UNIBAIL-RODAMCO-WESTFIELD

Paris, Amsterdam, February 10, 2021

Press release

UNIBAIL-RODAMCO-WESTFIELD REPORTS FY-2020 EARNINGS

URW's organisation has demonstrated resilience in extreme operating conditions with positive consumer demand whenever restrictions eased or lifted during 2020

Flagship destinations continue to attract leading brands and emerging players – working together to innovate in a rapidly evolving retail environment

Focused operational plan for 2021 and clear commitment to deleveraging - URW will emerge as a stronger business harnessing the market rebound

FY-2020 in Review

- Strong start to 2020 but only 70 days of normal operations, most of the year subject to various restrictions and 93 days on average "closed"(1)
- Like-for-like shopping centre Net Rental Income ("NRI") down -24%, driven by rent relief and doubtful debtors as URW was heavily impacted due to central locations and F&B exposure
- Strong rebound whenever centres were open with sales outperforming footfall, larger basket sizes and strong F&B bounce - Continental Europe Q3-2020: 77% of 2019 footfall; 86% of 2019 sales
- Partnership approach to support tenants and innovative response to restrictions ensured URW collected 88% of the total amount due for FY-20 (80% of the billed rents); €401 Mn in total rent relief at 100%
- Reinforcing trusted partnerships with established leading brands and attracting emerging retail concepts in the innovative Automotive, DNVB and Entertainment sectors; 1,528 new leases signed in 2020 (-36% vs. 2019) with higher activity in H2
- IFRS LTV at 44.7% (44.0% pro-forma for the proceeds of the SHiFT and Les Villages 3, 4 and 6 disposals)
- €2.3 Bn of disposals achieved including the sale of the SHiFT and Les Villages 3, 4 and 6 office buildings, and a portfolio of five French shopping centres
- URW will complete the remainder of the €4.0 Bn of European disposals as well as implement a programme to significantly reduce its financial exposure to the US
- €11.4 Bn in cash and available credit facilities at year end

Commenting on the results, Jean-Marie Tritant, **Chief Executive Officer said:**

"2020 has been a year like no other in URW's history and I want to thank our outstanding teams for showing true resilience. They have worked tirelessly since March last year to help our Group, our tenants and our communities to handle this unprecedented situation. With restrictions in place across almost all of our markets we have realistic expectations for 2021 but are encouraged by the way footfall and sales bounced back strongly whenever restrictions were eased or lifted last year.

There is clear pent-up consumer demand for high quality shopping destinations, and leading and emerging brands are choosing URW locations ahead of a market rebound. The retail landscape is changing and our centres are proving to be attractive for high potential sectors such as innovative automotive, digitally native vertical brands and entertainment.

Operationally, we continue to deliver innovative solutions for tenants and consumers, including the drive @ Westfield online purchase pick up programme, rolled out in all of our US locations and 11 European centres. Mutually beneficial partnerships with our tenants are key, and we have adopted a "burden sharing" principle to negotiations in order to mitigate the impact of the crisis and assist their rebound.

Deleveraging is a key priority and will be achieved through a strict control of CAPEX, cost base and continued disposals. We will complete the remaining €3.2 Bn of the €4 Bn European disposals before the end of 2022. We are implementing a programme to significantly reduce our financial exposure to the US when the investment market reopens which should happen with the US economy rebound in 2022. Our continued access to credit markets and ample liquidity will allow us to complete our deleveraging objectives in an effective and orderly way.

Taking into account the current operating environment and our commitment to deleveraging, the Group will suspend the payment of a dividend for its fiscal years 2020, 2021 and 2022. We will resume the payment of a sustainable and growing dividend once the deleveraging programme is completed. Having delivered on our immediate operational and financial priorities, URW will re-emerge as the most attractive retail focused listed real estate company combining strong fundamentals and outstanding growth potential."

	FY-2020	FY-2019	Change	Like-for-like change[2]
Net Rental Income (in € Mn)	**1,790**	**2,491**	-28.1%	**-26.4%**
Shopping Centres	**1,699**	**2,293**	-25.9%	**-24.0%**
Offices & Others	**85**	**103**	*-16.9%*	**+0.1%**
Convention & Exhibition	**6**	**95**	-93.6%	**-93.6%**
Recurring net result (in € Mn)	**1,057**	**1,760**	-40.0%	
Recurring EPS (in €)	7.63	12.72	-40.0%	
Adjusted Recurring EPS (in €)	***7.28***	***12.37***	*-41.1%*	
	Dec. 31, 2020	**Dec. 31, 2019**	**Change**	**Like-for-like change**
Proportionate portfolio valuation (in € Mn)	**56,314**	**65,341**	-13.8%	-11.2%
EPRA Net Reinstatement Value (in € per stapled share)	**166.80**	**228.80**	-27.1%	

Figures may not add up due to rounding

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FY-2020 AREPS: €7.28

Reported AREPS amounted to €7.28, down -41.1% from 2019, a decrease of -€5.09, split as follows:

- -€4.57 due to the impact of COVID-19 on operations and financing (i.e. rent relief, doubtful debtors and lower variable revenue streams);
- -€0.49 due to disposals made in 2019 and 2020;
- -€0.42 as a result of ending the capitalisation of letting fees; and
- Partially offset by +€0.39 of other items[3].

OPERATING PERFORMANCE

Shopping Centres

During the majority of 2020, governments implemented severe restrictions following the outbreak of the COVID-19 pandemic, resulting in an unprecedented interruption to operations in FY-20 with only ca. 70 normal trading days and 93 days with the centres effectively closed[1].

The Group's tenant sales[4] for the year overall came to 63% of 2019, or 66% excluding F&B and Entertainment. The best performing category in Europe was Food stores and Mass Merchandise (97% of 2019). Most impacted sectors were Entertainment (-68%) and Food & Beverage Services (-43%).

After reopening of the shopping centres closed in Q2, footfall in Continental Europe in Q3 (the least disrupted period) reached 77% of 2019 levels, with tenant sales outperforming at 86% of 2019 levels, driven by higher basket size as customers came to shop.

URW collected 80% of billed rents[5] in FY-2020 overall, with the remainder primarily either provided as part of the rent relief or provisioned. The rent collection improved after reopening to 85% in Q3, while Q2 at 61% and Q4 at 76% were impacted by lockdowns and other restrictions. Adjusted for the rent relief granted, the collection rate came to 88% of the total amount due[6], with Continental Europe at 94%, reflecting the progress in tenant negotiations and the efforts of URW's teams.

Over 2020, the rent relief granted at the asset level amounts to €401 Mn, which translates into €313 Mn for URW on a proportionate basis, of which €246 Mn has been charged to the 2020 income statement. These negotiations are typically not about permanently changing lease structures or changing the basis for rent calculations (e.g., replacing Minimum Guaranteed Rent with Sales Based Rent only leases), but rather focus on providing appropriate rent relief to achieve a fair burden sharing.
Vacancy increased from 5.4% to 8.3% at year end 2020, impacted by bankruptcies and lower leasing activity (1,528 leases signed, -36% vs. 2019).

Lfl shopping centre NRI was down by -24.0% for the Group, mainly driven by the impact of COVID-19 through rent relief and higher bad debt provisioning. The Lfl NRI performance was -19.1% in Continental Europe, -28.0% in the US and -49.3% in the UK, which suffered in particular from a high level of CVAs and bankruptcies.

The recovery seen during 2020 when centres reopened, and when restrictions for F&B and Entertainment were lifted, gives the Group a high degree of confidence that its Flagship destinations will continue to be the preferred locations for retailers and consumers.

Offices & Others

Lfl NRI was up by +0.1%, while total NRI was down by -16.9%, primarily as a result of the disposals of the Majunga office and the Novotel Lyon Confluence in 2019 and 2020, respectively, and the transfer of Michelet Galilee to the pipeline, partly offset by the delivery of SHiFT and Versailles Chantiers.

Convention & Exhibition

Recurring NOI was down by -92.3% compared to 2019, as most events were cancelled from March 9 as a result of government restrictions. Currently the Group expects a restart of activity in Q4-2021 / Q1-2022.

ADMINISTRATIVE EXPENSES

In 2020, URW implemented furlough plans and partial activity schemes, reduced the non-staff costs, restructured the US and UK organisation and downsized the development teams. Collectively, these steps generated gross administrative savings of €80 Mn in 2020 vs. 2019.

DELIVERIES

In 2020, the Group delivered the first phase of the Westfield Valley Fair and La Part-Dieu retail extensions, two restructuring projects at Westfield Les 4 Temps, and the Trinity office tower. The average letting(7) of the retail deliveries stands at 84%, as a result of phased deliveries.

In 2021, URW plans to deliver the Westfield Mall of the Netherlands redevelopment in H1 (pre-letting(7): 90%), and the Gaîté Montparnasse mixed-use project in H2 (pre-letting(7): 100% for Offices & Others, and 84% for Retail).

VALUATION

The proportionate Gross Market Value (GMV) of the Group's assets as at December 31, decreased by -13.8% to €56.3 Bn from December 31, 2019, mainly as a result of a like-for-like portfolio revaluation of -€6,020 Mn (-11.2%), revaluation of non like-for-like assets of -€1,141 Mn, FX impact and disposals, partly offset by CAPEX.

The EPRA Net Reinstatement Value per share came to €166.80 as at December 31, 2020, down -€62.00 (-27.1 %) compared to December 31, 2019, and -€30.20 (-15.3%) compared to June 30, 2020.

STRONG LIQUIDITY POSITION WITH CONTINUED ACCESS TO CREDIT MARKETS[8]

- **Ample liquidity to cover financing needs for next 24 months**
- **Successfully issued €4,150 Mn of bonds in challenging markets**

The Group's average cost of debt stood at 1.7% for FY-2020 (vs. 1.6% in 2019), representing a blended 1.1% for EUR[9] debt and 3.6% for USD and GBP debt. The LTV (Loan-to-Value) ratio stood at 44.7% (44.0% pro-forma for the disposal of the SHiFT and Les Villages 3, 4 and 6 office buildings). The ICR (Interest Coverage Ratio) was 3.5x and the Net Debt / EBITDA was 14.6x due to a strongly reduced EBITDA resulting from the COVID-19 crisis.

URW has good access to credit markets, as illustrated by the €4,150 Mn of bonds issued during the year, despite the adverse operational and market conditions. As a result, the Group has a very strong liquidity position with €2.1 Bn of cash and €9.2 Bn of undrawn credit facilities[10] as at December 31, 2020, covering its financing needs for the next 24 months, even without any further funds being raised or disposals being completed.

CONTINUED FOCUS ON DELEVERAGING STRATEGY

- **Deleveraging remains a key priority of URW**
- **This will be achieved via €4 Bn of European disposals[11] and implementing a programme to significantly reduce financial exposure to the US, strict control of CAPEX, and suspending the dividend**

URW remains strongly committed to deleveraging through disposals, limiting CAPEX and temporarily suspending the dividend.

In 2020, the Group completed the disposal of a portfolio of five shopping centres in France to an entity formed by Crédit Agricole Assurances, La Française and URW, in which the Group holds a stake of 45.8%, generating Net Disposal Proceeds of €1.5 Bn. URW also completed the disposal of several non-core assets in Europe and the US.

In addition, URW announced the disposal of SHiFT, which was closed on January 21, 2021, and of the Les Villages 3, 4 and 6 office buildings, which are expected to close during Q1-2021. With those disposals, the Group has completed €0.8 Bn of its €4 Bn European disposal target announced in September 2020.

URW intends to complete the remaining €3.2 Bn European disposals by year end 2022 and will implement in 2021 / 2022 a programme to significantly reduce its financial exposure to the US when the investment market reopens which should happen with the expected US economy rebound in 2022. The Group's strong liquidity position allows it to do these disposals over time and in an orderly fashion.

As a key part of the deleveraging plans, URW has also reduced the development pipeline to €4.4 Bn[12], down from €8.3 Bn[12] as at December 31, 2019. Committed projects amount to €2.9 Bn, of which €1.7 Bn are already invested, leaving only €1.2 Bn left to be spent. The Group will limit overall capital expenditure for the next two years to €2 Bn in total.

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NEW AND MORE AGILE ORGANIZATION

The newly constituted Management Board reflects the strategic priorities of the Group in the current challenging environment. A Chief Investment Officer has been appointed to execute on URW's disposal programme, while the Chief Customer Officer will be fully focused on making the organisation more customer centric and accelerating innovation and the use of digital technology across the Group.

2021 GUIDANCE

- **Realistic expectations for 2021**
- **First quarters of 2021: challenging conditions to remain in place with operating restrictions**
- **Year end 2021: expected start of recovery varying by market, depending on infection rate, vaccination roll out and government stimulus programmes**

As at the beginning of February, all countries in which the Group is active continue to have some level of restrictions in place which impact on the Group's operations. As at February 10, approximately 52% of URW's shopping centres are restricted from trading except for "essential" stores.

URW's operational results will thus clearly continue to be impacted by the pandemic in 2021. The impact is likely to include further rent relief to tenants, further disruption to variable revenue streams such as Sales Based Rent, Parking or Commercial Partnerships, a longer than usual time needed to re-lease vacant units, and the prospect of further tenant bankruptcies. In addition, 2021 is likely to remain a challenging year for the Group's Convention & Exhibition and airports businesses.

Given the uncertainty regarding the duration and the severity of restrictions decided by governments and their impact on the Group's operations, URW is currently not providing earnings guidance for 2021. Guidance will be provided when the Group has clearer visibility on lifting of restrictions and the subsequent economic recovery.

Looking forward, the Group sees good prospects for a solid recovery starting at some point in the second half of the year, as vaccination efforts achieve critical mass and restrictions get lifted. Government support means that consumer finances in the Group's markets remain robust and the Group firmly believes that people will again seek out the mix of top brands and great experiences offered by URW's Flagship destinations when they are able to.

URW is very confident in the quality of its assets and the enduring strength of its business and teams. The Group, with its newly reconfigured management team, is taking all necessary measures to address these challenges in the best possible manner and strategically position URW for the future.

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DIVIDEND POLICY

Given the impact of the pandemic on the Group's 2020 results, the on-going uncertainty of the 2021 operating environment and its impact on URW's results, as well as the Group's commitment to deleverage, the Group has decided to suspend the payment of a dividend for its fiscal years 2020, 2021 and 2022.

Once the Group has completed its deleveraging programme, it will resume paying a dividend (at a significant and sustainable payout ratio) which will grow in line with the performance of its reshaped portfolio.

Given the statutory results of URW SE in 2020, the Group has no obligation to pay a dividend in 2021 for the fiscal year 2020 under the SIIC regime and other REIT regimes it benefits from. It anticipates not to have such an obligation in fiscal years 2021 and 2022 as well. Consequently, URW SE's SIIC distribution obligation, standing at €212.5 Mn as at December 31, 2020, will be delayed until URW SE has sufficient statutory results to meet this obligation.

FINANCIAL SCHEDULE

The next financial events on the Group's calendar will be:
April 28, 2021: Q1-2021 trading update
May 12, 2021: AGM Unibail-Rodamco-Westfield SE
July 28, 2021: H1-2021 results

This announcement has been authorised by the Chief Executive Officer.

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NB: All figures on a proportionate basis, unless otherwise indicated

(1) Normal operating days refer to the period pre-COVID. The various restrictions include among others the closure of F&B or other sectors, capacity restrictions. Centres counted as closed when only "essential" stores were allowed to trade. Weighted by shopping centres NRI in 2019.
(2) Like-for-like NRI: Net Rental Income excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to square metres and currency exchange rate differences in the periods analysed.
(3) Including minority interest in retail, taxes, contribution of affiliates, FX impact, administrative expenses (excl. letting fees) and others.
(4) Tenant sales performance in URW's shopping centres (except The Netherlands) in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishment. For the 2020 reporting period, shopping centres excluded due to delivery or ongoing works were Les Ateliers Gaité, La Part-Dieu, CNIT (from August 2020), CH Ursynow, Garbera, Westfield Valley Fair and Gropius Passagen. Primark sales are based on estimates. Tenant sales data include shopping centres accounted for using the equity method, but not Zlote Tarasy as it is not managed by URW. Total tenant sales excluding Tesla and Carrousel du Louvre.
(5) For the Shopping Centre division, including service charges.
(6) Excluding deferrals and rent relief granted or under process.
(7) GLA signed, all agreed to be signed and financials agreed.
(8) On an IFRS basis.
(9) Including SEK.
(10) Subject to covenants.
(11) Including €0.8 Bn of SHiFT and Les Villages 3, 4 and 6 already signed.
(12) URW Total Investment Cost (TIC) equals 100% TIC multiplied by URW percentage of ownership of the project, plus specific own costs, if any. 100% TIC is expressed in value at completion. It equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, design costs, technical fees, tenant fitting-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) opening marketing expenses. It excludes: (i) step rents and rent-free periods; (ii) capitalized financial interests; (iii) overhead costs; (iv) early or lost Net Rental Income; and (v) IFRS adjustments.

About Unibail-Rodamco-Westfield

Unibail-Rodamco-Westfield is the premier global developer and operator of Flagship Destinations, with a portfolio valued at €56.3 Bn as at December 31, 2020, of which 85% in retail, 8% in offices, 5% in convention & exhibition venues and 2% in services. Currently, the Group owns and operates 87 shopping centres, including 53 Flagships in the most dynamic cities in Europe and the United States. Present on two continents and in 12 countries, Unibail-Rodamco-Westfield provides a unique platform for retailers and brand events and offers an exceptional and constantly renewed experience for customers.
With the support of its 3,100 professionals and an unparalleled track-record and know-how, Unibail-Rodamco-Westfield is ideally positioned to generate superior value and develop world-class projects.
Unibail-Rodamco-Westfield distinguishes itself by its Better Places 2030 agenda, that sets its ambition to create better places that respect the highest environmental standards and contribute to better cities.
Unibail-Rodamco-Westfield stapled shares are listed on Euronext Amsterdam and Euronext Paris (Euronext ticker: URW), with a secondary listing in Australia through Chess Depositary Interests. The Group benefits from an A- rating from Standard & Poor's and from a Baa1 rating from Moody's.

For more information, please visit www.urw.com
Visit our Media Library at https://mediacentre.urw.com

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APPENDIX TO THE PRESS RELEASE
February 10, 2021

CONSOLIDATED FINANCIAL STATEMENTS (IFRS):

FINANCIAL STATEMENTS ON A PROPORTIONATE BASIS:

MANAGEMENT DISCUSSION & ANALYSIS:

OTHER INFORMATION:

The audit procedures by statutory auditors are in progress.
The press release and its appendix as well as the results presentation slide show can be found on Unibail-Rodamco-Westfield's website www.urw.com

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CONSOLIDATED FINANCIAL STATEMENTS (IFRS):

Consolidated statement of comprehensive income (€Mn)	2020	2019
Gross rental income	1,897.7	2,417.6
Ground rents paid	*(13.7)*	*(14.5)*
Service charge income	*317.4*	*376.6*
Service charge expenses	*(363.7)*	*(413.5)*
Property operating expenses	*(389.4)*	*(380.9)*
Operating expenses and net service charges	(449.5)	(432.3)
Net rental income	**1,448.2**	**1,985.2**
Property development and project management revenue	251.9	276.6
Property development and project management costs	(217.2)	(235.2)
Net property development and project management income	**34.8**	**41.3**
Property services and other activities revenues	179.1	310.1
Property services and other activities expenses	(175.5)	(211.4)
Net property services and other activities income	**3.6**	**98.7**
Share of the result of companies accounted for using the equity method	(1,652.4)	(77.9)
Income on financial assets	24.8	32.2
Contribution of companies accounted for using the equity method	**(1,627.6)**	**(45.7)**
Corporate expenses	(207.4)	(191.5)
Depreciation of other tangible assets	(2.1)	(2.0)
Development expenses	(2.6)	(17.4)
Administrative expenses	**(212.1)**	**(210.9)**
Acquisition and other costs	**(83.4)**	**(45.8)**
Proceeds from disposal of investment properties	656.3	1,180.2
Carrying value of investment properties sold	(742.7)	(1,111.7)
Result on disposal of investment properties (1)	**(86.3)**	**68.5**
Valuation gains on assets	71.3	924.0
Valuation losses on assets	(4,908.5)	(2,026.4)
Valuation movements on assets	**(4,837.2)**	**(1,102.4)**
Impairment of goodwill	**(1,596.1)**	**(7.1)**
NET OPERATING RESULT	**(6,956.4)**	**781.8**
Result from non-consolidated companies	1.0	1.7
Financial income	*248.1*	*278.3*
Financial expenses	*(679.7)*	*(670.0)*
Net financing costs	(431.5)	(391.7)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	1.8	(7.6)
Fair value adjustments of derivatives, debt and currency effect	(570.9)	(343.5)
Debt discounting	-	(0.7)
RESULT BEFORE TAX	**(7,955.9)**	**40.1**
Income tax expenses	281.1	1,065.4
NET RESULT FOR THE PERIOD	**(7,674.8)**	**1,105.5**
Net result for the period attributable to:		
- The holders of the Stapled Shares	(7,212.6)	1,103.3
- External non-controlling interests	(462.2)	2.2
NET RESULT FOR THE PERIOD	**(7,674.8)**	**1,105.5**
Net result for the period attributable to the holders of the Stapled Shares analysed by amount attributable to:		
- Unibail-Rodamco-Westfield SE members	(5,791.0)	1,052.1
- Unibail-Rodamco-Westfield N.V. members	(1,421.6)	51.2
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE HOLDERS OF THE STAPLED SHARES	**(7,212.6)**	**1,103.3**
Average number of shares (undiluted)	138,437,274	138,350,731
Net result for the period (Holders of the Stapled Shares)	(7,212.6)	1,103.3
Net result for the period per share (Holders of the Stapled Shares) (€)	**(52.10)**	**7.97**
Net result for the period restated (Holders of the Stapled Shares) (2)	(7,214.4)	1,110.9
Average number of shares (diluted)	140,603,298	140,466,405
Diluted net result per share (Holders of the Stapled Shares) (€) (3)	**(52.10)**	**7.91**

NET COMPREHENSIVE INCOME (€Mn)	2020	2019
NET RESULT FOR THE PERIOD	**(7,674.8)**	**1,105.5**
Foreign currency differences on translation of financial statements of subsidiaries and net investments in these subsidiaries	(553.9)	198.5
Other comprehensive income that may be subsequently recycled to profit or loss	**(553.9)**	**198.5**
Employee benefits	(0.2)	(0.9)
Fair Value of Financial assets	(14.9)	3.4
Other comprehensive income not subsequently recyclable to profit or loss	**(15.1)**	**2.5**
OTHER COMPREHENSIVE INCOME	**(569.0)**	**200.9**
NET COMPREHENSIVE INCOME	**(8,243.8)**	**1,306.4**
- External non-controlling interests	(462.2)	2.0
NET COMPREHENSIVE INCOME (HOLDERS OF THE STAPLED SHARES)	**(7,781.6)**	**1,304.4**

(1) The result on disposal of investment properties includes both the result on disposal of assets and the result on disposal of shares.
(2) The impact of the fair value of the ORNANE and the related financial expenses are restated from the net result of the period if it has a dilutive impact.
(3) In case of a negative net result for the period, the diluted net result per share is equal to the net result for the period per share.

