

unibail·rodamco

Financial report – First Half 2010

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I. SCOPE OF CONSOLIDATION, ACCOUNTING PRINCIPLES

Scope of consolidation

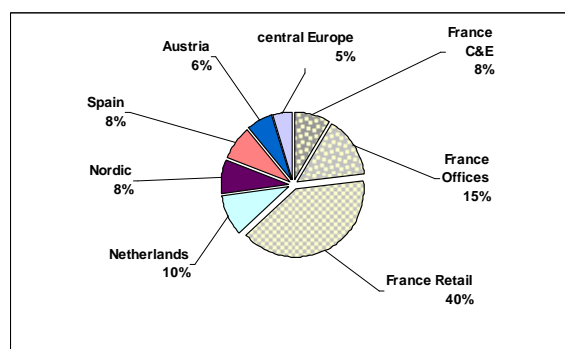
There was no significant change in the scope of consolidation since Jan 1st, 2010.

As at June 30, 2010, 291 companies in 12 countries have been fully consolidated with the exception of 23 companies accounted for under proportional method and 5 companies under the equity method¹.

The remaining minority share in Rodamco Europe NV was reduced to 0.83% as June 30, 2010 (1.48% at year end 2009) as the Group acquired 586,720 shares in June 2010, for a price per share of €70.65. Legal buy out proceedings under Dutch law initiated on December 14th, 2007 before Enterprise Chamber of the Court of Appeal in Amsterdam are ongoing.

The Unibail-Rodamco group is operationally organised under 6 geographical regions: France, the Netherlands, Nordic, Spain, Central Europe and Austria. As France has substantial representation of all 3 business-lines of the group, this region is itself divided in 3 segments: Shopping Centres, Offices and Conventions & Exhibitions. The other regions operate mainly in the shopping centre segment.

The table below shows the split of asset value (Gross Market Value) per region as at June 30, 2010.



Accounting principles

Unibail-Rodamco's condensed consolidated financial statements as at June 30, 2010 have been prepared in accordance with IAS-34 "interim financial reporting" of the International Financial Reporting Standards² (IFRS) and are compliant with the EPRA³ best-practices policy recommendations.

No changes were made compared to the accounting principles used for 2009 closing.

¹ Mainly COMEXPOSIUM subgroup (Trade show organisation business)

² As applicable in the European Union as at June 30, 2010

³ European Public Real-estate Association

II. BUSINESS REVIEW BY SEGMENT

1. Shopping centres

1.1. Shopping centre market in H1'10

The economic environment remained difficult during the first half of 2010. It was marked by further increases in unemployment to levels of 10% in the Euro zone and 9.6% for the 27-member EU, low consumer confidence, the introduction of a first phase of austerity plans in European countries during the second quarter, and by particularly erratic consumption patterns.

The best located large shopping centres with a wide selection of retail, food and entertainment continue to attract the highest footfall and the best retailers. This is confirming the view that shopping has become more than a purchasing mission, and more of a leisure and wellbeing experience. Retailers are increasingly adapting to this change in behaviour, as evidenced by the success of for instance Apple, MAC and Hollister.

In this context, Unibail-Rodamco's shopping centres once again demonstrated a high degree of resilience. At end May, footfall was up by +0.9% and retailers' turnover by +2.2%, driven by the out-performance of supra-regional centres.

Turnover was up in all regions at the end of May, with the exception of Central Europe (-1.3%). Sales growth in Unibail-Rodamco's shopping centres in all the countries, except Czech Republic and Slovakia, out-performed the national indexes notably in very large shopping centres.

To emphasise the differentiation of the Group's centres, innovative events and marketing programmes continued and have boosted shopping centres activity.

Leasing activity, driven by sustained demand from major national and international retailers for large shopping centres, remained dynamic during the first half year.

Rent levels remained stable or increased in the large malls compared to 2009. Demand is being supported by the arrival of new retailers, primarily from the USA, which are launching significant expansion programmes in Continental Europe.

In the investment market, liquidity has returned with high competition for the best available assets, as evidenced for example by the CAP3000 transaction in Q2 of this year. The low interest rate environment has helped fuel the investment market, although many companies are still struggling to obtain amount of financing in line with those achieved in the past. Especially large institutional investors have come back into the market, in particular for prime products.

1.2. Rental income from Unibail-Rodamco shopping centres

Total consolidated Net Rental Income (NRI) of the shopping centre portfolio amounted to €474.3 Mn in first half of 2010. As a consequence of the ongoing divestments of non strategic assets especially in The Netherlands, the growth in NRI was limited to 1% compared to H1'09.

Region	Net Rental Income (€Mn)		
	2010-H1	2009-H1	%
France	235.0	222.4	5.6%
Netherlands	62.3	74.3	-16.1%
Nordic	46.3	44.1	4.8%
Spain	60.0	59.4	0.9%
Central Europe	37.3	37.0	1.0%
Austria	33.4	32.2	3.9%
Global	474.3	469.4	1.0%

The total net variation in NRI (+€4.9 Mn) came from

- Delivery of new shopping centres or extensions: +€7.9 Mn:
 - ✓ Docks de Rouen–France (37,700 m²) opened in April 2009.
 - ✓ Docks Vauban–Le Havre-France (59,400 m²) inaugurated in October 2009.
 - ✓ Cnit-Paris La Défense, new retail area (16,670 m²) delivered in October 2009.
 - ✓ Lyon Part Dieu extension in Lyon-France (14,956 m²) opened in May 2010.
 - ✓ La Maquinista extension in Barcelona-Spain (15,912 m²) delivered in April 2010.
- Acquisitions of additional plots in Spain (Las Glories –Barcelona and Vallsur-Valladolid) and in Austria (Donauzentrum-Vienna) representing €1.4 Mn additional NRI compared to H1'09.
- Disposals of non strategic assets in The Netherlands generated a NRI loss of €14.2 Mn compared to H1'09.
- Taking into account €2 Mn of constant currency correction⁴, the net growth like for like amounted to €7.8 Mn.

Region	Net Rental Income (€Mn)		
	Like-for-like		
	2010-H1	2009-H1	%
France	224.8	220.1	2.1%
Netherlands	57.9	56.3	3.0%
Nordic	35.6	36.1	-1.2%
Spain	59.9	59.6	0.5%
Central Europe	37.7	37.0	2.0%
Austria	29.0	28.1	3.1%
Global	444.9	437.1	1.8%

Excluding currency effect

⁴ Mainly in Sweden

On a like-for-like basis, H1'10 NRI grew by 1.8% compared to H1'09, of which 0.6% due to indexation, as shown in the table below.

Region	Net Rental Income like-for-like evolution (%)			
	Indexation	Renewals, relettings net of departure	other	Total
France	0.3%	0.9%	0.9%	2.1%
Netherlands	1.0%	0.0%	2.0%	3.0%
Nordic	2.0%	-2.6%	-0.6%	-1.2%
Spain	0.5%	-1.3%	1.3%	0.5%
Central Europe	1.0%	1.7%	-0.7%	2.0%
Austria	0.1%	2.3%	0.7%	3.1%
Global	0.6%	0.4%	0.8%	1.8%

Net of indexation and on a like for like basis, the average NRI growth rate was +1.2%, with a noteworthy performance of 3% in Austria, in particular thanks to an increase in tenants rotation.

The Nordic countries showed a negative evolution due to significant costs for snow cleaning and heating in this region which endured one of the harsher winters on record, and to an increase in vacancy in Forum Nacka in Sweden and Fisketorvet in Denmark.

On the whole portfolio, sales based rents represented 1.7% of total net rental income of H1'10 (1.5 % on full year 2009).

1.3. Leasing activity in H1'10

During the first half year, Unibail-Rodamco continued to benefit from its differentiating retailer strategy.

726 leases were signed in H1'10 (545 in H1'09), of which 106 contracts signed with Cross-Border and Premium retailers, including 20 contracts which introduced brands to new countries, shopping centres or cities for the first time.

Among the best achievements: the signature with Forever 21 (3,364 m²) at La Maquinista which is its first lease contract signed in a continental European shopping centre, Hollister's signature of its first store in Barcelona at La Maquinista, Desigual's first implementation in Austria and in Sweden, Kiko's first stores in shopping centres in France at Rosny 2, La Part-Dieu and Lyon-Confluence and Kiehl's first store in a shopping centre at Les Quatre Temps Paris-La Défense.

In total €62.4 Mn of Minimum Guaranteed Rents with an average uplift of 16.5% was signed in H1'10 versus €50.1 Mn in H1'09 with an average uplift of 23% (21% on average in 2009).

region	lettings / re-lettings / renewals excl. Pipeline				
	nb of leases signed	m ²	MGR (€ Mn)	MGR uplift like for like	
				€ Mn	%
France	180	36,387	21.4	2.9	17.1%
Netherlands	34	11,355	4.2	0.4	12.5%
Nordic	101	17,978	6.3	0.2	4.5%
Spain	243	49,579	17.8	1.5	9.7%
Central Europe	104	8,974	4.7	0.9	24.3%
Austria	64	23,218	8.0	2.0	50.8%
Global	726	147,491	62.4	8.0	16.5%

MGR : Minimum Guaranteed Rent

1.4. Vacancy and Lease expiry schedule

As at June 30, 2010 aggregated annualised Minimum Guaranteed Rents from Unibail-Rodamco's shopping centre portfolio amounted to €968.9 Mn, excluding variable rents and other income, compared to €977.8Mn at year end 2009.

The following table shows a breakdown by expiry date and by next break option of the leases.

Retail portfolio	Lease expiry schedule			
	at date of next break option	as a % of total	at expiry date	as a % of total
Expired	38.9	4.0%	40.1	4.1%
2010	67.9	7.0%	49.3	5.1%
2011	225.1	23.2%	60.0	6.2%
2012	165.0	17.0%	100.0	10.3%
2013	152.2	15.7%	71.1	7.3%
2014	82.0	8.5%	74.4	7.7%
2015	79.1	8.2%	66.9	6.9%
2016	34.7	3.6%	58.8	6.1%
2017	36.7	3.8%	68.2	7.0%
2018	19.0	2.0%	74.4	7.7%
2019	27.0	2.8%	71.5	7.4%
2020	14.3	1.5%	41.6	4.3%
Beyond	26.9	2.8%	192.5	19.9%
M€	968.9	100%	968.9	100%

Potential rents from vacant space in operation on the total portfolio amounted to €23.3 Mn at June 30, 2010.

Financial vacancy as at June 30, 2010 stood at 2.3% on average across the total portfolio, increasing slightly compared to Dec 31, 2009 (1.9%).

Region	vacancy (June 30, 2010)		% Dec 31, 2009
	€Mn	%	
France	9.6	2.0%	1.7%
Netherlands	4.0	3.2%	2.1%
Nordic	5.8	4.6%	3.4%
Spain	1.8	1.5%	1.4%
Central Europe	0.2	0.2%	0.0%
Austria	1.9	3.5%	4.4%
Global	23.3	2.3%	1.9%

The occupancy cost ratio⁵ remained stable between 2009 and H1 2010 and stands at 11.7% for the Group.

⁵ Occupancy Cost Ratio = (rental charges + service charges including marketing costs for tenants) / (tenants' sales); VAT included and for all the occupiers of the shopping centre.

1.5. Investment

Unibail-Rodamco invested €362.1 Mn⁶ (group share) in its shopping centre portfolio in H1'10:

- €257.7 Mn was invested in new shopping centres, projects and extensions under construction, mainly:
 - ✓ in France: Eiffel-Levallois, Lyon-Confluence and Lyon Part Dieu extension.
 - ✓ in Austria: Donauzentrum extension.
 - ✓ in Spain: La Maquinista extension.(See additional information in the following section on « Project pipeline »)
- €66.6 Mn was invested in renovation of existing shopping centres.
- €5.7 Mn was invested in acquisitions of several plots in Garberas and Parly 2.
- Financial costs, eviction costs and other were capitalised respectively for €8.3 Mn, €15.2 Mn and €8.6 Mn.

On July 1st 2010, the Group increased its stake in Euralille–Lille-France from 40% to 76% for a consideration of €44.3 Mn. This investment which was up to now consolidated under equity method will be fully consolidated in H2'10.

The acquisition of the Simon-Ivanhoe portfolio, announced on February 5, 2010, had not closed by the end of H1'10. On July 13, the Group announced it had obtained competition authority clearance in Warsaw to finalise the transaction, on the condition that the Group relinquishes its management role in the Zlote Tarasy shopping centre in Warsaw. The deal closed on July 15, 2010.

1.6. Divestments

The Group has continued to apply its strategy of divestment of non core assets.

All the sales of the first half year took place in The Netherlands with net disposal proceeds of €290.6 Mn and a net profit of €7 Mn.

On July 13, 2010, the Group sold St Martial shopping centre (15,100 m²) in Limoges for a disposal price of €99 Mn.

In The Netherlands, divestment contracts signed in H1'10 will be finalised in July for an additional amount of € 467.7 Mn.

1.7. Portfolio valuation

As at June 30, 2010 the shopping centre portfolio of Unibail-Rodamco was valued on the balance sheet at €16,603.5 Mn, excluding transfer taxes and disposal costs.

Valuation movements to shopping center investment properties (standing assets and property under development) amounted to +€710.3 Mn in H1'10, breaking down as follows: €501.9 Mn in France, €71.2 Mn in The Netherlands, €47.5 Mn in Austria, €41.4 Mn in Central Europe, €32.0 Mn in Nordic and €16.3 Mn in Spain (see details in the following section on Net Asset Value).

2. Offices

2.1. Office property market⁷ in H1'10

Take-up

The Paris Region office market performed respectably over H1'10: the take-up was over 1.0 Mn m², which is an increase of 16% compared to H1'09.

This level has been maintained essentially by medium size transactions (1,000-5,000 m²) but the large segment (deals > 5,000 m²) was also relatively active since 36 large transactions were listed during H1'10.

Take-up in the Central Business District (CBD) over H1'10 increased by 65% compared to H1'09 and stood at 177,000 m².

The volume of office take-up in Paris Region for 2010 is expected to remain relatively stable or rise slightly compared to 2009 to stand between 1.8 and 2.0 Mn m² (1.8 Mn m² in 2009).

Available supply

After rising sharply for the last two years, immediate supply remained relatively stable during H1'10 and stood at 3.6 Mn m². The vacancy rate stood at 6.8% for the Paris Region at the end of H1'10 (unchanged compared to year end 2009). This level varies significantly however between the Paris regions.

The CBD vacancy rate slightly decreased to 5.9% and La Défense Business District still stands out with a low vacancy rate 6.1%.

On the whole, the Paris Region market suffers from increased second hand office supply. Only 26% of the immediate supply is new or refurbished.

In the CBD, only 19% of the immediate supply is new or refurbished and in La Défense, only 17% of the immediate supply is new or refurbished.

⁶ Variation in gross asset value group share

⁷ Sources: CBRE – Immostat – DTZ.

Rents

Rental values in the Paris Region experienced a decrease in 2009; according to brokers, this decreasing trend seemed to have stopped.

H1'10 showed that prime rents have stabilized in the CBD or in La Défense, and there are even signs of moderate upward pressure on rents in these areas. The highest rent during H1'10 in CBD stood at 830€/m² and at 530€/m² in La Défense.

The situation is however still different from one area to another within the Paris Region and from one class of buildings to another; second hand buildings and especially those in more peripheral locations are still experiencing a fall in rents.

Investment

Investment in offices during H1'10 has confirmed forecasts for a significant recovery in the Paris Region market. €2.1 Bn was invested over H1'10 (compared to €1.2 Bn during H1'09).

The unit size of deals has increased since several deals over €100 Mn were signed. The two biggest market transactions during H1'10 were the acquisition of the HSBC headquarters on the Champs Elysées for a net disposal price of €400 Mn and the acquisition of Capital 8 Messine by Allianz Real Estate for a net disposal price of €242.1 Mn (the latter sold by Unibail-Rodamco).

After having risen during a significant part of 2009, yields have been experiencing a compression. In Paris CBD, the prime yield stood at the end of H1'10 between 5.15% and 5.30%. However, the decrease in yields only applies to high quality well located assets offering secured cash-flows and has not yet spread to the other Paris Regions.

2.2. Office division H1'10 activity

Unibail-Rodamco consolidated net rental income from offices portfolio came to €108.1 Mn in H1'10.

Region	Net Rental Income (€Mn)		
	2010-H1	2009-H1	%
France	91.4	88.2	3.6%
Netherlands	6.4	11.8	-45.6%
Nordic	8.4	8.6	-1.7%
Other countries	1.9	1.9	-0.2%
Global	108.1	110.5	-2.1%

The decrease of €2.4 Mn from H1'09 to H1'10 is explained as follows:

- -€15.6 Mn came from disposals
 - ✓ Buildings sold in 2009 (mainly: Cambon, Clichy, 12 Mail and Iéna in Paris, Aegon building in The Hague -The Netherlands).
 - ✓ Buildings sold in 2010 (18-20 Hoche and Capital 8-Messine in Paris, Logistic in Spain)
- +€2.3 Mn came from the acquisition of "Le Sextant" building (13,300 m²) in Paris at year end 2009.

- +€2.4 Mn came from the delivery after renovation of Michelet-Galilée in Paris-La Défense, and Tour Oxygène in Lyon-France.

- After taking into account currency effect in Sweden (+€0.6 Mn) and one off items for €0.7 Mn, like-for-like NRI increased by €7.2 Mn, ie a 8.7% growth, despite a negative impact of indexation of -0.8%.

This variation is broken down as shown in the following table.

Region	Net Rental Income (€Mn)		
	Like-for-like		
	2010-H1	2009-H1	%
France	75.4	66.5	13.4%
Netherlands	6.5	7.3	-11.3%
Nordic	5.9	6.9	-13.8%
Other countries	1.1	1.1	-
Global	88.9	81.7	8.7%

In France, which represents 85% of the offices NRI, leasing activity was sustained during the first half of 2010: 9,227 m² of vacant units were let and 23,249 m² were re-let or renewed corresponding to €14.9 Mn of total annual rent and 27,883 m² were renegotiated. Renewals, re-lettings and renegotiations were signed with a limited MGR downward adjustment of 0.2% compared to the previous leases.

As at June 30, 2010 annualised minimum guaranteed rents generated by the office portfolio amounted to €235 Mn, of which €197.4 Mn in France.

The expiry schedule of the leases (termination option and expiry date) is shown in the following table.

Office portfolio	Lease expiry schedule			
	at date of next break option	as a % of total	at expiry date	as a % of total
Expired	7.8	3.3%	8.1	3.4%
2010	21.5	9.1%	22.3	9.5%
2011	23.0	9.8%	8.1	3.5%
2012	17.8	7.6%	8.1	3.4%
2013	42.6	18.1%	14.8	6.3%
2014	18.6	7.9%	8.7	3.7%
2015	25.8	11.0%	29.0	12.4%
2016	29.0	12.3%	28.9	12.3%
2017	6.8	2.9%	20.5	8.7%
2018	9.7	4.1%	17.8	7.6%
2019	25.7	10.9%	58.8	25.0%
2020	0.9	0.4%	1.0	0.4%
Beyond	6.0	2.5%	8.8	3.7%
M€	235.0	100%	235.0	100%

Potential annualised rents from vacant office space in operation amounted to €15.4 Mn at June 30, 2010, corresponding to 6.2% of financial vacancy on the whole portfolio, mainly due to an increase in vacancy in The Netherlands. In France the financial vacancy (4.1%) as at June 30, 2010 slightly decreased compared to December 31, 2009 (4.3%).

2.3. Investment

Unibail-Rodamco invested €63.7 Mn in its office portfolio in H1'10.

No new acquisition was made during this period.

€ 40.7 Mn was invested for works, mainly in France for Tour Oxygène in Lyon and for development projects Phare, and Majunga in Paris-La Défense and Eiffel building in Levallois.

(See more details in the following section on Projects pipeline).

€14 Mn was invested for renovation of existing buildings, mainly Michelet-Galilée and Cnit offices in Paris La Défense.

Financial costs, eviction costs and other were capitalised respectively for €6.2 Mn, €1.9 Mn and €0.9 Mn.

2.4. Divestments

The Group sold 4 office buildings in H1'10 for a total net disposal price of €315.1 Mn and a net profit of €12.1 Mn:

- The most significant was Capital 8-Messine (18,107 m²) in Paris, sold for a net disposal price of €242.1 Mn at a net initial yield of 5.6%.
- 18-20 av Hoche in Paris (2,774 m²), for a net disposal price of €40 Mn and a net initial yield of 5.3%.
- One logistic building in Madrid-Spain for €28.1 Mn.
- One asset in Sweden for €4.9 Mn.

The net gain over the last appraised value (Dec 2009) was +5.7%.

On July 2, 2010, one building located 168 av Ch. de Gaulle in Neuilly-France was sold for a net disposal price of €62.5 Mn corresponding to a net initial yield of 5.7%.

2.5. Portfolio valuation

The office portfolio was valued €3,622.2 Mn (excluding transfer taxes and disposal costs) on the balance sheet at June 30, 2010, including 7 Adenauer Paris (own-use building) assigned at historical cost.

The change in the fair value of office investment properties since December 31, 2009 generated a positive valuation result of €152.6 Mn (see following section on Net Asset Value).

3. Convention & Exhibition

This activity is exclusively located in France, and consists of real estate venues rental and service providing (VIPARIS) and a trade show organiser (COMEXPOSIUM).

Both organisations are jointly owned with the Paris Chamber of Commerce and Industry (CCIP), where VIPARIS is fully managed and consolidated by Unibail-Rodamco and COMEXPOSIUM is controlled by the CCIP and recorded under the equity accounting method.

The convention and exhibition business is seeing the effects from the global economic crisis. Several shows, such as the Furniture Show and the Paris Tuning show have been cancelled, while creations of new shows are slowing down.

Despite this environment, shows remain for exhibitors one of the most effective advertising media.

On average, companies attend 2.6 shows a year in France and 2.2 shows abroad. As a result, Viparis has hosted more than 22,000 exhibitors on this first half-year, only some 300 (or -1.3%) less than in H1'09.

In aggregate, 555 events were held on all VIPARIS venues in the first half 2010, of which 175 shows, 62 conventions, and 282 corporate events. Visitor numbers were satisfying with more than 3.2 million visits on VIPARIS's 11 venues.

Traditionally, the Convention and Exhibition business has a seasonal results pattern, with annual, bi-annual and tri-annual shows. Even years tend to have more shows than uneven years. However, during the first half of uneven years, more shows tend to take place than during even years (the Air show in Le Bourget for instance takes place in first half of uneven years) whereas during the second half of the year it is the opposite (the major Auto/Motor show in Porte de Versailles takes place in the second half of even years).

As a result of these seasonal effects and in view of the challenging external environment, H1'10 EBITDA amounted to a satisfactory €52.0 Mn. Compared to H1'09, this represents a decrease of €17.4 Mn while compared to the more relevant H1'08 results it has come down with €9 Mn.

As at mid-year, satisfactory pre-bookings are in place for 2010: 98% of 2010 leasing activities is secured.

Comexposium, trade show organisation business consolidated under equity method, contributed to the Group's recurring result for €6.2 Mn (€5.8 Mn in H1'09), of which €3.4 Mn due to tax losses activated.

III. First half 2010 Result

Administrative expenses amounted to €47.3 Mn, of which €1.3 Mn incurred for feasibility studies of development projects.

It represented a decrease of 5.6% compared to H1'09.

Property services net operating result (+€4.6 Mn) came from property services companies in France and in Spain.

The item 'other income' was limited to +€0.7 Mn in H1'10 whereas it amounted to €9.2 Mn in H1'09 due to a reversal of a provision for a successfully closed litigation.

Group net financial expenses totalled €148.7 Mn, including capitalised financial expenses of €17.6 Mn allocated to projects under construction. Net borrowing expenses recorded in the net recurring profit thus came to €131.1 Mn (€138.1 Mn in H1'09).

The ORNANE⁸ issued in April 2009 was accounted at fair value, in accordance with IFRS. The decrease in value amounted to €57.4 Mn at June 30, 2010, resulting in a profit which did not affect the recurring result.

Most of the ORAs issued in 2007 were converted. Only 19,681 ORAs⁹ were still in issue as at June 30, 2010.

In accordance with the option adopted by Unibail-Rodamco for hedge accounting (IAS 39), the change in value of caps and swaps was recognised directly in the P&L, resulting in a negative amount of €188.2 Mn¹⁰. This charge did not affect the recurring result.

The Group's average cost of financing came to 4.1% over first half 2010 (4.0 % over full year 2009). Unibail-Rodamco's refinancing policy is described in the following section 'Financial Resources'.

The income tax charge came from countries where specific tax regimes for property companies¹¹ do not exist and activities in France which are not eligible to the SIIC regime, mainly in the Convention & Exhibition business.

Total income tax allocated to the recurring result was a credit of €3.3 Mn. The main differences compared to the recurring tax charge of €13 M€ in H1'09 are related to lower Viparis taxable result, recognition of deferred tax assets in Spain and reversal of provision for tax litigation closed.

Corporate income tax allocated to valuation result and disposals was a charge of €50.9 Mn due mainly to the variation of deferred taxes on assets' fair value.

