the current part of income tax expense (excluding part related to indirect result €0.8) and a part of the minority interest (€0.4).

(All amounts in euro millions unless otherwise stated)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Periods ending September 2006		Periods ending September 2005	
Shareholders' equity start of period		**5,272**		**4,297**
Deduct: final dividend payment 2004	0		-170	
Change in accounting principles (IAS 32 / IAS 39)	0		-18	
Adjusted shareholders' equity		**5,272**		**4,109**
Add: net shareholders' profit	982		937	
Deduct: currency translation result	-3		-5	
Add: movement hedging reserve	2		-4	
Add: other movements	4		0	
Add: share option reserve	1		0	
Total movements		**986**		**928**
Interim dividend payment 2005		0		0
Deduct: final dividend payment 2005		-195		0
Shareholders' equity end of period		**6,063**		**5,037**
Minority interest start of period	8		7	
Add: net profit attributable to minority interest	2		1	
Minority interest end of period		**10**		**8**
Total equity		**6,073**		**5,045**

CONDENSED CONSOLIDATED STATEMENT OF NNNAV (EPRA) *

	Periods ending September 2006		Periods ending September 2005	
Shareholders' equity		**6,063**		**5,037**
Add: nominal net deferred tax liabilities	475		309	
Add: market value surplus on pipeline projects	85		67	
Adjust: marked-to-market of loans and borrowings	-10		-95	
		550		281
Triple NAV ("NNNAV") before tax		**6,613**		**5,318**
Deduct: discount of deferred taxes		-258		-131
Triple NAV ("NNNAV") after tax (*)		**6,355**		**5,187**

** NNNAV is the net asset value when all assets and liabilities are valued at their respective market values. NNNAV is not reflecting potential gains on transfer costs when selling shares instead of assets.*

* The European Public Real Estate Association (EPRA) issued its Best Practice Policy Recommendations for transparent, uniform and comparable financial information by real estate companies. Rodamco Europe states its results based on IFRS. In evaluating performance, Rodamco Europe additionally focus on Triple NAV for the intrinsic value. This performance measure does not replace the IFRS measures, but provide additional information to help investors understand the Group's performance.

(All amounts in euro millions unless otherwise stated)

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT UNDER INDIRECT METHOD

	Periods ending September 2006		Periods ending September 2005	
OPERATING ACTIVITIES				
Net profit before tax		**1,092.7**		**1,011.4**
Adjustments for :				
Valuation result	-779.7		-744.2	
Net result on disposal of investment properties	-22.3		-5.7	
Net interest expenses	99.9		82.4	
Movement in trade and other receivables	-0.7		-7.2	
Movement in trade and other payables	-20.9		25.7	
Movement in derivative financial instruments	3.9		18.0	
Increase in provisions and employee benefits	7.6		-6.0	
Movement in deferred income tax	11.7		-0.4	
Other adjustments	-4.8		6.3	
		-705.3		-631.1
Cash generated from operations		**387.4**		**380.3**
Interest paid	-82.2		-91.0	
Interest received	2.3		1.3	
Current income taxes paid	-5.0		-2.6	
		-84.9		-92.3
Cash flow from operating activities		**302.5**		**288.0**
INVESTING ACTIVITIES				
Divestments/(investments) in investment property	45.6		-183.5	
Divestments/(investments) in pipeline projects	0.1		-7.7	
Capital expenditure on investment property and renovation projects	-50.9		-26.8	
Capital expenditure on pipeline projects	-106.5		-222.7	
Other divestments/(investments)	-6.6		-4.7	
Cash flow from investing activities		**-118.3**		**-445.4**
FINANCING ACTIVITIES				
Proceeds from bonds and interest bearing loans and other borrowings	675.4		798.8	
Repayment of bonds and interest bearing loans and other borrowings	-681.1		-504.3	
Dividends paid	-194.5		-170.3	
Cash flow from financing activities		**-200.2**		**124.2**
Net increase/(decrease) in cash and banks		**-16.0**		**-33.2**
Cash and banks at January 1		72.3		64.9
Effect of exchange rate fluctuations on cash held		0.2		-0.7
Cash and banks at September 30		**56.5**		**31.0**

(All amounts in euro millions unless otherwise stated)

KEY FIGURES

	as per 30/09/2006	as per 31/12/2005	*Difference*
Property assets end of period	10,017	9,095	*10.1%*
Shareholders' equity end of period	6,063	5,272	*15.0%*
Market capitalisation end of period	8,233	6,302	*30.6%*
Occupancy end of period	98.2%	97.9%	
Total expense ratio	2.52% *	3.04% *	
Net financing end of period	3,238	3,231	*0.2%*
Net financing as % of property assets (Loan-to-Value)	32.3%	35.5%	
The ratio of EBITDAV to net financing costs (Interest Coverage)	3.9 **	4.1 **	

** According to the Dutch Investment Institutions Supervision Act or Wtb 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.*

*** EBITDAV = Net Rental Income and other income/expenses less administrative expenses*

SELECTED EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT

1 GENERAL INFORMATION

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 94% of Rodamco Europe's €10.0 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 Brussels.