Recurring Earnings per Share	2020	2019
Net Result of the period attributable to the holders of the Stapled Shares (€Mn)	**(7,212.6)**	**1,103.3**
Adjustments to calculate EPRA Recurring Earnings, exclude:		
(i) Changes in value of investment properties, development properties held for investment and other interests	(4,837.2)	(1,102.4)
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	(86.3)	68.6
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties	-	-
(iv) Tax on profits or losses on disposals	0.0	(210.1)
(v) Goodwill impairment	(1,596.1)	(7.1)
(vi) Changes in fair value of financial instruments and associated close-out costs	(569.1)	(351.8)
(vii) Acquisition and other costs on share deals and non-controlling joint venture interests	(83.4)	(45.8)
(viii) Deferred tax in respect of EPRA adjustments	301.0	1,324.9
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	(1,958.9)	(533.4)
(x) External non-controlling interests in respect of the above	560.8	200.7
EPRA Recurring Earnings	**1,056.6**	**1,759.7**
Coupon on the Hybrid Securities	(48.1)	(48.1)
Adjusted Recurring Earnings	**1,008.5**	**1,711.6**
Average number of shares and ORA	138,437,274	138,354,383
EPRA Recurring Earnings per Share (REPS)	**7.63 €**	**12.72 €**
EPRA Recurring Earnings per Share growth	**-40.0%**	**-3.3%**

Adjusted Recurring Earnings per Share (AREPS)	**7.28 €**	**12.37 €**
Adjusted Recurring Earnings per Share growth	**-41.1%**	**-4.3%**

Consolidated statement of financial position (€Mn)	**Dec. 31, 2020**	**Dec. 31, 2019**
NON CURRENT ASSETS	**52,878.6**	**61,106.6**
Investment properties	**40,947.8**	**45,733.2**
Investment properties at fair value	*39,623.6*	*44,589.9*
Investment properties at cost	*1,324.1*	*1,143.3*
Shares and investments in companies accounted for using the equity method	8,370.3	10,194.6
Other tangible assets	279.2	344.5
Goodwill	1,248.1	2,878.4
Intangible assets	876.3	984.4
Investments in financial assets	303.6	343.5
Deferred tax assets	26.5	28.4
Derivatives at fair value	826.8	599.6
CURRENT ASSETS	**4,399.2**	**3,896.5**
Properties or shares held for sale	1,038.2	2,147.6
Derivatives at fair value	-	-
Inventories	32.0	91.2
Trade receivables from activity	539.4	513.0
Tax receivables	213.2	303.6
Other receivables	438.9	352.4
Cash and cash equivalents	2,137.6	488.8
TOTAL ASSETS	**57,277.8**	**65,003.2**
Equity attributable to the holders of the Stapled Shares	**17,393.5**	**25,950.8**
Share capital	692.4	691.9
Additional paid-in capital	13,480.7	13,478.2
Consolidated reserves	10,980.8	10,671.4
Hedging and foreign currency translation reserves	(547.8)	6.1
Consolidated result	(7,212.6)	1,103.3
- Equity attributable to Unibail-Rodamco-Westfield S.E. members	***17,375.3***	***24,334.4***
- Equity attributable to Unibail-Rodamco-Westfield N.V. members	***18.2***	***1,616.4***
Hybrid securities	1,988.5	1,988.8
External non-controlling interests	3,413.0	3,912.9
TOTAL SHAREHOLDERS' EQUITY	**22,795.0**	**31,852.5**
NON CURRENT LIABILITIES	**29,655.4**	**28,291.0**
Non current commitment to external non-controlling interests	94.5	172.2
Net share settled bonds convertible into new and/or existing shares (ORNANE)	497.7	602.1
Non current bonds and borrowings	24,310.5	22,931.6
Non current lease liabilities	796.6	806.7
Derivatives at fair value	1,502.3	1,025.0
Deferred tax liabilities	2,007.8	2,276.0
Non current provisions	74.6	110.3
Guarantee deposits	206.2	218.0
Amounts due on investments	102.2	149.1
Other non current liabilities	63.0	-
CURRENT LIABILITIES	**4,827.4**	**4,859.7**
Liabilities directly associated with properties or shares classified as held for sale	203.5	110.7
Current commitment to external non-controlling interests	6.1	1.0
Amounts owed to shareholders	-	-
Amounts due to suppliers and other creditors	**1,185.3**	**1,349.4**
Amounts due to suppliers	*211.8*	*230.5*
Amounts due on investments	*479.9*	*633.5*
Sundry creditors	*493.6*	*485.3*
Other current liabilities	681.0	729.8
Current borrowings and amounts due to credit institutions	2,686.7	2,557.4
Current lease liabilities	32.2	41.4
Derivatives at fair value	-	30.1
Current provisions	32.7	39.9
TOTAL LIABILITIES AND EQUITY	**57,277.8**	**65,003.2**

Consolidated statement of cash flows (€Mn)	2020	2019
Operating activities		
Net result	**(7,674.8)**	**1,105.5**
Depreciation & provisions [1]	73.0	28.1
Impairment of goodwill	1,596.1	7.1
Changes in value of property assets	4,837.2	1,102.4
Changes in value of financial instruments	569.1	351.8
Charges and income relating to stock options and similar items	12.8	13.8
Net capital gains/losses on disposal of investment properties [2]	86.3	(68.5)
Share of the result of companies accounted for using the equity method	1,652.4	77.9
Income on financial assets	(24.8)	(32.2)
Dividend income from non-consolidated companies	(1.0)	(1.7)
Net financing costs	431.5	391.7
Income tax charge (income)	(281.1)	(1,065.4)
Cash flow before net financing costs and tax	**1,276.9**	**1,910.4**
Income on financial assets	24.8	32.2
Dividend income and result from companies accounted for using the equity method or non consolidated	138.5	274.2
Income tax paid	(18.2)	(211.7)
Change in working capital requirement	1.1	(118.0)
Total cash flow from operating activities	**1,423.1**	**1,887.1**
Investment activities		
Property activities	**65.8**	**(398.2)**
Acquisition of businesses, net of cash acquired	(70.1)	(35.5)
Amounts paid for works and acquisition of property assets	(1,164.3)	(1,525.4)
Repayment of property financing	19.6	80.7
Increase of property financing	(239.4)	(166.4)
Disposal of shares	1,026.7	291.2
Disposal of investment properties	493.3	957.2
Financial activities	**16.0**	**(18.5)**
Acquisition of financial assets	(10.1)	(33.1)
Repayment of financial assets	18.4	4.0
Change in financial assets	7.7	10.6
Total cash flow from investment activities	**81.8**	**(416.7)**
Financing activities		
Capital increase of parent company	2.8	7.5
Purchase of own shares	(0.5)	-
Change in capital from companies with non-controlling shareholders	4.5	10.1
Hybrid securities	(0.3)	-
Distribution paid to parent company shareholders	(747.4)	(1,493.9)
Dividends paid to non-controlling shareholders of consolidated companies	(93.6)	(84.1)
Coupon on the Hybrid Securities	(48.1)	(48.1)
New borrowings and financial liabilities	5,669.6	4,707.8
Repayment of borrowings and financial liabilities	(4,082.8)	(3,826.2)
Financial income	242.7	257.4
Financial expenses	(628.8)	(665.8)
Other financing activities	(201.6)	(210.6)
Total cash flow from financing activities	**116.5**	**(1,345.9)**
Change in cash and cash equivalents during the period	**1,621.4**	**124.5**
Net cash and cash equivalents at the beginning of the year	**486.0**	**368.7**
Effect of exchange rate fluctuations on cash held	**20.4**	**(7.2)**
Net cash and cash equivalents at period-end	**2,127.8**	**486.0**

(1) Includes straightlining of key money and lease incentives.
(2) Includes capital gain/losses on property sales, disposals of short term investment and disposals of operating assets.

FINANCIAL STATEMENTS ON A PROPORTIONATE BASIS[1]:

[1] The financial statements include on a proportionate basis the financial statements of the joint-controlled entities, which are accounted for using the equity method under IFRS. Unibail-Rodamco-Westfield ("URW" or "the Group") believes that these financial statements on a proportionate basis give to stakeholders a better understanding of its underlying operations and the joint-controlled entities, as they represent a significant part of the Group's operations in the US and the UK. The Group has structured its internal operational and financial reporting according to this proportionate format.

Consolidated income statement (€Mn)	**2020 IFRS**	**Proportionate**	**Total 2020 Proportionate**	**2019 IFRS**	**Proportionate**	**Total 2019 Proportionate**
Gross rental income	1,897.7	554.1	2,451.7	2,417.6	665.8	3,083.4
Ground rents paid	*(13.7)*	(0.2)	*(14.0)*	*(14.5)*	(0.3)	*(14.9)*
Service charge income	*317.4*	68.4	*385.8*	*376.6*	73.9	*450.5*
Service charge expenses	*(363.7)*	(88.5)	*(452.3)*	*(413.5)*	(86.2)	*(499.7)*
Property operating expenses	*(389.4)*	(191.7)	*(581.2)*	*(380.9)*	(147.2)	*(528.1)*
Operating expenses and net service charges	(449.5)	(212.1)	(661.6)	(432.3)	(159.8)	(592.1)
Net rental income	**1,448.2**	**342.0**	**1,790.2**	**1,985.2**	**506.0**	**2,491.2**
Property development and project management revenue	251.9	-	251.9	276.6	-	276.6
Property development and project management costs	(217.2)	-	(217.2)	(235.2)	-	(235.2)
Net property development and project management income	**34.8**	**-**	**34.8**	**41.3**	**-**	**41.3**
Property services and other activities revenues	179.1	(0.0)	179.1	310.1	(0.3)	309.8
Property services and other activities expenses	(175.5)	0.1	(175.4)	(211.4)	(0.0)	(211.5)
Net property services and other activities income	**3.6**	**0.0**	**3.6**	**98.7**	**(0.3)**	**98.4**
Share of the result of companies accounted for using the equity method	(1,652.4)	1,456.9	(195.5)	(77.9)	85.5	7.6
Income on financial assets	24.8	(8.2)	16.6	32.2	(9.2)	23.0
Contribution of companies accounted for using the equity method	**(1,627.6)**	**1,448.7**	**(178.9)**	**(45.7)**	**76.3**	**30.5**
Corporate expenses	(207.4)	(6.3)	(213.7)	(191.5)	(8.9)	(200.3)
Depreciation of other tangible assets	(2.1)	-	(2.1)	(2.0)	0.0	(2.0)
Development expenses	(2.6)	(0.0)	(2.6)	(17.4)	-	(17.4)
Administrative expenses	**(212.1)**	**(6.3)**	**(218.5)**	**(210.9)**	**(8.9)**	**(219.8)**
Acquisition and other costs	**(83.4)**	**-**	**(83.4)**	**(45.8)**	**(5.7)**	**(51.5)**
Proceeds from disposal of investment properties	656.3	1.1	657.4	1,180.2	1.8	1,182.1
Carrying value of investment properties sold	(742.7)	(0.4)	(743.1)	(1,111.7)	(1.0)	(1,112.7)
Result on disposal of investment properties (1)	**(86.3)**	**0.6**	**(85.7)**	**68.5**	**0.8**	**69.4**
Valuation gains on assets	71.3	6.2	77.5	924.0	90.3	1,014.3
Valuation losses on assets	(4,908.5)	(1,721.4)	(6,629.9)	(2,026.4)	(603.5)	(2,629.9)
Valuation movements on assets	**(4,837.2)**	**(1,715.2)**	**(6,552.4)**	**(1,102.4)**	**(513.1)**	**(1,615.6)**
Impairment of goodwill	**(1,596.1)**	**(23.9)**	**(1,620.0)**	**(7.1)**	**-**	**(7.1)**
NET OPERATING RESULT	**(6,956.4)**	**46.1**	**(6,910.3)**	**781.8**	**55.1**	**836.9**
Result from non-consolidated companies	1.0	(0.0)	1.0	1.7	0.1	1.8
Financial income	*248.1*	1.1	*249.3*	*278.3*	1.2	*279.5*
Financial expenses	*(679.7)*	(56.0)	*(735.7)*	*(670.0)*	(59.8)	*(729.8)*
Net financing costs	(431.5)	(54.9)	(486.5)	(391.7)	(58.7)	(450.4)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	1.8	-	1.8	(7.6)	-	(7.6)
Fair value adjustments of derivatives, debt and currency effect	(570.9)	(3.4)	(574.3)	(343.5)	3.1	(340.3)
Debt discounting	-	-	-	(0.7)	-	(0.7)
RESULT BEFORE TAX	**(7,955.9)**	**(12.3)**	**(7,968.2)**	**40.1**	**(0.3)**	**39.8**
Income tax expenses	281.1	12.3	293.4	1,065.4	0.4	1,065.7
NET RESULT FOR THE PERIOD	**(7,674.8)**	**0.0**	**(7,674.8)**	**1,105.5**	**0.0**	**1,105.5**
Net result for the period attributable to:						
- The holders of the Stapled Shares	(7,212.6)	0.0	(7,212.6)	1,103.3	0.0	1,103.3
- External non-controlling interests	(462.2)	(0.0)	(462.2)	2.2	-	2.2
NET RESULT FOR THE PERIOD	**(7,674.8)**	**0.0**	**(7,674.8)**	**1,105.5**	**0.0**	**1,105.5**

(1) The result on disposal of investment properties includes both the result on disposal of assets and the result on disposal of shares.

Note: The columns "Proportionate" reflect the impact of proportional consolidation instead of the equity method required by IFRS 11 of the URW jointly controlled assets.

		Net result by segment on a proportionate basis (€Mn)	2020			2019		
			Recurring activities	Non-recurring activities (1)	Result	Recurring activities	Non-recurring activities (1)	Result
SHOPPING CENTRES	FRANCE	Gross rental income	566.5	-	566.5	714.3	-	714.3
		Operating expenses and net service charges	(74.8)	-	(74.8)	(50.9)	-	(50.9)
		Net rental income	**491.7**	-	**491.7**	**663.4**	-	**663.4**
		Contribution of companies accounted for using the equity method	20.7	(72.5)	(51.8)	-	-	-
		Gains/losses on sales of properties	-	(56.9)	(56.9)	-	1.8	1.8
		Valuation movements on assets	-	(1,424.7)	(1,424.7)	-	(277.0)	(277.0)
		Impairment of goodwill	-	(0.8)	(0.8)	-	-	-
		Result from operations Shopping Centres France	**512.5**	**(1,554.9)**	**(1,042.4)**	**663.4**	**(275.2)**	**388.2**
	UNITED STATES	Gross rental income	801.6	-	801.6	957.7	-	957.7
		Operating expenses and net service charges	(339.1)	-	(339.1)	(304.9)	-	(304.9)
		Net rental income	**462.5**	-	**462.5**	**652.8**	-	**652.8**
		Contribution of companies accounted for using the equity method	(1.2)	(99.4)	(100.6)	9.0	(36.5)	(27.5)
		Gains/losses on sales of properties	-	(28.5)	(28.5)	-	0.8	0.8
		Valuation movements on assets	-	(2,046.0)	(2,046.0)	-	(417.4)	(417.4)
		Impairment of goodwill	-	(710.4)	(710.4)	-	-	-
		Result from operations Shopping Centres United States	**461.3**	**(2,884.3)**	**(2,423.0)**	**661.8**	**(453.1)**	**208.7**
	CENTRAL EUROPE	Gross rental income	203.9	-	203.9	224.5	-	224.5
		Operating expenses and net service charges	(12.8)	-	(12.8)	(1.5)	-	(1.5)
		Net rental income	**191.1**	-	**191.1**	**223.0**	-	**223.0**
		Contribution of companies accounted for using the equity method	28.9	(46.5)	(17.6)	39.1	23.2	62.3
		Gains/losses on sales of properties	-	0.1	0.1	-	(1.2)	(1.2)
		Valuation movements on assets	-	(270.4)	(270.4)	-	111.6	111.6
		Impairment of goodwill	-	(0.3)	(0.3)	-	-	-
		Result from operations Shopping Centres Central Europe	**220.0**	**(317.1)**	**(97.0)**	**262.2**	**133.6**	**395.7**
	SPAIN	Gross rental income	146.6	-	146.6	169.5	-	169.5
		Operating expenses and net service charges	(21.7)	-	(21.7)	(12.7)	-	(12.7)
		Net rental income	**124.8**	-	**124.8**	**156.8**	-	**156.8**
		Contribution of companies accounted for using the equity method	-	-	-	-	-	-
		Gains/losses on sales of properties	-	2.0	2.0	-	(0.2)	(0.2)
		Valuation movements on assets	-	(307.3)	(307.3)	-	46.1	46.1
		Impairment of goodwill	-	(103.8)	(103.8)	-	-	-
		Result from operations Shopping Centres Spain	**124.8**	**(409.1)**	**(284.2)**	**156.8**	**45.9**	**202.7**
	UNITED KINGDOM	Gross rental income	141.7	-	141.7	211.4	-	211.4
		Operating expenses and net service charges	(63.7)	-	(63.7)	(54.1)	-	(54.1)
		Net rental income	**78.0**	-	**78.0**	**157.3**	-	**157.3**
		Contribution of companies accounted for using the equity method	-	-	-	-	-	-
		Gains/losses on sales of properties	-	-	-	-	-	-
		Valuation movements on assets	-	(1,201.7)	(1,201.7)	-	(611.7)	(611.7)
		Impairment of goodwill	-	(320.5)	(320.5)	-	-	-
		Result from operations Shopping Centres United Kingdom	**78.0**	**(1,522.2)**	**(1,444.2)**	**157.3**	**(611.7)**	**(454.4)**
	NORDICS	Gross rental income	115.8	-	115.8	136.3	-	136.3
		Operating expenses and net service charges	(15.1)	-	(15.1)	(13.6)	-	(13.6)
		Net rental income	**100.8**	-	**100.8**	**122.7**	-	**122.7**
		Contribution of companies accounted for using the equity method	-	-	-	-	-	-
		Gains/losses on sales of properties	-	(0.0)	(0.0)	-	19.5	19.5
		Valuation movements on assets	-	(288.0)	(288.0)	-	24.7	24.7
		Impairment of goodwill	-	(132.2)	(132.2)	-	-	-
		Result from operations Shopping Centres Nordics	**100.8**	**(420.2)**	**(319.5)**	**122.7**	**44.2**	**166.9**
	AUSTRIA	Gross rental income	97.0	-	97.0	116.7	-	116.7
		Operating expenses and net service charges	(10.9)	-	(10.9)	(5.3)	-	(5.3)
		Net rental income	**86.1**	-	**86.1**	**111.4**	-	**111.4**
		Contribution of companies accounted for using the equity method	-	-	-	-	-	-
		Gains/losses on sales of properties	-	-	-	-	0.1	0.1
		Valuation movements on assets	-	(237.2)	(237.2)	-	(116.5)	(116.5)
		Result from operations Shopping Centres Austria	**86.1**	**(237.2)**	**(151.0)**	**111.4**	**(116.5)**	**(5.1)**
	GERMANY	Gross rental income	131.6	-	131.6	154.6	-	154.6
		Operating expenses and net service charges	(17.5)	-	(17.5)	(11.1)	-	(11.1)
		Net rental income	**114.1**	-	**114.1**	**143.5**	-	**143.5**
		Contribution of companies accounted for using the equity method	1.8	(10.8)	(9.0)	2.7	(7.0)	(4.2)
		Gains/losses on sales of properties	-	(0.3)	(0.3)	-	(0.2)	(0.2)
		Valuation movements on assets	-	(246.4)	(246.4)	-	(179.0)	(179.0)
		Impairment of goodwill	-	(102.0)	(102.0)	-	-	-
		Result from operations Shopping Centres Germany	**115.8**	**(359.5)**	**(243.7)**	**146.2**	**(186.1)**	**(40.0)**
	THE NETHERLANDS	Gross rental income	63.6	-	63.6	71.0	-	71.0
		Operating expenses and net service charges	(14.0)	-	(14.0)	(8.6)	-	(8.6)
		Net rental income	**49.6**	-	**49.6**	**62.4**	-	**62.4**
		Contribution of companies accounted for using the equity method	-	-	-	-	-	-
		Gains/losses on sales of properties	-	(0.4)	(0.4)	-	1.4	1.4
		Valuation movements on assets	-	(168.8)	(168.8)	-	(89.6)	(89.6)
		Result from operations Shopping Centres The Netherlands	**49.6**	**(169.2)**	**(119.6)**	**62.4**	**(88.2)**	**(25.8)**
		TOTAL RESULT FROM OPERATIONS SHOPPING CENTRES	**1,748.9**	**(7,873.6)**	**(6,124.7)**	**2,344.0**	**(1,507.1)**	**837.0**

(1) Non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill, amortization of fair value of assets and liabilities recorded for the purpose of purchase price allocation, as well as costs directly incurred during a business combination and other non-recurring items.

Net result by segment on a proportionate basis (€Mn)			2020 Recurring activities	2020 Non-recurring activities [1]	2020 Result	2019 Recurring activities	2019 Non-recurring activities [1]	2019 Result
OFFICES & OTHERS	FRANCE	Gross rental income	62.0	-	62.0	78.1	-	78.1
		Operating expenses and net service charges	(6.0)	-	(6.0)	(6.0)	-	(6.0)
		Net rental income	**56.0**	-	**56.0**	**72.0**	-	**72.0**
		Contribution of companies accounted for using the equity method	-	-	-	-	-	-
		Gains/losses on sales of properties	-	(0.3)	(0.3)	-	46.5	46.5
		Valuation movements on assets	-	26.9	26.9	-	184.2	184.2
		Result from operations Offices France	**56.0**	**26.7**	**82.7**	**72.0**	**230.7**	**302.8**
	OTHER COUNTRIES	Gross rental income	40.6	-	40.6	40.8	-	40.8
		Operating expenses and net service charges	(11.1)	-	(11.1)	(10.0)	-	(10.0)
		Net rental income	**29.4**	-	**29.4**	**30.8**	-	**30.8**
		Contribution of companies accounted for using the equity method	0.0	-	0.0	0.0	-	0.0
		Gains/losses on sales of properties	-	(1.4)	(1.4)	-	0.9	0.9
		Valuation movements on assets	-	(56.6)	(56.6)	-	39.0	39.0
		Result from operations Offices other countries	**29.4**	**(58.1)**	**(28.6)**	**30.8**	**39.8**	**70.7**
		TOTAL RESULT FROM OPERATIONS OFFICES	**85.4**	**(31.4)**	**54.1**	**102.9**	**270.6**	**373.4**
CONVENTION & EXHIBITION	FRANCE	Gross rental income	81.0	-	81.0	208.5	-	208.5
		Operating expenses and net service charges	(74.9)	-	(74.9)	(113.4)	-	(113.4)
		Net rental income	**6.1**	**-**	**6.1**	**95.1**	**-**	**95.1**
		On site property services net income	**6.0**	**-**	**6.0**	**61.7**	**-**	**61.7**
		Contribution of companies accounted for using the equity method	-	-	-	-	-	-
		Valuation movements, depreciation, capital gains	(18.2)	(272.9)	(291.1)	(15.4)	(180.6)	(196.0)
		Impairment of goodwill	-	(8.2)	(8.2)	-	(7.1)	(7.1)
		TOTAL RESULT FROM OPERATIONS C & E	**(6.1)**	**(281.1)**	**(287.2)**	**141.5**	**(187.7)**	**(46.2)**
		Net property development and project management income	34.8	(36.1)	(1.3)	41.3	(141.4)	(100.1)
		Other property services net income	15.8	(23.1)	(7.4)	52.0	(7.9)	44.1
		Impairment of Goodwill related to the property services	-	(241.8)	(241.8)	-	-	-
		Corporate expenses	(213.7)	-	(213.7)	(200.3)	-	(200.3)
		Depreciation of other tangible assets	(2.1)	-	(2.1)	(2.0)	-	(2.0)
		Development expenses	(2.6)	-	(2.6)	(17.4)	-	(17.4)
		Acquisition and other costs	-	(83.4)	(83.4)	-	(51.5)	(51.5)
NET OPERATING RESULT			**1,660.4**	**(8,570.6)**	**(6,910.3)**	**2,461.9**	**(1,625.0)**	**836.9**
		Result from non consolidated companies	1.0	-	1.0	1.8	-	1.8
		Financing result	(486.5)	(572.5)	(1,059.0)	(450.4)	(348.6)	(799.0)
RESULT BEFORE TAX			**1,174.9**	**(9,143.1)**	**(7,968.2)**	**2,013.4**	**(1,973.6)**	**39.8**
		Income tax expenses	(19.7)	313.1	293.4	(50.8)	1,116.5	1,065.7
NET RESULT FOR THE PERIOD			**1,155.3**	**(8,830.0)**	**(7,674.8)**	**1,962.6**	**(857.1)**	**1,105.5**
		External non-controlling interests	(98.7)	560.8	462.2	(202.9)	200.7	(2.2)
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE HOLDERS OF THE STAPLED SHARES			**1,056.6**	**(8,269.2)**	**(7,212.6)**	**1,759.7**	**(656.4)**	**1,103.3**

(1) Non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill, amortization of fair value of assets and liabilities recorded for the purpose of purchase price allocation, as well as costs directly incurred during a business combination and other non-recurring items.

Consolidated statement of financial position (€Mn)	Dec. 31, 2020 IFRS	Proportionate	Dec. 31, 2020 Proportionate	Dec. 31, 2019 IFRS	Proportionate	Dec. 31, 2019 Proportionate
NON CURRENT ASSETS	**52,878.6**	**1,908.7**	**54,787.3**	**61,106.6**	**2,344.8**	**63,451.4**
Investment properties	**40,947.8**	**9,013.7**	**49,961.5**	**45,733.2**	**11,491.5**	**57,224.7**
Investment properties at fair value	*39,623.6*	*8,955.8*	*48,579.4*	*44,589.9*	*11,412.5*	*56,002.4*
Investment properties at cost	*1,324.1*	*57.9*	*1,382.0*	*1,143.3*	*79.0*	*1,222.3*
Shares and investments in companies accounted for using the equity method	8,370.3	(7,181.6)	1,188.7	10,194.6	(9,246.6)	948.0
Other tangible assets	279.2	0.8	280.0	344.5	1.0	345.5
Goodwill	1,248.1	66.6	1,314.7	2,878.4	90.5	2,968.9
Intangible assets	876.3	0.2	876.5	984.4	-	984.4
Investments in financial assets	303.6	9.0	312.6	343.5	8.4	351.9
Deferred tax assets	26.5	-	26.5	28.4	-	28.4
Derivatives at fair value	826.8	-	826.8	599.6	-	599.6
CURRENT ASSETS	**4,399.2**	**323.8**	**4,723.0**	**3,896.5**	**270.6**	**4,167.1**
Properties or shares held for sale	1,038.2	0.0	1,038.2	2,147.6	-	2,147.6
Derivatives at fair value	-	-	-	-	-	-
Inventories	32.0	10.7	42.7	91.2	11.9	103.1
Trade receivables from activity	539.4	162.5	701.9	513.0	96.7	609.7
Tax receivables	213.2	5.2	218.4	303.6	2.7	306.3
Other receivables	438.9	12.7	451.6	352.4	53.8	406.2
Cash and cash equivalents	2,137.6	132.7	2,270.3	488.8	105.5	594.3
TOTAL ASSETS	**57,277.8**	**2,232.5**	**59,510.3**	**65,003.2**	**2,615.4**	**67,618.6**
Equity attributable to the holders of the Stapled Shares	**17,393.5**	**-**	**17,393.5**	**25,950.8**	**-**	**25,950.8**
Share capital	692.4	-	692.4	691.9	-	691.9
Additional paid-in capital	13,480.7	-	13,480.7	13,478.2	-	13,478.2
Consolidated reserves	10,980.8	-	10,980.8	10,671.4	-	10,671.4
Hedging and foreign currency translation reserves	(547.8)	-	(547.8)	6.1	-	6.1
Consolidated result	(7,212.6)	-	(7,212.6)	1,103.3	-	1,103.3
- Equity attributable to Unibail-Rodamco-Westfield S.E. members	***17,375.3***	-	***17,375.3***	***24,334.4***	-	***24,334.4***
- Equity attributable to Unibail-Rodamco-Westfield N.V. members	***18.2***	-	***18.2***	***1,616.4***	-	***1,616.4***
Hybrid securities	1,988.5	0.0	1,988.5	1,988.8	-	1,988.8
External non-controlling interests	3,413.0	-	3,413.0	3,912.9	-	3,912.9
TOTAL SHAREHOLDERS' EQUITY	**22,795.0**	0.0	**22,795.0**	**31,852.5**	-	**31,852.5**
NON CURRENT LIABILITIES	**29,655.4**	**2,024.8**	**31,680.2**	**28,291.0**	**2,375.6**	**30,666.6**
Non current commitment to external non-controlling interests	94.5	1.9	96.4	172.2	3.3	175.5
Net share settled bonds convertible into new and/or existing shares (ORNANE)	497.7	-	497.7	602.1	-	602.1
Non current bonds and borrowings	24,310.5	1,900.5	26,211.0	22,931.6	2,227.9	25,159.5
Non current lease liabilities	796.6	8.5	805.1	806.7	9.3	816.0
Derivatives at fair value	1,502.3	-	1,502.3	1,025.0	-	1,025.0
Deferred tax liabilities	2,007.8	101.8	2,109.6	2,276.0	116.6	2,392.6
Non current provisions	74.6	0.3	74.9	110.3	0.3	110.6
Guarantee deposits	206.2	11.0	217.2	218.0	18.0	236.0
Amounts due on investments	102.2	0.8	103.0	149.1	0.2	149.3
Other non current liabilities	63.0	0.0	63.0	-	-	-
CURRENT LIABILITIES	**4,827.4**	**207.6**	**5,035.1**	**4,859.7**	**239.8**	**5,099.5**
Liabilities directly associated with properties or shares classified as held for sale	203.5	-	203.5	110.7	-	110.7
Current commitment to external non-controlling interests	6.1	3.6	9.7	1.0	-	1.0
Amounts owed to shareholders	-	-	-	-	-	-
Amounts due to suppliers and other creditors	**1,185.3**	**169.4**	**1,354.7**	**1,349.4**	**151.7**	**1,501.1**
Amounts due to suppliers	*211.8*	*43.3*	*255.1*	*230.5*	*43.1*	*273.6*
Amounts due on investments	*479.9*	*45.1*	*525.0*	*633.5*	*34.4*	*667.9*
Sundry creditors	*493.6*	*81.0*	*574.6*	*485.3*	*74.2*	*559.5*
Other current liabilities	681.0	3.1	684.0	729.8	23.8	753.6
Current borrowings and amounts due to credit institutions	2,686.7	30.1	2,716.8	2,557.4	62.6	2,620.0
Current lease liabilities	32.2	-	32.2	41.4	-	41.4
Derivatives at fair value	-	-	-	30.1	-	30.1
Current provisions	32.7	1.5	34.2	39.9	1.7	41.6
TOTAL LIABILITIES AND EQUITY	**57,277.8**	**2,232.5**	**59,510.3**	**65,003.2**	**2,615.4**	**67,618.6**

Note: The columns “Proportionate” reflect the impact of proportional consolidation instead of the equity method required by IFRS 11 of the URW jointly controlled assets.