Minority interests in the consolidated net recurring profit after tax amounted to €43.8 Mn. They related mainly to CCIP's minority share in VIPARIS (€13.1 Mn), to shopping centres in France and in Spain (€27.7 Mn, mainly Les Quatre Temps and Forum des Halles) and to the remaining 0.83% minority shareholders in Rodamco Europe (€3 Mn).

Consolidated net result (group share) was a profit of €1,107.4 Mn in H1'10. This figure breaks down as follows:

- **€429.1 Mn of recurring net profit**
- **€19.1 Mn net gains on disposals**
- **€659.2 Mn of fair value adjustments.**

Recurring result (€ Mn)	Consolidated	Group Share	Minority Share
Retail Net rental income	476.7	438.2	38.5
Offices Net rental income	108.1	107.8	0.3
Convention & Exhibition	58.0	40.3	17.7
Property services / other income	5.3	5.3	-
Operating result	648.1	591.6	56.5
General expenses / development	- 47.3	- 47.1	- 0.2
Financing result	- 131.1	- 118.0	- 13.1
Corporate income tax	3.3	2.6	0.6
Net Result	473.0	429.1	43.8
Non controlling interests	- 43.8		
Net result Group share	429.1	429.1	

The average number of shares and ORAs¹² in issue during this period was 91,364,731.

Recurring Earnings per Share came to €4.70 in H1'10, representing an increase of 0.43% compared to H1'09.

⁸ Net share settled bonds convertible into new and/or existing shares.

⁹ Convertible into 21,255 shares.

¹⁰ Of which: €2.6Mn for discounting effect and €6.5 M for derivatives nettings.

¹¹ In France : SIIC (Société Immobilière d'Investissements Cotée).

¹² ORA: Obligations Remboursables en Actions = bonds redeemable for shares. It has been assumed here that the ORAs have a 100% equity component.

IV. Post closing events

- On July 15, 2010, further to the formal clearance by the Polish Office of Competition and Consumer Protection (on the condition that the Group relinquishes its management role in the Zlote Tarasy shopping centre in Warsaw), the acquisition of Simon-Ivanhoe's portfolio in Poland and in France was finalized with a consideration for the assets of €715 Mn.
- On July 13, 2010, the Group completed the disposal of St-Martial shopping centre (15,100 m²) in Limoges for a disposal price of €99 Mn.
- Since June 30, €462.5 Mn of assets under sale agreements was sold in The Netherlands.
- On July 17, 2010, the Group announced that Fitch Ratings was replacing Moody's as one of the Groups' rating agencies, alongside Standard & Poor's. As of that date, the Group is rated "A" with stable outlook by Standard & Poor's.

V. Share capital reimbursement and Outlook

Since the merger between Unibail and Rodamco in 2007, the Group has pursued its strategy of concentrating on prime assets, building an exceptional portfolio of large shopping centres. Doing so enables a stronger management focus, fully dedicated to a smaller number of large, visible and highly profitable investments, where the Group's know-how in operation, marketing and development creates the difference.

This strategy was implemented through an ambitious divestment programme. Since the merger, some €4 billion worth of assets were sold. Backed by good market conditions, the group is accelerating this policy with €1.2 billion of disposals signed or closed in H1 2010 (including the Capital 8 Messine Building) with an average 9% price premium achieved on appraisal value on these disposals. A further €500 million disposals are expected for the remainder of 2010.

As a consequence of this successful strategy and the strength of its balance sheet, the Group has the opportunity to reshape its capital structure to improve the quality of the return it generates for shareholders.

The joint Supervisory and Management Boards propose to return capital to the shareholders for an amount corresponding to €1.8 billion broadly in line with the disposal proceeds achieved, net of acquisitions, since the merger. For this purpose, the Group intends to call an extraordinary general meeting for the 8th September 2010 to declare a capital reimbursement of €20 per share distributable on October 12th, 2010. The capital reimbursement would be declared from the Group's contribution paid in capital and paid from the available undrawn credit lines, which came to €4 billion at June 30, 2010.

The Group has approached two rating agencies Standard & Poor's and Fitch to rate the Group's pro forma financial position. The expected rating from these agencies after the reimbursement is an "A" rating.

The Group will still be among the least indebted companies within its peer group and will retain sufficient financial flexibility to deal with its significant development pipeline and any acquisition opportunities which may emerge while maintaining its highly focused strategic approach.

Outlook

The Group reaffirms its outlook for 2010 of growing the recurring earnings per share with 0% to 2%. This outlook integrates the impact of the proposed capital reimbursement.

Unibail-Rodamco's development pipeline stood almost unchanged at €5.7 Bn, with new projects making up the delivery of several developments in H1'10. The development programme covers 1.1 Mn m² of additional Gross Lettable Area (GLA).

1. Development Market

The Property development sector is in turbulent but very interesting times. Very few new projects started construction in the past 12 months, as bank financing has vanished, leasing of newly developed projects has been difficult and the expected internal returns have proven harder to reach. For many projects that started 2 or 3 years ago, the land sites have been acquired at top m² prices and the construction contracts were secured at pretty high levels.

Yet, a world of opportunities has also appeared:
1 - Land prices have taken time to adjust downward as developers have managed to buy time with their banks. However the time has come where banks are foreclosing on the land plots, or are forcing the disposal of projects not yet under construction.

2 - Real development opportunities are coming to the market, sometimes with the benefit of being partially or fully authorized (zoning, commercial licenses, building permits).

3 - Construction companies have maintained good results in the past 2 years because of the completion of projects already financed before the crisis. Various state driven or public actions to support the construction industry with public investment (infrastructure or subsidized residential development) created some demand. However, it is probable that the construction industry will face a very tough period of time and that the construction prices will adjust downwards as the order books are shrinking.

4 - Both in the office and the retail sectors, the expected rental levels of newly developed projects are lower today than before the crisis, apart for high quality assets.

The appetite from retailers that have reduced their expansion plans in the past 18 months are now returning for product of top quality. At the same time, many international retailers are trying to enter countries in which they were not present.

5 - The attitude of local authorities has changed to become much more supportive of development projects because of their positive tax, employment and economical impact. The high number of projects stopped or delayed, mainly for their lack of financing, has made good projects developed by big players even more important for national, regional or local governments.

6 - Finally the cost of borrowing is quite cheap with interest rates at historical low levels. However, in today's risk adverse environment this cheap money goes less towards risky projects and available volumes for brownfield projects are low.

2. Unibail-Rodamco's development strategy

In this turbulent project development environment, Unibail-Rodamco's strategy in property development has been highly adaptive and pro-active.

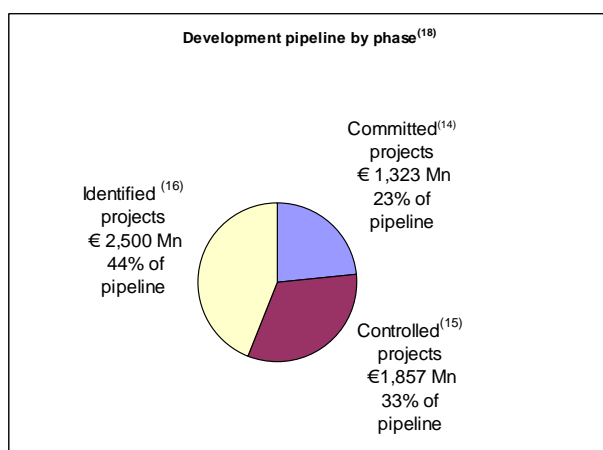
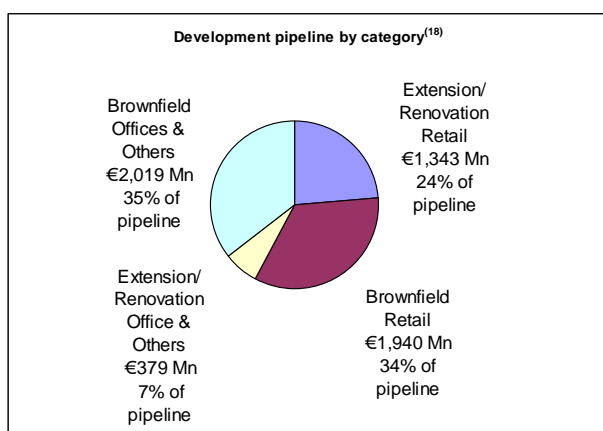
The Group has managed the past 2 years with flexibility on timing, and a tougher stance on project design and management, i.e.:

- delaying the full commitment of its development projects while keeping all the major projects alive
- stopping the few small and non-strategic projects with no potential for future value creation
- successfully opening three new shopping centers (Rivetoile, Docks 76, Docks Vauban) and extensions and renovations of existing shopping centers (Forum Nacka, Lyon Part Dieu, etc.)
- taking a more conservative approach on the projects' income projections
- re-visiting most of the development projects, including re-design to further improve their cost efficiency, re-negotiating the land prices, re-adjusting the development structure, etc. to meet economic hurdle rates
- acceleration of the extension / renovation of existing large shopping centers
- move to win-win agreements with the various development partners (land owners, retailers)
- build stronger relationships with local authorities in view of future development opportunities
- increase marketing efforts and cross border leasing activities with the expanding retailers.

As a result, the Unibail-Rodamco development pipeline retains about the same size as before the crisis, but with an improved strength and a tremendous potential.

3. Development pipeline overview

The development pipeline as of June 30, 2010, can be broken down as follows:



With €3.3 Bn, the retail sector makes up the largest part of the overall pipeline. The activities are split between new projects 59%, extensions/renovations of existing malls representing 41% of the pipeline. The projects aim to create, extend or add in total 703,000 m² of GLA.

The office sector pipeline comes to €2.4 Bn in value of investment, out of which 84% for newly build offices on 329,000 m² GLA, and the remainder will be spent on redeveloping existing assets.

The table at the end of this report gives more detail on the projects that make up this development pipeline.

Committed¹⁴ retail projects are 70% prelet (signed or under negotiation) to date. There is no preletting of the committed¹⁴ office projects.

¹³ Committed projects: projects currently under construction, for which Unibail-Rodamco controls the land and has obtained all necessary administrative authorisations and permits.

¹⁴ Controlled projects: project in an advanced stage of studies, for which Unibail-Rodamco controls the land, but where all administrative authorisations are not obtained yet.

4. Investments in H1 2010

Unibail-Rodamco invested €324.3 Mn¹⁶ (group share) in its shopping centre portfolio in H1'10:

- €257.7 Mn was invested in new shopping centres, projects and extensions under construction, mainly:
 - ✓ in France: Eiffel-Levallois, Lyon-Confluence and La Part Dieu extension in Lyon.
 - ✓ in Austria: Donauzentrum extension.
 - ✓ in Spain: La Maquinista extension.
- €66.6 Mn was invested in renovation of existing shopping centres.

Unibail-Rodamco invested €54.7 Mn¹⁷ in its office portfolio in H1'10.

- €40.7 Mn was invested for works, mainly in France for Tour Oxygène in Lyon and for development projects Phare, and Majunga in Paris-La Défense and Eiffel building in Levallois.
- €14 Mn was invested for renovation of existing buildings, mainly Michelet-Galilée and Cnit offices in Paris La Défense.

5. Deliveries in H1 2010

Deliveries during the first half of 2010 include:

- La Part-Dieu extension in Lyon, France: 14,956 m² of retail space was added for a total investment cost of €55 Mn. The opening of this extension of the Lyon Part-Dieu centre took place in May and resulted in an increase in visit numbers to the whole centre with 30% and an increase in tenant sales with 40% on month of opening. The extension is 100% let.
- La Maquinista extension in Barcelona, Spain. This 15,912 m² extension to the successful La Maquinista shopping centre was delivered in April at a total investment cost of €44 Mn, and will be opened to the public in Q4 of this year. The extension is 92% pre-let as of June 30, 2010.
- Tour Oxygène in Lyon, France. This newly built office tower was delivered in April 2010. It has in total 29,421 m² GLA and is 77% let. It was built at a total investment cost of €110 Mn.
- Michelet-Galilée refurbishment of the existing office building was completed in March for a total investment cost of €36 Mn and is now fully let.

¹⁵ Identified projects: projects for which Unibail-Rodamco has the exclusivity but where negotiations for building rights or project definition are still underway

¹⁶ Group-share, excluding financial costs and internal costs capitalised.

¹⁷ % indicate the % in value

6. Project overview

Development Projects ⁽¹⁾										
	Business	Country	City	Type	Total Complex GLA (m ²)	GLA UR share(m ²)	UR Cost to Date (€Mn) ²⁾	Expected Cost (UR scope of consolidation) (€ Mn) ³⁾	Expected completion date	UR Yield on cost (%)
DONAUZENTRUM	Shopping Centre	Austria	Vienna	Extension / Renovation	25 876	25 876	109	163	H2 2010	
EIFFEL OFFICES	Office & others	France	Paris Region	Brownfield	33 441	33 441	113	191	H2 2011	
LYON CONFLUENCE	Shopping Centre	France	Lyon	Brownfield	53 396	53 396	154	243	H2 2011	
FARO DEL GUADIANA - BADAJOZ	Shopping Centre	Spain	Badajoz	Brownfield	59 000	36 827	35	80	H1 2012	
EIFFEL RETAIL	Shopping Centre	France	Paris Region	Brownfield	47 989	47 989	175	322	H1 2013	
TABY CENTRUM	Shopping Centre	Sweden	Greater Stockholm	Extension / Renovation	27 233	27 233	16	231	H2 2014	
OTHERS					33 749	30 649	32	93		
Committed Projects⁽⁴⁾					280 684	255 411	633	1 323		7,4%
CENTRUM CERNY MOST	Shopping Centre	Czech Rep.	Prague	Extension / Renovation	39 558	39 558	14	123	H2 2012	
LA TOISON D'OR	Shopping Centre	France	Dijon	Extension / Renovation	15 653	15 653	2	71	H2 2012	
RENNES ALMA	Shopping Centre	France	Rennes	Extension / Renovation	11 242	11 242	24	81	H1 2013	
MAJUNGA	Office & others	France	La Défense	Brownfield	63 035	63 035	47	377	H2 2013	
AEROVILLE	Shopping Centre	France	Paris Region	Brownfield	66 061	66 061	10	309	H2 2013	
MALL OF SCANDINAVIA	Shopping Centre	Sweden	Stockholm	Brownfield	94 884	94 884	11	400	H2 2013	
LES PORTES DE GASCOGNE ⁽⁵⁾	Shopping Centre	France	Toulouse	Brownfield	85 000	49 893	6	204	H2 2013	
FORUM DES HALLES	Shopping Centre	France	Paris	Extension / Renovation	15 282	15 282	0	83	2013-2014	
BENIDORM	Shopping Centre	Spain	Benidorm	Brownfield	54 638	41 638	89	158	H2 2015	
OTHERS					20 920	20 920	16	51		
Controlled projects⁽⁵⁾					466 273	418 166	218	1 857		8.0%-8.5%
FISKETORVET	Shopping Centre	Denmark	Copenhagen	Extension / Renovation	2 625	2 625	0		2012	
PARLY 2	Shopping Centre	France	Paris Region	Extension / Renovation	14 545	11 268	10		2013	
ROSNY 2	Shopping Centre	France	Paris Region	Extension / Renovation	20 049	7 135	2		2013	
COURCELLOR 1	Office & others	France	Paris Region	Extension / Renovation	39 650	39 650	3		2014	
NOVA 3	Shopping Centre	Sweden	Lund	Extension / Renovation	6 900	6 900	1		2014	
PHARE	Office & others	France	La Défense	Brownfield	132 046	132 046	44		Post 2015	
TRIANGLE	Office & others	France	Paris	Brownfield	83 887	83 887	2		Post 2015	
OTHERS					180 400	180 400	17			
Identified projects⁽⁶⁾					480 102	463 911	79	2 500		8.0%-8.5%
Total Pipeline					1 227 059	1 137 488	929	5 680		8% Target

(1) Figures subject to change according to the maturity of the project.

(2) Excluding financial costs and internal costs capitalised.

(3) Portes de Gascogne: Part of Simon Ivanhoe deal, not yet in the scope as of 30/06/2010. Owned in a 50% JV with Simon and Ivanhoe Cambridge. 85,000 m² GLA of total complex, of which ca 15,000 m² GLA of retail park, ca 20,000 m² GLA of hypermarket and ca 50,000 m² GLA of shopping centre.

(4) Committed projects: projects currently under construction, for which Unibail-Rodamco controls the land and has obtained all necessary administrative authorizations and permits.

(5) Controlled projects: projects in an advanced stage of studies, for which Unibail-Rodamco controls the land, but where all administrative authorizations are not obtained yet

(6) Identified projects: identified projects, for which Unibail-Rodamco has the exclusivity but where negotiations for building rights or project definition are still underway

NET ASSET VALUE AS AT JUNE 30, 2010

Unibail-Rodamco's fully-diluted triple net liquidation NAV (Net Asset Value – owners of the parent) amounted to €131.00 per share as at June 30, 2010, up 2.2% from December 31, 2009. The total NAV increase of €2.80 per share reflects the effect of marking to market of assets and liabilities of €5.90 and the recurring earnings and divestment results of net €490, offset by the distributions during the first half-year 2010 of €8.00.

1. PROPERTY PORTFOLIO

In the first half of 2010, investment markets continued the recovery on the back of improved investor sentiment, which started to feed through during the second half of 2009. However, as investors remain risk averse and are focused on core markets and prime quality products, the recovery of values diverges between asset classes and regions.

Compared to last year, liquidity in the investment market has picked up, even in the large lot size bracket (up to €500 Mn). International investors with equity are increasingly active in the market, focusing attention on prime product which is in very short supply. This has led to competitive bidding on those assets that were put up for sale, which created downward pressure on yields especially in France.

Appraisers have shifted attention away from yields, which have stabilised or slightly improved, to sales performance and they have refined the assumptions in their cash flow forecasts as a result. The Group's portfolio is proving resilient and the dominant assets continue to lease well. In the occupiers' market, Unibail-Rodamco leasing teams are witnessing increasing demand, mostly from international retailers who want to use the window of opportunity to expand and secure space in dominant locations in times of reduced competition.

Unibail-Rodamco's asset portfolio including transfer taxes grew from €22,313 Mn at year-end 2009 to €23,278 Mn at June 30, 2010. On a like-for-like basis, the value of the overall portfolio increased by €972 Mn net of investments, i.e. up 4.7% compared with year-end 2009.

Asset portfolio valuation of UNIBAIL-RODAMCO (including transfer taxes) (a)	December 31, 2009		June 30, 2010		Like-for-like change net of investment - first half year 2010 (b)	
	€ Mn	%	€ Mn	%	€ Mn	%
Shopping centres	16,528	74%	17,463	75%	731	4.7%
Offices	3,926	18%	3,851	17%	144	4.3%
Convention-Exhibition centres (c)	1,541	7%	1,663	7%	113	7.3%
Services	318	1%	301	1%	16	-5.0%
Total	22,313	100%	23,278	100%	972	4.7%

(a) Based on a full scope of consolidation, including transfer taxes and disposal costs (see §1.5 for Group share figures).

The portfolio valuation includes:

- the appraised value of the entire property portfolio (100% when fully consolidated, group share when consolidated under the proportional method).
- the market value of Unibail-Rodamco's equity holdings in companies consolidated under the equity method and loans granted to these companies (SCI Triangle des Gares, which owns the Euralille shopping centre in Lille/France and Comexposium, a trade shows organisation business).

(b) Principal changes in the scope of consolidation during the half-year:

- Acquisition of plots in Eiffel Levallois (office building + shopping center under development near Paris) and in Garbera (San Sebastian/Spain).
- Disposal of Dutch small neighbourhood shopping centres (notably Willem Eggert, Woensel and Carnisse Veste shopping centers).
- Disposal of Capital 8-Messine and 18-20 Hoche office buildings in Paris.
- Disposal of Leganes (last logistics asset) in Madrid/Spain.

Changes on a like-for-like basis do not include the changes listed above.

(c) Based on a full scope of consolidation, with a 50% ownership for most Convention-Exhibition venues, Group share portfolio valuation as at June 30, 2010 is equal to €999 Mn (see §1.5).

Appraisers

Early 2010, the Group appointed two international, qualified appraisers, Jones Lang LaSalle and DTZ, to assess its retail and offices properties. This centralisation from the 5 appraisers used before ensures a consistent pan-European approach to the Group's valuations across the internationally diversified property portfolio. The rotation policy remains in line with international requirements, standards and guidelines, e.g. RICS (Royal Institute of Chartered Surveyors), IVSC (International Valuation Standards Committee) and FSIF ('Fédération des Sociétés Immobilières et Foncières'), and ensures that appraiser's key team members as well as signatories are rotated regularly. Unibail-Rodamco has allocated properties evenly across the two appraisers, while ensuring that large regions are assessed by both companies for comparison and benchmarking purposes. The appraiser on Conventions and Exhibitions was replaced by PricewaterhouseCoopers, in line with the Group rotation policy.

Appraiser	Property location	% of total portfolio (in value)
DTZ	France / Netherlands / Nordic / Spain / Central Europe	44.6%
JLL	France / Netherlands / Nordic / Spain / Central Europe / Austria	41.6%
PWC	France	7.2%
	At cost or under sale agreement	6.6%
		100.0%

Fees paid to appraisers are determined prior to the valuation campaign and are independent from the value of properties appraised.

A detailed report, dated and signed is produced for each appraised property.

None of the appraisers has received fees from the Group representing more than 10% of their turnover.

Valuation methodology

The valuation principles adopted are based on a multi-criteria approach. The independent appraiser determines the fair market value based on the results of two methods: the discounted cash flow and the yield methodologies. Furthermore, the resulting valuations are cross-checked against the initial yield and the fair market values established through actual market transactions.

While investment markets have continued the recovery from last year, this improvement is divergent across Europe. Driven by investor interest in core markets for large and dominant schemes

with solid sales performance and hence cash flow outlook, yields have compressed on prime schemes, led by French and Austrian "jumbos". Generally, yields on prime product across Europe are stable or decreasing as they are underpinned by shortage in supply combined with a high degree of investor interest seeking secure cash yields.

Given the uncertainty in economic outlook, implementation of austerity programs and fiscal adjustments which will impact consumer behaviour and hence retail spend, the outlook remains cautious, especially for secondary assets that show deteriorating sales performance.

Valuation scope

As at June 30, 2010, independent experts have appraised 93.4% of Unibail-Rodamco's portfolio.

Investment Properties Under Construction (IPUC) for which a value could be reliably determined are required to be accounted for at fair value and were assessed by external appraisers.

Investment Properties Under Construction are taken at fair value once management considers that a substantial part of the development's uncertainty has been eliminated, such that a reliable fair value can be established. The company uses generic guidelines to establish the remaining level of risk, focusing notably on uncertainty remaining in construction and leasing.

Investment Properties Under Construction were valued using a discounted cash flow or yield method approach (in accordance with RICS and IVSC standards) as deemed appropriate by the independent appraiser. In some cases, both methods were combined to validate and cross-check critical valuation parameters.

Three shopping centers under construction were assessed at fair value as at June 30, 2010: Donauzentrum extension (Vienna/Austria), Alma extension (Rennes/France) and a part of Buitenmere (Almere/The Netherlands).

Two shopping centres (Maquinista extension in Barcelona/Spain and Lyon Part-Dieu extension in Lyon/France) and one office building (Tour Oxygène in Lyon/France) recorded as Investment Properties Under Construction at year-end 2009 were successfully opened during the first half-year 2010.

The parts of the portfolio (6.6%), which have not been externally appraised as at June 30, 2010, have been valued as follows:

- At cost for the Investment Properties Under Construction for which a reliable value could not yet be established (see above). These Investment Properties Under Construction at cost accounted for 3.4% of the value of Unibail-Rodamco's total portfolio. These mainly represent shopping centres under development (notably Badajoz and Benidorm in Spain as well as Lyon Confluence and Eiffel in Levallois/France) and office developments (Phare and Majunga in La Défense/France and Eiffel in Levallois/France).
- At disposal price for assets under sale agreement (part of the Dutch shopping centre and high street shop portfolio, Saint-Martial shopping centre in Limoges/France, 168 Charles de Gaulle office in Neuilly/France) representing 2.7% of the total asset portfolio.
- At appraisal value at December 31, 2009 for Espace Expansion & Rodamco Gestion, i.e. 0.5% of the total portfolio, these service companies being appraised on an annual basis (see §1.4).

1.1. Shopping Centre portfolio

The value of Unibail-Rodamco's shopping centre portfolio is the addition of the value of each individual asset. Accordingly, no value is placed on Unibail-Rodamco's market share, even though its market share is undoubtedly significant in this sector.

Evolution of Unibail-Rodamco's Shopping Centre portfolio valuation

The value of Unibail-Rodamco's Shopping Centre Portfolio grew from €16,528 Mn to €17,463 Mn as at June 30, 2010, including transfer taxes and disposal costs:

Valuation 31/12/2009 (€ Mn)	16,528	
Like for Like revaluation	731	
Revaluation of Non Like for Like assets	60	(a)
Capex / Acquisitions	350	
Disposals	- 303	(b)
Constant Currency effect	97	(c)
Valuation 30/06/2010 (€ Mn)	17,463	

(a) Non like-for-like assets regarding:

- (i) Deliveries during 1H2010 (Cour Oxygène in Lyon/France)
- (ii) Investment properties under construction taken at cost or at fair value.