2 BASIS OF PREPARATION

This condensed consolidated interim financial report for the nine months ending 30 September 2006 has primarily been prepared based on the IAS 34 standard named 'Interim financial reporting'. In order to fully comply with the IAS 34 standard, some additional disclosures such as details of movements in shareholders' equity, details of transactions affecting the composition of the entity and an overview of enforcement of new IFRS standards, amendments to standards and interpretations, need to be added. In addition, a number of EPRA key figures are being presented that are not defined within IFRS. We will decide upon the treatment of these matters during Q1 2007 after which Rodamco Europe will fully comply with IAS 34.

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 31 December 2005.

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 31 December 2005.

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after January 1, 2007 or later. The Group has decided not to early adopt such standards, amendments and interpretations.

Due to the introduction of a Long Term Incentive plan in Q2, IFRS 2 has been applied. This plan is classified as an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the shares, is recognized as an expense. The total amount to be expensed equally over the vesting period is determined by reference to the fair value of the shares granted.

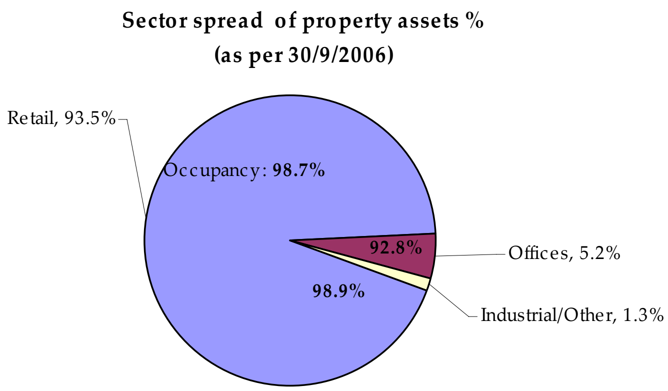
(All amounts in euro millions unless otherwise stated)

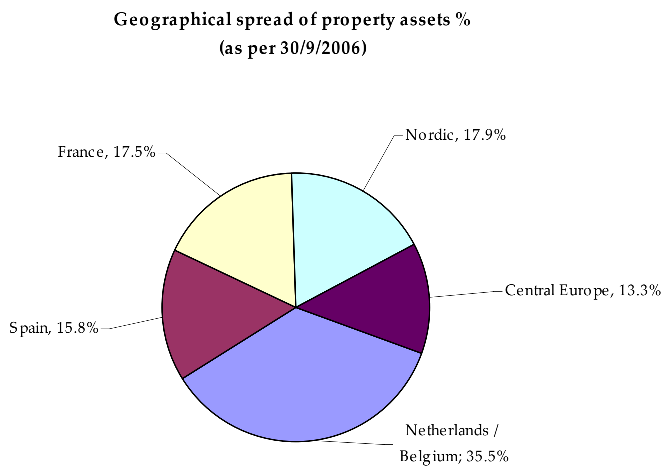
4 SEGMENT INFORMATION

Business Segments	Retail		Offices		Industrial / other		Total	
Periods ending September	**2006**	**2005**	**2006**	**2005**	**2006**	**2005**	**2006**	**2005**
Gross rental income	431.3	374.0	42.8	46.7	12.1	13.8	486.2	434.5
Net service charge expenses	-3.1	-3.1	-0.5	-1.0	-0.1	-0.2	-3.7	-4.3
Property operating expenses	-51.3	-50.5	-6.7	-8.1	-2.2	-2.0	-60.2	-60.6
Net rental income	**376.9**	**320.4**	**35.6**	**37.6**	**9.8**	**11.6**	**422.3**	**369.6**
Valuation result investment properties	683.3	704.2	50.1	7.0	8.7	8.3	742.1	719.5

Comparative information below has been restated, with no impact on net rental income, for Spain region due to new allocation criteria for net service charge expenses to gross rental income and property operating expenses.

Geographical Segments	Netherlands / Belgium		France		Spain		Nordic		Central Europe		Consolidated group	
Periods ending September	**2006**	**2005**	**2006**	**2005**	**2006**	**2005**	**2006**	**2005**	**2006**	**2005**	**2006**	**2005**
Gross rental income	179.8	158.3	74.6	71.0	68.3	62.2	95.1	89.3	68.4	53.7	486.2	434.5
Net service charge expenses	-1.1	-1.1	-1.0	-1.2	-0.7	-0.8	-0.1	0.0	-0.8	-1.2	-3.7	-4.3
Property operating expenses	-20.0	-21.1	-5.1	-4.1	-4.9	-4.6	-24.3	-25.9	-5.9	-4.9	-60.2	-60.6
Net rental income	**158.7**	**136.1**	**68.5**	**65.7**	**62.7**	**56.8**	**70.7**	**63.4**	**61.7**	**47.6**	**422.3**	**369.6**
Valuation result investment properties	182.9	52.7	129.5	279.9	187.5	161.1	145.2	153.0	97.0	72.8	742.1	719.5


Sector spread of property assets %
(as per 30/9/2006)
Retail, 93.5%
Occupancy: 98.7%
92.8%
98.9%
Offices, 5.2%
Industrial/Other, 1.3%