MANAGEMENT DISCUSSION & ANALYSIS[2]:

[2] The Management Discussion & Analysis (MD&A) is based on the Financial statements prepared on a proportionate basis.

1. BUSINESS REVIEW AND 2020 RESULTS

I. ACCOUNTING PRINCIPLES AND SCOPE OF CONSOLIDATION

Accounting principles

Unibail-Rodamco-Westfield's ("URW" or "the Group") consolidated financial statements as at December 31, 2020, were prepared in accordance with International Financial Reporting Standards ("IFRS") as applicable in the European Union as at that date.

Since 2018, the Group also prepares financial statements in a proportionate format, in which the joint-controlled entities are accounted for on a proportionate basis, instead of being accounted for using the equity method under IFRS. The business review and results are presented based on the financial statements on a proportionate basis, with no impact on the net results.

For rent relief granted to tenants in relation to the COVID-19 pandemic and where such relief qualifies as a lease modification because the tenant agrees concessions (e.g. extension of a lease term or higher Sales Based Rent ("SBR")), IFRS 16 applies. Under IFRS 16, the relief is treated as a lease incentive which is straight-lined over the expected term of the lease as a reduction of the Gross Rental Income ("GRI").

Rent relief without changes to the lease contract is directly charged to the income statement as a reduction of the GRI.

Certain amounts recorded in the consolidated financial statements reflect estimates and assumptions made by the management in the evolving context of the COVID-19 pandemic and of difficulties in assessing its impact and future prospects. In this context, management has taken into account these uncertainties on the basis of reliable information available at the date of the preparation of the consolidated financial statements, particularly with regards to the fair value of investment properties and financial instruments as well as the testing of goodwill and intangible assets.

Due to inherent uncertainties associated with estimates, the Group reviews those estimates based on regularly updated information. Actual results might eventually differ from estimates made at the date of the preparation of the consolidated financial statements.

96% of URW's property portfolio and intangible assets related to the Shopping Centres, Offices & Others, Convention & Exhibition and Services segments were valued by independent appraisers as at December 31, 2020.

Scope of consolidation

The principal changes in the scope of consolidation since December 31, 2019, are:

- On May 29, 2020, the disposal of five retail assets in France (Aéroville, So Ouest, Confluence, Toison d'Or and Rennes Alma) and one hotel (Novotel Lyon Confluence) to a joint venture (the "Entity") formed by Crédit Agricole Assurances and La Française, collectively with a 54.2% stake, and URW which holds 45.8%. The Entity has been accounted for using the equity method from May 30, 2020;
- The disposal of Westfield Meriden, a non-core shopping centre in the US on June 5;
- The disposal of units owned in Bobigny 2 in France on June 23;
- The acquisition of the 50% remaining stake in JVs holding five assets in Florida (Westfield Brandon, Westfield Broward, Westfield Citrus Park, Westfield Countryside and Westfield Sarasota) on October 30;
- The disposal of Westfield Siesta Key, a non-core shopping centre in the US on October 30;
- The disposal of Westfield Sunrise, a non-core shopping centre in the US on December 31.

Operational reporting

URW operates in nine regions: France, the United States of America ("US"), Central Europe, Spain, the United Kingdom ("UK"), the Nordics, Austria, Germany and The Netherlands.

As France has substantial activities in all three business lines of the Group, this region is itself divided in three segments: Shopping Centres, Offices & Others and Convention & Exhibition ("C&E")[3]. The other regions operate almost exclusively in the Shopping Centres segment. In the US, the Group also operates an airport terminal commercial management business.

[3] C&E includes the Les Boutiques du Palais retail asset.

II. COVID-19 AND THE IMPACT ON URW'S BUSINESS

The COVID-19 pandemic has significantly impacted URW's business over the course of 2020. Consequently, many of the standard performance indicators are not meaningful. In this context, the Group is providing investors with the clearest possible view of conditions during the period.

Closing and reopening of the Group's shopping centres in 2020

The operations in URW shopping centres in 2020 were impacted by a series of lockdown and restriction periods that affected the assets and activities of the Group. During the mandatory shutdowns, the Group's priority was to ensure safety of its employees, customers and suppliers, to ensure security and safety in the assets and prepare for reopenings.

Implementation of enhanced health and safety measures in all centres has been a key element in safely operating the business and reassuring customers and employees, in particular during reopening periods. These include:

- Additional cleaning, including deep cleaning of all public space, toilets in particular;
- Installing hand sanitisers throughout the centres;
- Providing Personal Protection Equipment ("PPE") to shopping centre employees and suppliers;
- Implementing social distancing requirements (e.g. floor stickers to mark social distancing spaces, seating areas closed and one-way foot traffic);
- Training Security and Guest Services teams to manage queuing systems and potential gatherings;
- Providing guidance to tenants through digital tools and direct communication with every single retailer to collaboratively manage visitor flows and numbers;
- Use of indoor and outdoor screens to display key messages.

URW has created a "Safe & Healthy Places" label to attest to the excellence of its HSE practices and to ensure compliance with the latest recommendations of local health authorities. As at January 31, 2021, 76 out of 87 centres have already been labelled following an independent audit by Bureau Veritas. The Group also passed all checks imposed by relevant authorities.

During H1, due to the COVID-19 first wave, most of the Group's shopping centres had to close in mid-March, except for "essential" retailers, with the closure period varying by location. All of the Group's European centres had reopened by June 15, although restrictions, primarily on entertainment and the Food & Beverage ("F&B") sector, have remained in some regions. In the US, some centres opened later as noted below.

During the first half year, on average, the Group's shopping centres were closed for 67 days[4].

In the US, all of the Group's centres, except Westfield World Trade Center, had reopened by July. However, on July 13, California again ordered all indoor operations of shopping centres to close. The affected Californian centres outside Los Angeles reopened on September 2, while the Group's five indoor LA centres remained closed until October 7. Westfield World Trade Center reopened on September 9. Over the first half, on average, the Group's shopping centres in the US were closed 85 days[4].

During H2, following the increase in COVID-19 cases seen globally since September 2020, the authorities imposed new restrictions and/or lockdown periods mainly in Q4 in most of the Group's regions, which impacted the opening of URW's shopping centres. In many countries only "essential" retailers and those able to offer curbside pick-up or fulfil delivery orders from the store could continue to trade.

In the US, all of the centres have been open since October 7, despite the "Regional Stay at Home Order" in California in place from December 3. However, various municipalities imposed limitations on the capacity both within centres (typically between 20% and 50% depending on the state and county) and within individual stores. In addition, in some areas, indoor or outdoor dining as well as entertainment and fitness venues have been required to close at various times.

On average, the Group's shopping centres were closed for 26 days[5] in the second half.

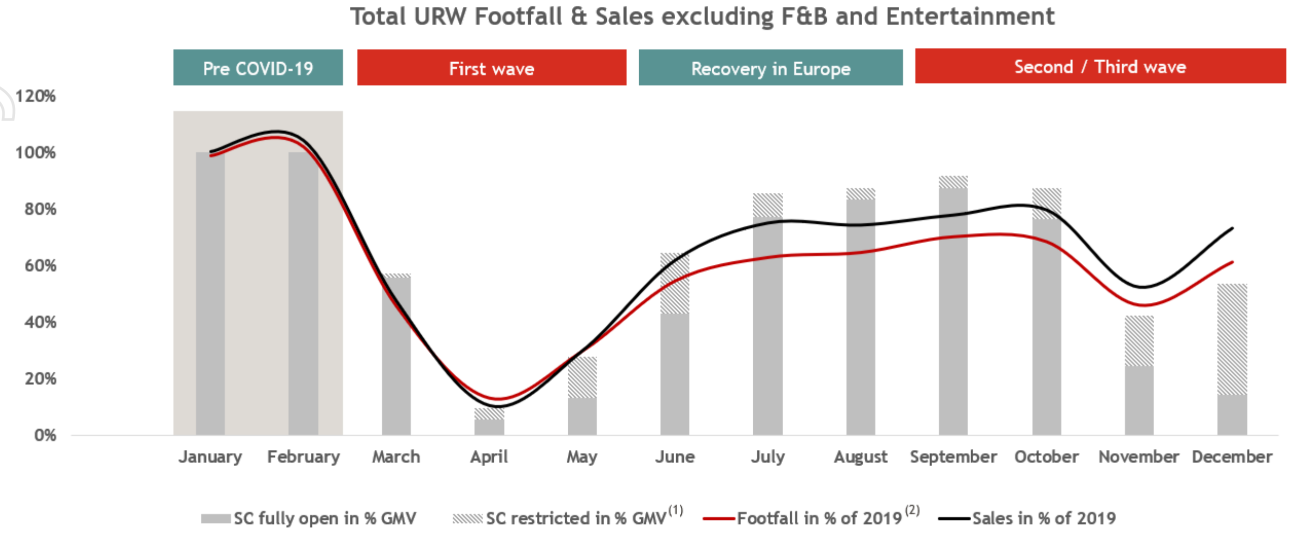
On average, our centres were impacted by specific restrictions (e.g. closure of F&B or other sectors, capacity restrictions, etc) for more than half the year, with many countries having such measures for the entire period after the first lockdown.

As at December 31, 2020, 44% of the Group's European centres by value were closed, except for "essential" stores, while all the US centres were open.

[4] Weighted by shopping centres' NRI in 2019.
[5] Weighted by shopping centres' NRI in 2019, closing periods until December 31, 2020, only (not counting days in 2021).

From the end of December, most of the regions the Group operates in applied some form of lockdown, with the exception of Sweden, certain regions in Spain and the US. As at February 10, 2021, 69% of the Group's European centres by value were closed, except for "essential" stores, and 52% at Group level.

Footfall[6] and Tenant sales[7]



(1) Restrictions are defined as closure of the F&B and / or entertainment sector. Capacity restrictions, shelter at home orders, curfews and other comparable measures are not taken into account. GMV weighted by restrictions and the proportionate impact on the month.
(2) US footfall only for those assets where reliable figures are available.

European footfall

Overall, FY-2020 footfall figures were heavily impacted by the lockdowns and the restrictions imposed by governments. In all countries and because of "work from home" recommendations, footfall was more heavily impacted in shopping centres situated in or close to business districts and/or connected to public transport hubs.

In Europe, FY-2020 footfall decreased by -37%. The Nordics, The Netherlands and Germany outperformed other countries, with a footfall at -25%, -30% and -31%, respectively. The United Kingdom was the most impacted country, -52%, because of the centre locations, relatively strict restrictions and strong emphasis on working from home.

Post initial reopening: footfall recovery
Following the initial reopenings in May/June, footfall in Europe increased regularly week after week[8], resulting in June footfall for centres open throughout the month at 74% of June 2019. Most regions reported footfall at 70 - 85% of 2019 levels three to four weeks after reopening.

Over Q3, this trend remained relatively stable, with footfall for Continental Europe at 74%, 77%, and 79% respectively of the prior year in July, August and September. On average, the footfall for Q3-2020 was 77% and 74% of the prior year for Continental Europe and Europe, respectively. Austria and the French centres not located in central Paris/La Défense were the strongest performers, while the UK saw a slower recovery with restrictions still in place for leisure operators, and people strongly encouraged not to return to offices or take public transport until late July.

Q4-2020 footfall trends: new lockdowns across Europe
In late October and early November, a number of countries the Group operates in re-applied various restrictions resulting from the second wave of COVID-19. This included new lockdowns in Austria, Central Europe, France and the UK, which had a significant impact on footfall. Footfall decreased by -58% in Europe in November.

Even when reopened, some key activities in the shopping centres such as restaurants and cinemas remained closed, affecting the footfall performances.

[6] Footfall data does not include Zlote Tarasy as it is not managed by URW. Footfall in URW's shopping centres in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishment. Carrousel du Louvre is excluded.
[7] European tenant sales data does not include Zlote Tarasy as it is not managed by URW. Tenant sales performance in URW's shopping centres (except The Netherlands) in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishment. Primark sales are based on estimates. Excluding Tesla sales. Carrousel du Louvre is excluded.
[8] Data from the respective reopening dates through the week ending July 26, 2020, as discussed in the Group's half-year 2020 report.

At the beginning of December, most countries reopened shopping centres but closed them again later in the month, making December footfall figures difficult to evaluate. In France, where shopping centres were open throughout the month, footfall reached 78% of the prior year, despite the impact of the continued closure of F&B and cinemas.

US footfall

Due to data limitations, footfall is not available for all centres[9] in the US. For those assets for which reliable data is available, weekly footfall in the fourth quarter when all centres had reopened, varied between c. 52% and 62% of the previous year. The Californian centres in particular have been impacted by the earlier mentioned "Regional Stay at Home Order".

European tenant sales

While tenant sales were impacted by the first and second waves of COVID-19, they showed encouraging resilience in periods when the Group's tenants were able to trade, outperforming footfall trends. In June, tenant sales in centres open throughout the whole month in Continental Europe reached 80% of June 2019 levels. During Q3, when all of the Group's European centres were open, tenant sales reached 81% of Q3-2019 levels or 86% in Continental Europe, outperforming footfall.

While Q4 was impacted by second wave restrictions, tenant sales in France in December (where centres remained open throughout the month, except for F&B and Entertainment) reached over 93% of the prior year level.

US tenant sales

Considering the closure of many centres between March and June and further closures in July through September/October (as discussed above) tenant sales data for FY-2020 compared to FY-2019 is not considered meaningful.

While most centres were open in the second half, tenant sales continue to be negatively impacted by government restrictions and reduced operating hours for centres across the US portfolio.

While the majority of Florida centres operated without capacity restrictions during the course of the US holiday period[10], other areas were subject to strict capacity restrictions varied by region and ranging from 10% - 25% in California and 20% - 25% in other URW markets in the US. California also saw strict trading restrictions which did not allow indoor or outdoor dining at restaurants, nor were entertainment uses or indoor fitness facilities allowed to operate. California markets were also under state-mandated stay-at-home orders, further limiting traffic to centres despite being open. Additionally, operating hours have been reduced to adjust to traffic and retailer staffing constraints.

The below table shows the evolution of sales in the US over H2-2020 and the current store opening status:

Month 2020	**% Shops Re-Opened[1]**	**% GLA Re-Opened[1]**	**Tenant sales in centres open throughout each respective month[2]** **(% change vs. same month prior year)**	**Tenant sales pro-rated to reflect the same number of operating stores per days in both years[2,3]** **(% change vs. same month prior year)**
July	**60%**	**81%**	**-34%**	**-22%**
August	**68%**	**85%**	**-33%**	**-26%**
September	**79%**	**90%**	**-24%**	**-19%**
October	**92%**	**95%**	**-26%**	**-22%**
November	**94%**	**94%**	**-33%**	**-29%**
December	**92%**	**93%**	**-34%**	**-30%**
Average H2	**81%**	**90%**	**-31%**	**-26%**

1) Based on leased spaces. Includes all tenants operating in any capacity (including curbside and online fulfillment) as of the end of each respective period.
2) All sales metrics exclude Non-Reporting Centres, Non-Reporting Tenants, Non-Owned Spaces and Department Stores. Results also exclude Auto.
3) Includes tenants open for in-store shopping during each respective period in both 2019 and 2020, and assumes the same number of operating days in both years. Monthly sales figures only include centres open the entire respective month.

In H2-2020, despite restrictions in place, and based on tenant sales pro-rated to reflect the same number of operating stores[11], the tenant sales reached 74% of 2019 sales with variations from one month to another of between 70% and 81%.

[9] Only includes centres (20) for which at least one year of comparable Springboard or ShopperTrak data is available.
[10] From Thanksgiving to New Year's Eve.
[11] Sales for stores open in centres open.

Group tenant sales summary

The table below summarizes the Group's tenant sales for the year:

Region	Tenant Sales Growth (%) Q3	Tenant Sales Growth (%) December	Tenant Sales Growth (%) Full year	Tenant Sales Growth (%) Full year excl. F&B and Entertainment	2020 stores closure period (in %)(1)
France	-11%	-7%	-29%	-27%	27%
Spain	-23%	-32%	-38%	-35%	28%
Central Europe	-16%	-29%	-33%	-31%	23%
Austria	-11%	-41%	-29%	-28%	19%
Nordics	-15%	-35%	-21%	-18%	3%
The Netherlands	NA	NA	NA	NA	4%
Germany	-15%	-51%	-27%	-25%	15%
Total Continental Europe	**-14%**	**-25%**	**-30%**	**-27%**	**22%**
UK	-40%	-52%	-50%	-48%	33%
Total Europe	**-19%**	**-30%**	**-33%**	**-31%**	**23%**
US	-47%	-34%	-44%	-42%	32%
Total Group	**-28%**	**-31%**	**-37%**	**-34%**	**25%**

(1) Number of days closed weighted by shopping centres' NRI in 2019.

As a consequence of COVID-19 restrictions all across Europe, the Entertainment sector has suffered the most with a sales decrease of -68%, followed by Food & Beverage Services (-43%). Fashion retailers experienced a sales drop of -38%, and the Health & Beauty sector ended at -27%.
Food stores & Mass Merchandise was the most resilient sector, with sales only slightly below the prior year (-3%).

Tenant negotiations

From the start of the COVID-19 crisis, the Group first adopted a global policy of allowing temporary deferral of rents, before commencing discussions with tenants about the terms of any support, such as rent relief, offered by URW. Operational teams were instructed to focus on rent recovery while preserving commercial relationships. In addition, in some geographies (including the UK, Germany and certain US municipalities), legal remedies for non-payment of rent have been temporarily limited, which also hampered the enforceability of rents. In certain regions, existing laws (Austria) or new laws (Poland) even prohibited the charging of rents during the closure period.

In Sweden, Denmark, Czech Republic and Slovakia, the government created state subsidy programmes focused specifically on supporting retail tenants. URW helped its tenants getting access to these subsidies whenever possible (see Appendix 3).

Once negotiations commenced, they were undertaken on a case-by-case basis. They recognise the issues the Group's tenants faced due to administrative closures or trading restrictions and the need to provide relief, are generally limited to the period of closure and are based on the principle of a fair sharing of the burden. In many cases they entail concessions by tenants in exchange for such relief, like the extension of the firm period of the lease, a waiver of co-tenancy provisions (in the US) or an increase of the SBR percentage. They are typically not about permanently changing lease structures or changing the basis for rent calculations (e.g. replacing Minimum Guaranteed Rent ("MGR") with SBR only leases).

As at December 31, 2020, the Group estimates it is close to 90% through the rent relief negotiation process in Europe[12] for the first COVID-19 wave. Approximately 4,900 deals have been approved or signed (with granted relief), of which 26% include associated lease extensions or break-option waivers, securing five months of future additional rents. The overall rent relief includes that required in certain instances by law, for example in Poland or Austria, or in France (where three months of rent relief was granted to very small companies).

The rent relief impact in Europe for the second and third waves has been estimated based on principles applied on the first wave and on the potential implementation of state subsidy programmes. In total for Europe, the cash impact of rent relief[13] for 2020 corresponds to 1.6 months.

[12] As a percentage of MGR and includes tenants with financial terms agreed.
[13] In terms of MGR + SBR + Service Charges invoiced in 2019, excluding non-controlled assets and Westfield Mall of the Netherlands.

In the US, the Group completed rent relief negotiations with tenants representing approximately 87% of the leasing revenue by December 31, 2020[14]. 912 COVID-19 related agreements/amendments were signed for an average duration extension of 11 months[15] in conjunction with the rent relief granted to tenants, of which 313 were for at least one year. In total for the US, the cash impact of rent relief[16] for 2020 corresponds to 2.1 months.

As at December 31, 2020, rent relief signed or expected to be signed regarding 2020 closures (including the second wave until December 31, 2020) amounted to an estimated cash impact of €313 Mn[17], €246 Mn of which has been charged to the income statement during this period. The difference will be straightlined in future periods. This total cash impact includes the anticipated impact of the second wave, whereas the guidance given during the 9M-2020 results of a range between €250 Mn and €290 Mn only related to the first wave.

Bankruptcies

Tenant insolvency procedures have affected 652 stores in the Group's portfolio in 2020, representing 5.2% of the stores in the total URW's portfolio. The total leasing revenues impacted (incl. services charges) amounts to €109 Mn[18] over c. 422,000 sqm of retail.

In Continental Europe, the number of stores impacted by bankruptcies amounted to 322 (out of 7,592 stores), with a decrease between H1 (210 stores) and H2 (112 stores including 73 in Q3 and 39 in Q4). Among the impacted stores in 2020, 240 of them continue to trade, (with a number of retailers such as Naf Naf or Andre keeping all their stores open in URW's centres) or have already been relet. The annual MGR impact of current vacant units formerly occupied by bankrupted tenants amounts to -€8 Mn for 88 units in URW's Continental Europe portfolio. The most affected regions in 2020 were France with 158 stores (including Un Jour Ailleurs, Camaïeu, Andre and Celio) and the Nordics with 54 stores (including Teknikmagasinet, Holland & Barrett, MQ and G-Star Raw).
In the UK, 62 stores (out of a total of 785 stores) were affected by insolvency procedures, of which 17 during Q4-2020 (including Clarks, Wahaca, Caffe Nero, Moss Bross, Guess and Ann Summers). At the end of 2020, 20 units are still vacant due to bankruptcies, which represents a loss of annual MGR of -€2 Mn[18].

In the US, total bankruptcies for 2020 affected 268 stores (out of 4,137 stores) of which 28 in Q4-2020. Key bankruptcies included Ascena (44 units), the Aldo Group (31 units) and GNC (26 units). 84 stores remained vacant at the end of 2020, which represents a loss of annual MGR of -$9 Mn[18]. In Q4-2020, Francesca's filed for bankruptcy, which impacted 23 units. In addition, 12 J.C. Penney units (1.6 million sq. ft.) not owned by the Group were impacted by bankruptcy. J.C. Penney kept all its stores open in URW centres. In early December, a consortium comprising Brookfield, Simon Property Group and lenders closed on the acquisition of J.C. Penney out of bankruptcy. All leases held by the Group were assumed.

Rent collection and deferred rent

It should be noted that the rent collection rate is calculated compared to 100% of rents and service charges invoiced, reflecting no adjustment for deferred or discounted rent in the denominator.

84% of invoiced FY-2020 rents and service charges[19] had been collected in Europe and 70% in the US, representing 80% overall for the Group.

The full year collection rate is mainly impacted by lower collection rates in Q2 and Q4 during lockdown periods as detailed below. In Europe, Q1 and Q3 were less impacted by COVID-19, at 97% and 93%, respectively. Collection rates were higher in regions which had put in place subsidy packages.

In the US, the Group's weighting to California (which saw materially more government restrictions than the national average) was likely a key driver of the lower collection rates there.

For the full year 2020, 80% of the billed rents have been collected as at January 31, 2021, the remaining 20% corresponding to 10% of rent relief granted to tenants and 10% of overdues or deferrals, out of which 7% are covered by provisions for doubtful debtors. The rent collection improved after reopening to 85% in Q3, while Q2 at 61% and Q4 at 76% were impacted by lockdowns and other restrictions. Adjusted for the rent relief granted, the collection rate came to 88% of the total amount due, with Continental Europe at 94%, reflecting the progress in tenant negotiations and the efforts of URW's teams.