(b) Value as at 31/12/2009.

(c) Composed of a currency gain of €91 Mn in Nordic and of €6 Mn in Central Europe, before offsets from foreign currency loans and hedging programs.

Based on an asset value excluding estimated transfer taxes and disposal costs, the shopping centre division's net initial yield at June 30, 2010 came to 5.8% vs. 6.1% at year-end 2009.

Shopping Centre portfolio by region - June 30, 2010	Valuation including transfer taxes in € Mn	Valuation excluding estimated transfer taxes in € Mn	Net initial yield (a) June 30, 2010	Net initial yield (a) Dec. 31, 2009
France (b)	9,261	8,884	5.5%	5.8%
Netherlands	2,090	1,953	5.9%	6.3%
Nordic	1,747	1,723	5.8%	5.9%
Spain	1,963	1,914	6.9%	6.9%
Central Europe	1,123	1,103	6.9%	7.2%
Austria	1,279	1,254	5.1%	5.8%
Total	17,463	16,831	5.8%	6.1%

(a) Annualised rent (including latest indexation) net of expenses, divided by the value of the portfolio net of estimated transfer taxes and disposal costs. Shopping centres under development are not included in the calculation.

(b) For France, the effect of including Key Moneys in the Net Rental Income would increase net initial yield to 6.0% as at June 30, 2010, and 6.3% at December 31, 2009.

Sensitivity

Based on the mid-year yield of 5.8%, a change of 25 basis points would result in an adjustment of €691 Mn (4.0%) of the total shopping centre portfolio value (including transfer taxes and disposal costs).

Like-for-like analysis

On a like-for-like basis, the value of the Shopping Centre portfolio, including transfer taxes and disposal costs and restated for capital expenditure, capitalised financial expenses, leasing expenses and eviction costs, increased by €731 Mn (or 4.7%) over the half-year. This breaks down into +1.6% from the increase in revenues of shopping centres and 3.1% due to changes in yield.

Shopping Centre - Like for Like (LxL) change (a)				
First half-year 2010	Like for Like change in € Mn	Like for Like change in %	LxL change - Rent impact	LxL change - Yield impact
France	518	6.3%	1.8%	4.5%
Netherlands	76	3.9%	-0.1%	4.0%
Nordic	31	2.0%	2.4%	-0.4%
Spain	19	1.1%	1.9%	-0.8%
Central Europe	43	4.2%	2.3%	1.9%
Austria	44	4.1%	0.5%	3.6%
Total	731	4.7%	1.6%	3.1%

(a) Like-for-like change net of investments from December 31, 2009 to June 30, 2010.

1.2. Office portfolio

Evolution of Unibail-Rodamco's Office portfolio valuation

The value of the Office Portfolio decreased from €3,926 Mn to €3,851 Mn at June 30, 2010, including transfer taxes and disposal costs:

Valuation 31/12/2009 (€ Mn)	3,926	
Like for Like revaluation	144	
Revaluation of Non Like for Like assets	8	(a)
Capex / Acquisitions	64	
Disposals	- 308	(b)
Constant Currency effect	17	(c)
Valuation 30/06/2010 (€ Mn)	3,851	

(a) Non like-for-like assets regarding deliveries during H1'10 (Tour Oxygène in Lyon/France).

(b) Value as at 31/12/2009.

(c) Composed of currency gain of €17 Mn on Nordic, before offsets from foreign currency loans and hedging programs.

The split by region of the total portfolio is the following:

Valuation of Office portfolio - 30/06/2010	Valuation (including transfer taxes)	
	€ Mn	%
France	3,401	88%
Netherlands	167	4%
Nordic	246	7%
Austria	37	1%
Total	3,851	100%

For occupied offices and based on an asset value excluding estimated transfer taxes and disposal costs, the Office division's net initial yield at June 30, 2010 decreased by 30 basis points vs. year-end 2009.

Valuation of <u>occupied office space</u> - June 30, 2010	Valuation including transfer taxes in € Mn (a)	Valuation excluding estimated transfer taxes in € Mn (a)	Net initial yield (b) June 30, 2010	Net initial yield (b) Dec. 31, 2009
France	3,049	2,944	6.5%	6.8%
Netherlands	138	129	9.5%	9.6%
Nordic	227	225	7.7%	7.6%
Austria	36	35	7.3%	6.9%
Total (c)	3,450	3,333	6.7%	7.0%

(a) Valuation of occupied office space as at June 30, 2010, based on the appraiser's allocation of value between occupied and vacant space.

(b) Annualised rent (including latest indexation) net of expenses, divided by the value of occupied space net of estimated transfer taxes and disposal costs.

(c) The net initial yield as at 31/12/2009 includes the net initial yield for Spain. Spain no longer has assets in this category.

Sensitivity

Based on the mid-year yield of 6.7%, a change of 25 basis points would result in an adjustment of €131 Mn (3.4%) of the total office portfolio value (occupied and vacant space, including transfer taxes and disposal costs).

Like-for-like analysis

The value of Unibail-Rodamco's office portfolio, including transfer taxes and disposal costs, and after accounting for the impact of capital expenditure and capitalised financial and leasing expenses, increased on a like-for-like basis by €144 Mn (or 4.3%) over the half-year. This breaks down into +0.1% from the rents and lettings and +4.2% due to changes in yield.

Office - Like for Like (LxL) change (a)				
First half-year 2010	Like for Like change in € Mn	Like for Like change in %	LxL change - Rent impact	LxL change - Yield impact
France	145	5.0%	-0.5%	5.5%
Netherlands	- 3	-1.5%	5.4%	-6.9%
Nordic	2	1.0%	0.9%	0.1%
Austria		-0.9%	3.8%	-4.7%
Total	144	4.3%	0.1%	4.2%

(a) Like-for-like change net of investments from December 31, 2009 to June 30, 2010.

French Office Portfolio

Unibail-Rodamco's French office portfolio split by sector is the following:

French Office portfolio by sector - 30/06/2010	Valuation (including transfer taxes)	
	€ Mn	%
Paris CBD	982	29%
Neuilly-Levallois-Issy	664	20%
La Défense	1,532	45%
Other	223	6%
Total	3,401	100%

For occupied offices and based on an asset value excluding estimated transfer taxes and disposal costs, the French Office division's yield at June 30, 2010 came to 6.5%. This yield was 30 basis points lower than at year-end 2009.

Valuation of French <u>occupied office space</u> - 30/06/2010	Valuation including transfer taxes in € Mn (a)	Valuation excluding estimated transfer taxes in € Mn (a)	Net initial yield (b)	Average price €/ m ² (c)
Paris CBD	960	937	5.9%	12,993
Neuilly-Levallois-Issy	524	497	7.4%	4,741
La Défense	1,375	1,324	6.5%	7,130
Other	190	186	6.7%	3,844
Total	3,049	2,944	6.5%	7,256

(a) Valuation of occupied office space as at June 30, 2010, as based on the appraiser's allocation of value between occupied and vacant space.

(b) Annualised rent (including latest indexation) net of expenses, divided by the value of occupied space net of estimated transfer taxes and disposal costs.

(c) Average price, excluding estimated transfer taxes, per m² for occupied office space as based on the appraiser's allocation of value between occupied and vacant space.

For parking spaces, average price was restated on the basis of €30,000 per space for Paris CBD and Neuilly-Levallôis-Issy and €15,000 for other areas.

1.3. Convention-Exhibition Portfolio

The value of Unibail-Rodamco's convention-exhibition centre portfolio is derived from the combination of the value of each individual asset.

Valuation methodology

The valuation methodology adopted by PricewaterhouseCoopers for the venues is mainly based on a discounted cash flow model applied to total net income projected over the life of the concession or leasehold, if it exists or otherwise over a 10-year period, with an estimation of the asset's value at the end of the given time period, based either on the residual contractual value for concessions¹⁸ or on capitalised cash flows over the last year.

The valuation methodology used by DTZ Eurexi to determine the fair market value of the Méridien-Montparnasse hotel asset at June 30, 2010 consists in capitalising the fixed portion of annual income, plus discounting cash flows representing the variable portion of rents. The discounted cash flow model has been adopted for the Cnit-Hilton hotel as well (operating under an operational lease agreement).

Evolution of the Convention-Exhibition Centres valuation

The value of Convention-Exhibition centres and hotels, including transfer taxes and disposal costs, grew to €1,663 Mn¹⁹ as at June 30, 2010:

Valuation 31/12/2009 (€ Mn)	1,541	(a)
Like for Like revaluation	113	
Capex / Acquisitions	9	
Disposals	-	
Valuation 30/06/2010 (€ Mn)	1,663	(b)

(a) Of which €1,373 Mn for Viparis and €168 Mn for Hotels.

(b) Of which €1,488 Mn for Viparis and €175 Mn for Hotels.

On a like-for-like basis, net of investments, the value of Convention and Exhibition properties and hotels is up €113 Mn or +7.3% compared with year-end 2009.

¹⁸ For Porte de Versailles, a concession renewal probability of 33% was assumed by the appraiser.

¹⁹ Based on a full scope of consolidation, including transfer taxes and disposal costs (see §1.5 for Group share figures).

Convention-Exhibition - Like for Like change net of investment	First half-year 2010	
	€ Mn	%
Viparis (a)	109	7.9%
Hotels	4	2.4%
Total	113	7.3%

(a) Viparis includes all of the Group's Convention-Exhibition centres (of which 50% of Palais des Sports).

On a like-for-like basis and net of investments, the value of the Convention-Exhibition venues (Viparis) grew by 7.9% compared to year-end 2009. The increase resulted from a decrease of the discount rate partly offset by the amortisation of another half-year of the Porte de Versailles lease with the City of Paris.

Based on these valuations, the average EBITDA yield on Viparis at June 30, 2010 (recurring operating profit divided by the value of the asset, excluding transfer taxes) was 8.5%.

The value of the Cnit-Hilton and Méridien-Montparnasse hotels in Paris increased over the half-year by €4 Mn (+2.4%).

The Lyon Confluence Hotel project is valued at cost.

1.4. Services

The services portfolio is composed of:

- Comexposium, a trade show organisation business.
- 2 property service companies, Espace Expansion and Rodamco Gestion.

The Services portfolio is appraised in order to include at their market value all significant intangible assets in the portfolio and in the calculation of Unibail-Rodamco's NAV. Intangible assets are not revalued but maintained at cost or at amortised cost on Unibail-Rodamco's consolidated statement of financial position (subject to impairment test).

Comexposium was valued as at June 30, 2010 by PricewaterhouseCoopers. The value decreased by 7.9% compared to December 31, 2009, leading to an impairment of €15.6 Mn booked in Unibail-Rodamco's balance sheet.

Espace Expansion and Rodamco Gestion were valued following the appraisal by PricewaterhouseCoopers made as at December 31, 2009.

1.5. Group share figures for the Property Portfolio

Figures above are based on a full scope of consolidation. The following table also provides the group share level (in gross market value):

	Full scope of consolidation		Group Share	
	€ Mn	%	€ Mn	%
Asset portfolio valuation - 31.12.2009				
Shopping centres	16.528	74%	15.188	75%
Offices	3.926	18%	3.916	19%
Convention-Exhibition centres	1.541	7%	923	5%
Services	318	1%	318	1%
Total	22.313	100%	20.345	100%
Asset portfolio valuation - 30.06.2010				
Shopping centres	17.463	75%	16.091	76%
Offices	3.851	17%	3.846	18%
Convention-Exhibition centres	1.663	7%	999	5%
Services	301	1%	301	1%
Total	23.278	100%	21.237	100%
Like for Like change - net of Invt - First half-year 2010				
Shopping centres	731	4.7%	641	4.5%
Offices	144	4.3%	144	4.3%
Convention-Exhibition centres	113	7.3%	70	7.6%
Services	- 16	-5.0%	- 16	-5.0%
Total	972	4.7%	839	4.4%
Like for Like change - net of Invt - 1H10 - Split rent/yield impact	Rent impact %	Yield impact %	Rent impact %	Yield impact %
Shopping centres	1.6%	3.1%	1.5%	3.0%
Offices	0.1%	4.2%	0.1%	4.2%
Net Initial Yield	June 30, 2010	Dec. 31, 2009	June 30, 2010	Dec. 31, 2009
Shopping centres	5.8%	6.1%	5.9%	6.1%
Offices - occupied space	6.7%	7.0%	6.7%	7.0%

2. TRIPLE NET NAV CALCULATION

Triple net liquidation NAV is calculated by adding to consolidated shareholders' equity (Owners of the parent), as shown on the consolidated statement of financial position (under IFRS) several items as described hereafter.

2.1. Consolidated shareholders' equity

At June 30, 2010, consolidated shareholders' equity (Owners of the parent) came to €11,731.0 Mn.

Shareholders' equity (Owners of the parent) incorporated net recurring profit of €429.1 Mn and +€678.3 Mn of fair value adjustments on property assets and on financial instruments and of capital gain on sales of properties.

The debt component of the ORAs, recognised in the financial statements (€0.4 Mn) was added to shareholders' equity for the calculation of NAV. At the same time, all ORAs were treated as equity shares.

No amount payable to shareholders was recognised as at June 30, 2010.

2.2. Adjustments linked to combination with Rodamco

The remaining goodwill (€141.8 Mn) which corresponds to the value of tax optimisation on Rodamco's assets at the date of the combination was deducted, as the optimisation of deferred taxes and transfer taxes was computed for the Unibail-Rodamco portfolio as a whole (see §2.5 and 2.6).

2.3. Unrealised capital gains on intangible assets

The appraisal of property service companies and of the goodwill of Paris Nord Villepinte / Palais des Congrès de Paris / Palais des Congrès de Versailles and Issy les Moulineaux gave rise to an unrealised capital gain of €105.6 Mn which was added for the NAV calculation.

2.4. Mark-to-market value of debt

In accordance with IFRS rules, financial instruments and the ORNANE²⁰ were recorded on Unibail-Rodamco's statement of financial position at their fair value with the impact of the change in fair value included in the P&L and thus in the consolidated shareholders' equity.

Only fixed-rate debt was not accounted for at its fair value: nominal value for ex-Unibail debt and fair value at the date of the combination (June 30, 2007) for ex-Rodamco debt. Taking fixed rate debt at its fair value would have had a negative impact of €208.8 Mn. This impact was taken into account in the NAV calculation.

The ORNANE being in the money as at June 30, 2010, its fair value was restated for the NAV calculation (€131.6 Mn) and its potential dilutive effect was taken into account.

2.5. Adjustment of capital gains taxes

In accordance with accounting standards, deferred tax on property assets was calculated on a theoretical basis on the consolidated statement of financial position as at June 30, 2010. For the purpose of the NAV calculation, deferred tax on unrealised capital gains on assets not qualifying for tax exemption (SIIC) has been added back and replaced by taxes actually payable, should a disposal take place.

In total, this resulted in an adjustment of €228.8Mn to the NAV calculation.

2.6. Restatement of transfer taxes and disposal costs

Transfer taxes are estimated after taking into account the disposal scenario minimising these costs: sale of the asset or of the company that owns it, provided the anticipated method is achievable, which notably depends on the net book value of the asset. This estimation is carried out on a case-by-case basis on each individual asset, according to the local tax regime.

As at June 30, 2010, these estimated transfer taxes and other disposal costs compared to transfer taxes and costs already deducted from asset values on the statement of financial position (in accordance with IFRS) came to an adjustment of €194.2 Mn.

2.7. Treasury shares and securities giving access to share capital

Unibail-Rodamco did not hold treasury shares as at June 30, 2010.

Dilution coming from securities giving access to share capital was computed when such instruments came in the money.

The exercise of stock-options whose price was below share price at June 30, 2010, would have led to a rise in the number of shares of 2,033,537 increasing shareholders' equity by €217.7 Mn.

The full conversion of the ORNANE would lead to the issue of 70,551 new shares without any shareholders' equity increase.

As at June 30, 2010, the fully-diluted number of shares taken into account for the NAV calculation totalled 93,569,768.

²⁰ Share settled bonds convertible into new and/or existing shares – see Financial Resources note.

2.8. Unibail-Rodamco's triple net liquidation NAV

Unibail-Rodamco's triple net liquidation NAV (Owners of the parent) thus stood at €12,258.8 Mn or €131.00 per share (fully-diluted) as at June 30, 2010, an increase of 2.2% compared with year-end 2009.

Value creation during the half-year amounted to €1080 per share, by adding back to the NAV increase of €2.80 per share, the €8.00 dividend paid out in May 2010.

UNIBAIL-RODAMCO Triple net liquidation NAV (€ Mn)	30.06.2009	31.12.2009	30.06.2010
Consolidated shareholders' equity	11,278.3	11,316.3	11,731.0
Amounts owed to shareholders	191.5	-	-
Bonds redeemable for shares (restatement of debt component)	146.6	0.4	0.4
Amounts owed to bonds redeemable for shares	1.6	-	-
Deduction of the goodwill on exchange offer	- 152.3	- 141.8	- 141.8
Fair value adjustment			
Intangible asset (1)	102.2	104.2	105.6
Fixed-rate debt	- 4.6	- 128.6	- 208.8
Ornane (2)		189.0	131.6
Adjustment to taxes (3)	276.1	243.4	228.8
Adjustment to transfer taxes and disposal costs (4)	197.0	190.4	194.2
Impact of rights giving acces to share capital			
Potential impact of stock options granted	96.3	224.7	217.7
Triple net liquidation NAV (EPRA 'Diluted NNAV')	12,132.7	11,998.0	12,258.8
Fully diluted number of shares	92,132,064	93,586,481	93,569,768
Fully diluted triple net liquidation NAV per share	131.7 €	128.2 €	131.0 €
% Change over 6 months		-2.7%	2.2%
% Change over 1 year			-0.5%

(1) Property services companies and Convention-Exhibition goodwill.

(2) Ornane being in the money, is considered fully converted with dilution effect

(3) Deferred tax on unrealised capital gains on property assets (balance sheet) minus Actual tax

(4) Taxes already deducted from value of assets (balance sheet) minus Actual Transfer taxes

NAV as at June 30, 2010 is reconciled with NAV as at December 31, 2009 in the following table:

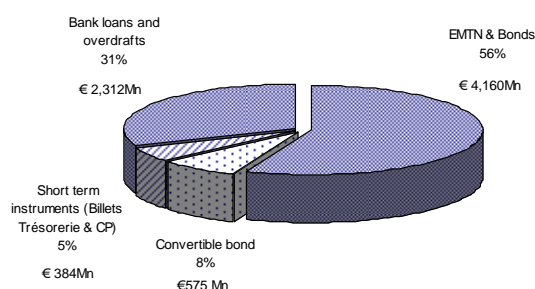
Evolution of triple net liquidation NAV Dec. 31, 2009 to June 30, 2010		
Fully diluted NAV per share as at Dec. 31, 2009		128.20 €
Revaluation of property assets		8.93
	Retail	6.68
	Offices	1.56
	Convention & exhibition and other	0.69
Capital gain on disposals		0.20
Recurring net profit		4.70
Distribution in H1 2010		- 8.00
Mark-to-market of debt and financial instruments		- 2.87
Variation in transfer taxes & deferred taxes adjustments		- 0.60
Other		0.43
Fully diluted NAV per share as at June 30, 2010		131.00 €

FINANCIAL RESOURCES

In H1 2010, the financial market environment saw a decrease in interest rates and an increased volatility on the bond and bank markets. In this environment, Unibail-Rodamco raised €1.1 Bn of new medium to long term debt, through public and private bond market and bank market.

The Group has also taken additional hedges to fix its cost of debt on the long term in view of the low interest rates environment.

Financial ratios have improved with a Loan to Value (LTV) of 31% as at June 30, 2010 and an interest coverage ratio of 4.1x following strong disposal activity. The average cost of debt is maintained at a healthy level and stands at 4.1% in H1 2010.



- The Group's debt remains diversified.
- Following issuance of bonds over the last 12 months the proportion of bonds has increased from 34% to 56% of the Group's total debt.

1. Debt structure at June 30, 2010

Unibail-Rodamco's consolidated nominal financial debt at June 30, 2010 amounted to €7,431 Mn.

This financial debt includes €575 Mn of net share settled bonds convertible into new and/or existing shares of Unibail-Rodamco (ORNANE) for 100% of their nominal value²¹.

1.1. Debt breakdown

Unibail-Rodamco's nominal financial debt as at June 30, 2010 breaks down as follows:

- €4,160 Mn in bond issues, of which €2,160 Mn in Euro Medium Term Notes (EMTN) of Unibail-Rodamco's programme and €1,500 Mn in EMTN of Rodamco Europe's programme, the remainder, €500 Mn, in Rodamco Europe bonds;
- €575 Mn in ORNANE;
- €384 Mn short term issues in commercial paper (*billets de trésorerie* and Euro Commercial Paper)²²;
- €2,312 Mn in bank loans, including €1,394 Mn in corporate loans, €875 Mn in mortgage loans and €43 Mn in bank overdrafts.

No loans were subject to prepayment clauses linked to the Group's ratings²³.

1.2. Funds Raised

Medium to long term financing transactions completed in H1 2010 amounted to €1,135 Mn and include:

- The signing of €400 Mn medium to long term bank facilities with an average maturity of 4.5 years and an average margin of 125 bps;
- The issue in March 2010 of a €500 Mn bond, increased to €635 Mn in April 2010 with the following features:
 - 3.375% coupon (equivalent to a margin over mid-swap of 101 bps on €635 Mn);
 - Duration of 5 years at issuance
- Two private placements amounting to a total of €100 Mn:
 - Those private placements are 10-year CMS²⁴ indexed bond swapped back to 3-month Euribor for a 10-year maturity;
 - After swaps, the average margin is 105 bps.

Other new financial resources were obtained from the money market by issuing commercial paper. The average amount of commercial paper outstanding in H1 2010 was €329 Mn, including €300 Mn of *Billets de Trésorerie* and €29 Mn of Euro Commercial Paper (maturity of up to 3 months). *Billets de trésorerie* were raised over H1 2010 at an average margin of 4 bps above Eonia and Euro Commercial Paper at an average margin of 1 bp above Euribor.

As at June 30, 2010, the total amount of undrawn credit lines came to €3,988 Mn, after taking into account €225 Mn of credit lines cancelled in January 2010 and €20 Mn of bank loans repaid during the same period, in view of their high cost.

²¹ Note that the ORA (=Obligations Remboursables en Actions Unibail-Rodamco) recognised as debt for €0.4 Mn, is included in shareholders' funds – this approach is consistent with treatment of the ORA by S&P.

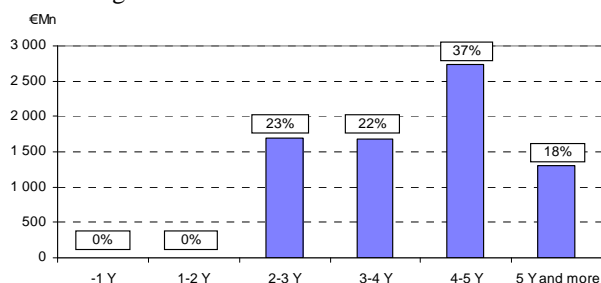
²² Short term paper is backed by confirmed credit lines (see 1.2).

²³ Barring exceptional circumstances (change in control).

²⁴ CMS: Constant Maturity Swap.

1.3. Debt maturity

The following chart illustrates Unibail-Rodamco's debt as at June 30, 2010 after the allocation of the confirmed credit lines (including the undrawn part of the bank loans) by date of maturity and based on the residual life of its borrowings.



More than 75% of the debt had a maturity of more than 3 years as at June 30, 2010 (after taking into account undrawn credit lines).

The average maturity of the Group's debt as at June 30, 2010, taking into account the confirmed unused credit lines, stood at 4.5 years (4.5 years as of December 31, 2009).

Liquidity needs

Unibail-Rodamco's immediate debt repayment needs are largely covered by the available undrawn credit lines: the amount of bonds or bank loans outstanding as at June 30, 2010 and maturing or amortising in H2 2010 is €511 Mn (including a €500 Mn bond repaid on July 1, 2010). In 2011, the amount is €1,195 Mn to be compared with €3,988 Mn of undrawn credit lines outstanding as at June 30, 2010.

1.4. Average cost of Debt

Unibail-Rodamco's average cost of debt came to 4.1% over H1 2010 (4.0% over 2009). This average cost of debt results from the level of margins on existing borrowings, the low interest rate environment in H1 2010, the cost of the Group's hedging instruments and the cost of carry of the undrawn credit lines.

2. Ratings

Unibail-Rodamco is rated by the rating agency Standard & Poor's.

Standard & Poor's confirmed its long-term rating 'A' and its short-term rating 'A1' with a stable outlook on June 4, 2010.

On July 17, 2010, Unibail-Rodamco announced that Fitch Ratings is replacing Moody's as one of the Group's rating agencies, alongside Standard & Poor's.

