

unibail-rodamco

Paris, Amsterdam, February 9, 2011

Press release

Full year results 2010

No 1 Listed Property Company in Europe

€24.5 billion Property Portfolio

€9.27 Recurring Earnings per Share (up 0.9%)

Net Asset Value per share:

- €124.60/share (EPRA Triple Net Asset Value per share¹)
- €136.50/share (Going Concern NAV per share²)

37% Loan to Value

€6.6 billion investment pipeline

BACK TO GROWTH

"With outperforming tenants sales, shopping center footfall and rental growth, 2010 results are encouraging. Retenancing is accelerating everywhere and top international retailer's interest for our malls is higher than ever. Recently delivered extended and renovated centres are performing above expectations, and many more are coming soon. Our pipeline is now the largest in our sector, and will be a further engine of future growth, backed by secured cheap funding for many years to come. Finally, posting a 2010 recurring EPS growth of 0.9% in line with outlook, despite our large capital return and divestment programme, underscores our belief that we are back to growth." *Guillaume Poitrial, CEO and Chairman of the Management Board.*

Better than expected overall performance

In February 2010, the Group set itself a target of 0 to 2% growth for its recurring EPS. The 0.9% recurring EPS growth achieved in 2010 is within this range. However the real performance is more impressive given some unbudgeted and earnings dilutive events such as the exceptional distribution to shareholders of €1.8 Bn on October 12, 2010, the accelerated asset disposals with disposal yields exceeding marginal borrowing cost and the 5-month delay in the acquisition of the Simon Ivanhoe portfolio.

¹ EPRA NNNNAV (triple net net asset value) per share, on the basis of a fully diluted number of 95,554,960 shares at December 31, 2010 including ORAs and ORNANE (net share settled bonds convertible into new and/or existing shares) outstanding at December 31, 2010

² EPRA NNNNAV per share adding back transfer taxes and deferred capital gain taxes. It corresponds to the amount of equity needed to replicate the Group's portfolio with its current financial structure - on the basis of 95,554,960 fully diluted number of shares

Positive operational performance

Footfall in the Group's centres increased by 1%, while the tenant sales grew by 3%. These numbers considerably outperform national statistics, and give evidence to the strength of the Group's strategic focus on large dominant centres. Extensions of existing centres, such as at Lyon Part Dieu, La Maquinista and Donau Zentrum have created positive momentum with retailers and visitors, posting strong footfall and sales increases in the entire centre. International premium retailers such as Apple, Hollister and Forever 21 are opening a high portion of their new shops in Europe in the Group's centres.

28% more leases were signed in 2010 vs. 2009 and rental uplift came out at 18%, with the second half showing good improvements over the first half. Net rental income like-for-like growth is still affected by low indexation, and came to 1.4% for the year, while vacancy remained flat at 1.7%.

In the Paris office market, prime rents have strengthened, especially for new, efficient offices. Overall, net rental income for the Group in this sector is down by 6.2% due to the divestments, while like-for-like net rental income is up by 2.2%, despite negative indexation.

Divestments gaining momentum

As announced at the half year 2010 results, the Group is divesting a significant number of non-core retail and office assets. During 2010, €1,528 billion divestments were completed, with an average yield of 5.5% and a divestment profit of 10.5% compared to last externally appraised values. At year-end, €245 million of assets were under a preliminary sales contract, while negotiations were ongoing for another € 734 million. In total, for the 2011 to 2013 period, the Group aims to sell approximately €2.5-€3.0 billion of non-core retail and office assets.

Asset values going up

The Group's EPRA triple net asset value per share dropped from €128.20 at year-end '09 to €124.60 by year-end 2010. Rebased for the €20/share exceptional distribution it represents however an increase by 15%, derived from property yield compression and rental growth. The Gross Market Value of the portfolio now stands at €24.5 billion, while the average yields come to 5.7% for retail and 6.6% for the occupied office portfolio. Looking at the Company on a going concern basis, ie adding back transfer taxes and deferred capital gain taxes, the Going Concern NAV per share stands at €136.50/share.

€3 billion available at year-end

Access to funding has remained good throughout '10, with €2 billion new medium and long term funds raised on the bond and the bank markets. The average cost of borrowing stands at 3.9%. Despite the significant exceptional distribution, the Loan to Value ratio remains conservative at 37%, while the ICR came to 4.1 times. At year-end, the Group had €3 billion in undrawn funds available. The Group has also taken advantage of the low interest rate environment to put in place additional hedging instruments securing the cost of debt for the coming five years.

Outlook back to growth

With some 15% of the Group's equity distributed to shareholders, and massive disposals of smaller assets, 2010 has been a transformational year for Unibail-Rodamco in many ways. For 2011, the core underlying business is expected to be strong, and underlying growth should add around 6% to 8% to the recurring earnings per share. However, the exceptional distribution and the disposals will reduce the recurring earnings by approximately 11%, bringing the overall outlook for 2011 to a limited 3% to 5% net decrease to reported 2010 recurring earnings per share.

For the 2012-2014 period the combination of healthy like for like growth prospects, combined with deliveries from the development pipeline and the protected cost of borrowing, and despite the ongoing divestments, leads the Group to express confidence in a return to an average annual growth of the recurring earnings per share of 5% to 7%.

Dividend of €8/share at least

The Group will propose to distribute €8/share in cash over the 2010 results, and intends to maintain this as a minimum level within the stated 85%-95% distribution policy for the following years.

About Unibail-Rodamco

Unibail-Rodamco is Europe's leading listed commercial property operator, investor and developer. It is present in 12 countries across the continent. Its portfolio of shopping centres, offices and convention-exhibition venues was valued at €24.5 billion on December 31, 2010. Its 1,600 employees create value for its shareholders by investing in and developing outstanding assets, then managing them to exceed its customers' expectations. The Group's success is founded on its ability to build strong relationships with tenants and communities and create comfortable, welcoming spaces for people to work, shop, relax and do business. The Group is listed on the CAC 40, AEX and Stoxx 50 indexes. Unibail-Rodamco's commitment to environmental, economic and social sustainability has been recognised with listings in the DJSI (World) and FTSE4Good indexes. For more information, please visit our website: www.unibail-rodamco.com

The press release and its appendix can be found on Unibail-Rodamco's website www.unibail-rodamco.com

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