[14] Includes tenants with financial terms agreed.
[15] Based on the number of agreements.
[16] In term of MGR + SBR + Services Charges invoiced in 2019.
[17] On a proportionate basis. €401 Mn at 100%.
[18] Group share.
[19] Based on cash collection as at January 31, 2021, and assets at 100%.

Overall rent collection by quarter is shown below[20]:

Region	Q1	Q2	Q3	Q4	FY
Continental Europe	97%	67%	95%	81%	85%
UK	98%	66%	78%	74%	79%
Total Europe	**97%**	**67%**	**93%**	**80%**	**84%**
US	93%	48%	70%	68%	70%
Total URW	**96%**	**61%**	**85%**	**76%**	**80%**

As at January 31, 2021, 56% of the January 2021 rents have been collected, impacted by lockdowns in a number of regions since the beginning of the year.

The total accounts receivable[21] from activities increased by +€92.2 Mn vs. December 31, 2019. The accounts receivables are net of €202.7 Mn provisions booked in the result for the year (vs. €49.8 Mn in 2019).

COVID-19 impact on earnings for the FY-2020

While it is difficult to accurately calculate the specific impact of COVID-19 in the operating performance, the Group has identified the following elements totalling -€632.5 Mn, with an impact on the Adjusted Recurring Earnings per Share (AREPS) of -€4.57:

- -€1.78: rent relief;
- -€1.05: increase in doubtful debtors;
- -€0.68: lower variable revenue streams (e.g. SBR, parking, and Commercial Partnerships);
- -€0.53: reduction in net income from the Convention & Exhibition business (Group share);
- -€0.27: increase in financial expenses due to liquidity measures taken in response to the crisis; and
- -€0.26: lower net services income.

Cost reduction and capital expenditure deferrals

The Group implemented a number of initiatives to generate both short- and long-term cost savings. The US and UK activities were restructured to ensure optimization of their processes and tools while simplifying the organisation, leading to substantial and sustainable savings. As the development pipeline was downsized significantly, an adjustment of the corresponding staff was made. In addition, furlough plans and "partial activity" schemes were activated where appropriate. Lastly, non-staff costs were cut.

Collectively, these steps generated gross administrative expense savings of c. €80 Mn in 2020 vs. 2019, including mainly staff costs, travels and seminars as well as consultancy fees. Despite these savings, the net Corporate expenses were up -€13.4 Mn due to lower recharges to pipeline projects and expensing on internal letting fees previously capitalised (-€58.5 Mn).

[20] Based on cash collection as at January 31, 2021, and assets at 100%.
[21] On a proportionate basis, including Shopping Centres, Offices & Others and C&E.

III. BUSINESS REVIEW BY SEGMENT

The Business review by segment presented below has been prepared based on the Group's European perimeter. Section 4 contains the US Business Review. Unless otherwise indicated, all references in Sections 1 to 3 are to URW's European operations and relate to the period ended December 31, 2020. As described above, all the Group's operations were significantly affected by the outbreak of COVID-19 pandemic. Consequently, comparisons to the same period in 2019 have limited practical relevance.

1. Europe – Shopping Centres

1.1 Activity

Leasing activity

Because of the COVID-19 pandemic, leasing activity was significantly impacted, in both the number of leases signed and MGR uplift. In 2020, URW signed 996[22] leases (1,487[23]) on standing assets for €152.7 Mn of MGR. The MGR uplift on renewals and relettings was +1.7% (+12.0%) in Continental Europe and +1.6% in Europe. This uplift was primarily due to a strong double digit reversion in Spain and France, partially offset by a decrease mainly in The Netherlands and Germany. The MGR uplift in Flagships in Continental Europe was +3.9% (+13.9%) and +3.4% in Europe.

Region	Lettings / re-lettings / renewals excluding Pipeline				
	nb of leases signed	sqm	MGR (€ Mn)	MGR uplift	
				€ Mn	%
France	185	36,801	27.1	2.4	12.0%
Central Europe	217	66,849	28.9	1.5	5.4%
Spain	100	22,285	13.8	3.4	35.3%
Nordics	167	52,567	22.1	-0.4	-2.1%
Austria	107	23,744	14.2	-0.5	-3.9%
Germany	106	88,091	23.4	-3.3	-12.7%
The Netherlands	53	25,916	4.8	-0.9	-18.7%
Total Continental Europe	**935**	**316,252**	**134.2**	**2.1**	**1.7%**
UK & Italy	61	35,882	18.4	0.1	0.4%
Total Europe	**996**	**352,134**	**152.7**	**2.2**	**1.6%**

Figures may not add up due to rounding.

The leasing activity improved in H2-2020 with 649 leases (on 245,166 sqm) for an MGR of €99.5 Mn signed vs. 347 (on 106,968 sqm) in H1-2020 for an MGR of €53.1 Mn.

Over the year, the leasing activity was relatively balanced in between renewals and relettings, respectively at 54% and 46% of the number of leases signed.

The Group secured important renewals in key sectors, including Apple and MediaMarkt in La Maquinista, The Disney Store in La Vaguada, CinemaxX in Fisketorvet (10,098 sqm), Snipes in Donau Zentrum (doubling the size of the store), and the renewal of Sports Direct and upsizing of Hollister in Westfield London.

Despite a challenging environment, leasing activity progressed during H2-2020 with a focus on developing key sectors and brands, introducing retailers such as:

- **Culture & Technology**: Huawei in Westfield Rosny 2 and Westfield Stratford City, Xiaomi in Westfield Arkadia, and Dyson (its second store in a shopping centre in France) in La Part-Dieu;
- **DNVB**: Mister Spex in Shopping City Süd, Cool Blue in Citymall Almere and NA-KD in Fisketorvet;

[22] Including 12 deals for the five French assets of the Entity until May 29.
[23] 1,367 leases for Continental Europe and 120 for the UK in 2019.

- **Entertainment**: Enterspace (Virtual Reality concept) in Täby Centrum, latest concept of Lego Discovery Centre in Westfield Hamburg, Hapik (fun-climbing concept) in La Part-Dieu, Youseum (first permanent selfie museum) in Westfield Mall of the Netherlands;
- **Experiential fashion**: Furla in Galeria Mokotow, Sirplus in Westfield London, Essentials by Jack & Jones (new concept) in Fisketorvet, seven deals with Calzedonia Group (three in Central Europe, two in Spain and one in the Nordics), Uniqlo in La Part-Dieu, and Club Monaco in Westfield London (its first store in a shopping centre in the UK);
- **Food and beverage**: Nespresso and Marks & Spencer in Metropole Zlicin;
- **Health and beauty**: Parfums Christian Dior in La Part-Dieu, Rituals in Citymall Almere and Chanel cosmetics in Täby Centrum (first letting in the Nordics);
- **Home**: IKEA (planning studio) in Garbera and IKEA (showroom) in Westfield Chodov; and
- **Sports**: Snipes in Westfield Rosny 2, JD Sports in Garbera, Shopping City Süd, La Vaguada and La Maquinista (renewal or upsizing).

New deals were also signed for the pre-letting of Westfield Mall of the Netherlands, including: Nike, JD Sports, Snipes, MG Motors, Peek & Cloppenburg, H&M, H&M Home, Monki, New Yorker, Bever, Mango, Guess, Yaya (concept store) and four new restaurants in the Dining Plaza.

Retailers are back to selective expansion, focused on top-tier locations. Around 50 deals are under negotiation with first-class international retailers in relevant sectors such as culture and technology, sports, health & beauty and cross border players. URW signed a framework agreement with:
- The FOX Group to open 12 stores (three openings in Q1-2021) including 11 Nike stores for a total of 8,700 sqm GLA across six countries, showing their confidence in the Group's assets;
- JD Sports to open three stores already signed in 2020.

Start-up collaborations continued in 2020, including:
- Poke House selected nine new locations with URW (of which five are signed);
- Westfield London successfully signed a new operator that in collaboration with Bottega (premium Italian prosecco producer) will open a restaurant focused on "affordable luxury food".

<u>Destination</u>

The commitment to reconvert some spaces into experiential retail has continued despite the pandemic, thanks to new leisure activities and notably since June 30:
- The first E-sports concept in the Group, Inferno Online, opened in March in Täby Centrum in Stockholm;
- AWG AG exhibition centre opened its doors with a first experience dedicated to the Smurfs in CentrO;
- Hapik opening in Westfield Carré Sénart in October 2020.

Several new concepts are also already secured to open in 2021, notably:
- Dynamo will open a new indoor cycling studio in CNIT;
- Padel courts: SATS in Westfield Mall of Scandinavia and Ultra in Polygone Riviera.

Food and beverage remains a very dynamic sector in terms of leasing activity despite the pandemic:
- In 2020, the Group introduced 46 new brands in its shopping centres and 126 dining units were successfully re-let, strengthening the Group's dining mix with different concepts;
- New iconic and unique concepts were signed, such as La Citi in La Maquinista: five famous street food operators from Barcelona's Van Van market will open permanent locations in a 1,300 sqm area.

In addition, URW opened major new flagship stores, notably:
- Decathlon, Victoria's Secret, Xiaomi, Uniqlo (1,800 sqm) and Rituals (600 sqm) in Westfield Mall of Scandinavia;
- Primark in Gropius Passagen;
- Pull & Bear in Westfield Les 4 Temps;
- Hollister in Westfield Les 4 Temps, Abercrombie & Fitch in Westfield Vélizy 2;
- Pharmacie du Forum (over 2,000 sqm, the largest in France) in Westfield Forum des Halles;
- Tudor (first standalone boutique in Europe) in Westfield London;
- Dyson (216 sqm) in Westfield Parly 2 (first in a shopping centre in France);
- Polestar in Westfield Mall of the Netherlands and Westfield London.

Commercial Partnerships

The Commercial Partnerships ("CP") activity had been gradually recovering following the reopening of the centres in June. However, with the second wave of the pandemic, the recovery has slowed as all countries are suffering from some level of restrictions, notably affecting CP activity in November and December (including the cancellation of Christmas markets and bookings/campaigns planned for the normally busy year-end period).

CP performed well through Q1 (+12.4% vs. Q1-2019). However, the COVID-19 pandemic subsequently had a significant impact: income for 2020 is -33.2% year-on-year. Where possible, bookings have been moved to 2021, and a number of deals have been secured for 2021 with major brands, in France, the UK and Germany, subject to the COVID-19 situation.

Key developments during the year include:

Media (includes large format Digital Screens, Digital Totems, and Non-digital communication):
- New media partners appointed in Czech Republic, Austria and The Netherlands on improved terms;
- Seven new large format screens launched in France, Poland and The Netherlands, and new lightbox products launched in the UK and Czech Republic;
- Programmatic advertising trials continuing in the UK with paid campaigns from Harrods, Deezer and Three;
- Strong recovery in the UK in December from key brands prior to the third lockdown including Adidas, Dior, Polestar, Audi, Huawei, Samsung and Chanel.

Retail (includes temporary Kiosks, Seasonal Markets, Pop-ups, and Car Services):
- Successful implementation of COVID-19 mitigation strategy with 83% of CP Kiosk client base retained;
- Oppo deal: first kiosk contracts in France including Media communication budget, in La Part-Dieu and Westfield Les 4 Temps;
- Polestar deal: launch of the brand in The Netherlands including test driving set up in car parks with an additional kiosk in Westfield Mall of the Netherlands and a pop-up store in Stadshart Amstelveen.

Brand Experience (includes Experiential, Brand Partnerships, Event Sponsorship):
- A partnership with Nespresso covering an experiential area, temporary kiosk, digital and non-digital media in the Czech Republic;
- Five brand experience activations for electric and hybrid cars in French and UK assets, with car brands Peugeot, Fiat, Lexus and Renault;
- Where lockdown measures have allowed, key brands continued activations in Q4: Netflix (Nordics), Seat (Austria, UK), Deezer (UK), Moet (Czech Republic), Haribo (The Netherlands) and Disney (UK, France, Germany, Poland).

Marketing & Communication

Marketing for the year was concentrated on reopening, safe shopping and the Christmas period:
- #WorkingTogether (in May-June 2020 and onwards) to inform consumers of the gradual reopening of the Group's shopping centres and to communicate health and safety as well as operational messages;
- #BackTogether (across July-October 2020) to bring Westfield communities 'Back Together' when centres were fully reopened;
- Christmas Campaign in November-December 2020.

The Group's CRM database and interactions with its visitors further progressed in 2020, reaching 14.7 million contacts in Europe, of which a total of 10.8 million are loyalty members (achieving the Group's target, and +12% vs. last year). The Group's apps have been downloaded 2.8 million times and URW has 7.6 million followers on social media.

Innovation

In the context of the unprecedented challenges of lockdowns and self-distancing, the Group launched innovative omnichannel services for visitors and retailers:
- The Pass@Westfield in all French Westfield shopping centres to help visitors plan their shopping by booking a slot at their favourite retailers (200+ participating tenants in France);
- Deployment of Drive@Westfield, an innovative Drive-Thru and Walk-Thru solution to pick-up online purchases at a one-stop location in the shopping centre, in 11 of the Group's centres (eight in France, two in the UK and one in Czech Republic).

URW Link continued intensifying relationships with promising start-ups:
- The partnership with "Too Good to Go" was deployed across the European portfolio, leading to more than 226,000 meals saved in 2020 (as at November 30, +54% vs. 2019);

- URW partnered with "Brut", a leading global digital media platform, with four videos produced in 2020 (reach of 4.1 million viewers on the first 3 videos);
- URW rolled out "Deepki" energy optimization platform solutions in France, The Netherlands, Czech Republic, Germany and Spain.

URW continued its partnership with blisce/, a tier-1 Venture Capital growth fund backing innovative & mission-driven direct-to-consumer tech companies. In addition to the past participation in funding rounds of Dice, Brut and Headspace, URW has invested in Too Good to Go which intends to enter the US market following a successful launch in URW's European shopping centres.

1.2. Net Rental Income

Total consolidated Net Rental Income ("NRI") was €1,158.2 Mn for Continental Europe (-21.9%) and €1,236.2 Mn for Europe (-24.6%), as a result of negative like-for-like growth, mainly due to the impact of COVID-19 and higher vacancy, as well as the disposal of five shopping centres in France in May 2020.

Region	Net Rental Income (€Mn)		
	2020	2019	%
France	491.7	663.4	-25.9%
Central Europe	191.1	223.0	-14.3%
Spain	124.8	156.8	-20.4%
Nordics	100.8	122.7	-17.9%
Austria	86.1	111.4	-22.7%
Germany	114.1	143.5	-20.5%
The Netherlands	49.6	62.4	-20.5%
Total NRI - Continental Europe	**1,158.2**	**1,483.1**	**-21.9%**
UK & Italy	78.0	157.3	-50.4%
Total NRI - Europe	**1,236.2**	**1,640.4**	**-24.6%**

Figures may not add up due to rounding.

The total net change in NRI amounted to -€404.2 Mn and breaks down as follows:
- +€2.5 Mn due to exceptional and other items;
- +€0.1 Mn from the acquisition of units in Spain (in Parquesur and La Vaguada);
- -€0.2 Mn due to negative currency effects (GBP negative impact partially offset by SEK positive impact);
- -€6.9 Mn due to La Part-Dieu and Westfield Les 4 Temps projects;
- -€19.3 Mn due to assets moved to the pipeline, primarily in France (mainly in Westfield Les 4 Temps and Westfield Forum des Halles), Spain and Austria;
- -€64.2 Mn due to disposals of assets, mainly in France (five shopping centres to the Entity and Bobigny 2) and the Nordics (Jumbo in February 2019);
- -€242.1 Mn of like-for-like NRI growth[24] in Continental Europe (-19.1%) and -€316.2 Mn for the entire European portfolio (-22.3%).

[24] Like-for-like NRI: Net Rental Income excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to square metres and currency exchange rate differences in the periods analysed.

Region	Net Rental Income (€Mn) Like-for-like		
	2020	2019	%
France	380.8	472.3	-19.4%
Central Europe	191.1	223.3	-14.4%
Spain	114.3	144.2	-20.7%
Nordics	98.9	121.9	-18.8%
Austria	84.5	105.6	-20.0%
Germany	114.1	143.5	-20.5%
The Netherlands	39.7	54.7	-27.5%
Total NRI Lfl - Continental Europe	**1,023.3**	**1,265.4**	**-19.1%**
UK & Italy	76.2	150.3	-49.3%
Total NRI Lfl - Europe	**1,099.5**	**1,415.7**	**-22.3%**

Figures may not add up due to rounding.

Region	Net Rental Income Like-for-like evolution (%)					
	Indexation	Renewals, relettings net of departures	COVID-19 rent discounts	Doubtful debtors	Other	**Total**
France	1.6%	0.8%	-13.2%	-5.1%	-3.5%	-19.4%
Central Europe	1.6%	-1.3%	-7.8%	-3.8%	-3.1%	-14.4%
Spain	0.3%	0.1%	-10.8%	-3.3%	-7.0%	-20.7%
Nordics	1.4%	-5.9%	-6.4%	-0.8%	-7.2%	-18.8%
Austria	0.9%	-1.2%	-19.2%	-0.5%	0.0%	-20.0%
Germany	1.1%	-2.7%	-12.4%	-0.6%	-5.9%	-20.5%
The Netherlands	1.6%	-6.6%	-10.5%	-8.5%	-3.5%	-27.5%
Total NRI Lfl - Cont. Europe	**1.3%**	**-1.2%**	**-11.6%**	**-3.5%**	**-4.2%**	**-19.1%**
UK & Italy	0.0%	-10.6%	-16.2%	-8.3%	-14.3%	-49.3%
Total NRI Lfl - Europe	**1.2%**	**-2.2%**	**-12.1%**	**-4.0%**	**-5.2%**	**-22.3%**

Figures may not add up due to rounding.

Like-for-like NRI decreased by -19.1% (-6.7% in H1 and -8.0% in YTD Q3) in Continental Europe, and includes:

- +1.3% of indexation;
- -1.2% of "Renewals and relettings net of departures", mainly impacted by The Netherlands, Germany and the Nordics;
- -11.6% due to rent relief granted to tenants, taking into account the straightlining mainly for Central Europe, the Nordics, Spain and France in case of lease modification. The rent relief impact has increased significantly compared to Like-for-like NRI performance as at September 30, 2020 (-2.6%) as the Group progressed on rent relief agreements with its tenants. The P&L impact of rent relief signed in 2020 stood at -€146.6 Mn (vs. -€24.7 Mn as at September 30, 2020) out of -€176.5 Mn (-€46.5 Mn as at September 30, 2020) rent relief for the like-for-like perimeter with a limited part being straightlined as lease incentives;
- -3.5% due to the increase of the provisions for doubtful debtors (vs. -0.2% in 2019, -1.8% in H1-2020 and -2.9% in YTD Q3-2020), mainly due to the impact of COVID-19 with several bankruptcies in some regions and the Group's estimates of increased customer risks. This amount includes the increase in risk in connection with restrictions implemented in Q4-2020;
- -4.2% in "Other" (vs. -4.0% in H1-2020 and -3.3% in YTD Q3-2020), mainly due to lower key money, parking revenues, SBR and Commercial Partnerships, and higher net service charges during the period as a direct impact of COVID-19.

In the UK, like-for-like NRI decreased by -49.3% (vs. -34.1% in H1-2020), mainly driven by rent relief agreed in Q4-2020 (-16.2% vs. 0% as at September 30, 2020), lower parking revenues, SBR and Commercial Partnerships in "Other" (-14.3%), renewals and relettings (-10.6%) impacted by CVAs and higher vacancy and doubtful debtors (-8.3%). The impact of doubtful debtors decreased compared to YTD Q3-2020 (-15.2%) as unpaid rents included in doubtful debtors were subject to rent relief.

Collectively, European like-for-like NRI decreased by -22.3%.

1.3. Vacancy

The Estimated Rental Value ("ERV") of vacant space in operation in the portfolio was €79.3 Mn in Continental Europe (€43.2 Mn as at December 31, 2019, and €62.5 Mn as at June 30, 2020) and €108.5 Mn in Europe (€71.0 Mn as at December 31, 2019, and €90.5 Mn as at June 30, 2020).

COVID-19 caused a material increase in bankruptcies and delays in lettings in 2020. The EPRA vacancy rate[25] in Continental Europe was 4.9%, 9.7% in the UK, and 5.6% in Europe overall. These levels are in line with vacancy as at September 30, 2020, standing respectively at 4.7%, 9.4% and 5.5% for Continental Europe, the UK and overall Europe. The increase compared to December 31, 2019 is mainly due to the Nordics (mainly in Westfield Mall of Scandinavia), Spain (mainly in La Vaguada, Glories and Splau), Central Europe (in Poland in particular in Westfield Arkadia and Galeria Mokotow) and Germany.

Region	Vacancy			
	Dec. 31, 2020		% June 30, 2020	% Dec. 31, 2019
	€Mn	%		
France	24.2	3.7%	3.2%	2.6%
Central Europe	13.4	5.5%	3.1%	1.3%
Spain	8.7	4.4%	4.1%	0.7%
Nordics	12.8	9.3%	6.9%	3.3%
Austria	2.8	2.6%	2.0%	1.1%
Germany	11.5	5.2%	4.6%	3.4%
The Netherlands	5.8	9.7%	8.1%	8.2%
Total - Continental Europe	**79.3**	**4.9%**	**3.9%**	**2.5%**
UK & Italy	29.2	9.7%	8.6%	7.7%
Total - Europe	**108.5**	**5.6%**	**4.7%**	**3.4%**

Excluding pipeline.
Figures may not add up due to rounding.

[25] EPRA vacancy rate: ERV of vacant spaces divided by ERV of total surfaces.

1.4 Lease Expiry Schedule

Europe (Shopping Centres)	Lease expiry schedule			
	MGR (€Mn) at date of next break option	As a % of total	MGR (€Mn) at expiry date	As a % of total
Expired	65.7	4.7%	65.7	4.7%
2021	251.8	17.9%	141.6	10.1%
2022	291.9	20.7%	164.9	11.7%
2023	263.1	18.7%	137.6	9.8%
2024	171.4	12.2%	121.9	8.7%
2025	130.1	9.2%	154.0	10.9%
2026	65.3	4.6%	103.7	7.4%
2027	29.2	2.1%	93.9	6.7%
2028	22.4	1.6%	83.0	5.9%
2029	21.1	1.5%	83.7	5.9%
2030	22.5	1.6%	76.4	5.4%
2031	5.7	0.4%	17.6	1.3%
Beyond	66.7	4.7%	163.1	11.6%
Total	**1,406.9**	**100%**	**1,406.9**	**100%**

Figures may not add up due to rounding.

2. Continental Europe - Offices & Others

2.1. Property market[26]

Take-up

Take-up in the Paris region was -44% lower than 2019, with a total of 1.32 million sqm (vs. 2.38 million sqm in the prior year). This trend was consistent across all types of demand, although large space users were particularly subdued, with the number of lettings above 5,000 sqm down -71%.

La Défense saw an increase in take-up versus the prior year (+32%, at 196,500 sqm) driven by several key transactions including a significant letting by Total.

Available area & vacancy rate

The immediate supply in the Paris region increased by +26% year-on-year to almost 3.7 million sqm.
As at the end of 2020, the level of new or refurbished as new supply reached 884,000 sqm (+100%) and accounts for 24% of the overall space available (16% end of 2019).

The Paris region vacancy rate increased from 5.1% at the end of 2019 to 6.8% at the end of 2020, with significant discrepancies between areas (e.g. 3.6% in Paris Central Business District (CBD), 11.3% in La Défense (vs. 4.4% as at December 31, 2019) and 11.7% in the Outer Northern Rim).

Rental values

In the CBD, the prime rent stands at €900/sqm but with an increase in rental incentives granted by landlords. The change in prime rents in the Paris region does not yet reflect the impact of the COVID-19 crisis with lower expected demand.

[26] Source: Immostat or BNP Paribas Real Estate.

In La Défense, the deliveries of a number of new buildings in 2021 and 2022 is putting pressure on rental values for second hand and refurbished buildings. However, prime rents remained relatively stable at €560/sqm as at the end of 2020.

The average level of incentives observed in 2020 in the Paris region has increased since the beginning of the year. In Q4-2020, lease incentives stood on average around 20.9% (around 20.1% in 2019) with significant variations depending on volume, lease duration and location.

Investment market

The total volume of transactions in the Paris region decreased by more than -30% to €16.0 Bn[27] (€22.8 Bn), yet still nearly +11% higher than the 10-year average (€14.4 Bn). Investment volumes in 2020 were driven by an exceptional performance in Q1-2020 (€4.3 Bn, almost twice the volume of Q1-2019), largely offset by the impact of the COVID-19 outbreak in Q2-2020 (-69%), Q3-2020 (-26%) and Q4-2020 (-33%).

47 deals above €100 Mn were recorded in 2020 (14 less compared to 2019). As in previous years, investments were driven by large transactions, with deals above €100 Mn accounting for nearly 65% of total investments (70% in 2019).

The largest single-asset transactions were:
- 14 Bergère (€603 Mn TAC), and 173-175 Boulevard Haussmann (>€300 Mn TAC) in Paris;
- Aquarel (>€400 Mn TAC) in Issy-les-Moulineaux;
- Citylights 1-3 (€500 Mn) in Boulogne-Billancourt;
- Campus Engie (€1.0+ Bn) in La Garenne-Colombes.

The city of Paris was again the main target for investors and represented 48% of the transactions, while they were only few transactions in La Défense.

Prime yields in Paris CBD were stable at 2.80%, and increased to more than 4.25% in La Défense (vs. 4.00% end of last year).