The last rating from Moody's obtained on May 5, 2010 was A3 with a positive outlook. Fitch's rating outcome is expected on July 21, 2010.

3. Market risk management

Market risks can generate losses resulting from fluctuations in interest rates, exchange rates, raw material prices and share prices. Unibail-Rodamco's risk is limited to interest rate fluctuations on the loans it has taken out to finance its investments and maintain the cash position it requires, as well as to exchange rate fluctuations due to the Group's international activities in countries outside the Euro-zone. The Group is not exposed to any equity risks.

Unibail-Rodamco's risk management policy aims to limit the impact of interest rate fluctuations on profit, while minimising the overall cost of debt. To achieve these objectives, the Group uses derivatives, mainly caps and swaps, to hedge its interest rate exposure through a macro hedging policy. Market transactions are confined exclusively to these interest rate hedging activities, which are managed centrally and independently.

To manage exchange rate risk, the Group aims to limit its net exposure by raising debt in local currency, by using derivatives and by buying or selling foreign currencies at spot rates.

Due to its use of derivatives to minimise its interest rate and currency risk, the Group is exposed to potential counterparty defaults. The counterparty risk is the risk of replacing the derivative transactions at current market rates in the case of default.

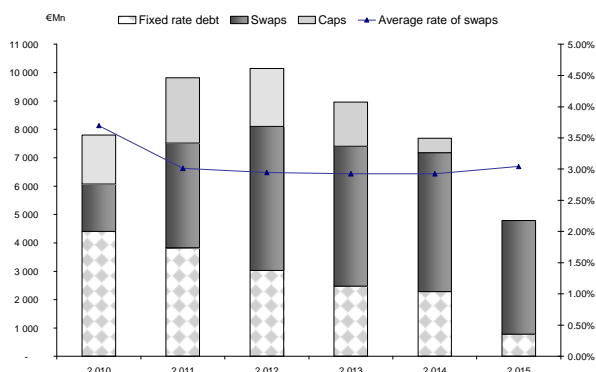
3.1. Interest rate risk management

Interest rate hedging transactions

During H1 2010, Unibail-Rodamco took the opportunity of the low interest rate environment to reinforce its already existing hedging portfolio and to manage its overall exposure.

- In H1 2010, Unibail-Rodamco entered into forward swaps to hedge in advance the years 2011 to 2015 (€3,000 Mn of swaps have been contracted over this period on different maturities at an average rate of 2.34%).
- It also put in place €1,250 Mn collars covering 4 years beginning either in 2010 or in January 2011.
- The Group has also cancelled in January 2010 €1.2 Bn swaps and €400 Mn of collars in view of its over-hedged position on shorter maturities as at December 31, 2009.

Annual projection of average hedging amounts and fixed rate debt over the next 5 years (€ Mn – as at June 30, 2010)²⁵



The graph above shows:

- The part of debt which is kept at fixed rate.
- The hedging instruments used to hedge the variable rate loans and fixed rate debt immediately converted into variable rate debt through the Group's macro hedging policy.

Note that, when applying IFRS, Unibail Holding did not opt to classify its financial hedging instruments as a cash flow hedge. As a result, any fair value changes in these instruments are recognised in the income statement.

As for Rodamco Europe, it applied a cash flow hedge accounting policy according to IFRS for some of its derivative instruments.

Measuring interest rate exposure

As at June 30, 2010, net financial debt stood at €7,281 Mn, excluding partners' current accounts and after taking cash surpluses into account (€150 Mn).

The outstanding debt was hedged in totality against an increase in variable rates, based on debt outstanding as at June 30, 2010 through both:

- Debt kept at fixed rate.
- Hedging in place as part of Unibail-Rodamco's macro hedging policy. Part of this hedging is made of caps and collars which will allow the Group to benefit to a certain extent from the decrease of short term interest rates in 2010.

Based on Unibail-Rodamco's debt situation as at June 30, 2010, if interest rates (Euribor, Stibor or Libor) were to rise by an average of 0.5%²⁶ (50 basis points) during H2 2010, the resulting increase in financial expenses would have an estimated negative impact of €1.7 Mn on the

²⁵ Taking into account the planned restructuring in H2 2010 of €1 Bn of swaps.

²⁶ The eventual impact on exchange rates due to this theoretical increase of 0.5% in interest rates is not taken into account; theoretical impacts of rise in interest rates are calculated above a Euribor, a Stibor and a Libor of 0.767%

recurring net profit. A further rise of 0.5% would have an additional adverse impact of €3.1 Mn. Conversely, a 0.5% (50 basis points) drop in interest rates would reduce financial expenses by an estimated €1.7 Mn and would enhance H2 2010 recurring net profit by an equivalent amount.

3.2. Managing and measuring currency risk exposure

The Group has activities and investments in countries outside the euro-zone, primarily in Sweden. When converted into euros, the income and value of the Group net investment may be influenced by fluctuations in exchange rates against the euro. Wherever possible, the Group aims to match foreign currency income with expenses in the same currency, reducing the exchange effects on earnings volatility and net valuation of the investment. Translation risks are hedged by either matching cash investments in a specific currency with debt in the same currency, or using derivatives to achieve the same risk management-driven goal. Currency risk during the building period of pipeline investments is covered as early as possible after signing of the actual building contract. Other monetary assets and liabilities held in currencies other than the euro are managed by ensuring that net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short term balances.

Measuring currency exposure

Main foreign currency positions (in € Mn)

Currency	Assets	Liabilities	Net exposure	Hedging Instruments	Exposure net of hedges
SEK	1 555.9	- 396.4	1 159.6	- 723.8	435.8
DKK	296.7	- 69.3	227.4	- 127.4	100.0
HUF	0.5	-	0.5	-	0.5
CZK	0.1	- 138.6	138.5	154.4	15.8
PLN	0.2	- 1.0	0.9	-	0.9
Total	1 853.4	- 605.4	1 248.1	- 696.8	551.3

The main exposure kept is in Swedish Krona. A decrease of 10% in the SEK/EUR exchange rate would have a €40 Mn negative impact on shareholders' equity. The sensitivity of the H2 2010 recurring result²⁷ to a 10% depreciation in the SEK/EUR exchange rate is limited to €2.8 Mn.

²⁷ The sensitivity is measured by applying a change in exchange rate to the net revenues in SEK (net rents – financial expenses - taxes), based on an EUR/SEK exchange rate of 9.6145.

4. Financial structure

As at June 30, 2010, the portfolio valuation (including transfer taxes) of the Unibail-Rodamco group amounted to €23,278 Mn.

Debt ratio

As of June 30, 2010, the Loan-to-Value ratio (LTV) calculated for Unibail-Rodamco came to 31%, slightly under the level recorded at December 31, 2009 (32%). The improvement of the ratio mainly results from the disposals completed in H1 2010 and the increase in the fair market value of the portfolio.

Interest coverage ratio

The interest coverage ratio (ICR) for Unibail-Rodamco came to 4.1x for H1 2010. It is in line with the solid levels achieved in recent years (3.9x in 2009). This level was realised as a result of: (i) the low level of the Group's average debt, (ii) the tightly controlled cost of debt and (iii) stable income.

Financial ratios	June 30, 2010	Dec. 31, 2009
LTV ²⁸	31%	32%
ICR ²⁹	4.1x	3.9x

Those ratios show ample headroom vis-à-vis bank covenants usually set at 60% for LTV and 2x for ICR.

As at June 30, 2010, 90% of the Group's credit facilities and bank loans allowed indebtedness amounting to 60% or more of total asset value.

There are no financial covenants (such as LTV or ICR) in the EMTN and the CP programs.

²⁸ Loan-to-Value (LTV) = Net financial debt / Total portfolio valuation including transfer taxes.

²⁹ Interest Cover Ratio (ICR) = Recurring Ebitda / Recurring Net Financial Expenses (including capitalised interest); Recurring Ebitda being calculated as [total recurring operating results and other income less general expenses, excluding depreciation and amortisation].

Condensed consolidated interim financial statements as at June 30, 2010

I. Consolidated interim statement of comprehensive income : EPRA format

II. Consolidated interim statement of net comprehensive income

III. Consolidated interim statement of financial position

IV. Consolidated interim statement of cash flows

V. Consolidated interim statement of changes in equity

VI. Changes in share capital

VII. Notes to the consolidated interim financial statements

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2. Business segment report
3. Scope of consolidation
4. Highlights of the first half of 2010
5. Notes and comments
 - 5.1 Notes to the consolidated assets
 - 5.2 Notes to the consolidated liabilities
 - 5.3 Notes to the consolidated interim statement of comprehensive income (EPRA format)
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6. Financial instruments
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9. Related party disclosures
10. Post closing events

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

CONSOLIDATED INCOME STATEMENT - Presented under EPRA ⁽¹⁾ format (in € Mn)	Notes	H1-2010	H1-2009	2009
Gross rental income	14	727.5	743.5	1,472.9
Ground rents paid	15	-10.5	-9.9	-20.8
Net service charge expenses	16	-6.2	-7.3	-12.3
Property operating expenses	17	-87.1	-92.4	-182.6
Net rental income		623.7	633.8	1,257.3
Corporate expenses		-44.9	-48.3	-95.3
Development expenses		-1.3	-0.7	-6.5
Depreciation		-1.1	-1.1	-2.3
Administrative expenses	18	-47.3	-50.1	-104.1
Revenues from other activities		71.6	88.1	155.2
Other expenses		-56.4	-57.3	-114.4
Net other income	19	15.2	30.9	40.8
Proceeds from disposal of investment properties		604.5	107.9	698.7
Carrying value of investment properties sold		-585.4	-101.1	-738.9
Result on disposal of investment properties	20	19.1	6.8	-40.2
Valuation gains		1,031.3	60.4	86.0
Valuation losses		-62.2	-1,926.1	-2,278.1
Valuation movements	21	969.1	-1,865.7	-2,192.1
Impairment of goodwill		-	-37.8	-35.1
NET OPERATING RESULT BEFORE FINANCING COST		1,579.8	-1,282.1	-1,073.5
Result from non-consolidated companies		0.7	-0.1	-0.2
<i>Financial income</i>		38.6	45.1	78.4
<i>Financial expenses</i>		-169.7	-183.2	-360.5
Net financing costs	22	-131.1	-138.1	-282.1
Bonds redeemable for shares	22	-	-4.8	-6.3
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	9	57.4	-28.1	-188.9
Fair value adjustments of derivatives and debt	23	-190.8	-58.2	-117.3
Debt discounting		2.6	-0.8	0.6
Share of the profit of associates	24	-5.8	-11.5	-22.3
Income on financial assets	24	3.5	6.2	8.9
RESULT BEFORE TAX		1,316.2	-1,517.4	-1,681.1
Income tax expenses	25	-47.6	68.8	114.5
NET RESULT FOR THE PERIOD		1,268.6	-1,448.6	-1,566.5
Non-controlling interests	26	161.2	-124.6	-98.8
NET RESULT (Owners of the parent)		1,107.4	-1,324.0	-1,467.8
Average number of shares (undiluted)		91,344,655	82,725,028	85,655,385
Net result for the period (Owners of the parent)		1,107.4	-1,324.0	-1,467.8
Net result for the period (Owners of the parent) per share (€)		12.12	-16.00	-17.14
Net result for the period restated ⁽²⁾ (Owners of the parent)		1,050.0	-1,324.0	-1,467.8
Average number of diluted shares		91,941,681	91,020,439	91,178,707
Diluted net result per share - Owners of the parent (€)		11.42	-14.55	-16.10

⁽¹⁾ Presentation complying with European Public Real Estate Association best practices policy recommendations.

⁽²⁾ The impact of the fair value of the "ORNANE" is restated from the net result of the period if they dilute the net result per share.

NET COMPREHENSIVE INCOME	Notes	H1-2010	H1-2009	2009
NET RESULT FOR THE PERIOD		1,268.6	-1,448.6	-1,566.5
Foreign currency differences on translation of financial statements of subsidiaries		13.2	-21.7	-18.6
Gain/loss on net investment hedge		6.4	-7.9	-4.0
Cash flow hedge		1.4	-5.4	-2.6
OTHER COMPREHENSIVE INCOME	27	21.0	-35.0	-25.2
NET COMPREHENSIVE INCOME		1,289.6	-1,483.6	-1,591.7
Non-controlling interests		161.3	-125.1	-99.1
NET COMPREHENSIVE INCOME (OWNERS OF THE PARENT)		1,128.2	-1,358.5	-1,492.6
Recurring result ⁽¹⁾		429.1	425.5	836.3
Non-recurring result ⁽¹⁾		678.3	-1,749.5	-2,304.0
Recurring earning per share and ORA (€)		4.70	4.68	9.19

⁽¹⁾ Refer to section 2 "Business segment report" for the definition of recurring and non-recurring result.

For the presentation of the income statement by division, please refer to the "Notes to the consolidated interim financial statements" section 2 "Business segment report".

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

(in € Mn)	Notes	June 30, 2010	Dec. 31, 2009
NON CURRENT ASSETS		22,075.3	21,363.9
Investment properties	1	20,864.9	20,152.6
<i>Investment properties at fair value</i>		20,090.0	19,581.0
<i>Investment properties at cost</i>		774.9	571.6
Other tangible assets	2	187.5	185.6
Goodwill	3	219.2	220.4
Intangible assets	4	197.7	197.4
Loans		244.8	244.9
Deferred tax assets ⁽¹⁾	11	10.9	11.9
Derivatives at fair value	10	86.6	81.5
Shares and investments in companies consolidated under the equity method	5	263.7	269.6
CURRENT ASSETS		1,356.8	1,281.8
Properties under promise or mandate of sale	1	629.1	396.4
Trade receivables from activity	6	295.6	323.1
Property portfolio		264.0	287.8
Other activities		31.6	35.3
Other trade receivables		282.2	297.5
Tax receivables		122.4	138.7
Receivables on sale of property		4.0	-
Other receivables		119.2	123.2
Prepaid expenses		36.6	35.6
Cash and cash equivalents	7	150.0	264.8
Financial assets		44.2	195.8
Cash		105.9	69.0
TOTAL ASSETS		23,432.1	22,645.7
Shareholders' equity (Owners of the parent)		11,731.0	11,316.3
Share capital		457.2	456.4
Additional paid-in capital		7,759.1	8,475.7
Bonds redeemable for shares		3.4	3.4
Consolidated reserves		2,459.4	3,925.1
Hedging reserve		1.8	0.4
Other reserves		-57.3	-76.9
Consolidated result		1,107.4	-1,467.8
Non-controlling interests		1,185.0	1,119.3
TOTAL SHAREHOLDERS' EQUITY		12,916.0	12,435.6
NON CURRENT LIABILITIES		8,256.3	8,289.0
Commitment to purchase non-controlling interests	8	43.5	40.7
Net share settled bonds convertible into new and/or existing shares (ORNANE)	9	697.9	754.4
Long term bonds and borrowings	9	6,099.2	6,371.7
Derivatives at fair value	10	436.5	267.6
Deferred tax liabilities ⁽¹⁾	11	693.1	639.2
Long term provisions	12	14.2	18.9
Employee benefits	12	10.3	10.3
Guarantee deposits		170.7	171.1
Tax liabilities		1.0	3.4
Amounts due on investments	13	89.8	11.6
CURRENT LIABILITIES		2,259.8	1,921.1
Amounts due to suppliers and other current debt		585.0	671.4
Amounts due to suppliers		103.2	94.5
Amounts due on investments		193.9	208.9
Sundry creditors		130.1	174.9
Other liabilities		157.8	193.1
Current borrowings and amounts due to credit institutions	9	1,543.9	1,125.9
Tax and social security liabilities		116.2	108.0
Short term provisions	12	14.8	15.8
TOTAL LIABILITIES AND EQUITY		23,432.1	22,645.7

⁽¹⁾ In 2010, deferred tax assets and deferred tax liabilities within a same fiscal group are offset. The figures for 2009 have been restated accordingly.

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

(in € Mn)	Notes	H1-2010	H1-2009	2009
Operating activities				
Net result		1,268.6	-1,448.6	-1,566.5
Depreciation & provisions		12.4	40.4	50.0
Changes in value of property assets		-969.1	1,865.7	2,192.1
Changes in value of financial instruments		133.4	86.2	306.2
Discounting income/charges		-2.6	0.8	-0.6
Charges and income relating to stock options and similar items		4.0	4.3	5.8
Other income and expenses		0.1	0.2	0.3
Net capital gains/losses on sales of properties ⁽¹⁾		-19.1	-6.8	40.2
Income from companies consolidated under the equity method		5.8	11.5	22.3
Income on financial assets		-3.5	-6.2	-8.9
Dividend income from non-consolidated companies		-0.3	-	-
Net financing costs		131.1	142.9	288.4
Income tax charge		47.6	-68.8	-114.5
Cash flow before net financing costs and tax		608.5	621.6	1,214.7
Income on financial assets		3.5	6.2	8.9
Dividend income and result from companies under equity method or non consolidated		0.3	8.7	17.3
Income tax paid		-8.1	-11.6	-12.0
Change in working capital requirement		-57.6	-26.8	72.4
Total cash flow from operating activities		546.5	598.2	1,301.4
Investment activities				
Property activities		214.2	-277.5	-187.7
Acquisition of consolidated subsidiaries	28	-40.4	-56.9	-88.3
Amounts paid for works and acquisition of property assets		-350.6	-333.0	-800.0
Exit tax payment		-	-	-3.1
Property financing		0.6	3.4	4.0
Disposal of subsidiaries	28	-	1.0	1.0
Disposal of investment property		604.5	108.0	698.7
Finance leasing and short term lending activities		0.6	0.8	0.7
Repayment of finance leasing		0.6	0.8	0.7
Financial activities		-0.5	8.8	17.5
Disposal of financial assets		0.4	0.5	0.7
Change in financial assets		-0.9	8.3	16.8
Total cash flow from investment activities		214.3	-267.9	-169.5
Financing activities				
Capital increase		15.3	18.7	30.0
Dividends paid to parent company shareholders	30	-731.2	-317.7	-510.9
Dividends paid to non-controlling shareholders of consolidated companies		-10.0	-10.9	-6.7
New borrowings and financial liabilities ⁽²⁾		749.5	1,336.9	1,862.4
Repayment of borrowings and financial liabilities ⁽²⁾		-758.4	-1,299.7	-2,104.6
Financial income		38.6	57.4	99.8
Financial expenses		-140.1	-148.2	-326.4
Other financing activities		-73.7	-	-42.5
Total cash flow from financing activities		-910.0	-363.4	-998.9
Change in cash and cash equivalents during the period		-149.1	-33.2	132.9
Cash at the beginning of the year		256.4	123.7	123.7
Effect of exchange rate fluctuations on cash held		0.1	-0.5	-0.2
Cash at period-end ⁽³⁾	29	107.4	90.0	256.4

⁽¹⁾ This item includes capital gains/losses on property sales, disposals of short term investment properties, disposals of finance leasing and disposals of operating assets.

⁽²⁾ H1-2009 has been restated to report cash flows arising from Commercial paper on a net basis.

⁽³⁾ Cash and cash equivalents include bank accounts and current accounts with terms of less than three months.

The financial statements are presented in millions of euros, rounded to the nearest hundred thousand and as a result slight differences between rounded figures could exist in the different statements.

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

(in € Mn)	Capital	Additional paid-in capital	Bonds Redeemable for Shares	Consolidated reserves	Consolidated net result	Cash flow hedging reserves	Currency translation reserve ⁽¹⁾	Total Owners of the parent	Non-controlling interests	Total Equity
Balance as at December 31, 2008	407.3	6,786.4	1,566.5	5,292.7	-1,116.0	2.9	-54.7	12,885.1	1,264.6	14,149.7
Profit or loss of the period	-	-	-	-	-1,324.0	-	-	-1,324.0	-124.6	-1,448.6
Other comprehensive income	-	-	-	-	-	-5.4	-29.2	-34.6	-0.5	-35.0
Net comprehensive income	-	-	-	-	-1,324.0	-5.4	-29.2	-1,358.6	-125.1	-1,483.6
Earnings appropriation	-	-	-	-1,116.0	1,116.0	-	-	-	-	-
Dividends related to 2008	-	-110.1	-	-224.0	-	-	-	-334.1	-48.0	-382.1
Stock options and Company Savings Plan	1.4	17.4	-	-	-	-	-	18.8	-	18.8
Conversion of Bonds Redeemable for Shares	15.0	572.0	-515.7	-	-	-	-	71.3	-	71.3
Distribution related to the Bonds Redeemable for Shares	-	-	-	-6.2	-	-	-	-6.2	-	-6.2
Share based payment	-	-	-	2.2	-	-	-	2.2	-	2.2
Changes in scope of consolidation and other movements	-	-	-	-	-	-	-	-	-1.0	-1.0
Reclassification of non-controlling interests	-	-	-	-0.2	-	-	-	-0.2	3.1	2.9
Balance as at June 30, 2009	423.7	7,265.7	1,050.8	3,948.5	-1,324.0	-2.5	-83.9	11,278.3	1,093.6	12,372.0
Profit or loss of the period	-	-	-	-	-143.8	-	-	-143.8	25.8	-118.0
Other comprehensive income	-	-	-	-	-	2.9	7.0	9.9	0.1	10.0
Net comprehensive income	-	-	-	-	-143.8	2.9	7.0	-134.0	25.9	-108.0
Stock options and Company Savings Plan	0.6	7.4	-	-	-	-	-	8.0	-	8.0
Conversion of Bonds Redeemable for Shares	32.1	1,199.6	-1,047.4	-38.8	-	-	-	145.5	-	145.5
Distribution related to the Bonds Redeemable for Shares	-	-	-	0.8	-	-	-	0.8	-	0.8
Share based payment	-	-	-	2.5	-	-	-	2.5	-	2.5
Changes in scope of consolidation and other movements	-	3.0	-	11.2	-	-	-	14.2	-	14.2
Reclassification of non-controlling interests	-	-	-	0.9	-	-	-	0.9	-	0.9
Balance as at December 31, 2009	456.4	8,475.7	3.4	3,925.1	-1,467.8	0.4	-76.9	11,316.3	1,119.3	12,435.6
Profit or loss of the period	-	-	-	-	1,107.4	-	-	1,107.4	161.2	1,268.6
Other comprehensive income	-	-	-	-	-	1.4	19.6	21.0	0.1	21.1
Net comprehensive income	-	-	-	-	1,107.4	1.4	19.6	1,128.4	161.2	1,289.6
Earnings appropriation	-	-	-	-1,467.8	1,467.8	-	-	-	-	-
Dividends related to 2009	-	-731.2	-	-	-	-	-	-731.2	-50.7	-781.9
Stock options and Company Savings Plan	0.8	14.6	-	4.1	-	-	-	19.5	-	19.5
Changes in scope of consolidation and other movements	-	-	-	-1.0	-	-	-	-1.0	-40.8 ⁽²⁾	-41.8
Reclassification of non-controlling interests	-	-	-	-1.0	-	-	-	-1.0	-4.1	-5.1
Balance as at June 30, 2010	457.2	7,759.1	3.4	2,459.4	1,107.4	1.8	-57.3	11,731.0	1,185.0	12,916.0

⁽¹⁾ The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

⁽²⁾ The change relates to the purchase of non-controlling partners of Rodamco Europe NV.

CHANGES IN SHARE CAPITAL

	Total number of shares
As at December 31, 2009	91,264,549
Capital increase reserved for employees under Company Savings Plan	30,579
Exercise of stock options	148,900
Bonds redeemable for shares	4
As at June 30, 2010	91,444,032

1) Accounting principles and consolidation methods

The interim consolidated financial statements have been prepared in accordance with IAS 34 “Financial interim information”. As these are condensed financial results, they do not include all of the information required by the IFRS and must be read in relation with the Group’s annual consolidated financial accounts for the year ended December 31, 2009.

The accounting principles applied for the preparation of these half-yearly consolidated financial accounts are in accordance with the IFRS and interpretations as adopted by the European Union as of June 30, 2010. These can be consulted on the website http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

The accounting principles and methods used are consistent with those applied for the preparation of the annual consolidated financial statements as at December 31, 2009, except for the application of the following new obligatory standards and interpretations :

- IAS 27 A : Consolidated and Separate Financial Statements
- IAS 39 A : Financial instruments : recognition and measurement - Eligible hedged items
- IFRS 2 : Group Cash Settled – Share Based payment transactions
- IFRS 3 R : Business Combinations
- IFRS 5 A : Non Current Assets Held For Sale and Discontinued Operations
- IFRIC 9 & IAS 39 A : Reassessment of Embedded Derivatives
- IFRIC 12 : Service Concession Arrangements
- IFRIC 15 : Agreements for the Construction of Real Estate
- IFRIC 16 : Hedges of a Net Investment in a Foreign Operation
- IFRIC 17 : Distributions of Non-Cash Assets to Owners
- IFRIC 18 : Transfers of Assets from Customers

These standards, amendments and interpretations do not have a significant impact on the first half of 2010 Group’s accounts.