Geographical spread of property assets %
(as per 30/9/2006)
France, 17.5%
Nordic, 17.9%
Central Europe, 13.3%
Spain, 15.8%
Netherlands / Belgium; 35.5%

(All amounts in euro millions unless otherwise stated)

5 PROPERTY ASSETS

During the nine months Rodamco Europe's property assets increased as follows:

	Periods ending September 2006	Periods ending September 2005
Balance at January 1	9,095	7,518
Acquisitions	134	319
Capital expenditure	51	27
Cost capitalized on pipeline projects	113	234
Disposals	(157)	(130)
Revaluations	780	744
Currency translation differences	1	(30)
Balance at September 30	**10,017**	**8,682**

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	Periods ending September 2006	Periods ending September 2005
Balance at January 1	3,303	2,790
New loans	175	613
New bonds	500	186
Redemptions	(681)	(504)
Other movements (such as currency translation differences and amortization)	(2)	(12)
Balance at September 30	**3,295**	**3,073**

(All amounts in euro millions unless otherwise stated)

Total debt comprises:

	as per 30/9/2006	as per 30/9/2005
Non-current bonds	2,297	1,372
Non-current interest-bearing loans and borrowings	801	1,489
Current interest-bearing loans and borrowings	197	212
Balance at September 30	**3,295**	**3,073**

8 EMPLOYEE BENEFITS

SHARE BASED PAYMENTS

Rodamco Europe has introduced a Long Term Incentive Plan for the Managing Board and other senior staff and granted shares to the Managing Board, with grant date 24 April 2006, and other senior staff, with grant date 18 May 2006. The number of shares actually delivered is based on individual performance plans. The fair value of the plan has been calculated by Towers Perrin. The fair value of the plan is equally spread over the vesting period (until vesting date 31 December 2008). This plan falls under the scope of IFRS 2 as Rodamco Europe receives services from the Managing Board and senior staff during the vesting period and pays for the services in shares.

With the introduction of the Share Based Payments no more grants under the Share Purchase Plan will be done.

PENSION PLAN

The majority of Rodamco Europe'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:

	Periods ending September 2006	Periods ending September 2005
Employee benefits January 1	5	5
Contributions paid	(1)	(1)
Expense recognized in the profit and loss account	2	1
Employee benefits September 30	**6**	**5**

(All amounts in euro millions unless otherwise stated)

The amounts recognized in the income statement were as follows:

	Periods ending September 2006	Periods ending September 2005
Current service costs	2	1
Interest on obligations	1	1
Expected return on plan assets	(1)	(1)
	2	**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 risk specific to the liability.

	Periods ending September 2006	Periods ending September 2005
Balance at January 1	21	21
Provisions made during the year	9	1
Provisions used during the year	(1)	(2)
Provisions reversed during the year	-	(5)
Balance at September 30	**29**	**15**

Provision relates to certain number of claims and obligations.

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 CHANGES IN COMPOSITION OF THE GROUP

As per 1 January 2006 Rodamco Europe NV has purchased a 50% stake in Aupark A.S. in Bratislava, Slovakia. The initial purchase price is € 75. Aupark A.S. is the 100% owner of a shopping mall and office tower with the same name. Rodamco has an option to extend its stake to 90% as from 2013. The vendor also has option rights to sell its stake from the final closing date.

12 CAPITAL COMMITMENTS

The Group has a substantial committed pipeline (€788) 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 €788, €158 was invested until 30 September, 2006. The Group strategically accepts letting risk as it considers early involvement in shopping center design and tenant mix with strong anchor tenants as crucial for minimizing future operational risks and safeguarding the value of its properties.

13 FIGURES PER SHARE

All figures in €			
Figures per share	**Periods ending September 2006**	**Periods ending September 2006**	*Difference*
Direct result per share *	**€ 3.14**	**€ 2.85**	***10.0%***
Indirect result per share *	€ 7.82	€ 7.61	
Net shareholders' profit per share *	€ 10.96	€ 10.46	*4.8%*
	as per 30/9/2006	**as per 31/12/2005**	
NAV per share start of period	€ 58.81 **	€ 47.94 **	
NAV per share end of period	€ 67.64 ***	€ 58.81 **	
NNNAV per share end of period	**€ 70.90** ***	**€ 60.44** **	*17.3%*
Share price (end of period)	€ 91.85	€ 70.30	*30.7%*
Premium/(discount) to NNNAV	*29.6%*	*16.3%*	
Number of shares outstanding (mln)	89.639	89.639	

** based on average shares outstanding*
*** before distribution of final dividend*
**** before distribution of interim dividend*

14 DIVIDENDS

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

15 CHANGES IN CONTINGENT LIABILITIES/ ASSETS

Potential consequences of claims and legal procedures towards the Group have been provided where considered 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 € 70 of which € 20 is provided for in the balance sheet.

16 RELATED PARTY TRANSACTIONS

Rodamco Europe has related party relationships with its subsidiaries, joint-ventures, associates and its directors and executive officers (see note 8 long-term incentive plan and share purchase plan).

17 OTHER INFORMATION

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