2.2. Activity

Consolidated NRI amounted to €74.3 Mn, a -17.0% decrease due primarily to the transfer of Michelet-Galilée to the pipeline and the impact of the disposal of Tour Majunga in July 2019 and Novotel Lyon Confluence in May 2020.

Region	Net Rental Income (€Mn)		
	2020	**2019**	**%**
France	56.0	72.0	-22.3%
Nordics	10.2	10.0	2.0%
Other countries	8.1	7.5	8.3%
Total NRI	**74.3**	**89.6**	**-17.0%**

Figures may not add up due to rounding.

The decrease of -€15.3 Mn breaks down as follows:

- +€14.3 Mn resulting mainly from the deliveries of SHiFT and Versailles Chantiers in France;
- +€0.1 Mn due to 390 sqm office premises (in CNIT Offices) transferred from C&E to the Offices & Others division;
- +€0.1 Mn due to currency effects of SEK;
- -€15.2 Mn due to the impact of the disposal of Tour Majunga in July 2019 and the Novotel Lyon Confluence in May 2020;
- -€15.5 Mn resulting from the transfer of assets to the pipeline in France (mainly Michelet-Galilée);
- The like-for-like NRI growth was +€0.9 Mn (+1.7%).

[27] Source: Cushman & Wakefield.

Region	Net Rental Income (€Mn) Like-for-like		
	2020	2019	%
France	33.4	33.1	0.7%
Nordics	10.1	10.0	1.0%
Other countries	8.1	7.6	6.7%
Total NRI Lfl	**51.6**	**50.7**	**1.7%**

Figures may not add up due to rounding.

The NRI from hotels (Novotel Lyon Confluence for five months, Pullman Montparnasse and CNIT Hilton) decreased to €4.2 Mn (€5.8 Mn).

97.3% of 2020 rents billed were collected.

19,067 weighted square meters (wsqm) were leased in standing assets, including 9,182 wsqm in the Nordics and 6,330 wsqm in France.

The ERV of vacant office space in operation amounted to €35.3 Mn, representing an EPRA vacancy rate of 27.2% (8.7%), of which €33.0 Mn or 30.6% (8.5%) in France. This increase is due to the delivery of the Trinity tower in Q4-2020. This tower is currently fully vacant, as the Group decided not to move its headquarters from Paris 7 Adenauer to Trinity.

2.3 Lease Expiry Schedule

Europe (Offices & Others)	Lease expiry schedule			
	MGR (€Mn) at date of next break option	As a % of total	MGR (€Mn) at expiry date	As a % of total
Expired	0.3	0.3%	0.3	0.3%
2021	5.5	6.3%	4.5	5.1%
2022	10.0	11.4%	6.3	7.2%
2023	7.2	8.2%	6.7	7.7%
2024	7.8	9.0%	1.0	1.1%
2025	13.8	15.7%	10.2	11.7%
2026	3.8	4.4%	2.8	3.2%
2027	0.5	0.6%	12.3	14.1%
2028	13.5	15.5%	13.7	15.7%
2029	0.6	0.6%	2.5	2.8%
2030	0.0	0.0%	1.7	1.9%
2031	0.1	0.1%	0.1	0.1%
Beyond	24.2	27.7%	25.4	29.0%
Total	**87.4**	**100%**	**87.4**	**100%**

Figures may not add up due to rounding.

3. Convention & Exhibition

The last three quarters of 2020 were considerably impacted by COVID-19, with ban on all events over the majority of this period.

As at December 31, 2020, 383 events had been cancelled (of which 151 exhibitions, 60 congresses, 153 corporate events and 19 live shows) and 26 events had been postponed to 2021 (of which 4 exhibitions, 10 congresses, 11 corporate events and 1 live show).

In response, Viparis implemented strong cost saving measures, including instituting “partial activity” for all employees, reducing operating and administrative costs, renegotiating ground rents with its landlords and reducing or delaying all non-essential capital expenditures.

In total, 236 events were held in Viparis venues through December 31, of which 64 exhibitions, 28 congresses and 144 corporate events compared to the 705 and 719 events held in 2019 and 2018, respectively.

The major events held in 2020 were:

- The 57th edition of the International Agriculture show (“SIA”) which attracted 482,221 visitors (-24% vs. 2019) with the show closing one day before the scheduled ending due to COVID-19;
- Maison & Objet in January at Paris Nord Villepinte welcomed more exhibitors (2,736) than in 2019;
- Paris Expo Porte de Versailles in mid-February welcomed Vinexpo (transferred from Bordeaux) and Wine Paris, to become a major event in the wine and spirit sector;
- Big Data Paris was held on September 14 and 15 at Paris Expo Porte de Versailles and attracted 11,000 participants.

Viparis’ EBITDA amounted to €12.1 Mn compared to €156.9 Mn in 2019. The decrease is entirely attributable to the impact of COVID-19.

Q1-2021 is expected to be without activity given the curfew in France and restrictions for congress and exhibitions venues with only exams authorized. In H1-2021, uncertainties remain, including various show cancellations (e.g. the International Agriculture show, the January edition of Maison & Objet). Currently, the Group expects a restart of activity in Q4-2021 / Q1-2022.

4. US Business Review

Leasing activity

The leasing teams prioritized negotiations with tenants to deal with the pandemic consequences and minimize deferrals and rent relief.

In the period ended December 31, 2020, 532 leases (297 relettings and 235 renewals) were signed on standing assets (917), representing 1,833,000 sq. ft. (2,945,000 sq. ft.) and $75.8 Mn of MGR ($152.1 Mn).

In addition, 32 leases were signed on 191,000 sq. ft. of pipeline project space, mainly at Westfield Valley Fair.

Some major leasing deals executed in 2020 were:

Culture & Technology:
- Arena Stem (interaction with science and technology) at Westfield Garden State Plaza – first in country;
- Capital One Café at Westfield Topanga;
- Dyson at Westfield Valley Fair.

Entertainment:
- ABC Cooking Studio (experiential concept from Asia) at Westfield Century City – first in country;
- GameWorks at Westfield Montgomery.

DNVB:
- Allbirds (a shoe concept) at Westfield UTC;
- Amazon 4-Star at Westfield Montgomery, Westfield Old Orchard, and Westfield Southcenter;
- Blue Nile at Westfield Century City and Westfield Valley Fair;
- Goodies at Westfield Valley Fair;
- Warby Parker at Westfield Old Orchard.

Experiential fashion:
- Anthropologie at Westfield Valencia;
- Aritzia at Westfield Valley Fair;
- Golden Goose (a sneaker brand) at Westfield Topanga;
- Lululemon at Westfield Brandon, Westfield North County, and Westfield Santa Anita;
- Psycho Bunny at Westfield Valley Fair and Westfield Garden State Plaza – first to portfolio;
- Scotch & Soda at Westfield Century City and Westfield Topanga;
- Urban Outfitters at Westfield Annapolis, Westfield Southcenter, and Westfield Valencia.

Luxury:
- Christian Louboutin at Westfield Valley Fair;
- Ferragamo at Westfield Topanga;
- IWC, Panerai and Jaeger-LeCoultre at Westfield Valley Fair;
- Dior at Westfield Valley Fair.

Food and beverage:
- 99 Ranch Market at Westfield Oakridge;
- Gansevoort Food Market at Westfield World Trade Center;
- Sugarfina at Westfield Culver City, Westfield Fashion Square, and Westfield Topanga.

Health and beauty:
- Chanel Beauty at Westfield UTC;
- Forme Life (package deal with 11 leases) – first physical locations.

Vehicle:
- Lucid Motors (electric vehicle manufacturer) at Westfield UTC, Westfield Topanga, Westfield Valley Fair, and Westfield Century City;
- Polestar (electric vehicle manufacturer) at Westfield Valley Fair;
- Electra Meccanica at Westfield Fashion Square.

Sports:
- Peloton at Westfield Valley Fair.

In the period ended December 31, 2020, the MGR Uplift on deals executed in 2020 was -20.3%, of which -14.5% in Flagships and -26.1% in Regionals.
For the Flagships, the MGR uplift on deals with lease duration above three years was -9.0%. Deals with duration below three years were more impacted by the market conditions, however they included termination rights for the landlord.

Commercial Partnerships

Commercial Partnerships revenue in 2020 amounted to $40.1 Mn, down -$40.8 Mn (-50.4%) from 2019. The COVID-19 health crisis impacted all revenue categories, including Media (-47.4%), Retail (-38.9%), and Brand Partnerships (-73.2%).

Media revenue was significantly impacted by centre closures during the year and the subsequent restrictions in California. The prolonged closure of Westfield World Trade Center, slow return of traffic upon reopening, and the impact of the California-ordered restrictions on Westfield Century City, further impacted the business. In that context however, the Group was able to close 168 media deals in 2020, representing $11.9 Mn of revenue. Some of the key deals were made with strong brands such as Chanel and also with key retailers such as COS at Westfield World Trade Center and Westfield Century City.

Airports

Passenger traffic in the airports where the Group operates was significantly affected since March 2020, with international traffic being impacted more severely than domestic traffic.

Month 2020	Domestic passenger traffic in the airports where the Group operates (% change vs. same month prior year)	International passenger traffic in the airports where the Group operates (% change vs. same month prior year)
July	**-75%**	**-92%**
August	**-73%**	**-91%**
September	**-66%**	**-90%**
October	**-65%**	**-88%**
November	**-62%**	**-84%**
December	**-62%**	**-83%**

Net income for the Airport segment decreased by -20.8% in the year ended December 31, 2020, compared to the same period last year, due to low sales and rent relief granted to tenants, partially offset by rent relief obtained from the airport authorities.

Net Rental Income and Vacancy

The total net change in NRI amounted to -$202.7 Mn and breaks down as follows:
- -$0.9 Mn due to assets in pipeline;
- -$4.1 Mn from the acquisition (50% remaining stake in JVs holding five assets in Florida);
- -$6.7 Mn due to the disposal of Westfield Meriden, Westfield Siesta Key and Westfield Sunrise;
- -$8.7 Mn due to Westfield Valley Fair;
- -$182.2 Mn of like-for-like NRI growth (-28.0%), mostly due to the COVID-related store closures, executed and expected rent relief, and reduced Commercial Partnership and parking income.

As at December 31, 2020, the Financial vacancy[28] was 13.1%, up by +400 bps from December 31, 2019, of which 12.5% (+480 bps) in Flagships and 14.3% (+160 bps) in Regionals. The increase in the financial vacancy in 2020 was generated by retailer bankruptcies, additional store closures, and slower lease up.

Occupancy on a GLA[29] basis was 89.5% as at December 31, 2020, (down by -230 bps from December 31, 2019), of which 90.1% for the Flagships (-350 bps) and 89.0% for the Regionals (-120 bps).

[28] Financial vacancy in accordance with the EPRA methodology.
[29] GLA occupancy taking into account all areas.

Lease Expiry Schedule

US (Shopping Centres + Offices & Others)	Lease expiry schedule			
	MGR (€Mn) at date of next break option	As a % of total	MGR (€Mn) at expiry date	As a % of total
Expired	32.3	5.0%	32.3	5.0%
2021	62.5	9.6%	62.5	9.6%
2022	71.5	11.0%	71.5	11.0%
2023	59.5	9.1%	59.5	9.1%
2024	61.9	9.5%	61.9	9.5%
2025	54.0	8.3%	54.0	8.3%
2026	62.9	9.7%	62.9	9.7%
2027	72.7	11.2%	72.7	11.2%
2028	67.3	10.4%	67.3	10.4%
2029	39.2	6.0%	39.2	6.0%
2030	24.2	3.7%	24.2	3.7%
2031	15.4	2.4%	15.4	2.4%
Beyond	26.6	4.1%	26.6	4.1%
Total	**650.0**	**100%**	**650.0**	**100%**

Figures may not add up due to rounding.

IV. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

2020 was an important year for CSR as URW's Better Places 2030 programme (https://www.urw.com/CSR/Better-Places-2030) continued to expand. The Group achieved key milestones towards its high environmental and social ambitions, such as the launch of the "Be YOU at URW" framework on Diversity & Inclusion and the recognition of the Group's climate targets by the Science Based Targets initiative.

The COVID-19 crisis reinforced even further the Group's approach on community resilience with over 245 initiatives to support the most vulnerable populations.

- **Food distribution:** 88 food distributions were organized by the Group's assets for first responders, homeless people, disadvantaged families or isolated elderlies with over 32,100 people supported;
- **Fighting domestic violence:** 11 assets engaged to support non-profit and authorities fighting domestic violence, opening dedicated spaces or raising awareness;
- **Maintain education:** 23 centres engaged to maintain education and studies throughout the year by donating supplies, equipment, scholarship or supporting virtual learning sessions with over 2,400 children and students supported;
- **Support local entrepreneurship:** 70% of the Group's Flagship assets engaged to support local entrepreneurship with over 100 entrepreneurs supported through space donation, service provision, marketing promotion or financial support;
- **Blood collects:** 27 blood donations sites were hosted in the Group's premises with over 3,800 individual's blood donations collected;
- **Testing sites:** 20 testing sites opened on the Group's premises with over 35,000 people tested.

This year again, the Group's ambitious CSR agenda was recognized by equity and debt investors as a value creation driver for its stakeholders. URW membership in the main ESG indices was confirmed. The Group's CSR achievements were registered in ratings and awards:

- **Indices:**
  - **Euronext Vigeo** indices: World 120, Eurozone 120, Europe 120 and France 20;
  - **FTSE4Good** Index series;
  - **Ethibel Sustainability Index** (ESI) Excellence Europe and Excellence Global;
  - **Euronext CAC 40® Governance** index – "Top 10 performers";
  - **ECPI®** indices.

- **Ratings:**
  - **GRESB** (Global Real Estate Sustainability Benchmark): For its standing assets, 2^{nd} among European listed retail real estate companies, and 3^{rd} worldwide. URW is also **Global Sector Leader** for its development activities in the "Diversified - Office/Retail portfolios" category among listed companies, and rated "5 Star" for the 10^{th} consecutive year (highest performance level);
  - **CDP**: part of the CDP Climate Change A-List in 2020 for the 3^{rd} year in a row;
  - **MSCI ESG:** AAA for the 7^{th} year in a row;
  - **ISS ESG Corporate**: B / Prime status. URW is also part of the 1^{st} Decile Rank, relative to industry group;
  - **Sustainalytics**: ESG Risk Rating of 7.4, placing URW at the 4^{th} rank in the Real Estate industry and 13^{th} rank in the Global rated universe;
  - **V.E (ex VigeoEiris)**: URW rated[30] 69/100 for its ESG performance, positioning the Group at an advanced performance level in its sector. "Top performer" in Europe in the Real Estate sector ESG performance assessment.

- **Awards:**
  - For the 9^{th} consecutive year, URW received the **EPRA Gold Award** in 2020 for completing its 2019 reporting in accordance with the EPRA Sustainability BPR.

For more information on Better Places 2030 and detailed 2020 CSR performance, please refer to the upcoming URW 2020 Registration Document. All indices, ratings and awards are available and regularly updated on www.urw.com/en/csr/csr-performance#esgRatings.

[30] Last non-solicited rating: September 2020.

V. 2020 RESULTS

The results of the Group presented below are based on the Consolidated income statement in a proportionate format, in which the joint-controlled entities are accounted for on a proportionate basis instead of being accounted for using the equity method under IFRS. The Group has structured its internal operational and financial reporting according to this proportionate format.

Unless otherwise indicated, all references below relate to the period ended December 31, 2020, and the comparisons relate to the same period in 2019.

Gross Rental Income

The Gross Rental Income ("GRI") amounted to €2,451.7 Mn (€3,083.4 Mn), a decrease of -20.5%. This decrease resulted mainly from the negative impact of COVID-19 (rent relief, bankruptcies and higher vacancy), the negative USD currency effect and the impact of disposals in France in 2019 and 2020.

Region	Gross Rental Income (€Mn)		
	2020	2019	%
France	566.5	714.3	-20.7%
Central Europe	203.9	224.5	-9.2%
Spain	146.6	169.5	-13.5%
Nordics	115.8	136.3	-15.0%
Austria	97.0	116.7	-16.8%
Germany	131.6	154.6	-14.9%
The Netherlands	63.6	71.0	-10.5%
Subtotal Continental Europe-Shopping Centres	**1,325.0**	**1,586.8**	**-16.5%**
United Kingdom	141.7	211.4	-33.0%
Subtotal Europe-Shopping Centres	**1,466.7**	**1,798.2**	**-18.4%**
Offices & Others	83.7	99.2	-15.6%
C&E	81.0	208.5	-61.2%
Subtotal Europe	**1,631.4**	**2,106.0**	**-22.5%**
United States - Shopping Centres	801.6	957.7	-16.3%
United States - Offices & Others	18.8	19.7	-4.4%
Subtotal US	**820.4**	**977.4**	**-16.1%**
Total URW	**2,451.7**	**3,083.4**	**-20.5%**

Figures may not add up due to rounding.

Net Rental Income

NRI in Continental Europe-Shopping Centres amounted to €1,158.2 Mn (€1,483.1 Mn), a decrease of -21.9%, and €1,236.2 Mn in Europe-Shopping Centres (-24.6%). Total NRI amounted to €1,790.2 Mn (€2,491.2 Mn), a decrease of -28.1%. This decrease resulted mainly from the negative impact of COVID-19 (rent relief, doubtful debtors, a decrease in SBR, parking and Commercial Partnerships), the negative USD currency effect and disposals in France. The Group has provisioned €202.7 Mn of doubtful receivables in 2020 which have been charged to the income statement.

Region	Net Rental Income (€Mn)		
	2020	2019	%
France	491.7	663.4	-25.9%
Central Europe	191.1	223.0	-14.3%
Spain	124.8	156.8	-20.4%
Nordics	100.8	122.7	-17.9%
Austria	86.1	111.4	-22.7%
Germany	114.1	143.5	-20.5%
The Netherlands	49.6	62.4	-20.5%
Subtotal Continental Europe-Shopping Centres	**1,158.2**	**1,483.1**	**-21.9%**
United Kingdom	78.0	157.3	-50.4%
Subtotal Europe-Shopping Centres	**1,236.2**	**1,640.4**	**-24.6%**
Offices & Others	74.3	89.6	-17.0%
C&E	6.1	95.1	-93.6%
Subtotal Europe	**1,316.6**	**1,825.1**	**-27.9%**
United States - Shopping Centres	462.5	652.8	-29.2%
United States - Offices & Others	11.2	13.3	-16.1%
Subtotal US	**473.6**	**666.1**	**-28.9%**
Total URW	**1,790.2**	**2,491.2**	**-28.1%**

Figures may not add up due to rounding.

Net property development and project management income was €34.8 Mn (€41.3 Mn), as a result of URW's Design, Development & Construction (DD&C) activity in the US and the UK. The decrease is due to construction overruns, less development projects and the delayed start of some projects, mainly as a result of the COVID-19 pandemic.

Net property services and other activities income from Property Management services in France, the US, the UK, Spain and Germany was €3.6 Mn (€98.4 Mn), a decrease resulting mainly from the impact of the pandemic on Viparis (-€58.5 Mn net of cost savings). The Property Management services related to shopping centres were also significantly impacted by the decrease of leasing fees and property management fees due to the COVID-19 crisis, with an impact of -€36.3 Mn.

Contribution of companies accounted for using the equity method

The Contribution of companies accounted for using the equity method[31] amounted to -€178.9 Mn (€30.5 Mn), impacted by negative valuation movements of -€229.1 Mn (mainly in the US, France and Central Europe). The recurring Contribution of companies accounted for using the equity method was €50.2 Mn (€50.8 Mn), with a positive impact of the contribution of the 45.8% stake in the five shopping centres disposed in May 2020, and a decrease of the contributions of Central Europe and the US.

Region	Contribution of companies accounted for using the equity method (€Mn)						
	2020			2019			2020/2019
	Recurring activities	Non-recurring activities	Total	Recurring activities	Non-recurring activities	Total	Change in recurring activities
France	20.7	-72.5	-51.8	-	-	-	20.7
Central Europe	28.9	-46.5	-17.6	39.1	23.2	62.3	-10.2
Germany	1.8	-10.8	-9.0	2.7	-7.0	-4.2	-1.0
Subtotal Continental Europe-Shopping Centres	**51.4**	**-129.7**	**-78.3**	**41.8**	**16.2**	**58.1**	**9.5**
United Kingdom	-	-	-	-	-	-	-
Subtotal Europe-Shopping Centres	**51.4**	**-129.7**	**-78.3**	**41.8**	**16.2**	**58.1**	**9.5**
Offices & Others	-	-	-	-	-	-	-
C&E	-	-	-	-	-	-	-
Subtotal Europe	**51.4**	**-129.7**	**-78.3**	**41.8**	**16.2**	**58.1**	**9.5**
United States	-1.2	-99.4	-100.6	9.0	-36.5	-27.5	-10.1
Subtotal US	**-1.2**	**-99.4**	**-100.6**	**9.0**	**-36.5**	**-27.5**	**-10.1**
Total URW	**50.2**	**-229.1**	**-178.9**	**50.8**	**-20.3**	**30.5**	**-0.6**

Figures may not add up due to rounding.

Administrative expenses (including Development expenses) amounted to -€218.5 Mn and include -€58.5 Mn of leasing costs previously capitalized (-€288.7 Mn, including leasing costs), a decrease of +€70.2 Mn in 2020. As a percentage of NRI from shopping centres and offices, administrative expenses were 12.2% (8.9% excluding leasing costs), vs. 12.0% in 2019 (9.2% excluding leasing costs), as a result of the lower NRI partly compensated by cost savings.

The Group launched a number of cost saving initiatives to generate both short- and long-term savings. The US and UK activities were restructured to ensure optimization of their processes and tools while simplifying the organization, leading to substantial and sustainable savings. The development pipeline was also revised, leading to an adjustment of the corresponding staff. In addition, furlough plans and "partial activity" schemes were activated. Lastly, non-staff costs were cut.

Collectively, these steps generated gross administrative expense savings of c. €80 Mn in 2020 vs. 2019, including mainly staff costs, travels and seminars as well as consultancy fees. Despite these savings, the net Corporate expenses were up -€13.4 Mn due to lower recharges to pipeline projects and expensing on internal letting fees previously capitalised.

Acquisition and other costs amounted to -€83.4 Mn (-€51.5 Mn) mainly due to the integration costs of Westfield, including severance costs in the US and the UK, the re-branding of ten shopping centres in Continental Europe, consulting, IT system integration and the shutdown of the Sydney office. This also included -€44.6 Mn of non-recurring expenses related to the fees and expenses paid for the unrealized rights issue in November 2020.

Results on disposal of investment properties were -€85.7 Mn (€69.4 Mn), reflecting the impact of the disposal to the Entity of five shopping centres and a hotel in France (net impact of -€58.8 Mn, including the fair market value of the rental guarantee, provisions for doubtful debtors on Q2-2020 overdues and the transaction costs) and the disposal of Westfield Meriden and Westfield Sunrise in the US.

[31] Contribution of companies accounted for using the equity method represents URW's share of the Net recurring result for the period of entities accounted for using the equity method which are not joint-controlled (and therefore not retreated on a proportionate basis) and interest received on loans granted to these entities. This corresponds to five shopping centres and a hotel in France (as of May 30, 2020), Zlote Tarasy, Ring-Center (disposed of on December 30, 2019) and Gropius Passagen in Europe and to the Blum/Centennial and Starwood Ventures entities in the US.

Region	Result on disposal (€Mn) Proportionate		
	2020	2019	Change
France	-56.9	1.8	-58.7
Central Europe	0.1	-1.2	1.3
Spain	2.0	-0.2	2.2
Nordics	-0.0	19.5	-19.5
Austria	-	0.1	-0.1
Germany	-0.3	-0.2	-0.1
The Netherlands	-0.4	1.4	-1.8
Subtotal Continental Europe-Shopping Centres	**-55.5**	**21.2**	**-76.7**
United Kingdom	-	-	-
Subtotal Europe-Shopping Centres	**-55.5**	**21.2**	**-76.7**
Offices & Others	-1.7	47.4	-49.1
C&E	-	-	-
Subtotal Europe	**-57.2**	**68.5**	**-125.8**
United States	-28.5	0.8	-29.3
Subtotal US	**-28.5**	**0.8**	**-29.3**
Total URW	**-85.7**	**69.4**	**-155.1**

Figures may not add up due to rounding.

__Valuation movements on assets__ amounted to -€6,552.4 Mn (-€1,615.6 Mn), of which -€6,493.2 Mn for investment properties and -€59.2 Mn for services.

Region	Valuation movements on Investment Properties (€Mn)	
	2020	2019
France	-1,424.7	-277.0
Central Europe	-270.4	111.6
Spain	-307.3	46.1
Nordics	-288.0	24.7
Austria	-237.2	-116.5
Germany	-246.4	-179.0
The Netherlands	-168.8	-89.6
Subtotal Continental Europe-Shopping Centres	**-2,942.8**	**-479.6**
United Kingdom - Shopping Centres	-1,201.7	-611.7
Subtotal Europe-Shopping Centres	**-4,144.6**	**-1,091.4**
Offices & Others - Continental Europe	22.9	191.9
Offices & Others - United Kingdom	-3.6	13.5
C&E	-272.9	-180.6
Subtotal Europe	**-4,398.2**	**-1,066.6**
United States - Shopping Centres	-2,046.0	-417.4
United States - Offices & Others	-49.0	17.8
Subtotal US	**-2,095.0**	**-399.7**
Total URW	**-6,493.2**	**-1,466.2**

Figures may not add up due to rounding.

The negative valuation movements on investment properties resulted mainly from an increase of Discount Rates and Exit Capitalization Rates used by appraisers and from the estimated impact on the future cash-flows of COVID-19. Please refer to the section “*Property portfolio and Net Asset Value*” for further detail.