These accounting principles do not differ from the IFRS as published by the IASB, in that the obligatory application to accounting periods opened as of January 1, 2010 of the following amendments and interpretations would not have had a material impact on the Group’s accounts :

- *Texts which have been adopted by the European Union with effective date later than that specified by IASB and hence are not yet applicable in the European standard:*

- Improvements of IFRS (April 2009)
- IAS 32 A : Classification of Rights Issues

- *Texts which have not yet been adopted by the European Union :*

- IFRS 1 : Limited Exemption from Comparative IFRS 7 Disclosures for First-Time Adopters
- Improvements of IFRS (May 2010)
- IFRIC 14 A: Prepayments of a Minimum Funding Requirement
- IFRIC 19 : Extinguishing Financial Liabilities with Equity Instruments

The Group has not applied the following amended or revised norms :

- *which are not yet applied by IASB :*

- IAS 24 : Related Party Disclosures
- IFRS 9 : Financial instruments

Estimations and assumptions

Certain amounts recorded in the consolidated financial statements reflect estimates and assumptions made by management, particularly with regards to the fair value of investment properties and financial instruments as well as the valuation of goodwill and intangible assets. The most significant estimates are set out in the notes to the consolidated financial statements included in the 2009 Annual Report : for the valuation of investment properties in section 1 § 1.5 “Asset valuation methods” and section 5 note 1 “Investment properties”, for the goodwill and intangible assets, respectively in § 1.3 “Business combinations” and § 1.5 “Asset valuation methods” and, for fair value of financial instruments, in note 12 “Hedging instruments”. Actual future results or outcomes may differ from these estimates. The property portfolio and intangible assets used by the Retail, Office and Convention-Exhibition segments are valued by independent appraisals.

2) Business segment report

Consolidated interim income statement by division

(in € Mn)		H1-2010			H1-2009			2009			
		Recurring activities	Valuation movements and disposals	Result	Recurring activities	Valuation movements and disposals	Result	Recurring activities	Valuation movements and disposals	Result	
RETAIL	FRANCE	Gross rental income	258.6	-	258.6	245.9	-	245.9	503.3	-	503.3
		Operating expenses & net service charges	-23.6	-	-23.6	-23.5	-	-23.5	-49.4	-	-49.4
		Net rental income	235.0	-	235.0	222.4	-	222.4	453.9	-	453.9
	THE NETHERLANDS	Contribution of affiliates	2.4	4.8	7.1	2.7	-14.9	-12.2	4.9	-20.0	-15.0
		Gains on sales of properties	-	-	-	-	0.2	0.2	-	0.1	0.1
		Valuation movements	-	501.9	501.9	-	-712.8	-712.8	-	-821.9	-821.9
		Result Retail France	237.4	506.6	744.0	225.1	-727.4	-502.3	458.9	-841.7	-382.8
	NORDIC COUNTRIES	Gross rental income	67.9	-	67.9	81.4	-	81.4	157.5	-	157.5
		Operating expenses & net service charges	-5.6	-	-5.6	-7.1	-	-7.1	-15.0	-	-15.0
		Net rental income	62.3	-	62.3	74.3	-	74.3	142.5	-	142.5
	SPAIN	Gains on sales of properties	-	7.0	7.0	-	4.6	4.6	-	5.3	5.3
		Valuation movements	-	71.2	71.2	-	-80.4	-80.4	-	-102.1	-102.1
		Result Retail Netherlands	62.3	78.2	140.5	74.3	-75.8	-1.5	142.5	-96.8	45.7
	CENTRAL EUROPE	Gross rental income	62.4	-	62.4	58.9	-	58.9	118.9	-	118.9
		Operating expenses & net service charges	-16.1	-	-16.1	-14.8	-	-14.8	-28.7	-	-28.7
		Net rental income	46.3	-	46.3	44.1	-	44.1	90.2	-	90.2
	AUSTRIA	Gains on sales of properties	-	-	-	-	-	-	-	1.1	1.1
		Valuation movements	-	32.0	32.0	-	-166.9	-166.9	-	-235.4	-235.4
Result Retail Nordic		46.3	32.0	78.2	44.1	-166.9	-122.8	90.2	-234.3	-144.1	
CENTRAL EUROPE	Gross rental income	65.2	-	65.2	65.0	-	65.0	130.3	-	130.3	
	Operating expenses & net service charges	-5.2	-	-5.2	-5.5	-	-5.5	-10.5	-	-10.5	
	Net rental income	60.0	-	60.0	59.4	-	59.4	119.8	-	119.8	
AUSTRIA	Gains on sales of properties	-	16.3	16.3	-	0.3	0.3	-	-2.9	-2.9	
	Valuation movements	-	16.3	16.3	-	-222.5	-222.5	-	-287.5	-287.5	
	Result Retail Spain	60.0	16.3	76.3	59.4	-222.2	-162.8	119.8	-290.5	-170.7	
CENTRAL EUROPE	Gross rental income	37.9	-	37.9	37.9	-	37.9	76.2	-	76.2	
	Operating expenses & net service charges	-0.5	-	-0.5	-0.9	-	-0.9	-3.0	-	-3.0	
	Net rental income	37.3	-	37.3	37.0	-	37.0	73.1	-	73.1	
AUSTRIA	Gains on sales of properties	-	-	-	-	0.1	0.1	-	-29.7	-29.7	
	Valuation movements	-	41.3	41.3	-	-77.2	-77.2	-	-99.6	-99.6	
	Impairment of goodwill	-	-	-	-	-37.8	-37.8	-	-35.1	-35.1	
	Result Retail Central Europe	37.3	41.3	78.7	37.0	-115.0	-78.0	73.1	-164.4	-91.3	
AUSTRIA	Gross rental income	32.7	-	32.7	34.4	-	34.4	67.2	-	67.2	
	Operating expenses & net service charges	0.7	-	0.7	-2.2	-	-2.2	-5.1	-	-5.1	
	Net rental income	33.4	-	33.4	32.2	-	32.2	62.1	-	62.1	
AUSTRIA	Valuation movements	-	47.5	47.5	-	-33.8	-33.8	-	-41.8	-41.8	
	Result Retail Austria	33.4	47.5	80.9	32.2	-33.8	-1.6	62.1	-41.8	20.3	
	TOTAL RESULT RETAIL	476.7	721.9	1,198.6	472.1	-1,341.1	-869.0	946.5	-1,669.5	-723.0	
OFFICES	FRANCE	Gross rental income	93.5	-	93.5	92.1	-	92.1	183.9	-	183.9
		Operating expenses & net service charges	-2.1	-	-2.1	-3.9	-	-3.9	-5.2	-	-5.2
		Net rental income	91.4	-	91.4	88.2	-	88.2	178.7	-	178.7
	OTHER COUNTRIES	Gains on sales of properties	-	11.0	11.0	-	0.9	0.9	-	-7.7	-7.7
		Valuation movements	-	153.1	153.1	-	-331.0	-331.0	-	-318.3	-318.3
		Result Offices France	91.4	164.1	255.5	88.2	-330.1	-241.9	178.7	-326.0	-147.3
OTHER COUNTRIES	Gross rental income	19.8	-	19.8	25.5	-	25.5	48.1	-	48.1	
	Operating expenses & net service charges	-3.1	-	-3.1	-3.3	-	-3.3	-7.2	-	-7.2	
	Net rental income	16.7	-	16.7	22.2	-	22.2	40.9	-	40.9	
OTHER COUNTRIES	Gains on sales of properties	-	1.1	1.1	-	0.3	0.3	-	-6.8	-6.8	
	Valuation movements	-	-0.5	-0.5	-	-57.7	-57.7	-	-67.3	-67.3	
	Result Offices other countries	16.7	0.6	17.3	22.2	-57.4	-35.1	40.9	-74.1	-33.2	
	TOTAL RESULT OFFICES	108.1	164.7	272.8	110.5	-387.5	-277.0	219.6	-400.1	-180.6	
CONVENTION EXHIBITION	FRANCE	Gross rental income	83.5	-	83.5	96.4	-	96.4	175.3	-	175.3
		Operating expenses & net service charges	-48.1	-	-48.1	-48.3	-	-48.3	-90.9	-	-90.9
		Net rental income	35.4	-	35.4	48.2	-	48.2	84.3	-	84.3
		On site property services	16.6	-	16.6	21.2	-	21.2	33.8	-	33.8
		Hotels net rental income	5.9	-	5.9	5.8	-	5.8	11.8	-	11.8
		Exhibitions organising	6.2	-15.6	-9.4	5.8	1.1	6.9	7.0	-5.4	1.7
		Valuation movements, depreciation, capital gains	-6.1	106.4	100.3	-5.2	-183.0	-188.3	-11.0	-217.8	-228.8
	TOTAL RESULT CONVENTION EXHIBITION	58.0	90.8	148.8	75.7	-181.9	-106.2	125.9	-223.1	-97.2	
	Other property services net operating profit	4.6	-	4.6	5.5	-	5.5	8.4	-	8.4	
	Other net income	0.7	-	0.7	9.2	-	9.2	9.4	-	9.4	
TOTAL OPERATING RESULT AND OTHER INCOME		648.1	977.4	1,625.5	672.9	-1,910.5	-1,237.5	1,309.8	-2,292.8	-982.9	
	General expenses	-46.0	-	-46.0	-49.4	-	-49.4	-97.6	-	-97.6	
	Development costs	-1.3	-	-1.3	-0.7	-	-0.7	-6.5	-	-6.5	
	Financing result	-131.1	-130.9	-261.9	-138.1	-91.8	-229.8	-282.1	-311.9	-594.0	
RESULT BEFORE TAX		469.7	846.5	1,316.2	484.8	-2,002.2	-1,517.4	923.6	-2,604.6	-1,681.1	
	Income tax expenses	3.3	-50.9	-47.6	-13.0	81.8	68.8	0.6	114.0	114.5	
NET RESULT		473.0	795.6	1,268.6	471.8	-1,920.4	-1,448.6	924.1	-2,490.7	-1,566.5	
	Non-controlling interests	43.8	117.4	161.2	46.3	-170.9	-124.6	87.9	-186.7	-98.8	
NET RESULT - OWNERS OF THE PARENT		429.1	678.3	1,107.4	425.5	-1,749.5	-1,324.0	836.3	-2,304.0	-1,467.8	
Average number of shares and ORA (million)		91.4	-	-	90.9	-	-	91.0	-	-	
RECURRING EARNINGS PER SHARE (€)		4.7€	-	-	4.6€	-	-	9.19	-	-	
RECURRING EARNINGS PER SHARE GROWTH		0.43%	-	-	7.83%	-	-	7.11%	-	-	

Business segment reporting

Segment information is presented in respect of the Group's business line and geographical segments, based on the Group's management and internal reporting structure.

Business segments

The Group presents its result by division: Retail, Offices, Convention-Exhibition and Property services. The Convention-Exhibition division comprises management of exhibition venues (Viparis), leasing and lease management of respectively the Méridien Montparnasse and Cnit Hilton hotels, and the organisation of exhibitions (Comexposium), the latter consolidated under the equity method.

Geographical segments

Geographical segments are determined on the basis of the Group's definition of a home region. A home region is defined as a region with more than €1 billion in property investment and a local organisation dedicated to all three business lines : the "owner function" (asset selection and management including pipeline), retail management, and the finance function.

The following are considered home regions based on specific operational and strategic factors :

- France,
- The Netherlands,
- Spain,
- Nordic Countries managed from Sweden, including Sweden, Denmark and Finland,
- Austria,
- Central Europe managed from the Czech Republic, including the Czech Republic, Germany, Hungary, Poland, Slovakia and Russia (activity disposed of in 2009).

The income statement by division is split between recurring and non-recurring result. The non-recurring result before tax is made up of the valuation movements on investment properties, fair value adjustments on derivatives and debts, the result on disposals and impairment of goodwill.

The income tax is also split between recurring taxes and non-recurring taxes.

Recurring tax is the outcome of :

- the payable income tax, but only as far as related to recurring income,
- plus/minus changes in a deferred tax asset recognized on tax losses stemming from recurring income (excluding those caused by a change in tax rate and/or those caused by a use of such deferred tax asset by non-recurring profits),
- plus/minus changes in "other deferred tax assets" and "other deferred tax liabilities" relating to recurring result.

Reconciliation between the Results by division and the income statement of the period (EPRA format) for H1-2010

(in € Mn)	Retail							Offices			C.E. ⁽¹⁾		Not allocated	TOTAL H1-2010
	France	Netherlands	Nordic	Spain	Central Europe	Austria	Total Retail	France	Others	Total Offices	France			
Gross rental income	258.6	67.9	62.4	65.2	37.9	32.7	524.6	93.5	19.8	113.2	89.6	-	727.5	
Net rental income	235.0	62.3	46.3	60.0	37.3	33.4	474.3	91.4	16.7	108.1	41.3	-	623.7	
Administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-	-47.3	
Revenues from other activities	-	-	-	-	-	-	-	-	-	-	-	-	24.9	
Net other income	-	-	-	-	-	-	-	-	-	-	-	-	4.7	
Gains on disposals	0.0	7.0	-	-	-0.0	-	7.0	11.0	1.1	12.1	10.5	-	15.2	
Valuation movements	501.9	71.2	32.0	16.3	41.4	47.5	710.2	153.1	-0.5	152.6	0.1	-	969.1	
Operating income	736.9	140.5	78.2	76.3	78.7	80.9	1,191.5	255.5	17.3	272.8	158.2	-42.6	1,579.8	
Contribution of companies consolidated under equity method & interest on financial assets	7.1	-	-	-	-	-	7.1	-	-	-	-9.4	-	-2.3	
Net financing costs	-	-	-	-	-	-	-	-	-	-	-	-	-131.1	
Net share settled bonds convertible into new and/or existing shares (ORNAME)	-	-	-	-	-	-	-	-	-	-	-	-	57.4	
Value adjustment of derivatives and discounting of loans and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-188.3	
Income & dividends from non-consolidated companies	-	-	-	-	-	-	-	-	-	-	-	-	0.7	
Pre-tax profit	-	-	-	-	-	-	-	-	-	-	-	-	1,316.2	
Corporate income tax	-	-	-	-	-	-	-	-	-	-	-	-	-47.6	
Net profit	-	-	-	-	-	-	-	-	-	-	-	-	1,268.6	

⁽¹⁾ Convention-Exhibition division

Reconciliation between the Results by division and the income statement of the period (EPRA format) for H1-2009

(in € Mn)	Retail							Offices			C.E. ⁽¹⁾		Not allocated	TOTAL H1-2009
	France	Netherlands	Nordic	Spain	Central Europe	Austria	Total Retail	France	Others	Total Offices	France			
Gross rental income	245.9	81.4	58.9	65.0	37.9	34.4	523.5	92.1	25.5	117.6	102.4	-	743.5	
Net rental income	222.4	74.3	44.1	59.4	37.0	32.2	469.4	88.2	22.2	110.4	54.0	-	633.8	
Administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-	-50.1	
Revenues from other activities	-	-	-	-	-	-	-	-	-	-	-	-	88.1	
Net other income	-	-	-	-	-	-	-	-	-	-	-	-	14.9	
Gains on disposals	0.2	4.6	-	0.3	0.1	-	5.2	0.9	0.3	1.2	0.4	-	6.8	
Valuation movements	-712.8	-80.4	-166.9	-222.5	-77.2	-33.8	-1,293.6	-331.0	-57.7	-388.7	-183.4	-	-1,865.7	
Impairment of Goodwill	-	-	-	-	-37.8	-	-37.8	-	-	-	-	-	-37.8	
Operating income	-490.2	-1.5	-122.8	-162.8	-77.9	-1.6	-856.8	-241.9	-35.2	-277.1	-113.1	-35.2	-1,282.1	
Contribution of companies consolidated under equity method & interest on financial assets	-12.2	-	-	-	-	-	-12.2	-	-	-	6.9	-	-5.3	
Net financing costs	-	-	-	-	-	-	-	-	-	-	-	-	-138.1	
Bonds redeemable for shares	-	-	-	-	-	-	-	-	-	-	-	-	-4.8	
Net share settled bonds convertible into new and/or existing shares (ORNAME)	-	-	-	-	-	-	-	-	-	-	-	-	-28.1	
Value adjustment of derivatives and discounting of loans and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-58.9	
Income & dividends from non-consolidated companies	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	
Pre-tax profit	-	-	-	-	-	-	-	-	-	-	-	-	-1,517.4	
Corporate income tax	-	-	-	-	-	-	-	-	-	-	-	-	68.8	
Net profit	-	-	-	-	-	-	-	-	-	-	-	-	-1,448.6	

⁽¹⁾ Convention-Exhibition division

Investment properties by division as at June 30, 2010

(in € Mn)	Retail							Offices			C.E. ⁽¹⁾		June 30, 2010
	France	Netherlands	Nordic	Spain	Central Europe	Austria	Total Retail	France	Others	Total Offices	France		
Investment properties at fair value	8,249.7	1,485.2	1,672.8	1,808.7	1,063.4	1,212.1	15,491.9	2,764.8	429.4	3,194.2	1,403.9	-	20,090.0
Investment properties at cost	384.4	-	28.3	106.1	25.9	-	544.7	224.8	-	224.8	5.4	-	774.9
Properties under promise or mandate of sale	99.2	467.7	-	-	-	-	566.9	62.2	-	62.2	-	-	629.1
Total	8,733.3	1,952.9	1,701.1	1,914.8	1,089.3	1,212.1	16,603.5	3,051.8	429.4	3,481.2	1,409.3	-	21,494.0

⁽¹⁾ Convention-Exhibition division

Investment properties by division as at December 31, 2009

(in € Mn)	Retail							Offices			C.E. ⁽¹⁾		Dec 31, 2009
	France	Netherlands	Nordic	Spain	Central Europe	Austria	Total Retail	France	Others	Total Offices	France		
Investment properties at fair value	7,751.9	1,823.2	1,546.8	1,779.2	1,002.8	1,099.6	15,003.5	2,867.7	414.9	3,282.6	1,294.9	-	19,581.0
Investment properties at cost	184.5	1.7	22.2	103.2	36.2	30.7	378.5	189.9	-	189.9	3.2	-	571.6
Properties under promise or mandate of sale	-	332.3	-	-	-	-	332.3	39.2	24.9	64.1	-	-	396.4
Total	7,936.4	2,157.2	1,569.0	1,882.4	1,039.0	1,130.3	15,714.3	3,096.8	439.8	3,536.6	1,298.1	-	20,549.0

⁽¹⁾ Convention-Exhibition division

3) Scope of consolidation

List of consolidated companies	Country	Method ⁽¹⁾	% interest	% control	% interest
			June 30, 2010	June 30, 2010	Dec 31, 2009
SE Unibail-Rodamco	France	FC	100.00	100.00	100.00
SHOPPING CENTRES					
"ANDRAKA" Beteiligungsverwaltungs GmbH	Austria	FC	99.17	100.00	98.52
Donauzentrum Besitz- u. Vermietungs GmbH	Austria	FC	89.25	90.00	88.67
SCS Infrastruktur GmbH	Austria	FC	99.17	100.00	98.52
SCS Liegenschaftsverwertung GmbH	Austria	FC	99.17	100.00	98.52
SCS Motor City Süd Errichtungsges.mBH	Austria	FC	99.17	100.00	98.52
Shopping Center Planungs- und Entwicklungsgesellschaft mbH	Austria	FC	99.17	100.00	98.52
Shopping Center Planungs- und Entwicklungsgesellschaft mbH & Co. Werbeberatung KG	Austria	FC	99.17	100.00	98.52
Shopping City Süd Erweiterungsbau Gesellschaft mbH & Co Anlagenvermietung KG	Austria	FC	99.17	100.00	98.52
Südpark Betriebs und Verwaltungs GmbH	Austria	PC	49.59	50.00	49.26
Centrum Cerny Most as	Czech Republic	FC	99.17	100.00	98.52
Centrum Praha Jih-Chodov sro	Czech Republic	FC	99.17	100.00	98.52
Pankrac Shopping Center ks	Czech Republic	PC	74.38	75.00	73.89
Autopaikat Oy	Finland	PC	34.01	34.29	33.78
Kiinteistö Oy Vantaanportin Liikekeskus	Finland	PC	21.22	21.40	21.08
Kiinteistö Oy Vantaanportin Liiketilat	Finland	PC	59.50	60.00	59.11
SA SFLA	France	FC	100.00	100.00	100.00
SA Société d'Exploitation des Parkings et du Forum des Halles de Paris	France	FC	65.00	65.00	65.00
SARL Immo-Limo	France	FC	100.00	100.00	100.00
SAS Askela	France	FC	100.00	100.00	100.00
SAS Cipcom	France	FC	50.00	100.00	50.00
SAS des Grandes Bruyères	France	EM	10.00	10.00	10.00
SAS La Toison d'Or	France	FC	100.00	100.00	100.00
SAS Le Carrousel du Louvre	France	FC	100.00	100.00	100.00
SAS Monpar	France	FC	100.00	100.00	100.00
SAS Nice Etoile	France	FC	100.00	100.00	100.00
SAS Parimall-Bobigny 2	France	FC	99.17	100.00	98.52
SAS Parimall-Parly 2	France	FC	99.17	100.00	98.52
SAS Parimall-Ulis 2	France	FC	99.17	100.00	98.52
SAS Parimall-Vélizy 2	France	FC	99.17	100.00	98.52
SAS Parimmo-58 Marceau	France	FC	99.17	100.00	98.52
SAS Parly 2 Avenir	France	FC	77.75	78.40	77.24
SAS SALG	France	FC	99.17	100.00	98.52
SAS SFAM	France	FC	100.00	100.00	100.00
SAS Société de Lancement de Magasins à l'Usine	France	FC	100.00	100.00	100.00
SAS Spring Alma	France	FC	100.00	100.00	100.00
SAS Spring Valentine	France	FC	100.00	100.00	100.00
SAS Spring Vélizy	France	FC	100.00	100.00	100.00
SAS Uni-commerces	France	FC	100.00	100.00	100.00
SAS Uniwater	France	FC	100.00	100.00	100.00
SAS Villeneuve 2	France	FC	99.17	100.00	98.52
SCI 3borders	France	FC	100.00	100.00	100.00
SCI Aéroville	France	FC	100.00	100.00	100.00
SCI Berri Washington	France	FC	99.17	100.00	98.52
SCI Bordeaux-Bonnac	France	FC	100.00	100.00	100.00
SCI Channel City	France	FC	100.00	100.00	100.00
SCI Coquelles et Coquelles	France	FC	100.00	100.00	100.00
SCI du CC de Bordeaux Préfecture	France	FC	61.00	61.00	61.00
SCI du CC de Lyon La Part Dieu	France	FC	99.17	100.00	98.52
SCI du CC de Rouen St Sever	France	FC	99.17	100.00	98.52
SCI du CC des Pontôts	France	FC	100.00	100.00	100.00
SCI du Forum des Halles de Paris	France	FC	65.00	65.00	65.00

List of consolidated companies	Country	Method (1)	% interest	% control	% interest
			June 30, 2010	June 30, 2010	Dec 31, 2009
SCI du Petit Parly 2	France	FC	99.17	100.00	98.52
SCI Eiffel Levallois Commerces	France	FC	100.00	100.00	100.00
SCI Elysées Châlons	France	FC	99.17	100.00	98.52
SCI Elysées Parly 2	France	FC	99.17	100.00	98.52
SCI Elysées Vauban	France	FC	99.17	100.00	98.52
SCI Elysées Vélizy 2	France	FC	99.17	100.00	98.52
SCI Espace Commerce Europe	France	PC	50.00	50.00	50.00
SCI Evry Expansion	France	FC	100.00	100.00	100.00
SCI Extension Villeneuve 2	France	FC	99.17	100.00	98.52
SCI Foncière Marceau Saint Sever	France	FC	99.17	100.00	98.52
SCI Grand Magasin Sud LPD	France	FC	99.17	100.00	98.52
SCI Grigny Gare	France	FC	100.00	100.00	100.00
SCI Labex	France	FC	100.00	100.00	100.00
SCI Lyon Kléber	France	FC	99.17	100.00	98.52
SCI Lyon Les Brotteaux	France	FC	99.17	100.00	98.52
SCI Marceau Bussy-Sud	France	FC	99.17	100.00	98.52
SCI Marceau Côté Seine	France	FC	99.17	100.00	98.52
SCI Marceau Parly 2	France	FC	99.17	100.00	98.52
SCI Marceau Plaisir	France	FC	99.17	100.00	98.52
SCI Parlunic 2	France	FC	99.17	100.00	98.52
SCI Pégase	France	FC	53.30	53.30	53.30
SCI Rosny Beauséjour	France	PC	50.00	50.00	50.00
SCI Rosvil	France	FC	60.00	60.00	60.00
SCI Rouen Bretagne	France	FC	99.17	100.00	98.52
SCI Rouen Verrerie	France	FC	99.17	100.00	98.52
SCI SCC de la Défense	France	FC	53.30	53.30	53.30
SCI SCC du Triangle des Gares	France	EM	40.00	40.00	40.00
SCI Sicor	France	FC	73.00	73.00	73.00
SCI Sirmione	France	FC	100.00	100.00	100.00
SCI Tayak	France	FC	100.00	100.00	100.00
SCI Val Commerces	France	FC	50.02	50.02	50.02
SCI Vendôme Boisseuil	France	FC	100.00	100.00	100.00
SCI Vendôme Boissy 2	France	FC	100.00	100.00	100.00
SCI Vendôme Saint Genis	France	FC	100.00	100.00	100.00
SCI Vendôme Villeneuve 2	France	FC	99.17	100.00	98.52
SCI VRG 1	France	FC	100.00	100.00	100.00
SCI VRG 3	France	FC	100.00	100.00	100.00
SCI VRG 4	France	FC	100.00	100.00	100.00
SCI Winter	France	FC	50.02	50.02	50.02
SEP du CC d'Evry 2	France	PC	7.50	7.50	7.50
SEP du CC de Rosny 2	France	PC	26.00	26.00	26.00
SEP Extension Evry 2	France	PC	7.50	7.50	7.50
SEP Première Extension Evry 2	France	PC	7.50	7.50	7.50
SEP Valorisation CC LPD	France	PC	62.02	62.51	61.63
SEP Valorisation CC Parly 2	France	PC	47.45	48.47	47.14
SEP Valorisation CC Saint Sever	France	PC	75.91	76.55	75.42
SEP Valorisation CC Ullis 2	France	PC	38.77	38.92	38.65
SEP Valorisation CC Villeneuve 2	France	PC	52.13	52.57	51.79
SNC Almacie	France	FC	100.00	100.00	100.00
SNC CC Francilia	France	FC	100.00	100.00	100.00
SNC Cegep et Cie	France	FC	99.17	100.00	98.52
SNC de Bures-Palaiseau	France	FC	100.00	100.00	100.00
SNC de l'Extension de Rosny	France	FC	100.00	100.00	100.00
SNC du CC de Labège	France	FC	100.00	100.00	100.00
SNC Les Docks de Rouen	France	FC	100.00	100.00	100.00
SNC Les Passages de l'Etoile	France	FC	100.00	100.00	100.00
SNC Maltèse	France	FC	100.00	100.00	100.00
SNC Randoli	France	FC	100.00	100.00	100.00
SNC Saint Genis Laval	France	FC	100.00	100.00	100.00
SNC Vélizy Petit-Clamart	France	FC	100.00	100.00	100.00
SNC Vuc	France	FC	100.00	100.00	100.00