Region	Valuation movements on services (€Mn)	
	2020	**2019**
Services Continental Europe	-2.4	-2.4
Subtotal Continental Europe	**-2.4**	**-2.4**
Net Property development - Amortization	-36.1	-141.4
Other property services - Amortization	-20.7	-5.5
Subtotal US and UK	**-56.8**	**-147.0**
Total URW	**-59.2**	**-149.4**

Figures may not add up due to rounding.

The -€59.2 Mn of valuation movements in services include the amortization for the US and UK related to DD&C (-€36.1 Mn in 2020) and property management and airport contracts (-€20.7 Mn in 2020) recognized as intangible assets in the Consolidated statement of financial position. These are amortized over the duration of these contracts.

Impairment of goodwill amounted to -€1,620.0 Mn[32], including -€781.4 Mn for Europe and -€838.6 Mn for the US.

Region	Impairment of goodwill (€Mn)		
	2020	**H1-2020**	**H2-2020**
France	-0.8	-	-0.8
Central Europe	-0.3	-	-0.3
Spain	-103.8	-103.8	0.0
Nordics	-132.2	-130.2	-2.0
Austria	-	-	-
Germany	-102.0	-51.0	-51.0
The Netherlands	-	-	-
C&E	-8.2	-3.6	-4.6
Other	-	-	-
Subtotal Continental Europe	**-347.3**	**-288.6**	**-58.7**
United Kingdom	-434.1	-28.0	-406.1
Subtotal Europe	**-781.4**	**-316.6**	**-464.8**
United States	-838.6	-419.8	-418.8
Subtotal US	**-838.6**	**-419.8**	**-418.8**
Total URW	**-1,620.0**	**-736.4**	**-883.6**

Figures may not add up due to rounding.

Please refer to the section “*Goodwill*” for further detail.

32 On a proportionate basis. Under IFRS, the impairment of goodwill amounted to -€1,596.1 Mn. The difference is due to a partial impairment of goodwill of CentrO.

Financing result

Net financing costs (recurring) totalled -€486.5 Mn (after deduction of capitalized financial expenses of €64.3 Mn allocated to projects under construction) (-€450.4 Mn). This increase of -€36.1 Mn includes the impact of measures taken to preserve liquidity during COVID-19 crisis.

URW's average cost of debt[33] for the period was 1.7% (1.6% in 2019). URW's financing policy is described in the section *"Financial resources".*

Non-recurring financial result amounted to -€572.5 Mn:
- +€1.8 Mn mark-to-market of the ORNANEs issued in 2014 and 2015;
- -€574.3 Mn mainly due to the mark-to-market of derivatives and exchange rate losses resulting from the revaluation of bank accounts and revaluation of debt issued in foreign currencies, partially offset by the revaluation of preference shares. URW recognises the change in value of its derivatives directly in the income statement.

Income tax expenses are due to the Group's activities in countries where specific tax regimes for property companies[34] do not exist or are not used by the Group.

In April 2019, the Group executed changes in the structure of its US operations ("the 2019 Restructurings") to exit the US portfolio from the legacy Australian platform. The 2019 Restructurings also allowed the Group to apply a material step-up of the tax base of the US real estate resulting in a material decrease of the deferred tax liabilities related to the US portfolio.

The total income tax expenses for 2020 amounted to a credit of +€293.4 Mn. Income tax allocated to the recurring net result amounted to -€19.7 Mn (-€50.8 Mn), mainly due to the overall impact of COVID-19 in general and the decrease of the taxable income of Viparis and service companies in particular. Non-recurring income tax amounted to a credit of +€313.1 Mn (+€1,116.5 Mn) mainly due to the reversal of deferred tax liabilities as a consequence of the negative valuation movements.

External non-controlling interests amounted to +€462.2 Mn comprising recurring and non-recurring external non-controlling interests. The recurring external non-controlling interests amounted to -€98.7 Mn (-€202.9 Mn) and mainly relate to French shopping centres (-€88.6 Mn, mainly Westfield Les 4 Temps, Westfield Parly 2 and Westfield Forum des Halles), to the stake of the CCIR in Viparis (+€25.7 Mn) and to URW Germany and Ruhr Park (-€25.9 Mn). The non-recurring non-controlling interests amounted to +€560.8 Mn (+€200.7 Mn), due primarily to the impact of negative valuation movements.

Net result for the period attributable to the holders of the Stapled Shares was a loss of -€7,212.6 Mn (€1,103.3 Mn). This figure breaks down as follows:
- €1,056.6 Mn of recurring net result (€1,759.7 Mn) (as a result of COVID-19 crisis, disposals in 2019 and 2020 and the increase of net financing costs);
- -€8,269.2 Mn of non-recurring net result[35] (-€656.4 Mn) mainly because of negative valuation movements, the impairment of goodwill and negative mark-to-market of financial instruments.

The Adjusted Recurring Earnings[36] reflect a profit of €1,008.5 Mn.

The average number of shares outstanding was 138,437,274 (138,354,383). The increase is mainly due to the issuance of performance shares in 2019 and 2020. The number of shares outstanding as at December 31, 2020, was 138,472,385.

EPRA Recurring Earnings per Share (REPS) came to €7.63 (€12.72), a decrease of -40.0%.

Adjusted Recurring Earnings per Share (AREPS)[36] came to €7.28 (€12.37), a decrease of -41.1% due mainly to the impact of the COVID-19 crisis and the €2.8 Bn of disposals made in 2019 and 2020, as well as the expensing of letting fees (-3.4%).

[33] Average cost of debt = Recurring financial expenses (excluding those on financial leases and related to partners' current accounts) + capitalized financial expenses (excluding non-recurring financial expenses such as mark-to-market and termination costs of financial instruments including bonds repurchased, currency impact) / average net debt over the period.
[34] For example, in France: SIIC (Société d'Investissements Immobiliers Cotée); and in the US: REITs.
[35] Include valuation movements, disposals, mark-to-market and termination costs of financial instruments, including bond tender premiums, impairment of goodwill or reversal of negative goodwill and other non-recurring items.
[36] Under IFRS, the Hybrid Securities are accounted for as shareholders' equity. The Adjusted Recurring Earnings are calculated based on the Recurring net result for the period attributable to the holders of the Stapled Shares minus the coupon on the Hybrid Securities (from June 1, 2018).

VI. GOODWILL[37]

Impairment tests-method

According to IFRS, the recoverable value of goodwill is tested annually or whenever there is an indication that an asset may be impaired at each reporting date. Due to COVID-19 and the shutdown of most of the Group's shopping centres during several months in 2020, the Group completed a full testing of its goodwill for the closing of accounts as at June 30, 2020, as at September 30, 2020, and as at December 31, 2020. Although using the same method and impairment test model as the ones used by the Group in 2018 and 2019, some adjustments were made in order to reflect current uncertainties about the impact of COVID-19 on the broader economy, the shape of the economic recovery and the impact on the business of the Group.

The impairment tests of the goodwill allocated to each geographical segment as per December 31, 2020, were based on:
- The results of the 5-year Business Plan ("5YBP") exercise for 2021-2025 per geographical segment (including detailed profit & loss statements, proposed capital expenditures and disposals) with a review per asset and geographical segment of the estimated impact of the COVID-19 crisis;
- The discount rates before tax per geographical segment based on a calculation of the WACC per region which reflect the current market assessment of the interest rates and the specific risks associated with each geographical segment as at December 31, 2020. These discount rates were also compared with the discount rates used by appraisers for the valuation of Investment Properties as at December 31, 2020, and the consistency between those was ensured;
- An allocation of the Group's corporate administrative expenses to the geographical segments, as a percentage of their respective NRI;
- A discounted cash-flow calculation for each geographical segment on a 10-year basis, consistent with the method applied by the Group's appraisers, and a discounted terminal value, to which a long-term growth rate estimated as at December 31, 2020, is applied.

The value in use calculated for each geographical segment was then compared to the net asset value of each geographical segment, including the intangible assets and goodwill allocated, as disclosed in the notes to the Consolidated Financial Statements as at December 31, 2020.

Impairment tests-results per region

€Mn	Dec. 31, 2019	Impairment	Currency impact	Dec. 31, 2020
France	731.7	- 0.8	-	731.0
Central Europe	255.8	- 0.3	-	255.4
Spain	103.8	- 103.8	-	-
Nordics	132.5	- 132.2	- 0.4	-
Austria	72.9	-	-	72.9
Germany	256.7	- 78.2	-	178.5
The Netherlands	-	-	-	-
C&E	8.2	- 8.2	-	-
Other	10.3	-	-	10.3
Subtotal Continental Europe	**1,571.8**	**- 323.4**	**- 0.4**	**1,248.1**
United Kingdom	454.0	- 434.1	- 19.9	-
Subtotal Europe	**2,025.8**	**- 757.5**	**- 20.2**	**1,248.1**
United States	852.6	- 838.6	- 14.0	-
Subtotal US	**852.6**	**- 838.6**	**- 14.0**	**-**
Total URW	**2,878.4**	**- 1,596.1**	**- 34.2**	**1,248.1**

Figures may not add up due to rounding.

The value of the goodwill allocated to France Retail and Central Europe was found justified as at December 31, 2020.

[37] This section refers to the IFRS Consolidated financial statements.

Breakdown of the goodwill

The total impairment of the goodwill amounted to -€1,596.1 Mn (-€736.4 Mn in H1-2020), including -€700.4 Mn related to the goodwill justified by fee businesses, -€41.5 Mn related to the goodwill justified by tax optimizations and -€854.3 Mn related to Other goodwill.

Following this impairment, the goodwill in the Consolidated Statement of Financial Position (IFRS) as at December 31, 2020 amounts to €1,248.1 Mn and breaks down as follows:

€Mn	Dec. 31, 2019	Impairment	Currency impact	Dec. 31, 2020
Goodwill justified by fee business	839.1	- 700.4	- 19.5	119.3
Goodwill justified by tax optimizations	241.0	- 41.5	- 0.0	199.5
Other goodwill	1,798.3	- 854.3	- 14.8	929.3
Total Goodwill	**2,878.4**	**- 1,596.1**	**- 34.2**	**1,248.1**

Figures may not add up due to rounding.

The difference of -€34.2 Mn reported in the table above is due to the impact of exchange rate differences for the part of the goodwill booked in USD, GBP or SEK and corresponds to the difference between the goodwill impairment of -€1,596.1 Mn in the Consolidated statement of comprehensive income and the change of -€1,630.3 Mn of the goodwill in the Consolidated statement of financial position.

VII. CONSOLIDATED STATEMENT OF CASH FLOWS

The consolidated statement of cash flows was prepared only in IFRS, not on a proportionate basis.

Unless otherwise indicated, all references below relate to the period ended December 31, 2020, and the comparisons relate to the same period in 2019.

Cash flow from operating activities
The total cash flow from operating activities was +€1,423.1 Mn (+€1,887.1 Mn) which reflects mainly the decrease of NRI, less dividend income and lower results from companies accounted for using the equity method or non-consolidated.

Cash flow from investment activities
The cash flow from investment activities was +€81.8 Mn (-€416.7 Mn) because of the disposal of five shopping centres in France and a decrease of capital expenditures to -€1,164.3 Mn (-€1,525.4 Mn).

Cash flow from financing activities
The total cash flow from financing activities amounted to +€116.5 Mn (-€1,345.9 Mn) due to measures taken to augment liquidity during the COVID-19 crisis and lower dividend paid in 2020.

VIII. POST-CLOSING EVENTS

On January 21, 2021, further to an agreement entered into on October 12, 2020, URW completed the disposal of the SHiFT office building, located in Issy-les-Moulineaux (Paris region), to a consortium of French institutional buyers (Primonial REIM, La Française and EDF Invest). The Disposal Price[38] of €620 Mn represented a premium to the June 30, 2020, book value.

Further to the agreements signed with several French institutional investors for the sale of the Village 3 office building on December 9, 2020, and the Village 4 and Village 6 office buildings on December 18, 2020, URW expects to close these disposals in Q1-2021. The total Net Disposal Price[39] of €213 Mn will represent a premium to the latest unaffected book value.

[38] Total Acquisition Cost reduced by the transaction taxes and expenses incurred by the buyer. As per standard market practice, the remaining lease incentives will be paid by the vendor.
[39] Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs.

From the end of December, most of the regions the Group operates in applied some form of lockdown, with the exception of Sweden, certain regions in Spain and the US. As at February 10, 2021, 69% of the Group's European centres by value were closed, except for "essential" stores, and 52% at Group level.

In France, based on current estimates related to the duration of the shopping centres closure since January 31, 2021, and expected supporting measures from French government to the tenants, the Group estimates that this closure should have no material impact on the market value of the French Investment Properties as at December 31, 2020.

IX. DIVIDEND

Given the impact of the pandemic on the Group's 2020 results, the on-going uncertainty of the 2021 operating environment and its impact on URW's results, as well as the Group's commitment to deleverage, the Group has decided to suspend the payment of a dividend for its fiscal years 2020, 2021 and 2022.

Once the Group has completed its deleveraging programme, it will resume paying a dividend (at a significant and sustainable payout ratio) which will grow in line with the performance of its reshaped portfolio.

Given the statutory results of URW SE in 2020, the Group has no obligation to pay a dividend in 2021 for the fiscal year 2020 under the SIIC regime and other REIT regimes it benefits from. It anticipates not to have such an obligation for the fiscal years 2021 and 2022 as well. Consequently, URW SE's SIIC distribution obligation, standing at €212.5 Mn as at December 31, 2020, will be delayed until URW SE has sufficient statutory results to meet this obligation.

X. OUTLOOK

The COVID-19 pandemic has had a significant impact on economic and market conditions in 2020. While the on-going roll out of successful vaccines suggests that this crisis will pass, its impact is anticipated to continue at least throughout the first half / part of 2021.

As at the beginning of February, all countries in which the Group is active continue to have some level of restrictions in place which impact on the Group's operations. As at February 10, approximately 52% of URW's shopping centres are restricted from trading except for "essential" stores.

URW's operational results will thus clearly continue to be impacted by the pandemic in 2021. The impact is likely to include further rent relief to tenants, further disruption to variable revenue streams such as SBR, Parking or Commercial Partnerships, a longer than usual time needed to re-lease vacant units, and the prospect of further tenant bankruptcies. In addition, 2021 is likely to remain a challenging year for the Group's Convention & Exhibition and airports businesses.

Given the uncertainty regarding the duration and the severity of restrictions decided by governments and their impact on the Group's operations, URW is currently not providing earnings guidance for 2021. Guidance will be provided when the Group has clearer visibility on lifting of restrictions and the subsequent economic recovery.

Looking forward, the Group sees good prospects for a solid recovery starting at some point in the second half of the year, as vaccination efforts achieve critical mass and restrictions get lifted. Government support means that consumer finances in the Group's markets remain robust and the Group firmly believes that people will again seek out the mix of top brands and great experiences offered by URW's Flagship destinations when they are able to.

URW is very confident in the quality of its assets and the enduring strength of its business and teams. The Group, with its newly reconfigured management team, is taking all necessary measures to address these challenges in the best possible manner and strategically position URW for the future.

URW intends to pursue its disposal programme of €4 Bn[40] of European assets over the next 24 months and the limitation of its financial exposure to the US within the next two to three years, in order to deleverage. These disposals should have a negative impact on the Group's results.

[40] Including SHiFT and the Village 3, 4 and 6.

2. Investments and divestments

Through December 31, 2020, URW invested €1,092.1 Mn[41], Group share, in capital expenditures in assets and on construction, extension and refurbishment projects, compared to €1,570.9 Mn in 2019, a slowdown mainly due to the measures taken to reduce capital expenditures in the context of COVID-19.

1. Total capital expenditures

The total investments break down as follows:

in € Mn	Proportionate			
	2020		2019	
	100%	Group share	100%	Group share
Shopping Centres	917.5	850.6	1,184.3	1,125.1
Offices & Others	229.7	229.7	364.8	364.6
Convention & Exhibition	22.9	11.8	161.6	81.2
Total Capital Expenditure	**1,170.1**	**1,092.1**	**1,710.8**	**1,570.9**

Figures may not add up due to rounding.

2. Shopping Centres

URW invested €850.6 Mn[42] in its Shopping Centre portfolio:

- New acquisitions amounted to €14.3 Mn, mainly in France (Rennes Alma);
- €515.8 Mn were invested in construction, extension and refurbishment projects, including mainly: the La Part-Dieu, Westfield Mall of the Netherlands, Westfield Valley Fair, Les Ateliers Gaîté, Westfield Topanga and La Maquinista redevelopments and extensions and Westfield Hamburg (see also section *"Development projects"*);
- €137.6 Mn were invested in enhancement and improvement projects on standing assets, including mainly Westfield Les 4 Temps, Westfield London and Shopping City Süd;
- Replacement Capex[43] amounted to €97.3 Mn;
- Financial interest, eviction costs, external letting fees (internal letting fees are now included in Administrative expenses) and other costs were capitalized for €42.7 Mn, €12.1 Mn, €16.6 Mn and €14.2 Mn, respectively.

3. Offices & Others

URW invested €229.7 Mn in its Offices & Others portfolio:

- New acquisitions amounted to €1.4 Mn in France;
- €164.9 Mn were invested in construction and refurbishment projects, mainly in France (the Pullman Montparnasse hotel, Trinity office building and Gaîté office), the UK (Westfield Stratford City and Westfield London) and Germany (Westfield Hamburg offices, residential and hotels) (see also section *"Development projects"*);
- €34.5 Mn were invested in enhancement and improvement projects on standing assets, mainly in the US and France;
- Replacement Capex amounted to €4.0 Mn;
- Financial interest and other costs capitalized amounted to €24.9 Mn.

[41] On a proportionate basis, Group share. This does not include the acquisition of the remaining 50% stake on five assets in Florida for a net cash consideration of $58 Mn. In addition, at acquisition date, URW supported an additional debt attached to these assets amounting to 50% of $542 Mn, of which $131 Mn have been repaid in November 2020.
[42] Amount capitalized in asset value.
[43] Replacement Capex relates to works either on equipment or the structure of a standing asset. The primary purpose of Replacement Capex is to ensure that the asset is in good working order and / or to make minor improvements. These investments can be triggered by obsolescence, maintaining technical performance at market levels or compliance with regulatory requirements. These amounts do not include Replacement Capex spent as part of the TIC of extension and / or renovation projects on which the Group's standard Return On Investment (ROI) is expected.

4. Convention & Exhibition

URW invested €11.8 Mn in its Convention & Exhibition portfolio:

- €0.4 Mn were invested for construction works at Porte de Versailles;
- €6.8 Mn were invested in enhancement and improvement projects on standing assets, mainly in Porte de Versailles;
- Replacement Capex amounted to €3.8 Mn;
- Financial interest and other costs capitalized amounted to €0.8 Mn.

5. Disposals

On May 29, 2020, URW completed the disposal of a portfolio of five shopping centres in France to the Entity formed by Crédit Agricole Assurances, La Française and URW. The consortium of investors comprised of Crédit Agricole Assurances and La Française holds 54.2% of the Entity and URW 45.8%. The Entity owns the following assets: Aéroville and So Ouest in the Paris region, Rennes Alma in Rennes, Toison d'Or in Dijon and Confluence in Lyon.

The implied offer price for the assets at 100% was €2,032 Mn. A syndicate of banks funded the underwritten €1.0 Bn secured financing for the Entity, with a 7-year maturity.

The Group also completed the disposal of several non-core assets in Europe and the US in 2020 for a total of €57 Mn.

On January 21, 2021 further to an agreement entered into on October 12, 2020, URW completed the disposal of the SHiFT office building, located in Issy-les-Moulineaux (Paris region), to a consortium of French institutional buyers (Primonial REIM, La Française and EDF Invest). The Disposal Price[44] of €620 Mn represented a premium to the June 30, 2020, book value.

URW entered into separate agreements with several French institutional investors for the sale of the Village 3 office building on December 9, 2020, and the Village 4 and Village 6 office buildings on December 18, 2020. The total Net Disposal Price[45] of €213 Mn will represent a premium to the latest unaffected book value. These transactions are expected to close in Q1-2021.

Upon closing of the SHiFT and the Village 3, 4 and 6 disposal transactions, the Group will have generated €5.6 Bn of net disposal proceeds since June 2018, being 64% of its increased €8.8 Bn disposal programme. URW is in discussions on the disposal of a number of assets.

URW intends to complete the remaining €3.2 Bn European disposals and will implement a programme to significantly reduce its financial exposure to US assets in 2021/2022. The Group's strong liquidity position allows it to do these disposals over time and in an orderly fashion.

[44] Total Acquisition Cost reduced by the transaction taxes and expenses incurred by the buyer. As per standard market practice, the remaining lease incentives will be paid by the vendor.
[45] Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs.

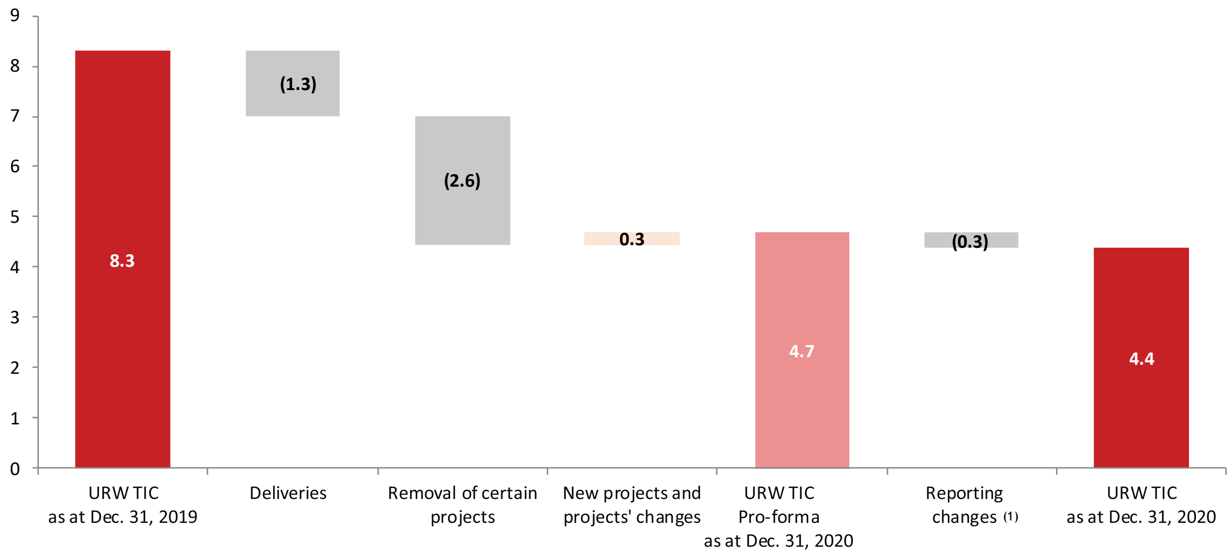
3. Development Projects as at December 31, 2020

As at December 31, 2020, URW's share of the Total Investment Cost ("TIC"[46] and "URW TIC"[47]) of its development project pipeline amounted to €4.4 Bn[48], corresponding to a total of 0.7 million sqm of Gross Lettable Area ("GLA"[49]) to be re-developed or added to the Group's standing assets.

1. Pipeline variations since December 31, 2019

The development pipeline decreased by -€3.9 Bn, down from €8.3 Bn as at December 31, 2019:

In €Bn



(1) Step rents and rent free periods are excluded from TIC as they are non-cash items. Yield on cost includes the impact of step rents and rent free periods in the denominator.

1.1. Projects delivered in 2020

Since December 31, 2019, the Group delivered five projects representing a URW TIC of €1,290 Mn and a total GLA of 129,166 sqm:

- The 46,673 sqm Westfield Valley Fair retail extension, including a new flagship store for Apple, a three-level Bloomingdale's, a one-of-a-kind ShowPlace ICON cinema, an all-new dining district, an expanded luxury court and a unique DNVB district;
- The 49,479 sqm Trinity tower in La Défense, a state-of-the-art workspace adapted to new ways of working;
- The 32,888 sqm La Part-Dieu extension, including the opening of the main phase of retail with 40 new stores. It features a new façade allowing maximum access to natural light and a rooftop terrace with a garden dining and cinema, which will open in 2021;
- Two restructuring retail projects at Westfield Les 4 Temps: La Clairière, bringing a reinforced fashion and dining offer with a large event space that can be used for concerts and roadshows; and Dôme, including a new flagship toy shop PicWicToys.

The average letting[50] of retail deliveries stands at 84%, reflecting that certain parts of the projects will be delivered beyond 2020, and that the Trinity tower is vacant.

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46 100% TIC is expressed in value at completion. It equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, design costs, technical fees, tenant fitting-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) opening marketing expenses. It excludes: (i) step rents and rent-free periods; (ii) capitalized financial interests; (iii) overhead costs; (iv) early or lost Net Rental Income; and (v) IFRS adjustments.
47 URW TIC: 100% TIC multiplied by URW's percentage stake in the project, adjusted by specific own costs and income, if any.
48 This includes the Group's share of projects fully consolidated and projects accounted for using the equity method, excluding Viparis projects and commitments on the roads for the Westfield Milano project.
49 GLA equals Gross Lettable Area of projects at 100%.
50 GLA signed, all agreed to be signed and financials agreed.

1.2. New pipeline projects and project changes

In the course of 2020, the Group has added two new projects:

- The Westfield Les 4 Temps Porte de Paris retail restructuring project for which the construction works started in July and which consists of replacing the former Castorama unit by a new tenant mix including the future largest Zara flagship in France and making the roof accessible to the public;
- The Michelet-Galilée office refurbishment project for which URW has obtained the building permit in November and for which the construction works should start in H2-2021.

In 2020, the development projects have been impacted by the COVID-19 pandemic, as almost all construction works were either halted for some time or slowed down, as were the pre-letting activities, causing the Group to delay opening dates which resulted in some project costs increases. This mainly impacted:

- The Westfield Mall of the Netherlands project;
- The Gaîté Montparnasse mixed-use project;
- The Garbera extension project;
- The Westfield Hamburg-Überseequartier mixed-use project;
- The Triangle project.

1.3. Removed projects

In response to the COVID-19 crisis, the Group reviewed its capital allocation priorities leading to the removal of the following projects since December 31, 2019:

Removed Development Projects	Business	Country	City	Type	URW Ownership	100% GLA (sqm)	100% TIC (€Mn)	URW TIC (€Mn)
ALTAMAR	Shopping Centres	Spain	Benidorm	Greenfield / Brownfield	100%[1]	58,551 sqm	220	
WESTFIELD VALENCIA RESTRUCTURING	Shopping Centres	US	Valencia	Extension / Renovation	50%	20,718 sqm	100	
WESTFIELD MILANO	Shopping Centres	Italy	Milan	Greenfield / Brownfield	75%	154,572 sqm	1,300	
WESTFIELD ROSNY 2 LEISURE EXTENSION	Shopping Centres	France	Paris region	Extension / Renovation	100%	9,352 sqm	80	
WESTFIELD VELIZY 2 RETAIL EXTENSION	Shopping Centres	France	Paris region	Extension / Renovation	100%	20,098 sqm	210	
WESTFIELD MONTGOMERY MIXED USE RETAIL	Shopping Centres	US	Washington Region	Extension / Renovation	50%	26,736 sqm	170	
WESTFIELD MONTGOMERY MIXED USE RESI	Offices & Others	US	Washington Region	Extension / Renovation	50%	45,902 sqm	160	
METROPOLE ZLICIN EXTENSION	Shopping Centres	Czech Rep.	Prague	Extension / Renovation	50%	25,640 sqm	160	
NEO[2]	Shopping Centres	Belgium	Brussels	Greenfield / Brownfield	86%	123,204 sqm	690	
OTHER						28,633 sqm	200	
URW TOTAL PIPELINE						**513,407 sqm**		**2,560**

(1) % ownership after exercise of option rights.
(2) The main administrative authorization has been cancelled.

2. Pipeline projects as at December 31, 2020

2.1. Summary of pipeline projects

Development Projects [1]	Business	Country	Type	URW Ownership	100% GLA (sqm)	100% TIC (€Mn)	URW TIC (€Mn)	URW Cost to Date (€Mn)	Yield on Cost [2]	Opening date [3]	Project Valuation
WESTFIELD MALL OF THE NETHERLANDS (*)	Shopping Centres	The Netherlands	Extension / Renovation	100%	87,053 sqm	620				H1 2021	Fair Value
GAITE MONTPARNASSE OTHERS	Offices & Others	France	Redevelopment / Extension	100%	64,457 sqm	240				H2 2021	Fair Value
GAITE MONTPARNASSE RETAIL	Shopping Centres	France	Redevelopment / Extension	100%	33,716 sqm	200				H2 2021	Fair Value
WESTFIELD GARDEN STATE PLAZA RESTRUCTURING (*)	Shopping Centres	US	Extension / Renovation	50%	13,487 sqm	100				H1 2022	Fair Value
WESTFIELD TOPANGA RESTRUCTURING (*)	Shopping Centres	US	Extension / Renovation	55%	16,171 sqm	220				H1 2022	Fair Value
GARBERA EXTENSION	Shopping Centres	Spain	Extension / Renovation	100%	11,139 sqm	90				H2 2022	At Cost
WESTFIELD HAMBURG - ÜBERSEEQUARTIER RETAIL	Shopping Centres	Germany	Greenfield / Brownfield	100%	95,140 sqm	760				H2 2023	At Cost
WESTFIELD HAMBURG - ÜBERSEEQUARTIER OTHERS	Offices & Others	Germany	Greenfield / Brownfield	100%	75,805 sqm	470				H2 2023	At Cost
CHERRY PARK RESIDENTIAL	Offices & Others	UK	Greenfield / Brownfield	25%	87,440 sqm	750				H2 2024	Fair Value
Others					42,769 sqm	190					
Total Committed Projects							**2,870**	**1,720**	**5.5%**		
MICHELET - GALILEE	Offices & Others	France	Redevelopment / Extension	100%	34,789 sqm	110				H2 2023	Fair Value
TRIANGLE	Offices & Others	France	Greenfield / Brownfield	100%	91,351 sqm	660				Post 2025	At Cost
SISTERS	Offices & Others	France	Greenfield / Brownfield	100%	90,434 sqm	700				Post 2025	At Cost
Others					2,508 sqm	50					
Total Controlled Projects							**1,520**	**130**			
URW TOTAL PIPELINE							**4,390**	**1,850**			

(1) Figures subject to change according to the maturity of projects.
(2) URW share of the expected stabilized Net Rental Income divided by the URW TIC increased by rent incentives (step rents and rent free periods), and for redevelopment projects only, the Gross Market Value of the standing assets at the launch of the project.
(3) In the case of staged phases in a project, the date corresponds to the opening date of the main phase.

*Units acquired for the project are included in the TIC at their acquisition cost.

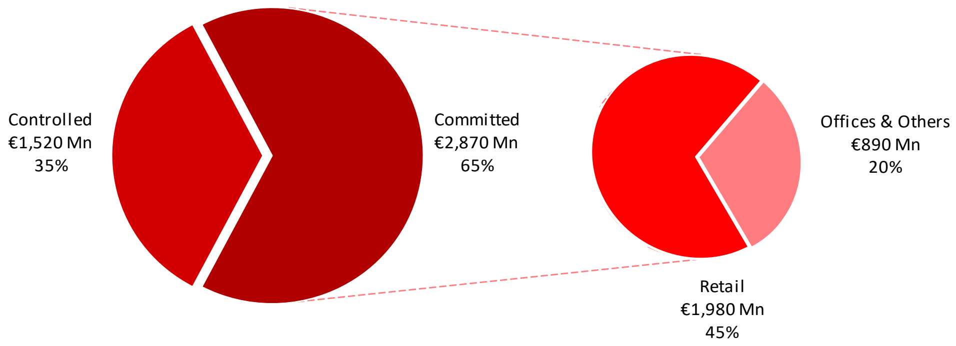
2.2. Detailed overview

The Group's pipeline consists of two distinct groupings:

1. **Committed** projects for which URW owns the land or building rights and has obtained:
   - All necessary administrative authorizations and permits;
   - Approvals of joint venture partners (if applicable);
   - Approvals of URW's internal governing bodies to start superstructure construction works; and
   - On which such works have started.

2. **Controlled** projects in an advanced stage of studies, for which URW controls the land or building rights, and all required administrative authorizations have been filed or are expected to be filed shortly. There can be no assurance these will become "Committed" projects, as this will be subject to having obtained all required administrative approvals, as well as those of joint venture partners (if applicable) and of URW's internal governing bodies to start superstructure works. Besides these approvals, the Group retains the flexibility to decide to launch them, if and when appropriate. URW could in particular consider launching these projects with joint venture partners.

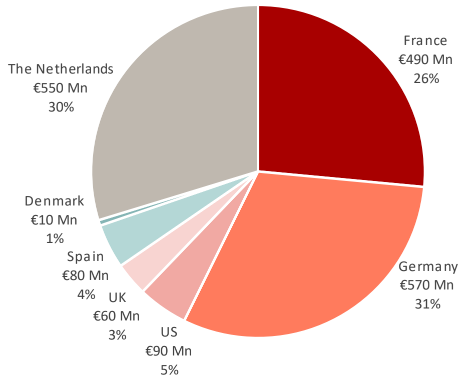
URW Development pipeline by grouping



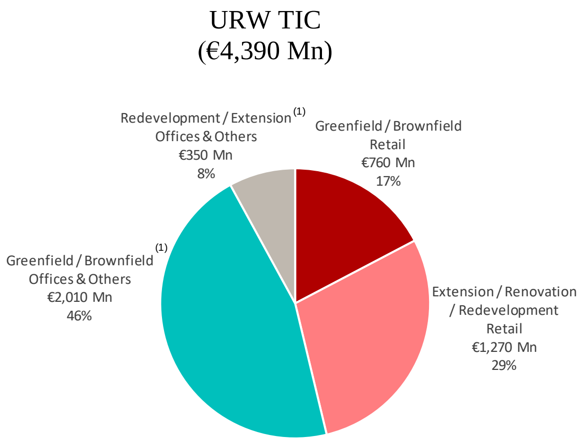
60% of the total committed pipeline URW TIC has already been spent, representing €1,720 Mn, of which €1,260 Mn on retail pipeline and €460 Mn on offices and others.
Out of the €1,150 Mn still to be invested for committed projects, €390 Mn have already been contracted.

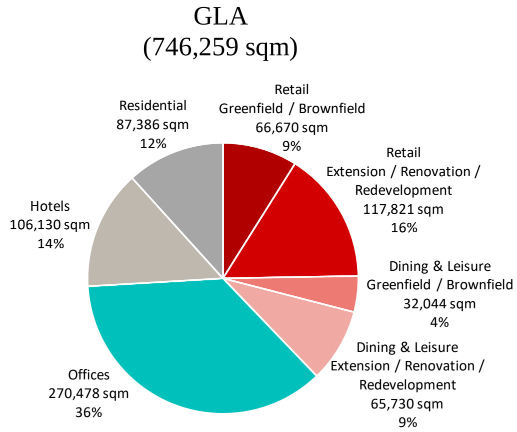
Only 9% of the total controlled pipeline URW TIC has been spent, representing an amount of €130 Mn, including land costs, mainly on offices and other projects (€120 Mn).

URW Cost to Date per country
(€1,850 Mn)



URW Development pipeline per type and business[51]





(1) Including Residential and Hotel units.

The Offices & Others sector now represents 54% (€2.4 Bn) of the total URW TIC, of which 58% are controlled projects (Triangle and Sisters) with expected delivery dates beyond 2025. Greenfield and brownfield projects represent 85% and correspond to approximately 341,000 sqm of new GLA, of which 60% are office, 24% residential and 16% hotels projects. The remainder will be invested in the redevelopment or refurbishment of 123,000 sqm GLA of existing assets.

In the Retail sector, the Group's priority remains extensions, restructurings and refurbishments on select standing assets, which represents 62% of the €2.0 Bn retail pipeline. The remainder consists of the Westfield Hamburg-Überseequartier mixed-use project expected to be delivered in H2-2023. 35% of the approximately 282,000 sqm retail GLA consists of dining and leisure GLA.

In addition, third party urban regeneration developments are ongoing around a number of the Group's assets and are expected to reinforce the respective catchment areas and the position of URW's destinations.

3. Deliveries expected in 2021 and pre-letting progress

Three projects representing a URW TIC of ca. €1.1 Bn, of which €0.9 Bn have already been spent, are scheduled to be delivered in 2021:

- The La Maquinista Fashion Pavilion restructuring project;
- The Westfield Mall of the Netherlands extension project;
- The Gaîté Montparnasse mixed-use project.

The average pre-letting[52] on 2021 deliveries stands at:

- 87% for retail;
- 100% for offices & others.

4. Investments in 2020

See section *"Investments and divestments"*.

[51] Figures may not add up due to rounding.
[52] GLA signed, all agreed to be signed and financials agreed.

4. PROPERTY PORTFOLIO AND NET ASSET VALUE AS AT DECEMBER 31, 2020

In October 2019, EPRA introduced new asset value metrics[53] noting that while Net Asset Value (NAV) is a key performance measure used in the real estate industry, NAV reported in the financial statements under IFRS may not provide stakeholders with the most relevant information on the fair value of the assets and liabilities. As property companies have evolved into actively managed entities, including non-property operating activities, this has resulted in more active ownership, higher asset turnover, and balance sheet financing has shifted from traditional bank lending to capital markets.
The new guidelines are meant to reflect this nature of property companies. Hence, EPRA NAV and EPRA NNNAV have been replaced by three new Net Asset Valuation metrics: EPRA Net Reinstatement Value, EPRA Net Tangible Assets and EPRA Net Disposal Value.

EPRA Net Reinstatement Value ("NRV"): The objective of the EPRA Net Reinstatement Value measure is to highlight the value of net assets on a long-term basis. Assets and liabilities that are not expected to crystallize in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Since the aim of the metric is to also reflect what would be needed to recreate the company in the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes should be included.

EPRA Net Tangible Assets ("NTA"): The underlying assumption behind the EPRA Net Tangible Assets calculation assumes entities buy and sell assets, thereby crystallizing certain levels of deferred tax liability. This metrics does not include the valuation of non-property operating activities such as property management, asset management and development or the value of intangibles.

EPRA Net Disposal Value ("NDV"): Shareholders are interested in understanding the full extent of liabilities and resulting shareholder value if company assets are sold and/or if liabilities are not held until maturity. For this purpose, the EPRA Net Disposal Value provides the reader with a scenario where deferred tax, financial instruments, and certain other adjustments are calculated as to the full extent of their liability, including tax exposure that may not be reflected in the Balance Sheet, net of any resulting tax. This measure should not be viewed as a "liquidation NAV" because, in many cases, fair values do not represent liquidation values.

The NRV, NTA and the NDV do not include the Group's Hybrid Securities, which are not part of the Equity attributable to the holders of the Stapled Shares. Notes that, in accordance with IFRS, all its tax liabilities are reflected in the Group's balance sheet.

The Group considers that the NTA does not reflect the total value of its business as it ignores the value of intangible assets and the fee businesses (€1,299 Mn as at December 31, 2020, for the fee businesses) which are an integral part of its business model and hence is not a meaningful KPI for URW.

URW's NRV amounted to €166.80 per share as at December 31, 2020, a decrease of -€62.00 per share (-27.1%) compared to the NRV as at December 31, 2019 (€228.80 per share).

The NRV includes €6.70 per share of goodwill not justified by the fee businesses or tax optimizations and which is mainly related to Westfield. Net of this goodwill, the NRV would be €160.10 per share.

URW's NDV amounted to €110.50 per share as at December 31, 2020, a decrease of -€49.00 per share (-30.7%) compared to the NDV as at December 31, 2019 (€159.50 per share).

Material Valuation Uncertainty due to COVID-19

For the valuation as at June 30, 2020, the appraisers in Europe and in the US included a material valuation uncertainty statement in the appraisal reports. For the valuation as at December 31, 2020, this statement was withdrawn from the appraisal reports, except for the hotels which represent €0.5 Bn of the Group's Gross Market Value ("GMV"). However, according to the appraisers, this material valuation uncertainty does not mean their hotel valuations cannot be relied upon.

[53] For further information on this change, please refer to the EPRA website:
https://www.epra.com/application/files/2315/7321/0568/EPRA_FAQ_-_FINAL_version.pdf.

1. Property portfolio

Unless otherwise indicated, the data presented in the property portfolio are on a proportionate[54] basis and as at December 31, 2020, and comparisons are with values as at December 31, 2019.

The total GMV of URW's portfolio[55] amounted to €56.3 Bn (€65.3 Bn), a decrease of -13.8%, of which -7.6% in H1-2020 (-5.1% excluding the net impact of the disposal of five French assets to the Entity) and -6.7% in H2-2020. On a like-for-like basis, the GMV decreased by -11.2% (or -€6,020 Mn), of which -5.1% (or -€2,717 Mn) in H1-2020 and -6.5% (or -€3,303 Mn) in H2-2020.

Total investment volumes in Continental Europe[56] remained above the 10-year average levels with €204.1 Bn transacted in 2020, down -26% from €277.4 Bn in 2019. In the UK, total investment volumes[56] amounted to €52.4 Bn in 2020, down -21% from €66.4 Bn in 2019.

Continental Europe – Shopping Centres

Total Retail investment volumes[56] in Continental Europe were €28.0 Bn down -22%, including Shopping Centre transactions accounting for 33% of this amount.

URW's Shopping Centre GMV decreased by -9.1% on a like-for-like basis, of which -4.2% in H1-2020 and -5.1% in H2-2020. This decrease was driven by the yield impact (-8.1%) as appraisers increased Exit Cap Rates (ECR) and Discount Rates (DR) for most assets in the portfolio due to the COVID-19 pandemic.

United Kingdom – Shopping Centres

Total Retail investment volumes[56] in the UK were €7.3 Bn up +2%, including Shopping Centre transactions accounting for 22% of this amount.

Although there was little transactional evidence, appraisers reduced the like-for-like GMV of the Group's UK shopping centres by -26.3%, of which -13.9% in H1-2020 and a further -15.4% in H2-2020. This is explained by -20.2% of yield impact and -6.0% of rent impact. This decrease is due to the appraisers' concerns about the COVID-19 impact on the retail market in the UK.

United States – Shopping Centres

US retail investment volumes in the year to November 2020 saw a -48% year-on-year decline, with total transactions reported by Real Capital Analytics of $29.4 Bn. For shopping centres, the decrease in deal volume was -55%.

The value of the Group's US shopping centres decreased by -12.6% on a like-for-like basis, of which -4.5% in H1-2020 and -8.4% in H2-2020. This decrease is driven by a negative rent impact (-9.4%) and a negative yield impact (-3.2%).

Offices & Others

The value of URW's Offices & Others portfolio decreased by -2.5% on a like-for-like basis, of which -1.2%[57] in H1-2020 and -1.4% in H2-2020, because of a negative yield impact (-4.7%), partly offset by a positive rent impact (+2.2%).

Convention & Exhibition

The Convention & Exhibition portfolio value decreased by -9.6% on a like-for-like basis, of which -4.8% in H1-2020 and -5.0% in H2-2020. This decrease is driven by the review of the business plan to take into account the impact of COVID-19.

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[54] The sum of the GMV for the assets fully consolidated, the ownership at share of the GMV of assets jointly controlled accounted for using the equity method and the equity values for assets not controlled by URW (Zlote Tarasy, Gropius Passagen, the Entity, and the Blum/Centennial and Starwood Ventures entities).
[55] Including the Group's services business, the airport activities, the trademark, transfer taxes and transaction costs. Does not include the goodwill not justified by the fee business nor the impact of the application of IFRS 16.
[56] Source: Cushman & Wakefield, estimates as at February 2, 2021.
[57] The change compared to the +0.2% communicated in H1-2020 is due to the change in the like-for-like perimeter which consists mainly of the removal of SHiFT and the Village 3, 4 and 6 office buildings.

1.1. URW's portfolio

Asset portfolio valuation (including transfer taxes) (a)	Proportionate Dec. 31, 2020		Like-for-like change net of investment - 2020 (b)		Dec. 31, 2019	
	€ Mn	%	€ Mn	%	€ Mn	%
Shopping Centres	47,905	85%	- 5,388	-11.3%	56,495	86%
Offices & Others	4,409	8%	- 40	-2.5%	4,186	6%
Convention & Exhibition	2,701	5%	- 281	-9.6%	2,984	5%
Services	1,299	2%	- 312	-18.6%	1,676	3%
Total URW	**56,314**	**100%**	**- 6,020**	**-11.2%**	**65,341**	**100%**

Figures may not add up due to rounding.

(a) On a proportionate basis, including transfer taxes and transaction costs (see §1.6 for IFRS and Group share figures).
The portfolio valuation includes:
- The appraised or at cost value of the entire property portfolio, whether fully consolidated or under joint operation;
- The value of the trademark;
- The equity value of URW's investments in assets not controlled by URW (Zlote Tarasy, Gropius Passagen, the Entity, and the Blum/Centennial and Starwood Ventures entities). The equity value of URW's share investments in assets not controlled by URW amounted to €1,189 Mn (€948 Mn).

The valuations consider the negative cash-flows related to rents paid on concessions or leaseholds, which are accounted for as financial debt in the consolidated statement of financial position.
The portfolio neither includes €1.2 Bn of goodwill not justified by the fee business, nor financial assets such as the €2,270 Mn of cash and cash equivalents on the Group's consolidated statement of financial position as at December 31, 2020.

(b) Excluding the currency effect, investment properties under construction, assets not controlled by URW and changes in the scope (including acquisitions, disposals and deliveries of new projects) through December 31, 2020. Changes in scope consist mainly of the:
- Acquisition of retail units in La Part-Dieu and Westfield Mall of the Netherlands;
- Acquisition of office units in Tour Rosny;
- Acquisition of the 50% remaining stake in JVs holding five assets in Florida: Westfield Brandon, Westfield Broward, Westfield Citrus Park, Westfield Countryside and Westfield Sarasota;
- Disposal of five French assets to the Entity;
- Disposal of five retail assets: Bobigny 2 in France, Oosterdijk in The Netherlands, Westfield Meriden, Westfield Siesta Key and Westfield Sunrise in the US;
- Disposal of a land plot in France;
- Disposal of retail units in Westfield Vélizy 2 and La Part-Dieu; and
- Delivery of the extension of Westfield Valley Fair, the La Part-Dieu extension and the Trinity tower.

The like-for-like change in the portfolio valuation is calculated excluding the changes described above.

	Proportionate	
URW Valuation as at Dec. 31, 2019 (€ Mn)	**65,341**	
Like-for-like revaluation	- 6,020	
Revaluation of non like-for-like assets	- 1,141	(a)
Revaluation of shares	- 242	(b)
Capex/ Acquisitions / Transfers	1,498	
Disposals	- 1,763	(c)
Constant Currency Effect	- 1,359	(d)
URW Valuation as at Dec. 31, 2020 (€ Mn)	**56,314**	

Figures may not add up due to rounding.

(a) Non like-for-like assets include IPUC valued at cost or at fair value, (e.g. projects such as the Gaîté offices, the hotel project at Gaîté Montparnasse, Les Ateliers Gaîté, Westfield Milano and Westfield Mall of the Netherlands) and assets delivered in 2020 such as the extension of Westfield Valley Fair, the La Part-Dieu extension, and the Trinity tower.
(b) Revaluation of the shares in companies holding the assets not controlled by URW (Zlote Tarasy, Gropius Passagen, the Entity, and the Blum/Centennial and Starwood Ventures entities).
(c) Value of assets disposed of, including those sold to the Entity, as at December 31, 2019, net of the URW's investments in the Entity.
(d) Currency impact of -€1,359 Mn, including -€1,203 Mn in the US and -€268 Mn in the UK, partly offset by +€112 Mn in the Nordics, before offsets from foreign currency debt and hedging programs.

Appraisers

URW has allocated properties across independent appraisers by region for comparison and benchmarking purposes. The valuation process has a centralized approach, intended to ensure that capital market views on the Group's portfolio are taken into account. Assets are appraised twice a year (in June and December, except in 2020 with an exceptional valuation as at September 30, 2020), except services companies, which are externally appraised once a year.

Proportionate		
Appraiser	**Property location**	**% of total portfolio**
Cushman & Wakefield	France / The Netherlands / Central Europe / UK[(a)] / US	49%
Jones Lang Lasalle	France / Germany / Nordics / Spain / Austria / Italy	29%
Duff & Phelps	US	8%
PwC[(b)]	France	8%
Other appraisers	Central Europe / US	1%
At cost, under sale agreement or internal		4%
		100%

Figures may not add up due to rounding.

(a) The Group's UK Shopping Centre portfolio was valued by Cushman & Wakefield and Avison Young.
(b) PwC assesses Convention & Exhibition venues as well as all of the Group's services activities, the trademark and the airport activities.

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 have received fees from URW representing more than 10% of their turnover.

Valuation methodology

Appraisal methods used by appraisers are compliant with international standards and guidelines as defined by RICS, IVSC ("International Valuation Standards Council") and FSIF ("Fédération des Sociétés Immobilières et Foncières").

Independent appraisers determine the fair market value based on the results of two methods: the discounted cash-flow ("DCF") methodology and/or the yield methodology. Furthermore, the resulting valuations are cross-checked against the initial yield, value per square metre and the fair market values established through actual market transactions.

Appraisers have been given access to all information relevant for valuations, such as the Group's confidential rent rolls, including information on vacancy, break options, expiry dates and lease incentives, performance indicators (e.g. footfall and sales where available), letting evidence and the Group's cash-flow forecasts from annually updated detailed asset business plans. Appraisers make their independent assessments of current and forward-looking cash-flow profiles and usually reflect risk either in the cash-flow forecasts (e.g. future rental levels, growth, investment requirements, void periods and incentives), in the applied required returns or discount rates and in the yield applied to capitalize the exit rent to determine an exit value.

The yield and rent impacts are used to explain and split the revaluation into two parts. The yield impact indicator is very sensitive to any change in the assumptions made for the asset which complicates its interpretation. It is calculated as the change in potential yield, excluding capex, to eliminate the impact of vacancy. Therefore, if the NRI is projected to grow faster than the value of the asset net of capex, there will be a negative yield impact. In addition, the potential yield expands and therefore generates a negative yield impact in case of defensive capex or eviction costs or an increase in the ERV of vacant units. The rent impact is mechanically obtained by deducting the yield impact from the like-for-like revaluation.

As the value of the assets is based on cash-flows and ECR, the Net Initial Yield ("NIY") may be lower than the ECR for several reasons, including the vacancy as at the valuation date, which the appraisers assume will be rented, and the reversion which will be captured in the cash-flows. The NIY is an output rather than an input.

Valuation scope

96% of URW's portfolio was appraised by independent appraisers as at December 31, 2020.

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.
IPUC are taken at fair value once management considers that a substantial part of the project's uncertainty has been eliminated, such that a reliable fair value can be established. URW uses its long-standing guidelines to establish the residual level of risk, focusing notably on uncertainty remaining in construction and leasing. IPUC were valued using a discounted cash-flow or yield method approach as deemed appropriate by the independent appraisers. In some cases, both methods were combined to validate and cross-check critical valuation parameters.

Westfield Mall of the Netherlands and the Gaîté offices have been carried at fair value since June 30, 2019. Les Ateliers Gaîté and the La Maquinista Fashion Pavilion project have been carried at fair value since December 31, 2019.