List of consolidated companies	Country	Method (1)	% interest	% control	% interest
			June 30, 2010	June 30, 2010	Dec 31, 2009
Immobilienkommanditgesellschaft Dr. Mühlhäuser & Co Einkaufscenter Magdeburg	Germany	PC	49.59	50.00	49.26
KG Schliebe & Co Geschäftszentrum Frankfurter Allee	Germany	PC	66.12	66.67	65.68
EKZ 6 ÖVT-E Kft	Hungary	PC	32.73	33.00	32.51
Euromall Kft	Hungary	FC	99.17	100.00	98.52
Vezer Center Kft	Hungary	FC	99.17	100.00	98.52
Rodamco CH1 Sp zoo	Poland	PC	49.59	50.00	49.26
Aupark as	Slovakia	PC	49.59	50.00	49.26
Essential Whites SLU	Spain	FC	52.34	100.00	52.00
Promociones Inmobiliarias Gardiner SLU	Spain	FC	52.34	100.00	52.00
Proyectos Inmobiliarios Time Blue SLU	Spain	FC	50.69	100.00	50.35
Unibail-Rodamco Benidorm SL	Spain	PC	87.56	88.29	86.98
Unibail-Rodamco Garbera SL	Spain	FC	99.17	100.00	98.52
Unibail-Rodamco Inversiones SLU	Spain	FC	99.17	100.00	98.52
Unibail-Rodamco Ocio SLU	Spain	FC	99.17	100.00	98.52
Unibail-Rodamco Proyecto Badajoz SL	Spain	FC	99.17	100.00	98.52
Unibail-Rodamco Steam SLU	Spain	FC	50.69	100.00	50.35
Unibail-Rodamco Vallsur SL	Spain	FC	99.17	100.00	98.52
Eurostop KB	Sweden	FC	99.17	100.00	98.52
Rodamco Arninge Centrum KB	Sweden	FC	99.17	100.00	98.52
Rodamco Centerpool AB	Sweden	FC	99.17	100.00	98.52
Rodamco Eneby AB	Sweden	FC	99.17	100.00	98.52
Rodamco Fisketorvet AB	Sweden	FC	99.17	100.00	98.52
Rodamco Forum Nacka KB	Sweden	FC	99.17	100.00	98.52
Rodamco Garage AB	Sweden	FC	99.17	100.00	98.52
Rodamco Helsingborg KB	Sweden	FC	99.17	100.00	98.52
Rodamco Nova Lund KB	Sweden	FC	99.17	100.00	98.52
Rodamco Nova Lund 2 AB	Sweden	FC	99.17	100.00	98.52
Rodamco Nova Lund 3 AB	Sweden	FC	99.17	100.00	98.52
Rodamco Parkering AB	Sweden	FC	99.17	100.00	98.52
Rodamco Solna Centrum AB	Sweden	FC	99.17	100.00	98.52
Rodamco Täby Centrum KB	Sweden	FC	99.17	100.00	98.52
Rodamco Tyresö Centrum AB	Sweden	FC	99.17	100.00	98.52
Rodamco Väsby Centrum AB	Sweden	FC	99.17	100.00	98.52
Oranjevast/Amvest CV	The Netherlands	EM	9.92	10.00	9.85
Turbozwaan BV	The Netherlands	FC	99.17	100.00	98.52
Unibail-Rodamco Nederland Winkels BV	The Netherlands	FC	99.17	100.00	98.52
OFFICES					
SA Rodamco France	France	FC	99.17	100.00	98.52
SAS Alba	France	FC	100.00	100.00	100.00
SAS Immobilière Château Garnier	France	FC	100.00	100.00	100.00
SAS Immobilière Louvre	France	FC	100.00	100.00	100.00
SAS Iseult	France	FC	100.00	100.00	100.00
SAS Parimmo-18 Bis Hoche	France	FC	99.17	100.00	98.52
SAS Parimmo-20 Hoche	France	FC	99.17	100.00	98.52
SAS Unibail Investissements II	France	FC	100.00	100.00	100.00
SCI 3-5 Malesherbes	France	FC	100.00	100.00	100.00
SCI Ariane-Défense	France	FC	100.00	100.00	100.00
SCI Bureaux Tour Crédit Lyonnais	France	FC	99.17	100.00	98.52
SCI Cnit Développement	France	FC	100.00	100.00	100.00
SCI Eiffel Levallois Bureaux	France	FC	100.00	100.00	100.00
SCI Gaîté Bureaux	France	FC	100.00	100.00	100.00
SCI Galilée-Défense	France	FC	100.00	100.00	100.00
SCI Le Sextant	France	FC	100.00	100.00	100.00
SCI Marceau Part Dieu	France	FC	99.17	100.00	98.52
SCI Ostraca	France	FC	100.00	100.00	100.00
SCI Sept Adenauer	France	FC	100.00	100.00	100.00
SCI Village 3 Défense	France	FC	100.00	100.00	100.00
SCI Village 4 Défense	France	FC	100.00	100.00	100.00
SCI Village 5 Défense	France	FC	100.00	100.00	100.00

List of consolidated companies	Country	Method (1)	% interest	% control	% interest
			June 30, 2010	June 30, 2010	Dec 31, 2009
SCI Village 6 Défense	France	FC	100.00	100.00	100.00
SCI Village 7 Défense	France	FC	100.00	100.00	100.00
SCI Village 8 Défense	France	FC	100.00	100.00	100.00
SCI VRG 2	France	FC	100.00	100.00	100.00
SCI Wilson (Puteaux)	France	FC	100.00	100.00	100.00
SNC Capital 8	France	FC	100.00	100.00	100.00
SNC Gaîté Parkings	France	FC	100.00	100.00	100.00
SNC Lefoullon	France	FC	100.00	100.00	100.00
Akvest Kantoren CV	The Netherlands	FC	89.25	90.00	88.67
CONVENTION-EXHIBITION					
SA Comexposium (subgroup)	France	EM	50.00	50.00	50.00
SA Viparis - Le Palais des Congrès d'Issy	France	FC	47.56	95.12	47.56
SARL Pandore	France	FC	50.00	100.00	50.00
SAS Paris Expo Services	France	FC	50.00	100.00	50.00
SAS Société d'Exploitation du Palais des Sports	France	PC	50.00	50.00	50.00
SAS Viparis	France	FC	50.00	100.00	50.00
SAS Viparis - Le Bourget	France	FC	50.00	100.00	50.00
SAS Viparis - Le Palais des Congrès de Paris	France	FC	50.00	100.00	50.00
SAS Viparis - Nord Villepinte	France	FC	50.00	100.00	50.00
SAS Viparis - Palais des Congrès de Versailles	France	FC	45.00	90.00	45.00
SAS Viparis - Porte de Versailles	France	FC	50.00	100.00	50.00
SCI Propexpo	France	FC	50.00	50.00	50.00
SCI Tour Triangle	France	FC	50.00	100.00	50.00
SERVICES					
Donauzentrum Betriebsführungsges.mbH	Austria	FC	89.25	100.00	88.67
DX Donauplex Betriebsges.mbH	Austria	FC	89.25	100.00	88.67
SCS Immobilienverwaltungs GmbH	Austria	FC	99.17	100.00	98.52
Shopping Center Vösendorf Verwaltungsgesellschaft mbH	Austria	FC	99.17	100.00	98.52
Südpark Holding GmbH	Austria	FC	99.17	100.00	98.52
Unibail-Rodamco Beteiligungsverwaltung GmbH	Austria	FC	99.17	100.00	98.52
Unibail-Rodamco Invest GmbH	Austria	FC	99.17	100.00	98.52
EKZ 11 sro	Czech Republic	PC	74.38	75.00	-
Rodamco Ceska Republica sro	Czech Republic	FC	99.17	100.00	98.52
SARL Sovalec	France	FC	99.59	100.00	99.26
SARL SPSP	France	FC	100.00	100.00	100.00
SAS Cnit Restauration	France	FC	100.00	100.00	100.00
SAS Espace Expansion	France	FC	100.00	100.00	100.00
SAS Rodamco France Management	France	FC	99.17	100.00	98.52
SAS Rodamco Gestion	France	FC	99.17	100.00	98.52
SAS S2B	France	FC	100.00	100.00	100.00
SAS Société d'Exploitation Hôtelière du Cnit	France	FC	100.00	100.00	100.00
SAS Unibail Management	France	FC	100.00	100.00	100.00
SAS Unibail Marketing & Multimédia	France	FC	100.00	100.00	100.00
SAS Unibail-Rodamco Développement	France	FC	100.00	100.00	100.00
PFAB GmbH	Germany	EM	22.04	22.22	21.89
Rodamco Europe Sp zoo	Poland	FC	99.17	100.00	98.52
Rodamco Metropolis Management LLC	Russia	FC	99.17	100.00	98.52
RF Property Management spol, sro	Slovakia	PC	49.59	50.00	49.26
Unibail-Rodamco Spain SA	Spain	FC	99.17	100.00	98.52
Rodamco Management AB	Sweden	FC	99.17	100.00	98.52
Rodamco Projekt AB	Sweden	FC	99.17	100.00	98.52
Rodamco Sverige AB	Sweden	FC	99.17	100.00	98.52
Rodamco Europe Beheer BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Nederland BV	The Netherlands	FC	99.17	100.00	98.52
Unibail-Rodamco Development Nederland BV	The Netherlands	FC	99.17	100.00	98.52
Unibail-Rodamco Management BV	The Netherlands	FC	100.00	100.00	100.00

List of consolidated companies	Country	Method (1)	% interest	% control	% interest
			June 30, 2010	June 30, 2010	Dec 31, 2009
HOLDINGS AND OTHER					
SCS Werbegesellschaft GmbH	Austria	FC	99.17	100.00	98.52
Unibail-Rodamco Liegenschaftserwerbs GmbH	Austria	FC	99.17	100.00	98.52
Moravska Obchodni as	Czech Republic	FC	64.46	65.00	64.04
Rodamco Pankrac as	Czech Republic	FC	99.17	100.00	98.52
Rodareal Oy	Finland	FC	99.17	100.00	98.52
SA Société de Tayninh	France	FC	97.68	97.68	97.68
SA Uni-Expos	France	FC	100.00	100.00	100.00
SA Union Internationale Immobilière	France	FC	99.17	100.00	98.52
SA Viparis Holding	France	FC	50.00	50.00	50.00
SARL Espace Expansion Immobilière	France	FC	100.00	100.00	100.00
SAS Doria	France	FC	100.00	100.00	100.00
SAS Frankvink Investissements	France	FC	99.17	100.00	98.52
SAS Hoche Poincaré	France	FC	99.17	100.00	98.52
SAS R.E. France Financing	France	FC	99.17	100.00	-
SAS Unibail-Rodamco Participations	France	FC	100.00	100.00	100.00
SAS Valorexpo	France	FC	100.00	100.00	100.00
SCI 39/41 rue Cambon	France	-	Liquidated	Liquidated	100.00
SCI Arali	France	-	Liquidated	Liquidated	100.00
SNC Financière 5 Malesherbes	France	FC	100.00	100.00	100.00
SNC Foncière Richelieu Commerce	France	FC	100.00	100.00	100.00
Rodamco Deutschland GmbH	Germany	FC	99.17	100.00	98.52
Rodamco Deutschland GmbH & Co Süd Liegenschafts KG	Germany	FC	99.17	100.00	98.52
Zeilgalerie Gbr	Germany	FC	99.17	100.00	98.52
Arrendamientos Vaguada CB	Spain	PC	61.95	62.47	61.55
Promociones Unibail-Rodamco Generales SLU	Spain	FC	99.17	100.00	98.52
Proyectos Inmobiliarios New Visions SLU	Spain	FC	99.17	100.00	98.52
Unibail-Rodamco Levante SLU	Spain	FC	99.17	100.00	98.52
Unibail-Rodamco Parques Comerciales SLU	Spain	FC	99.17	100.00	98.52
Eurostop AB	Sweden	FC	99.17	100.00	98.52
Eurostop Holding AB	Sweden	FC	99.17	100.00	98.52
Fastighetsbolaget Helsingborg Östra AB	Sweden	FC	99.17	100.00	98.52
Fastighetsbolaget Helsingborg Västra AB	Sweden	FC	99.17	100.00	98.52
Fjärilen Bostads AB	Sweden	-	Sold	Sold	98.52
Knölsvanen Bostads AB	Sweden	FC	99.17	100.00	-
Piren AB	Sweden	FC	99.17	100.00	98.52
Rodamco AB	Sweden	FC	99.17	100.00	98.52
Rodamco Expand AB	Sweden	FC	99.17	100.00	98.52
Rodamco Hallunda Centrum HB	Sweden	FC	99.17	100.00	98.52
Rodamco Holding AB	Sweden	FC	99.17	100.00	98.52
Rodamco Invest AB	Sweden	FC	99.17	100.00	98.52
Rodamco Nacka AB	Sweden	FC	99.17	100.00	98.52
Rodamco Northern Europe AB	Sweden	FC	99.17	100.00	98.52
Rodamco Täby AB	Sweden	FC	99.17	100.00	98.52
Rodamco Tummlaren AB	Sweden	FC	99.17	100.00	98.52
Solna Torg Fastighets AB	Sweden	FC	99.17	100.00	-
Trumpetsvanen Bostads AB	Sweden	FC	99.17	100.00	-
Belindam BV	The Netherlands	FC	99.17	100.00	98.52
Cijferzwaan BV	The Netherlands	FC	99.17	100.00	98.52
Deenvink BV	The Netherlands	FC	99.17	100.00	98.52
Dotterzwaan BV	The Netherlands	FC	99.17	100.00	98.52
Feldkirchen BV	The Netherlands	FC	99.17	100.00	98.52
New Tower Real Estate BV	The Netherlands	FC	50.69	51.11	50.35
Old Tower Real Estate BV	The Netherlands	FC	52.34	52.78	52.00
Rodamco Austria BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Central Europe BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Czech BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Deutschland BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Eastern Europe Holding BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco España BV	The Netherlands	FC	99.17	100.00	98.52

List of consolidated companies	Country	Method (1)	% interest	% control	% interest
			June 30, 2010	June 30, 2010	Dec 31, 2009
Rodamco Europe Finance BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Europe Finance II BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Europe NV	The Netherlands	FC	99.17	99.17	98.52
Rodamco Europe Properties BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Hungary BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Nederland Winkels BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Project I BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Retail Deutschland BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Russia BV	The Netherlands	FC	99.17	100.00	98.52
Rodamco Turkey BV	The Netherlands	FC	99.17	100.00	98.52
Romanoff Eastern Europe Property BV	The Netherlands	FC	79.34	80.00	78.82
Vuurvink BV	The Netherlands	FC	99.17	100.00	98.52

⁽¹⁾ FC=fully consolidated companies, PC=proportional consolidation method, EM=consolidated under the equity method.

4) Highlights of the first half of 2010

Disposals of offices

Four buildings were sold for a total net disposal price of €315.1 Mn. The most significant disposals took place in France with Capital 8 - Messine sold for a net disposal price of €242.9 Mn and 18-20 avenue Hoche for a net disposal price of €40.0 Mn.

One building in Sweden and one in Spain were sold during the period for a total net disposal price of €33.1 Mn.

Disposals of shopping centres

All the sales of the first half of 2010 took place in The Netherlands with a disposal proceeds of €2906 Mn and a net result of €7.0 Mn.

Rodamco Europe squeeze out proceedings

Non-controlling shareholders still own 0.83% of Rodamco Europe NV. The buyout proceedings under Dutch law, initiated on December 14, 2007 before the Enterprise Chamber of the Amsterdam Court of Appeal, are still ongoing.

On March 9, 2010, the Dutch Enterprise Chamber rendered an interim judgment. The Court rejected the demands by the plaintiffs to set the squeeze out price at the June 2007 cash value. The Court appointed three independent experts and asked them to give a value to Rodamco Europe as a stand-alone entity as per the present moment. The judgment of the Enterprise Chamber of the Amsterdam Court of Appeal is expected in the second half of 2010.

Unibail-Rodamco SE has accepted an unsolicited offer to purchase 579,420 shares in Rodamco Europe NV for a price of €70.65 per share ex-dividend, effective June 11, 2010. An additional offer to purchase 7,300 shares was concluded on June 15, 2010. These transactions represent 43.7% of the remaining Rodamco Europe NV shares held by third parties. On June 30, 2010, Unibail-Rodamco SE holds 99.17% of the Rodamco Europe NV shares. If any further unsolicited offers are made to purchase shares of Rodamco Europe NV, Unibail-Rodamco SE reserves its right to accept such offers at terms and conditions which it will deem appropriate.

5) Notes and comments

5.1-Notes to the consolidated assets

Note 1 – Investment properties

In accordance with the preferred method provided under IAS 40, investment properties are stated at their market value as determined by independent appraisers.

In the first half of 2010, investment markets continue to benefit from improved investor sentiment, which started to feed through during the second half of 2009. However, as investors remain risk averse and are focused on core markets and prime quality products, the recovery of values diverges between asset classes and regions.

Compared to last year, liquidity in the investment market has picked up, even in the large plot size bracket (up to €500 Mn). International investors with equity are increasingly active in the market, focusing attention on prime product which is in very short supply. This has led to competitive bidding on those assets that were put up for sale, which created downward pressure on yields especially in France.

Appraisers have shifted attention away from yields, which have stabilised or slightly improved, to sales performance and they have refined the assumptions in their cash flow forecasts as a result.

Investment Properties Under Construction (IPUC) are covered by IAS 40 since January 1, 2009 and hence are eligible for revaluation except for those for which the fair value is not reliably determinable.

Investment Properties Under Construction are taken at fair value once management considers that a substantial part of the development's uncertainty has been eliminated, such that a reliable fair value can be established. The company uses generic guidelines to establish the remaining level of risk, focusing notably on uncertainty remaining in construction and leasing.

Investment Properties Under Construction at fair value were valued using a discounted cash flow or yield method approach (in accordance with RICS³⁰ and IVSC³¹ standards) as deemed appropriate by the independent appraiser. In some cases, both methods were combined to validate and cross-check critical valuation parameters.

Investment Properties Under Construction stated at fair value relate to the Rennes Alma extension in France, a part of the Almere Buitenmere extension in The Netherlands and the Donauzentrum extension in Austria. These Retail projects represented a total amount of €1362 Mn in the consolidated statement of financial position at June 30, 2010.

The assets Tour Oxygène and Lyon Part Dieu extension in France, Maquinista extension in Spain and part of Almere Buitenmere in The Netherlands, recorded as IPUC at fair value in 2009, were delivered in 2010 and are now included in the investment properties at fair value.

At June 30, 2010, the assets still stated at cost are mainly those for which all administrative authorisations have not yet been obtained (in Spain, Benidorm and Badajoz; in France, Tour Phare, Majunga, Aéroville, Sénart extension; in the Czech Republic, the extensions of Centrum Chodov and Centrum Cerny Most), or for which the future rents are still uncertain, as is the case for the Eiffel projects in Levallois Perret or Lyon Confluence in France.

Assets still stated at cost are subject to an impairment test at June 30, 2010. A reversal of €1.0 Mn was booked as at June 30, 2010.

As mentioned in section 1 "Accounting principles and consolidation methods" §1.5 "Asset valuation methods" in the 2009 Annual Report, for the Shopping Centre and Office portfolios, the valuation principles adopted are based on the discounted cash flow and yield methodologies. For the Convention-Exhibition portfolio, the valuation methodology adopted is mainly based on a discounted cash flow model applied to total net income projected over the life of the concession or leasehold, if it exists or otherwise over a 10-year period, with an estimation of the asset's value at the end of the given time period, based either on the residual contractual value for concessions³² or on capitalised cash flows over the last year.

Shopping Centre portfolio

Based on an asset value excluding estimated transfer taxes and disposal costs, the division net initial yield at June 30, 2010 came to 5.8% vs. 6.1% at year-end 2009.

Based on the midyear yield of 5.8%, a change of +25 basis points would result in an adjustment of €691 Mn (4.0%) of the portfolio value (including transfer taxes and disposal costs).

³⁰ RICS : Royal Institute of Chartered Surveyors

³¹ IVSC : International Valuation Standards Committee

³² For Porte de Versailles, a concession renewal probability of 33% was assumed by the appraiser.

Office portfolio

For occupied offices and based on an asset value excluding estimated transfer taxes and disposal costs, the division net initial yield at June 30, 2010 decreased by 30 basis points compared to year-end 2009.

Based on the midyear yield of 6.7%, a change of +25 basis points would result in an adjustment of €131 Mn (3.4%) of the portfolio value (occupied and vacant space, including transfer taxes and disposal costs).

Convention-Exhibition portfolio

Based on the valuations, the average EBITDA yield on Viparis at June 30, 2010 (recurring operating profit divided by the value of the asset, excluding transfer taxes) was 8.5%.

For further information on the parameters used for the investment properties valuation, please refer to the note on the Net Asset Value as at June 30, 2010.

As at June 30, 2010, the outstanding balances of deferred lease incentives and key monies amortised over the firm term of the lease and deducted from the appraisal value represented €37.5 Mn.

Changes in investment properties at fair value

(in € Mn)	Dec 31, 2009	Acquisi- tions ⁽¹⁾	Capitalised expenses ⁽²⁾	Dispo- sals ⁽³⁾	Reclassifi- cation and transfer of category ⁽⁴⁾	Valuation movements	Currency transla- tion	June 30, 2010
Retail	15,003.5	28.3	129.0	-0.6	-468.4	709.6	90.6	15,492.0
Offices	3,282.6	9.4	19.4	-218.4	-62.2	146.3	17.1	3,194.2
Convention -Exhibition centres	1,294.8	-	7.0	-0.2	-	102.2	-	1,403.8
Total investment properties	19,581.0	37.7	155.4	-219.3	-530.6	958.1	107.6	20,090.0
Properties under promise or mandate of sale	396.4	-	-	-346.4	579.0	-	-	629.1 ⁽⁵⁾
Total	19,977.4	37.7	155.4	-565.7	48.4	958.1	107.6	20,719.1

⁽¹⁾ The main acquisitions were a forward purchase agreement for Tour Oxygène (€9.4 Mn) and Lyon Part Dieu Extension (€24.3 Mn) in Lyon, France and some additional plots in San Sebastian Garbera in Spain (€3.6 Mn).

⁽²⁾ Major works for shopping centres related to shopping centres in France (€69.3 Mn), mainly for Lyon Part Dieu (€9.2 Mn), Parly 2 in Le Chesnay (€7.7 Mn), Les Quatre Temps in Paris La Défense (€7.4 Mn), Vélizy 2 in Vélizy Villacoublay (€6.8 Mn), Le Forum des Halles in Paris (€5.4 Mn) and in Austria for Donauzentrum in Vienna (€30.7 Mn), for offices the Cnit – Paris La Défense (€7.4 Mn), Tour Galilée Paris La Défense (€5.3 Mn), Tour Oxygène (€3.1 Mn) in Lyon, all in France and Solna Centrum offices (€1.3 Mn) in Sweden and for Convention-Exhibition centres in France Parc des Expositions de la Porte de Versailles (€3.9 Mn) and Palais des Congrès de Paris (€1.5 Mn).

⁽³⁾ Refers mainly to the disposal of small shopping centres in The Netherlands (€282.4 Mn) and disposal of office properties in France (€253.2 Mn), in Spain (€25.3 Mn) and in Sweden (€3.9 Mn) (see section 4 “Highlights of the first half of 2010”).

⁽⁴⁾ The extensions of Shopping City Süd Andraha and Südpark in Austria, the land of Praha Chodov extension and the Cerny Most extension in the Czech Republic were transferred from IPUC at cost to Investment Properties at fair value during the half-year.

⁽⁵⁾ Sales commitments for office properties in France for a total amount of €62.2 Mn and for retail properties in France and in The Netherlands for a total amount of €566.9 Mn.

Changes in investment properties at cost

(in € Mn)	Dec 31, 2009	Acquisitions ⁽¹⁾	Capitalised expenses ⁽²⁾	Reclassification and transfer of category ⁽³⁾	Impairment ⁽⁴⁾	Currency translation	June 30, 2010
Gross value	614.2	187.0	63.2	-50.8	-	1.8	815.4
Amortisation	-42.6	-	-	1.4	0.7	-	-40.5
Total	571.6	187.0	63.2	-49.4	0.7	1.8	774.9

⁽¹⁾ Relates to the acquisition of building rights for the Eiffel projects at Levallois-Perret in France for €187.0 Mn.

⁽²⁾ Major works related to the shopping centres Lyon Confluence (€32.0 Mn) and Eiffel retail (€2.6 Mn) in France, Täby Centrum (€5.4 Mn) in Sweden and Badajoz (€1.8 Mn) and Benidorm (€1.5 Mn) in Spain, to office properties Majunga (€4.7 Mn), Eiffel (€2.6 Mn) and Phare (€2.1 Mn) in France and to Lyon Confluence Hotel (€1.8 Mn) in France for convention-exhibition centres.

⁽³⁾ Corresponds mainly to the transfer of assets to the category "Investment properties at fair value". See "Changes in investment properties at fair value" footnote ⁽⁴⁾ for more details.

⁽⁴⁾ A reversal was booked for €1.0 Mn and an allowance for -€0.3 Mn.

Note 2 – Other tangible assets

Net value (in € Mn)	Dec 31, 2009	Acquisitions and capitalised expenses ⁽¹⁾	Disposals ⁽²⁾	Amortisation	Impairment ⁽³⁾	Other movements	June 30, 2010
Operating assets	135.9	-	-	-1.1	6.2	-	141.0
Furniture and equipment	49.7	2.9	-5.5	-0.5	-	-0.1	46.5
Total	185.6	2.9	-5.5	-1.6	6.2	-0.1	187.5

⁽¹⁾ Major works relate to property services entities, for €1.4 Mn.

⁽²⁾ Main disposals refer to technical equipment which was scrapped (€1.5 Mn) or sold (€3.9 Mn).

⁽³⁾ Concerning the property occupied by the Group located at 7 Place Adenauer Paris 16th - France, a reversal of impairment was booked for €6.2 Mn according to the appraisal value.

Note 3 – Goodwill

(in € Mn)	Dec 31, 2009	Decrease	Impairment	June 30, 2010
Gross value	1,820.3	-1.2	-	1,819.1
Impairment	-1,599.9	-	-	-1,599.9
Total	220.4	-1.2	-	219.2

On May 14, 2010, €1.2 Mn was received as purchase price adjustment for Shopping City Süd in Vienna, Austria.

Note 4 – Intangible assets

Net value (in € Mn)	Dec 31, 2009	Acquisitions	Amortisation	Impairment	June 30, 2010
Rights and exhibitions	190.2	-	-2.4	4.1 ⁽¹⁾	191.9
Other intangible assets	7.2	0.5	-1.9	-	5.8
Total	197.4	0.5	-4.3	4.1	197.7

⁽¹⁾ Changes relate to the reversal of the impairment of the Paris-Nord Villepinte exhibition site intangible asset (€4.1 Mn).

Note 5 – Shares and investments in companies consolidated under the equity method

(in € Mn)	June 30, 2010	Dec 31, 2009
Share in SCI Triangle des Gares consolidated under the equity method	53.4	49.6
Loan granted to SCI Triangle des Gares	18.0	16.5
Sub-total SCI Triangle des Gares investment	71.4	66.1
Share in Comexposium Group consolidated under the equity method	42.7	54.7
Loan granted to Comexposium Group	149.6	148.7
Sub-total Comexposium Group investment	192.3	203.4
Total shares and investments in companies consolidated under the equity method	263.7	269.6

The value of the stake in SCI Triangle des Gares reflects the market value of properties owned.

The value of the stake in Comexposium Group includes the value of the intangible assets (net of the deferred taxes) recognised for these companies at the date of entry into the scope of consolidation and net of impairment.

The main items of the statements of financial position of companies consolidated under the equity method are presented in the table below. These items are stated on a 100% basis including restatements for consolidation purposes.

SCI Triangle des Gares

(in € Mn)	June 30, 2010	Dec 31, 2009
Investment property	152.2	138.7
Current assets	35.7	31.9
Total assets	187.8	170.7
Restated shareholders' equity	133.8	124.2
External borrowings and debts to partners	45.0	41.4
Other non-current liabilities	3.9	4.1
Current liabilities	5.2	1.1
Total liabilities	187.8	170.7

Comexposium Group

(in € Mn)	June 30, 2010	Dec 31, 2009
Intangible assets ⁽¹⁾	322.5	338.1
Goodwill	190.9	211.5
Other non current assets	11.6	12.9
Current assets	106.8	73.7
Total assets	631.9	636.1
Restated shareholders' equity	106.6	132.6
Deferred tax liabilities	84.6	96.6
External borrowings and debts to partners	301.9	302.9
Other non current liabilities	4.0	6.2
Current liabilities	134.9	97.9
Total liabilities	631.9	636.1

⁽¹⁾ Intangible assets are presented net of the amortisation.

The main income statement items of companies consolidated under the equity method are presented below. These items are stated on a 100% basis including restatements for consolidation purposes.

SCI Triangle des Gares

(in € Mn)	H1-2010	H1-2009
Rental revenues	7.2	7.3
Change in fair value of investment property	11.9	-37.2
Net income	17.0	-32.0

Comexposium Group

(in € Mn)	H1-2010	H1-2009
Revenues from other activities	84.1	131.7
Net operating profit before financing cost	-30.3	17.9
Net income	-24.6	5.4

Note 6 – Trade receivables from activity

All of these receivables are due within one year, except rent-free periods and step rents amortised over the firm term of the lease.

Trade related receivables (in € Mn)	June 30, 2010	Dec 31, 2009
Trade receivables	196.7	205.6
Doubtful accounts	42.3	39.9
Rent-free periods and step rents	91.6	109.5
Gross value	330.6	355.0
Provisions for doubtful accounts	-35.0	-31.9
Net	295.6	323.1

Breakdown of trade receivables by business line (in € Mn)	June 30, 2010	Dec 31, 2009
Retail	138.9	155.2
Offices	83.8	97.8
Convention-Exhibition	51.7	47.8
Property services	8.1	11.7
Other	13.0	10.7
Total	295.6	323.1

Note 7 – Cash and cash equivalents

The level of cash and cash equivalents at the end of June 2010 is maintained for the purpose of payments planned during the subsequent period.

5.2-Notes to the consolidated liabilities

Note 8 – Commitment to purchase non-controlling interests

Unibail-Rodamco has given commitments to purchase the non-controlling interests in the shopping centres Donauzentrum in Vienna, Austria and Val Commerces in Etrembières, France.

Note 9 – Current and non current financial liabilities

> Net share settled bonds convertible into new and/or existing shares (ORNANE)

The ORNANE are valued for an amount of €697.9 Mn at June 30, 2010, after deduction of €8.7 Mn issuing charges. The valuation at fair value (quoted price) generated a gain of €57.4 Mn at June 30, 2010, accounted for in the result of the period.

> Debt breakdown (including ORNANE)

Borrowings and other financial liabilities (in € Mn)	June 30, 2010	Dec 31, 2009
Net share settled bonds convertible into new and/or existing shares (ORNANE)	707.7	768.0
Debt at fair value	697.9	754.4
Accrued interest	9.8	13.6
Bonds and EMTNs	4,234.0	3,429.4
Principal debt	4,160.0	3,425.0
Accrued interest	100.5	32.5
Charges and premiums on issues of borrowings	-12.9	-10.9
Mark-to-market of debt ⁽¹⁾	-21.0	-26.8
Mark-to-market of debt (fair value hedge)	7.4	9.6
Bank borrowings	2,310.6	2,814.0
Principal debt	2,269.3	2,796.5
Accrued interest	8.6	17.0
Charges and premiums on issues of borrowings	-10.8	-10.9
Bank overdrafts	38.8	6.8
Accrued interest on bank overdrafts	1.6	1.6
Current accounts to balance out cash flow	3.9	1.7
Mark-to-market of debt ⁽¹⁾	-0.8	1.3
Bonds redeemable for shares	0.4	0.4
Other financial liabilities	1,088.2	1,240.2
Interbank market instruments and negotiable instruments	384.0	560.0
Accrued interest on interbank market instruments and negotiable instruments	0.1	0.2
Current accounts with non-controlling interests	704.1	680.0
Total	8,340.9	8,252.0

⁽¹⁾ Rodamco fixed-rate debt has been marked-to-market at the date of its first consolidation.

No loans were subject to prepayment clauses linked to the Group's ratings, barring exceptional circumstances such as change in control.

There are no financial covenants (such as LTV or ICR) in the EMTN and the Commercial Paper programs.

A significant part of bank loans and credit facilities contains financial covenants such as LTV (Loan To Value) and ICR (Interest Coverage Ratio) ratios.

Current levels of ratios show ample headroom vis-à-vis those bank covenants (see financial resources note).

Unibail-Rodamco's nominal financial debt as at June 30, 2010 breaks down as follows:

- €4,160 Mn in bond issues, of which €2,160 Mn in Euro Medium Term Notes (EMTN) of Unibail-Rodamco's programme and €1,500 Mn in EMTN of Rodamco Europe's programme, the remainder, €500 Mn, in Rodamco Europe bonds,
- €575 Mn in ORNANE,
- €384 Mn short term issues in commercial paper (*billets de trésorerie* and Euro Commercial Paper),
- €2,312 Mn in bank loans, including €1,394 Mn in corporate loans, €875 Mn in mortgage loans and €43 Mn in bank overdrafts.

The following table shows a breakdown of outstanding duration to maturity of borrowings and financial liabilities :

Outstanding duration to maturity (in € Mn)	Current	Non-current		Total
	Less than 1 year	1 year to 5 years	More than 5 years	June 30, 2010
Net share settled bonds convertible into new and/or existing shares (ORNANE)	9.8	-	697.9	707.7
Debt at fair value	-	-	697.9	697.9
Accrued interest	9.8	-	-	9.8
Bonds and EMTNs	1,088.1	2,225.9	920.0	4,234.0
Principal debt	1,000.0	2,240.0	920.0	4,160.0
Accrued interest	100.5	-	-	100.5
Charges and premiums on issues of borrowings	-12.9	-	-	-12.9
Mark-to-market of debt	-6.9	-14.1	-	-21.0
Mark-to-market of debt (fair value hedge)	7.4	-	-	7.4
Bank borrowings	61.5	1,859.4	389.7	2,310.6
Principal debt	20.0	1,859.6	389.7	2,269.3
Accrued interest	8.6	-	-	8.6
Charges and premiums on issues of borrowings	-10.8	-	-	-10.8
Bank overdrafts	38.8	-	-	38.8
Accrued interest on bank overdrafts	1.6	-	-	1.6
Current accounts to balance out cash flow	3.9	-	-	3.9
Mark-to-market of debt	-0.6	-0.2	-	-0.8
Bonds redeemable for shares	0.4	-	-	0.4
Other financial liabilities	384.1	443.9	260.2	1,088.2
Interbank market instruments and negotiable instruments	384.0	-	-	384.0
Accrued interest on interbank market instruments and negotiable instruments	0.1	-	-	0.1
Current accounts with non-controlling interests	-	443.9	260.2	704.1
Total	1 543.9	4,529.2	2,267.8	8,340.9

Maturity of current principal debt

(in € Mn)	Current			Total
	Less than 1 month	1 month to 3 months	More than 3 months	June 30, 2010
Bonds and EMTNs – principal debt	500.0	-	500.0	1,000.0
Bank borrowings – principal debt	1.1	2.7	16.2	20.0
Interbank market instruments and negotiable instruments	304.0	80.0	-	384.0
Total	805.1	82.7	516.2	1,404.0

As at June 30, 2010, Unibail-Rodamco's average debt maturity was 4.5 years (4.5 years as of December 31, 2009), after taking into account the confirmed unused credit lines.

Unibail-Rodamco's immediate debt repayment needs are largely covered by the available undrawn credit lines. The amount of debts outstanding as at June 30, 2010 and maturing or amortising in H2-2010 is €895 Mn including €384 Mn of short term issues in commercial paper and a €500 Mn bond repaid on July 1, 2010.

In 2011, the amount is €1,195 Mn to be compared with €3,988 Mn of undrawn credit lines outstanding as at June 30, 2010.

> Characteristics of bonds (excluding ORNANE)

Issue date	Rate	Amount at June 30, 2010 (€ Mn)	Maturity
July 2003	Fixed rate 3.750%	500	July 2010
October 2004	Fixed rate 4.375%	500	October 2014
October 2004	Fixed rate 4%	500	October 2011
December 2005	Fixed rate 3.750%	500	December 2012
April 2006	Fixed rate 4.125%	500	April 2011
July 2008	Constant Maturity Swap 10 years Euro +0.74%	105	July 2013
July 2009	Fixed rate 4.22% (2 years) then linked to European inflation (floored at 3.2%, capped at 3.2% + inflation)	70	July 2019
August 2009	Fixed rate 5% during 3 years then Constant Maturity Swap 10 years (floored at 5%, capped at 7.5%)	50	August 2019
August 2009		50	August 2019
September 2009	Fixed rate 4.8%	150	November 2017
September 2009	Fixed rate 4.625%	500	September 2016
March-May 2010	Fixed rate 3.375%	635	March 2015
May 2010	Structured coupon linked to Constant Maturity Swap 10 year	50	May 2020
June 2010	Structured coupon linked to Constant Maturity Swap 10 year	50	June 2020
Total		4,160	

Bonds issued are not restricted by any covenant based on financial ratios which can lead to early repayment of the debt.

The €500 Mn bond issue launched by Unibail in October 2004 included an early redemption clause in the event of a change in ownership.

The bonds issued by Rodamco under the EMTN program and maturing in 2011, 2012, and 2014 (€1,500 Mn as at June 30, 2010), include a restriction of the amount of indebtedness at subsidiary level, which cannot exceed in aggregate 30% of Total Group Assets. At June 30, 2010, this threshold is observed.

The market value of Unibail-Rodamco's fixed-rate and index-linked debt is presented in the table below. The remainder of the Group's outstanding debt is variable-rate debt, which has its carrying value on the statement of financial position as the sum of the nominal amount and coupon accruals.

(in € Mn)	June 30, 2010		December 31, 2009	
	Carrying value	Market value	Carrying value	Market value
Long term debt				
Fixed-rate & index-linked borrowings, interbank instruments and negotiable market instruments	5,436.6 ⁽¹⁾	5,646.2	4,803.5	4,933.3

⁽¹⁾ ORNANE included, at market value (see paragraph above on ORNANE)

Note 10 – Hedging instruments

Derivative instruments owned by the Group are stated at their fair values and are recorded in the statement of financial position as at June 30, 2010, for €86.6 Mn as assets and €436.5 Mn as liabilities.

Derivatives are valued by discounted estimated future cash flows based on the interest rate curve at the end of June 2010. The valuation has been cross-checked against valuations by banks.

The mark-to-market of derivatives generated a net loss of €185.4 Mn in the first half of 2010.

Regarding fair value hedge derivatives, a gain of €21.9 Mn has been recorded in other financial interest and a loss for the same amount has been recognised on the same line in the income statement for the hedged item.

Net investment hedge generated a loss of €30.5 Mn which has been accounted for in equity.

Cash flow hedge generated a gain of €0.8 Mn in the statement of comprehensive income and a gain of €26 Mn in equity.

Note 11 – Deferred tax

(in € Mn)	Dec 31, 2009 ⁽¹⁾	Increase	Decrease	Reclassifi- cations	Currency transla- tion	June 30, 2010
Deferred tax liabilities	704.9	46.3	-1.1	-2.9	12.5	759.7
Deferred tax on investment properties	639.5	44.9	-0.3	-2.9	12.5	693.7
Deferred tax on intangible assets	65.4	1.4	-0.8	-	-	66.0
Other deferred tax liabilities	-65.7	-12.5	13.0	-0.4	-1.0	-66.6
Tax loss carry-forward	-64.9	-12.5	12.6	-0.0	-1.0	-65.8
Others	-0.8	-	0.4	-0.4	-	-0.8
Total Deferred tax liabilities	639.2	33.8	11.9	-3.3	11.5	693.1
Deferred tax assets						
Tax-loss carry-forward	-11.9	-2.3	-	3.3	-	-10.9
Total Deferred tax assets	-11.9	-2.3	-	3.3	-	-10.9

⁽¹⁾ In 2010, deferred tax assets and deferred tax liabilities within a same fiscal group are offset. The figures for 2009 have been restated accordingly, as €34.6 Mn of deferred tax assets were offset against deferred tax liabilities.

Deferred tax liabilities on properties refer to those countries where there is no tax efficient status comparable to that of France (SIIC), providing a tax exemption on recurring income and capital gains on property sales. The increase of deferred tax liabilities on investment properties is mainly due to the increase of the valuation of the assets.

As announced in its press release of December 11, 2009, Unibail-Rodamco expects that it will not be able to use the benefit of the tax exemption of its Dutch activities provided by the FBI regime for the year 2010.

If so, the future taxable income will be covered by significant Dutch tax-loss carry forwards, resulting from the decline in real estate values since the merger between Unibail Holding SA and Rodamco Europe NV.

As at June 2010, a deferred tax liability of €8.6 Mn was booked on the Dutch investment properties. A deferred tax asset for the same amount was recognised.

Note 12 – Provisions

(in € Mn)	Dec 31, 2009	Allocations	Reversals used	Reversals not used	Discount	June 30, 2010
Long term provisions	18.9	0.1	-2.9	-2.0	0.2	14.2
Provisions for charges	0.7	-	-	-0.7	-	-
Provisions for litigation	16.3	0.1	-2.9	-	0.2	13.7
Other provisions ⁽¹⁾	2.0	-	-0.1	-1.3	-	0.6
Provisions for pension liabilities	10.3	-	-	-	-	10.3
Short term provisions	15.8	3.6	-2.2	-2.4	-	14.8
Provisions for litigation	8.8	2.1	-0.7	-0.6	-	9.6
Other provisions ⁽²⁾	7.0	1.5	-1.5	-1.8	-	5.2
Total	45.0	3.7	-5.1	-4.4	0.2	39.4

⁽¹⁾ A tax litigation in France ended, resulting in the reversal of the provision not used for €1.0 Mn.

⁽²⁾ Resolution of some claims on service charges in Austria resulted in the reversal of provisions for €2.7 Mn, of which €1.8 Mn not used.

Note 13 – Amounts due on investments

Main changes relate to the deferred payment for an amount of €78.0 Mn following the acquisition in April 2010 of building rights for the Eiffel projects at Levallois-Perret in France.

5.3-Notes to the consolidated interim statement of comprehensive income

Note 14 – Gross Rental Income

Rental income consists of rents and similar income (e.g. occupancy compensation, key money, parking revenues) invoiced for Office properties and Shopping Centres over the period. The effects of rent-free periods, step rents and key monies are spread over the fixed term of the lease.

Rental income from the Convention-Exhibition division includes turnover generated by the rental of exhibition space and the provision of unavoidable associated support services to this space.

Charges invoiced to tenants are not included in rental income but deducted from net service charge expenses.

Note 15 – Ground rents paid

Ground rents correspond to lease payments (or depreciation of initial payments) for properties built on land subject to a leasehold or operated under an operating contract (concession). This item mainly applies to Shopping Centres, in particular Forum des Halles and Carrousel du Louvre in France, and to the French exposition venues of Le Bourget and Porte de Versailles.

Note 16– Net service charge expenses

These expenses are net of charges reinvoiced to tenants and relate mainly to vacant premises.

Note 17 – Property operating expenses

These expenses comprise service charges borne by the owner, works-related expenses, litigation expenses, charges relating to doubtful accounts and expenses relating to property management.

Note 18 – Administrative expenses

This item comprises head office and Group administrative expenses, expenses relating to development projects and depreciation charges for Unibail-Rodamco's headquarters.

Note 19 – Net other income

Revenues from other activities cover:

- fees for property services received by companies in the Convention-Exhibition division;
- fees for property management and maintenance services provided to offices and shopping centres. These fees are invoiced by property service companies for their property management activities on behalf of owners outside the Unibail-Rodamco Group;
- fees for project development and consulting services. The internal margins generated on these construction and renovation operations, the costs of which are capitalised in the Group's individual company accounts, are eliminated;
- revenues from other property services, mainly invoiced by Unibail Marketing & Multimedia in France;
- revenues from residual financing leases, which comprise lease payments net of related amortisation costs.

Other expenses comprise charges relating to property services, general costs and depreciation charges for related fixed assets.

Note 20 – Result on disposal of investment properties

Proceeds from the disposal of investment properties correspond to the disposal price received net of disposal costs. The carrying value of disposed assets corresponds to the latest market valuation recorded on the closing statement of financial position for the previous financial year, plus works costs and capitalised expenses for the period and adjusted for reversals of rent-free periods and step rents. See section 4 "Highlights of the first half of 2010" for details of the main assets disposals.

Note 21 – Valuation movements

This item reflects changes in market valuation of investment properties.

(in € Mn)	H1-2010	H1-2009	2009
Retail	710.2	-1,293.6	-1,588.4
Offices	152.6	-388.7	-385.6
Convention-Exhibition	106.3	-183.4	-218.1
Total	969.1	-1,865.7	-2,192.1

Note 22 – Net financing costs

(in € Mn)	H1-2010	H1-2009	2009
Security transactions	0.4	0.5	0.7
Other financial interest	9.1	10.1	20.5
Interest income on caps and swaps	28.5	34.1	57.1
Currency gains	0.6	0.5	-
Total financial income	38.6	45.1	78.4
Security transactions	-0.5	-4.1	-5.2
Interest on bonds	-90.6	-60.8	-138.9
Interest and expenses on loans	-28.9	-56.5	-93.5
Interest on partners' advances	-13.1	-17.9	-30.1
Other financial interest	-2.9	-0.6	-4.5
Interest expenses on caps and swaps	-51.3	-57.4	-119.2
Currency losses	-	-	-0.1
Sub-total financial expenses	-187.3	-197.3	-391.5
Capitalised financial expenses	17.6	14.1	31.0
Total financial expenses	-169.7	-183.2	-360.5
Bonds redeemable for shares	-	-4.8	-6.3
Net financial expenses	-131.1	-142.8	-288.4

Note 23 – Fair value adjustments of derivatives and debt

During the first half of 2010, changes in fair value of derivatives (caps and swaps) generated a loss of €181.6 Mn and a gain of €1.2 Mn.

The amortisation of the fair value of the debt recognised at the entry of Rodamco amounted to €3.8 Mn.

The swaps netting generated a loss of €6.5 Mn.

Note 24 – Share of the profit of associates and income on financial assets

This item breaks down as follows:

(in € Mn)	Recurring activities	Valuation movements	Result
Income from stake in SCI Triangle des Gares consolidated under equity method	2.0	4.8	6.8
Income from stake in Comexposium Group consolidated under equity method	3.1	-15.6	-12.6
Total share of income from companies consolidated under the equity method	5.1	-10.8	-5.8
Interest on the loan granted to SCI Triangle des Gares	0.4	-	0.4
Interest on the loan granted to Comexposium Group	3.1	-	3.1
Total interest on receivables	3.5	-	3.5

Note 25 – Income tax expenses

(in € Mn)	H1-2010	H1-2009	2009
Deferred tax on:			
- Change in fair value of investment properties and impairment of intangible assets	-46.1	109.8	199.3
- Impairment of goodwill justified by taxes	-	-21.7	-102.7
- Non-recurring income	-4.8	-6.3	17.4
- Recurring income	-0.5	-11.5	-3.2
Allocation / reversal of provision concerning tax issues	3.8	-1.5	3.7
Total tax	-47.6	68.8	114.5
Total tax due	-8.1	-11.6	-12.0

Note 26 – Non-controlling interests

For H1-2010, this item mainly comprised non-controlling interests in the following entities :

- i) Rodamco Europe's Group (€5.6 Mn),
- ii) shopping centres in Spain, La Maquinista and Habaneras (€1.2 Mn),
- iii) several shopping centres in France (€104.2 Mn, mainly Les Quatre Temps for €86.1 Mn, Forum des Halles for €7.6 Mn, Sicor Orléans for €3.6 Mn and Bordeaux Préfecture for €2.0 Mn),
- iv) and Convention-Exhibition entities (€50.0 Mn). This amount takes into account a dividend contractually defined between the partners of €2.4Mn to be attributed to Unibail-Rodamco, over and above its percentage interest.

Note 27 – Other comprehensive income

For H1-2010, other comprehensive income comprised :

- i) €13.2 Mn of foreign currency differences on translation of financial statements of subsidiaries related mainly to Sweden, Denmark and the property company in Poland;
- ii) €6.4 Mn of Net Investment Hedge which comprises the fair value adjustments of derivatives and the impact of foreign currency translation on loans qualified as Net Investment Hedge;
- iii) €1.4 Mn of depreciation of hedging reserve related to derivatives qualified as Cash Flow Hedge.

5.4- Notes to the consolidated interim statement of cash flows

The tax charge is classified under cash flow from operating activities.

Net financial interest payments as well as cash flow relating to the purchase or sale of derivative instruments are classified as cash flow from financing activities.

Interest received on loans granted to associates are classified as cash flow from operating activities.

Note 28 – Breakdown of acquisitions and disposals of consolidated subsidiaries

(in € Mn)	H1-2010	H1-2009	2009
Acquisition price of shares	-40.4	-56.9	-88.5
Cash and current accounts acquired	-	-	0.2
Acquisitions net of cash acquired ⁽¹⁾	-40.4	-56.9	-88.3
Net price of shares sold	-	1.0	1.0
Cash and current accounts sold	-	-	-
Sales net of cash sold	-	1.0	1.0

⁽¹⁾ For H1-2010, this item refers mainly to the acquisition of part of the shares of non-controlling shareholders of Rodamco Europe NV for €41.5 Mn.

Note 29 – Reconciliation of cash at period-end on the statement of cash flows and cash on the statement of financial position

(in € Mn)	June 30, 2010	June 30, 2009	Dec 31, 2009
Available-for-sale investments	44.2	18.5	195.8
Cash	105.9	114.7	69.0
Current account to balance out cash flow	-3.9	-2.0	-1.7
Bank overdrafts	-38.8	-41.2	-6.8
Cash at period-end	107.4	90.0	256.4

Note 30 – Dividends paid to parent company shareholders

On May 10, 2010, €731.2 Mn were paid as dividends on shares (€8 per share) regarding the 2009 financial year, in accordance with the Annual General Meeting of April 28, 2010.

This distribution was deducted from the additional paid-in capital accounts.

6) Financial instruments

The principles and methods applied by the Group during the first half of 2010 to manage its credit, liquidity, interest rate, currency, counterparty and capital risks corresponded to those applied during 2009, as set out in Sections 6 and 7 of the Notes to the Group's annual consolidated financial accounts for the year ended December 31, 2009.

The main activity related to risk management during the first half of 2010 is set out below.

6.1 Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures with respect to rental customers. Credit risk is managed on a Group level. The Group structures the level of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparties, and to geographical and industry segments. Such risks are subject to reviews which take place at least annually and often more frequently. The Group has policies in place to ensure that rental contracts are made with customers with an appropriate credit history.

The main tenants of Unibail-Rodamco's office properties in France are blue-chip companies. The tenants profile minimises insolvency risks.

In the Retail division, the risk of insolvency is spread widely across a large number of tenants.

When tenants sign their leasing agreements, they are required to provide financial guarantees, such as a deposit, first-demand guarantee or surety bond amounting to between three and six months' rent.

Payments for ancillary services provided by the Convention-Exhibition division are generally received in advance, thereby reducing the risk of unpaid debt.

Late payment reminders are automatically issued in respect of late payments and penalties are applied. Such late payments are monitored by a special "default" committee in each business division which decides on the pre-litigious or litigious action to be taken.

The Group applies the following rules to calculate the provision for doubtful accounts (calculation after preliminary deduction of possible deposits and bank guarantee):

- 50 % of receivables due for more than 3 months ,
- 100% of receivables due for more than 6 months.

6.2 Market risk

a/ Liquidity risk

Unibail-Rodamco's long term refinancing policy consists of diversifying the Group's expiry schedules and financial resources. Accordingly, bonds & EMTN issues represented 56% of financial nominal debt at June 30, 2010, bank loans and overdrafts 31%, convertible bonds 8% and commercial papers & *billets de trésorerie* 5%.

The commercial paper programmes are backed by confirmed credit lines. These credit lines protect Unibail-Rodamco against the risk of a temporary or more sustained absence of lenders in the short or medium term debt markets and were provided by leading international banks.

As at June 30, 2010 the total amount of undrawn credit lines came to €3,988 Mn.

b/ Interest rate risk management

Average cost of Debt

Unibail-Rodamco's average cost of debt came to 4.1% over H1-2010 (4.0% over 2009). This average cost of debt results from the level of margins on existing borrowings, the low interest rate environment in H1-2010, the cost of the Group's hedging instruments and the cost of carry of the undrawn credit lines.

Interest rate hedging transactions

During H1-2010, Unibail-Rodamco took the opportunity of the low interest rate environment to reinforce its already existing hedging portfolio and to manage its overall exposure.

- In H1-2010, Unibail-Rodamco entered into forward swaps to hedge in advance the years 2011 to 2015 (€3,000 Mn of swaps have been contracted over this period on different maturities at an average rate of 2.34%).
- It also put in place €1,250 Mn collars covering 4 years beginning either in 2010 or in January 2011.
- The Group has also cancelled in January 2010 €1.2 Bn swaps and €400 Mn of collars in view of its over-hedged position on shorter maturities as at December 31, 2009.

Measuring interest rate risk

(in € Mn)	Outstanding total at June 30, 2010	
	Fixed rate	Variable rate ⁽¹⁾
Financial liabilities	-4,979.9	-2,451.1
Financial assets	105.9	44.2
Net financial liabilities before hedging programme	-4,874.1	-2,406.9
Hedging	871.0	-862.5
Net financial liabilities after micro-hedging ⁽²⁾	-4,003.1	-3,269.4
Swap rate hedging ⁽³⁾		2,000.0
Net debt not covered by swaps		-1,269.4
Cap and floor hedging		2,219.6
Hedging balance		950.2

⁽¹⁾ Including index-linked debt.

⁽²⁾ Partners' current accounts are not included in variable-rate debt.

⁽³⁾ Forward hedging instruments are not accounted for in this table.

As at June 30, 2010, net financial nominal debt stood at €7,281.0 Mn, excluding partners' current accounts and after taking cash surpluses into account (€150.0 Mn).

The outstanding nominal net debt was hedged in totality against an increase in variable rates, based on debt outstanding as at June 30, 2010 through both :

- debt kept at fixed rate,
- hedging in place as part of Unibail-Rodamco's macro-hedging policy. Part of this hedging is made of caps and collars which will allow the Group to benefit to a certain extent from the decrease of short term interest rates in 2010.

Based on Unibail-Rodamco's debt situation as at June 30, 2010, if interest rates (Euribor, Stibor or Libor) were to rise by an average of 0.5% (50 basis points) during H2-2010, the resulting increase in financial expenses would have an estimated negative impact of €1.7 Mn on the recurring net profit. A further rise of 0.5% would have an additional adverse impact of €3.1 Mn. Conversely, a 0.5% (50 basis points) drop in interest rates would reduce financial expenses by an estimated €1.7 Mn and would enhance H2-2010 recurring net profit by an equivalent amount.

c/ Currency exchange rate risk management

Main foreign currency positions at June 30, 2010 (in € Mn)

Currency	Assets	Liabilities	Net Exposure	Hedging instruments	Exposure net of hedges
SEK	1,555.9	396.4	1,159.6	723.8	435.8
DKK	296.7	69.3	227.4	127.4	100.0
HUF	0.5	-	0.5	-	0.5
CZK	0.1	138.6	-138.5	-154.4	15.8
PLN	0.2	1.0	-0.9	-	-0.9
Total	1,853.4	605.4	1,248.1	696.8	551.3

The main exposure kept is in Swedish Krona (SEK). A decrease of 10% in the SEK / EUR exchange rate would have a €40.0 Mn negative impact on shareholders' equity.

The sensitivity of the H2-2010 recurring result to a 10% change in the SEK / EUR exchange rate is limited to €2.8 Mn.

7) Financial commitments and guarantees

All significant commitments are shown below. The Group does not have any complex commitments.

Commitments given

Commitments given (in € Mn)	June 30, 2010	Dec 31, 2009
Mortgages and first lien lenders ⁽¹⁾	890.4	880.9
Commitments related to construction works ⁽²⁾	167.6	177.6
Properties under construction : residual commitments related to works contracts and to forward purchase agreements ⁽³⁾	414.4	484.4
Residual commitments related to other works contracts	36.9	34.4
Liability warranties (capped)	0.0	2.0
Purchase undertakings and earn-out ⁽⁴⁾	851.5	101.5
Other guarantees given	26.9	28.7
Total	2,387.6	1,709.6

⁽¹⁾ Discloses the outstanding balances at the reporting date of the debts and credit lines which are guaranteed by mortgages. The gross amount of mortgages contracted, before taking into account subsequent debt reimbursement and unused credit lines, was €1,271.4 Mn at June 30, 2010 (€1,255.5 Mn at December 31, 2009).

⁽²⁾ Concerns the commitment to carry out maintenance and refurbishment works under the contract of the exhibition site Porte de Versailles in Paris, France.

⁽³⁾ Concerns commitments linked to the building of new or extension of existing shopping centres and offices, particularly Eiffel offices and retail in Levallois-Perret and Lyon Confluence in Lyon, France, Markthal in Rotterdam, The Netherlands, and Mall of Scandinavia in Stockholm (negotiation ongoing for the renewal of the previous commitment) and Täby Centrum in Täby, Sweden. The decrease in the commitments on projects under construction results from the completion of the Tour Oxygène project and Lyon Part Dieu extension in Lyon, France, during the first half of 2010 and the advancement of several others, such as Lyon Confluence and Eiffel offices in France.

⁽⁴⁾ At June 30, 2010, this amount relates to the following items :

i) On February 5, 2010, the Group announced it had reached an agreement with the Simon Property Group and Ivanhoe-Cambridge on the acquisition of their portfolio of retail assets in Poland and France, and the formation of a Joint Venture to develop five retail assets in France. This acquisition, with a consideration for the assets of €715.0 Mn, closed on July 15, 2010. The purchase price is subject to adjustments on the basis of the final accounts at the date of acquisition. This agreement also foresees a conditional earn-out of €5.0 Mn.

ii) €83.8 Mn concern the Aupark shopping and entertainment centre in Bratislava, Slovakia. Further to the Group's acquisition in 2006 of a 50% stake in this centre, the vendor has options to sell an additional 40% plus 10% to the Group.

iii) The same vendor also has an option to sell to the Group land for development at Aupark Bratislava, estimated at €3.1 Mn.

iv) €44.3 Mn (amount subject to closing adjustments) relate to the acquisition of 60% of the SCI S3CL, which itself owns 60% of the SCI SCC du Triangle des Gares, owner of the Euralille shopping centre in Lille, France. The Group already owned 40% of the SCI SCC du Triangle des Gares, so it will now have a 76% interest in Euralille. The purchase of 60% of the SCI S3CL was finalised on July 1, 2010.

v) The remaining €0.3 Mn relates to the earn-out commitment on the Zlote Tarasy shopping centre located in Warsaw, Poland, subject to the finalisation of the related share acquisition.

Commitment to purchase non-controlling interests in Rodamco Europe NV

Non-controlling shareholders still own 0.83% of Rodamco Europe NV. The buyout proceedings under Dutch law, initiated on December 14, 2007 before the Enterprise Chamber of the Amsterdam Court of Appeal, are still ongoing.

On March 9, 2010, the Dutch Enterprise Chamber rendered an interim judgment. The Court rejected the demands by the plaintiffs to set the squeeze out price at the June 2007 cash value. The Court appointed three independent experts and asked them to give a value to Rodamco Europe as a stand-alone entity as per the present moment. The judgment of the Enterprise Chamber of the Amsterdam Court of Appeal could entail a decision on a buyout price.

Other unquantifiable commitments given

- The Group's subsidiary SCI Aéroville has committed to sign a building lease with the Aéroports de Paris, France, contingent upon certain conditions.
- As part of the acquisition in 2006 of 50.02% of Val Commerces, a shopping centre at Etrembières, France, Unibail-Rodamco SE granted a call option to the non-controlling partner to sell to him one share of SCI Val Commerces, if the non-controlling partner's put option on his 49.98% share were to be null and void, cancelled or terminated³³. If this call option were to be exercised, each partner would then own 50.00% of Val Commerces.
- Unibail-Rodamco SE gave an earn-out commitment in the event that an extension permit is obtained for the Chelles 2, France shopping centre before 2012. The maximum amount of this payment is €120.92 per square metre of contractual Gross Leasable Area (GLA), indexed according to the Construction Cost Index.
- For a number of recent acquisitions of properties in France, Unibail-Rodamco has committed to the French tax authorities to retain these interests during at least five years, in accordance with the SIIC tax regime.
- Unibail-Rodamco SE undertook to retain its interests in the French subsidiary that owns the Carré Sénart 2 project until this centre is opened to the public.
- As part of the agreements between the CCIP and Unibail-Rodamco to create Viparis and Comexposium, Unibail-Rodamco has committed to retain its interests in shared subsidiaries until 2013. The CCIP has a right of first choice and a right of joint sale.
- As part of the agreement between the CCIP and Unibail-Rodamco to create Viparis, it was agreed that the SCI Propexpo, a 50% subsidiary of the Group, will sign a long term lease for a new exhibition hall at Paris - Nord Villepinte, France. This lease will be concluded upon completion of the construction of the new hall, currently planned for the second half of 2010, and will have a term of 97 years.
- The Group's 50% subsidiary SCI Propexpo has committed that the Espace Champerret venue in Paris, France will continue to be used as an exhibition hall through to 2066.
- The Group has committed until 2028 to purchase from management and employees of the Comexposium Group, which is consolidated under the Equity Method, preferred shares which they may hold in Comexposium SA as a result of the Comexposium Group's stock option plan. The CCIP is also a party to this commitment.

³³ The Group's commitment relating to the non-controlling partner's put option is included in the liabilities of the consolidated statement of financial position.

Commitments received

Commitments received (in € Mn)	June 30, 2010	Dec 31, 2009
Refinancing agreements obtained but not used ⁽¹⁾	3,988.0	3,478.0
Guarantees received relating to Hoguet Regulation	73.2	69.8
Guarantees received from tenants	247.0	249.9
Other commitments received ⁽²⁾	401.1	399.2
Total	4,709.3	4,196.9

⁽¹⁾ These agreements are usually accompanied by a requirement to meet specific target ratios based on revalued shareholders' equity, Group portfolio valuation and debt. Certain credit lines are also subject to an early prepayment clause (in full or in part) in the event of a change in ownership or a series of disposals reducing portfolio assets below a given threshold. Based on current forecasts, excluding exceptional circumstances, these thresholds on target ratios are not expected to be attained during the current year.

⁽²⁾ Other commitments received mainly relate to liability warranties for acquisitions of companies and bank guarantees provided to vendors and tax authorities.

Also, further to the vendor's options to sell a further 40% plus 10% in the Aupark shopping and entertainment centre in Bratislava, Slovakia, as described above in the "Commitments given", the Group has an option to buy an additional 40% from 2013 onwards, thereby extending its stake to 90%. This commitment received amounts to €67.1 Mn.

The Group also has an option to purchase from the same vendor land for development at Aupark Bratislava, estimated at €3.1 Mn.

Other unquantifiable commitments received

- As part of the agreements between the CCIP and Unibail-Rodamco to create Viparis and Comexposium, the CCIP has committed to retain its interests in shared subsidiaries until 2013. Unibail-Rodamco has a right of first choice and a right of joint sale. Finally, the CCIP accords to the SCI Propexpo, a 50% subsidiary of the Group, a right of preferential purchase on its property rights in the areas of the Palais des Congrès de Paris and the Parc des Expositions de Paris-Nord Villepinte in France.

8) Employee remuneration and benefits

Personnel costs amounted to €75.7 Mn in the first half of 2010 (compared with €75.0 Mn in the first half of 2009). This included :

- €1.2 Mn relating to the Company Savings Plan (compared with €0.6 Mn in the first half of 2009) for the employer contribution and the difference between the subscription price and the share price on the date of the capital increase, and
- €3.1 Mn relating to stock options (compared with €18 Mn in the first half of 2009).

On June 24, 2010, a share capital increase, reserved for employees under the Company Savings Plan, was carried out with the following characteristics : 30,579 shares issued at a nominal value of 5 euros resulting in an increase of share capital of €0.2 Mn and of additional paid-in capital of €3.2 Mn.

Headcount

For the first half 2010, the average number of employees of the Group's companies breaks down as follows:

Regions	H1-2010	H1-2009	2009
Austria	98	103	105
Central Europe	77	112	107
France ⁽¹⁾	1,051	1,069	1,080
The Netherlands	100	122	119
Nordic	139	171	172
Spain	151	135	135
Total	1,616	1,712	1,717

⁽¹⁾ Of which Viparis : 409 / 440 / 432

Pension plan

The majority of the Group's pension schemes are defined contribution plans. The Dutch group companies have pension plans with both defined contribution as well as defined benefit components. The latter are accrued.

Stock-option plans

The 2010 authorised plan only comprises stock-options subject to performance criteria. These stock-options have a duration of 7 years and may be exercised at any time, in one or more instalments, as from the 4th anniversary of the date of their allocation. The performance criteria are identical to those of the 2003 plan. 778,800 shares have been allocated on March 10, 2010. At June 30, 2010, none were exercised.

The performance-related stock-options allocated in 2010 were valued at €8.67 using a Monte Carlo model. This valuation is based on an initial exercise price of €148.32, a share price at the date of allocation of €154.10, a vesting period of four years, an estimated duration of 4.7 years, a market volatility of 24.2%, a dividend representing 6.4% of the share value, a risk-free interest rate of 1.8% and a volatility of EPRA index of 31.0% with a correlation EPRA / Unibail-Rodamco of 85.9%.

The table below shows allocated stock-options that had not been exercised at the period-end :

Plan	Exercise period	Adjusted subscription price (€) (1)	Number of options granted	Adjustments in number of options (1)	Numbers of options cancelled	Number of options exercised	Potential additional number of shares	Unconditional scheme	Performance-related scheme	
2000 plan (n° 2)	2002	from 09/10/2004 to 08/10/2010	43.12	394,000	90,303	4,074	476,051	4,178	4,178	-
2003 plan (n° 3)	2003	from 15/10/2007 to 14/10/2010	49.83	434,500	123,349	-	505,445	52,404	45,523	6,881
	2004	from 13/10/2008 to 12/10/2011	71.13	308,000	95,138	16,865	254,987	131,286	101,010	30,276
	2005	from 14/12/2009 to 13/12/2012	100.43	404,500	22,317	80,800	73,538	272,479	177,502	94,977
2006 plan (n° 4)	2006	from 11/10/2010 to 10/10/2013	149.37	365,500	25,266	60,156	-	330,610	-	330,610
2007 plan (n° 5)	2007	from 11/10/2011 to 11/10/2014	166.81	653,700	42,543	138,886	-	557,357	-	557,357
	2008	from 23/10/2012 to 23/10/2015	120.49	860,450	62,377	107,286	-	815,541	-	815,541
	2009	from 13/03/2013 to 12/03/2016	91.95	735,450	57,440	42,810	-	750,080	-	750,080
2010 plan (n° 6)	2010	from 10/03/2014 to 09/03/2017	139.92	778,800	46,011	15,395	-	809,416	-	809,416
Total				4,934,900	564,744	466,272	1,310,021	3,723,351	328,213	3,395,138

⁽¹⁾ Adjustments reflect dividends paid from retained earnings division pursuant to regulations.

9) Related party disclosures

The consolidated financial statements include all of the companies in the Group's scope of consolidation (see section 3 "Scope of consolidation").

The parent company is Unibail-Rodamco SE.

To the Group's knowledge, there are neither shareholders' pacts nor persons or groups of persons exercising or who could exercise control over the Group.

Unibail-Rodamco's transactions with related companies

The main related party transactions refer to transactions with companies consolidated under the equity method.

(in € Mn)	June 30, 2010	June 30, 2009
Comexposium Group		
Loan	149.6	157.5
Commercial papers	-	-30.0
Recognised interest	3.1	5.6
Rents and fees invoiced ⁽¹⁾	22.3	21.4
SCI Triangle des Gares		
Loan	18.0	19.1
Recognised interest	0.4	0.6
Fees invoiced ⁽²⁾	0.4	0.4

⁽¹⁾ Correspond mainly to rents and fees invoiced by Viparis entities to Comexposium and to rent invoiced by the SCI Wilson for the head office of Comexposium.

⁽²⁾ Correspond to asset management and property management fees invoiced by the Group.

All of these transactions are based on market prices.

No transactions with related parties have influenced significantly the consolidated financial statements.

Transactions with other related parties

For information on the remuneration of members of the Management Board and the Supervisory Board, refer to the 2009 Annual Report.

10) Post closing events

Acquisition of shopping centres

On July 1, 2010 the Group acquired for €44.3 Mn³⁴ 60% of the SCI S3CL, which itself owns 60% of the SCI SCC du Triangle des Gares, owner of the Euralille shopping centre in Lille, France. The Group already owned 40% of the SCI SCC du Triangle des Gares, so it will now have a 76% interest in Euralille.

On July 15, 2010, further to the formal clearance by the Polish Office of Competition and Consumer Protection (on the condition that the Group relinquishes its management role in the Zlote Tarasy shopping centre in Warsaw), the acquisition of Simon-Ivanhoe's portfolio in Poland and in France was finalised with a consideration for the assets of €715.0 Mn.

Sale of shopping centres

On July 13, 2010, the Group sold Saint Martial shopping centre in Limoges, France, for a net disposal price of €99.0 Mn.

Since June 30, 2010, €462.5 Mn of assets under sales agreements have been sold in The Netherlands.

Sale of offices

On July 2, 2010, the building located 168 avenue Charles de Gaulle in Neuilly sur Seine, France was sold for a net disposal price of €62.5 Mn corresponding to a net initial yield of 5.7%.

Capital reimbursement

Since the merger between Unibail and Rodamco in 2007, the Group has pursued its strategy of concentrating on prime assets, building an exceptional portfolio of large shopping centres. Doing so enables a stronger management focus, fully dedicated to a smaller number of large, visible and highly profitable investments, where the Group's know-how in operations, marketing and development creates the difference.

This strategy was implemented through an ambitious divestment programme. Since the merger, some €4 Bn worth of assets were sold. Backed by good market conditions, the group is accelerating this policy with €1.2 Bn of disposals signed or closed in H1-2010 (including the Capital 8 Messine Building) with an average 9% price premium achieved on appraisal value on these disposals. A further €500 Mn disposals are expected for the remainder of 2010.

As a consequence of this successful strategy and the strength of its balance sheet, the Group has the opportunity to reshape its capital structure to improve the quality of the return it generates for shareholders.

The joint Supervisory and Management Boards propose to return capital to the shareholders for an amount corresponding to €1.8 Bn broadly in line with the disposal proceeds achieved, net of acquisitions, since the merger. For this purpose, the Group intends to call an extraordinary general meeting for September 8, 2010 to declare a capital reimbursement of €20 per share, distributable on October 12, 2010. The capital reimbursement would be declared from the Group's contribution paid-in capital and paid from the available undrawn credit lines, which came to €4 Bn at June 30, 2010.

³⁴ Amount subject to closing adjustments.

STATUTORY AUDITORS' REVIEW REPORT ON THE FIRST HALF YEARLY FINANCIAL INFORMATION

Period from January 1 to June 30, 2010

This is a free translation into English of the statutory auditors' review report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholders' annual general meeting and in accordance with article L. 451-1-2 III of the French monetary and financial code (Code Monétaire et Financier), we hereby report to you on:

- our review of the accompanying condensed half-yearly consolidated financial statements of Unibail-Rodamco, for the period from January 1 to June 30, 2010, and
- the verification of the information contained in the interim management report.

These condensed half-yearly consolidated financial statements are the responsibility of the management board. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists in making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with French professional standards and consequently does not enable us to obtain assurance that the financial statements, taken as a whole, are free from material misstatements, as we would not become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that these condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – IFRS as adopted by the European Union applicable to interim financial information.

Without modifying the conclusion expressed above, we draw your attention to the new accounting standards and interpretations described in note 1 to the condensed half-yearly consolidated financial statements.

2. Specific verification

We have also verified the information provided in the interim management report in respect of the condensed half-yearly financial statements that were the object of our review.

We have no matters to report on the fairness and consistency of this information with the condensed half-yearly financial statements.

Neuilly-sur-Seine and Paris-La Défense, July 27, 2010

The Statutory Auditors

French original signed by

DELOITTE MARQUE & GENDROT

ERNST & YOUNG Audit

Joël Assayah

Bernard Heller