Since and as a result of the acquisition accounting for the Westfield transaction, the main projects in the US, the UK and Italy were carried at fair value as at December 31, 2020.

Refer to the table in the Section *"Development projects as at December 31, 2020"* for the valuation method used for each development project in the Group's pipeline.

The remaining assets of the portfolio (4%) were valued as follows:

- At cost for IPUC for which a reliable value could not yet be established. These include assets under development: Garbera extension, as well as most development projects included in the "Controlled" category (see Section *"Development projects as at December 31, 2020"* for more details);
- At bid value for assets subject to an agreement pursuant to which these will be disposed: SHiFT and the Village 3, 4 and 6 office buildings.

The total value of the IPUC amounts to €3.7 Bn, of which €2.2 Bn is valued at fair value and €1.5 Bn is valued at cost (71% of the value at cost has been tested with an external valuation as at December 31, 2020).

Unless otherwise indicated, valuation changes and references to asset values include transfer taxes and transaction costs.

		Proportionate		
		Valuation including transfer taxes in € Mn		
Appraiser	**Sector**	**Dec. 31, 2020**	**June 30, 2020**	**Dec. 31, 2019**
Cushman & Wakefield	Shopping Centres/Offices & Others	20,408	21,893	24,363
Jones Lang Lasalle	Shopping Centres/Offices & Others	16,202	17,086	18,462
PwC	Shopping Centres/C&E	2,812	2,930	3,169
Other appraisers	Shopping Centres	3,363	3,864	4,504
Impact of the assets valued by two appraisers	Shopping Centres	- 2,512	- 2,912	- 3,615
Assets valued at cost and/or not appraised	Shopping Centres/Offices & Others	2,254	1,289	1,223
Total Europe		**42,527**	**44,149**	**48,105**
Cushman & Wakefield	Shopping Centres/Offices & Others	7,161	8,240	8,618
Duff & Phelps	Shopping Centres/Offices & Others	4,612	5,565	5,908
PwC	Shopping Centres	580	413	752
Other appraisers	Shopping Centres	60	123	203
Internal valuation	Shopping Centres	-	219	-
Assets valued at cost and/or not appraised	Shopping Centres/Offices & Others	75	160	78
Total US		**12,487**	**14,720**	**15,560**
Services		**1,299**	**1,480**	**1,676**
Total URW		**56,314**	**60,350**	**65,341**

Figures may not add up due to rounding.

1.2. Shopping Centre portfolio

The value of URW’s Shopping Centre portfolio is the addition of the value of each individual asset as determined by the Group’s appraisers, except as noted above.

Evolution of URW’s Shopping Centre portfolio valuation

The value of URW’s Shopping Centre portfolio[58] amounted to €47,905 Mn (€56,495 Mn).

	Proportionate	
URW Valuation as at Dec. 31, 2019 (€ Mn)	**56,495**	
Like-for-like revaluation	- 5,388	
Revaluation of non like-for-like assets	- 1,227	(a)
Revaluation of shares	- 242	(b)
Capex/ Acquisitions / Transfers	1,247	
Disposals	- 1,729	(c)
Constant Currency Effect	- 1,250	(d)
URW Valuation as at Dec. 31, 2020 (€ Mn)	**47,905**	

Figures may not add up due to rounding.
(a) Non like-for-like assets include IPUC valued at cost or at fair value, (e.g. projects such as Les Ateliers Gaîté, Westfield Milano and Westfield Mall of the Netherlands) and assets delivered in 2020 such as the extension of Westfield Valley Fair and the La Part-Dieu extension.
(b) Revaluation of the shares in companies holding the assets not controlled by URW (Zlote Tarasy, Gropius Passagen, the Entity and the Blum/Centennial and Starwood Ventures entities).
(c) Value of assets disposed of, including those sold to the Entity, as at December 31, 2019, net of the URW’s investments in the Entity.
(d) Currency impact of -€1,250 Mn, including the US (-€1,148 Mn) and the UK (-€207 Mn), partly offset by the Nordics (+€105 Mn) before offsets from foreign currency debt and hedging programs.

Based on an asset value excluding estimated transfer taxes and transaction costs, the Shopping Centre division’s NIY increased by +19 bps to 4.5%. 2020 NIY is based on an NRI N12M at -11.1% below the one in 2019.
The NIY comparison is also impacted by the increase in vacancy between December 31, 2019 and December 31, 2020, from 5.4% to 8.3%.
The Potential Yield including the leasing of vacant space at ERV has increased by +35 bps compared to December 31, 2019 to 5.0%.

Shopping Centre portfolio by region	Proportionate							
	Dec. 31, 2020				Dec. 31, 2019			
	Valuation including transfer taxes	Valuation excluding estimated transfer taxes	Net Inital Yield (a)	Potential Yield (b)	Valuation including transfer taxes	Valuation excluding estimated transfer taxes	Net Inital Yield (a)	Potential Yield (b)
	€ Mn	€ Mn			€ Mn	€ Mn		
France (c)	13,563	13,066	4.4%	4.6%	16,517	15,882	4.2%	4.3%
Central Europe	5,059	5,014	5.1%	5.4%	5,408	5,360	4.9%	5.0%
Spain	3,596	3,514	4.6%	4.9%	3,827	3,740	4.4%	4.5%
Nordics	3,095	3,034	4.1%	4.5%	3,282	3,215	4.1%	4.3%
Germany	3,447	3,269	4.7%	5.0%	3,591	3,398	4.6%	4.8%
Austria	2,290	2,279	4.6%	4.8%	2,510	2,497	4.4%	4.5%
The Netherlands	1,658	1,560	5.3%	6.2%	1,703	1,603	4.9%	5.8%
Subtotal Continental Europe	**32,707**	**31,736**	**4.6%**	**4.9%**	**36,837**	**35,696**	**4.4%**	**4.6%**
UK & Italy	2,994	2,848	5.2%	6.1%	4,454	4,239	4.3%	4.8%
Subtotal Europe	**35,700**	**34,585**	**4.6%**	**5.0%**	**41,291**	**39,935**	**4.4%**	**4.6%**
US	12,205	12,099	4.2%	4.9%	15,204	15,082	4.1%	4.7%
Total URW	**47,905**	**46,683**	**4.5%**	**5.0%**	**56,495**	**55,016**	**4.3%**	**4.6%**

Figures may not add up due to rounding.
(a) Annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under development or not controlled by URW, the trademark and the airport activities are not included in the calculation of NIY.
(b) Annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses + the ERV of vacant space, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under development or not controlled by URW, the trademark and the airport activities are not included in the calculation of Potential Yield.
(c) The effect of including key money in the French region’s NRI would increase the NIY of French shopping centres from 4.4% to 4.5%.

[58] Including airport activities and the Westfield trademark.

The following table shows the further breakdown for the US:

US Shopping Centre portfolio by category	Proportionate							
	Dec. 31, 2020				Dec. 31, 2019 (c)			
	Valuation including transfer taxes	Valuation excluding estimated transfer taxes	Net Initial Yield (a)	Potential Yield (b)	Valuation including transfer taxes	Valuation excluding estimated transfer taxes	Net Initial Yield (a)	Potential Yield (b)
	€ Mn	€ Mn			€ Mn	€ Mn		
US Flagships (d)	10,066	9,962	3.7%	4.3%	12,396	12,278	3.8%	4.2%
US Regionals	2,139	2,137	6.1%	7.7%	2,808	2,804	5.7%	6.8%
Total US	**12,205**	**12,099**	**4.2%**	**4.9%**	**15,204**	**15,082**	**4.1%**	**4.7%**

Figures may not add up due to rounding.

(a) Annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under development or not controlled by URW, the trademark and the airport activities are not included in the calculation of NIY.
(b) Annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses + the ERV of vacant space, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under development or not controlled by URW, the trademark and the airport activities are not included in the calculation of Potential Yield.
(c) The split between US Flagships and US Regionals has changed compared to the previous communications due to the reclassification of Westfield Annapolis, Westfield Fashion Square and Westfield Santa Anita from Flagships to Regionals and Westfield Mission Valley from Regionals to Flagships.
(d) The airport activities and the trademark are included in the valuation of the US Flagships.

Sensitivity

A change of +25 bps in NIY, the main output of the appraisal models, would result in a downward adjustment of -€2,389 Mn (or -5.2%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark and the airport activities).

A change of +25 bps in DR would have a negative impact of -€738 Mn (or -1.7%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark, the airport activities and the assets not controlled by URW).

A change of +10 bps in ECR would have a negative impact of -€630 Mn (or -1.4%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark, the airport activities and the assets not controlled by URW).

A decrease of -5% in appraisers' ERV assumptions for the leases to be signed during the model period would have a negative impact of -€1,654 Mn (or -3.8%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark, the airport activities and the assets not controlled by URW).

Like-for-like analysis

On a like-for-like basis, the value of URW's Shopping Centre portfolio, after accounting for works, capitalized financial expenses and eviction costs, decreased by -€5,388 Mn (-11.3%), of which -€2,409 Mn (-5.1%[59]) in H1-2020 and -€2,979 Mn (-6.6%) in H2-2020. This decrease was the result of a yield impact of -7.8% and a rent impact of -3.6%.

[59] The change compared to the -€2,483 Mn (-5.2%) communicated in H1-2020 is due to the change in the like-for-like perimeter which consists mainly of the removal of the five Florida assets and the assets disposed (Oosterdijk, Westfield Sunrise and Westfield Siesta Key).

Proportionate					
Shopping Centres - Like-for-like (LfL) change (a)					
2020		**LfL change in € Mn**	**LfL change in %**	**LfL change - Rent impact**	**LfL change - Yield impact (b)**
France	-	1,326	-9.9%	-0.6%	-9.3%
Central Europe[c]	-	319	-6.9%	1.4%	-8.3%
Spain	-	287	-8.2%	0.9%	-9.1%
Nordics	-	301	-9.3%	-3.9%	-5.4%
Germany	-	257	-7.7%	-2.6%	-5.1%
Austria	-	244	-9.7%	-2.5%	-7.2%
The Netherlands	-	133	-12.6%	-5.0%	-7.6%
Subtotal Continental Europe	**-**	**2,867**	**-9.1%**	**-1.0%**	**-8.1%**
UK & Italy	-	1,010	-26.3%	-6.0%	-20.2%
Subtotal Europe	**-**	**3,877**	**-10.9%**	**-1.7%**	**-9.3%**
US	-	1,511	-12.6%	-9.4%	-3.2%
Total URW	**-**	**5,388**	**-11.3%**	**-3.6%**	**-7.8%**

Figures may not add up due to rounding.

(a) Like-for-like change net of investments from December 31, 2019, to December 31, 2020, excluding assets not controlled by URW.
(b) Yield impact calculated using the change in potential yields (to neutralize changes in vacancy rates) and taking into account key money.
(c) Includes the positive impact of the abolishment of the transfer taxes in Czech Republic (which were at 4%).

The 53 Flagship shopping centres represent 89% of URW's retail exposure (excluding assets under development, the airport activities and the trademark).

Proportionate					
Shopping Centres - Like- for-like (LfL) change by category (a)					
2020		**LfL change in € Mn**	**LfL change in %**	**LfL change - Rent impact**	**LfL change - Yield impact (b)**
Flagships Continental Europe	-	2,622	-9.0%	-0.8%	-8.3%
Flagships UK & Italy	-	984	-25.9%	-5.0%	-20.9%
Subtotal Flagships Europe	**-**	**3,606**	**-11.0%**	**-1.4%**	**-9.6%**
Flagships US	-	1,140	-11.3%	-9.1%	-2.2%
Subtotal Flagships	**-**	**4,746**	**-11.1%**	**-3.1%**	**-8.0%**
Regionals	-	642	-13.9%	-6.7%	-7.2%
Total URW	**-**	**5,388**	**-11.3%**	**-3.6%**	**-7.8%**

Figures may not add up due to rounding.

(a) Like-for-like change net of investments from December 31, 2019, to December 31, 2020, excluding assets not controlled by URW.
(b) Yield impact calculated using the change in potential yields (to neutralize changes in vacancy rates) and taking into account key money.

Non like-for-like analysis

The value of URW's non like-for-like Shopping Centre portfolio, after accounting for works, capitalized financial expenses and eviction costs, decreased by -€1,227 Mn (-15.2%), mainly due to -€491 Mn from the standing shopping centres undergoing extension works (La Part-Dieu, Westfield Valley Fair, Westfield Mall of the Netherlands mainly) or acquired in 2020 (acquisition of the 50% remaining stake in JVs holding five assets in Florida), -€476 Mn for the shopping centre projects at fair value (mainly Westfield Milano and Croydon Whitgift), -€45 Mn for the depreciations on projects valued at cost and -€215 Mn for the Airports business and the Westfield trademark.

1.3. Offices & Others portfolio

<u>Evolution of URW's Offices & Others portfolio valuation</u>

Offices & Others portfolio includes the offices, the hotels (except the hotels at Porte de Versailles), the residential building Palisade at Westfield UTC and the residential projects.

The total value of URW's Offices & Others portfolio amounted to €4,409 Mn (€4,186 Mn).

	Proportionate	
URW Valuation as at Dec. 31, 2019 (€ Mn)	**4,186**	
Like-for-like revaluation	- 40	
Revaluation of non like-for-like assets	116	(a)
Capex/ Acquisitions / Transfers	223	
Disposals	- 34	(b)
Constant Currency Effect	- 43	(c)
URW Valuation as at Dec. 31, 2020 (€ Mn)	**4,409**	

Figures may not add up due to rounding.

(a) Non like-for-like assets include IPUC valued at cost or at fair value, projects such as the Gaîté offices, the hotel project at Gaîté Montparnasse and assets delivered in 2020 such as the Trinity tower.
(b) Value as at December 31, 2019.
(c) Currency impact of -€43 Mn in total, including the US (-€27 Mn) and the UK (-€23 Mn), partly offset by the Nordics (+€7 Mn), before offsets from foreign currency debt and hedging programs.

The split by region of the total Offices & Others portfolio is the following:

	Proportionate			
Valuation of Offices & Others portfolio (including transfer taxes)	**Dec. 31, 2020**		**Dec. 31, 2019**	
	€ Mn	**%**	**€ Mn**	**%**
France	3,025	69%	2,830	68%
Nordics	179	4%	171	4%
Other countries	462	10%	411	10%
Subtotal Continental Europe	**3,666**	**83%**	**3,412**	**82%**
UK & Italy	460	10%	419	10%
Subtotal Europe	**4,126**	**94%**	**3,830**	**92%**
US	283	6%	356	8%
Total URW	**4,409**	**100%**	**4,186**	**100%**

Figures may not add up due to rounding.

For occupied offices and based on an asset value excluding estimated transfer taxes and transaction costs, the Offices & Others division's NIY decreased by -57 bps to 4.9%.

Valuation of occupied office space	Proportionate					
	Dec. 31, 2020			Dec. 31, 2019		
	Valuation including transfer taxes (a)	Valuation excluding estimated transfer taxes (a)	Net Inital Yield (b)	Valuation including transfer taxes (a)	Valuation excluding estimated transfer taxes (a)	Net Inital Yield (b)
	€ Mn	€ Mn		€ Mn	€ Mn	
France	1,744	1,683	4.5%	1,597	1,538	5.1%
Nordics	143	139	8.0%	144	140	7.6%
Other countries	131	129	6.6%	132	129	6.5%
Subtotal Continental Europe	**2,018**	**1,950**	**4.9%**	**1,873**	**1,807**	**5.4%**
UK & Italy	74	70	n.m.	80	76	n.m.
Subtotal Europe	**2,092**	**2,020**	**4.9%**	**1,953**	**1,883**	**5.3%**
US	193	187	5.1%	228	221	6.5%
Total URW	**2,285**	**2,208**	**4.9%**	**2,181**	**2,105**	**5.5%**

Figures may not add up due to rounding.

(a) Valuation of occupied office space as at December 31, 2020, based on the appraiser's allocation of value between occupied and vacant spaces.
(b) Annualized contracted rent (including latest indexation) and other incomes for the next 12-months, net of operating expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. Assets under development are not included in this calculation.

Sensitivity

A change of +25 bps in NIY, the main output of the appraisal models, would result in a downward adjustment of -€177 Mn (-6.1%)[60] on URW's Offices & Others portfolio value (occupied and vacant spaces, excluding assets under development).

Like-for-like analysis

The value of URW's Offices & Others portfolio, after accounting for the impact of works and capitalized financial expenses, decreased by -€40 Mn (-2.5%) on a like-for-like basis, of which -€18 Mn[61] (-1.2%) in H1-2020 and -€21 Mn (-1.4%) in H2-2020, due to a yield impact of -4.7%, partly offset by a positive rent impact of +2.2%.

Proportionate				
Offices & Others - Like-for-like (LfL) change (a)				
2020	LfL change in € Mn	LfL change in %	LfL change - Rent impact	LfL change - Yield impact (b)
France	1	0.1%	0.9%	-0.8%
Nordics	-3	-1.6%	2.6%	-4.2%
Other countries	2	-0.7%	-0.7%	-0.1%
Subtotal Continental Europe	**0**	**0.0%**	**1.0%**	**-1.0%**
UK & Italy	-2	-2.7%	13.1%	-15.8%
Subtotal Europe	**-3**	**-0.2%**	**0.4%**	**-0.6%**
US	-37	-15.7%	5.3%	-21.0%
Total URW	**-40**	**-2.5%**	**2.2%**	**-4.7%**

Figures may not add up due to rounding.

(a) Like-for-like change net of investments from December 31, 2019, to December 31, 2020.
(b) Yield impact calculated using the change in potential yields (to neutralize changes in vacancy rates).

[60] Due to the delivery of the Trinity tower which is fully vacant, the NIY on occupied and vacant spaces has decreased. A +25 bps increase of the NIY therefore has a higher impact on the GMV.
[61] The change compared to the +€5 Mn (+0.2%) communicated in H1-2020 is due to the change in the like-for-like perimeter which consists mainly of the removal of SHiFT and the Village 3, 4 and 6 office buildings.

1.4. Convention & Exhibition portfolio

Valuation methodology

The valuation methodology adopted by PwC for the venues is mainly based on a discounted cash-flow model applied to the total net income projected over the life of the concession or leasehold (net of the amounts paid for the concession or leasehold) if it exists, or otherwise over a 10-year period, with an estimate of the asset value at the end of the given time period, based either on the residual contractual value for concessions or on capitalized cash-flows over the last year, including the remaining capital expenditures to be spent on Porte de Versailles (€205 Mn).

Evolution of the Convention & Exhibition valuation

The value of URW's Convention & Exhibition venues, including transfer taxes and transaction costs, amounted to €2,701 Mn (€2,984 Mn).

	Proportionate	
URW Valuation as at Dec. 31, 2019 (€ Mn)	**2,984**	(a)
Like-for-like revaluation	- 281	
Revaluation of non like-for-like assets	- 31	
Capex/ Acquisitions / Transfers	29	
URW Valuation as at Dec. 31, 2020 (€ Mn)	**2,701**	(b)

Figures may not add up due to rounding.

(a) Excluding the Convention & Exhibition space in Carrousel du Louvre and CNIT, 100%-owned by URW, the valuation for Viparis (including Palais des Sports, Les Boutiques du Palais and the hotels at Porte de Versailles) was €2,850 Mn.
(b) Excluding the Convention & Exhibition space in Carrousel du Louvre and CNIT, 100%-owned by URW, the valuation for Viparis (including Palais des Sports, Les Boutiques du Palais and the hotels at Porte de Versailles) was €2,584 Mn.

On a like-for-like basis, net of investments, the value of Convention & Exhibition venues decreased by -€281 Mn (-9.6%), of which -€140 Mn (-4.8%) in H1-2020 and -€141 Mn (-5.0%) in H2-2020. This decrease is driven by the review of the Business Plan to take into account the impact of COVID-19 on this activity.

1.5. Services

The Services portfolio is composed of URW's French, German, UK and US property services companies.

URW's Services portfolio is appraised annually by PwC as at each year-end to include all significant fee business activities in the portfolio at their market value for the calculation of URW's NAV. In URW's Consolidated statement of financial position, intangible assets are not revalued but recognized at cost less amortization charges and/or impairment losses booked.

	Proportionate	
URW Valuation as at Dec. 31, 2019 (€ Mn)	**1,676**	
Like-for-like revaluation	- 312	
Constant Currency Effect	- 66	(a)
URW Valuation as at Dec. 31, 2020 (€ Mn)	**1,299**	

Figures may not add up due to rounding.

(a) Currency impact of -€66 Mn in total, including the UK (-€38 Mn) and the US (-€27 Mn), before offsets from foreign currency loans and hedging programs.

The negative like-for-like revaluation is significantly impacted by the decrease in value of the DD&C business in the US and the UK (-€144 Mn).

1.6. Proportionate, IFRS and Group share figures for the property portfolio

The figures presented previously in the chapter are on a proportionate basis.

The following tables also provide the IFRS GMV and the Group share level (in GMV) for URW's assets:

	Proportionate		IFRS		Group share	
URW Asset portfolio valuation - Dec. 31, 2020	€ Mn	%	€ Mn	%	€ Mn	%
Shopping Centres	47,905	85%	45,948	85%	41,799	86%
Offices & Others	4,409	8%	4,241	8%	4,223	9%
Convention & Exhibition	2,701	5%	2,703	5%	1,410	3%
Services	1,299	2%	1,299	2%	1,218	3%
Total URW	**56,314**	**100%**	**54,192**	**100%**	**48,649**	**100%**

URW Asset portfolio valuation - Dec. 31, 2019	€ Mn	%	€ Mn	%	€ Mn	%
Shopping Centres	56,495	86%	53,995	86%	49,474	87%
Offices & Others	4,186	6%	4,106	7%	4,088	7%
Convention & Exhibition	2,984	5%	2,985	5%	1,560	3%
Services	1,676	3%	1,676	3%	1,587	3%
Total URW	**65,341**	**100%**	**62,762**	**100%**	**56,708**	**100%**

URW Like-for-like change - net of Investments - 2020	€ Mn	%	€ Mn	%	€ Mn	%
Shopping Centres	- 5,388	-11.3%	- 4,080	-10.7%	- 3,706	-10.9%
Offices & Others	- 40	-2.5%	- 22	-1.6%	- 23	-1.6%
Convention & Exhibition	- 281	-9.6%	- 281	-9.6%	- 149	-9.7%
Services	- 312	-18.6%	- 312	-18.6%	- 304	-19.1%
Total URW	**- 6,020**	**-11.2%**	**- 4,695**	**-10.6%**	**- 4,181**	**-10.9%**

URW Like-for-like change - net of Investments - 2020 - Split rent/yield impact	Rent impact %	Yield impact %	Rent impact %	Yield impact %	Rent impact %	Yield impact %
Shopping Centres	-3.6%	-7.8%	-2.1%	-8.5%	-2.3%	-8.6%
Offices & Others	2.2%	-4.7%	1.0%	-2.6%	1.1%	-2.7%

URW Net Initial Yield	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Shopping Centres (a)	4.5%	4.3%	4.5%	4.3%	4.5%	4.3%
Offices & Others - occupied space (b)	4.9%	5.5%	4.9%	5.4%	4.9%	5.4%

Figures may not add up due to rounding.

(a) Annualized contracted rent (including indexation) and other incomes for the next 12-months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under development and shopping centres not controlled by URW (Zlote Tarasy, Gropius Passagen, the Entity, and the Blum/Centennial and Starwood Ventures entities) are not included in the calculation. Shopping centres held by companies accounted for using the equity method are not included in the calculation of IFRS and Group share but are included in the proportionate.
(b) Annualized contracted rent (including latest indexation) and other incomes for the next 12-months, net of operating expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. Offices under development are not included in the calculation. Offices held by companies accounted for using the equity method are not included in the calculation of IFRS and Group share but are included in the proportionate.

Bridge between Proportionate and IFRS €Mn	**Asset portfolio valuation (including transfer taxes)**
Total URW on a proportionate basis	**56,314**
(-) Assets joint-controlled on a proportionate basis	- 9,304
(+) Share investments in assets joint-controlled	7,181
Total URW under IFRS	**54,192**

Figures may not add up due to rounding.

1.7. Additional Valuation parameters - IFRS 13

URW complies with the IFRS 13 fair value measurement and the position paper[62] on IFRS 13 established by EPRA, the representative body of the publicly listed real estate industry in Europe.

Considering the limited public data available, the complexity of real estate asset valuations, as well as the fact that appraisers use in their valuations the non-public rent rolls of the Group's assets, URW believes it is appropriate to classify its assets under Level 3. In addition, unobservable inputs, including appraisers' assumptions on growth rates and ECR, are used by appraisers to determine the fair value of URW's assets.

In addition to the disclosures provided above, the following tables provide a number of quantitative data in order to assess the fair valuation of the Group's assets.

<u>Shopping Centres</u>

All shopping centres are valued using the discounted cash-flow and / or yield methodologies using compound annual growth rates as determined by the appraisers.

Shopping Centres - Dec. 31, 2020		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalization Rate (c)	CAGR of NRI (d)
France	Max	7.1%	834	9.3%	8.1%	20.3%
	Min	1.9%	143	5.6%	3.9%	2.2%
	Weighted average	4.4%	563	6.0%	4.3%	3.8%
Central Europe	Max	7.0%	587	8.9%	8.2%	3.5%
	Min	4.6%	134	6.7%	4.9%	2.0%
	Weighted average	5.1%	389	7.1%	5.2%	2.7%
Spain	Max	8.0%	537	9.8%	7.8%	5.9%
	Min	4.1%	125	6.9%	4.6%	3.6%
	Weighted average	4.6%	340	7.2%	4.8%	5.1%
Nordics	Max	5.2%	421	8.5%	5.5%	5.6%
	Min	3.7%	180	6.3%	4.3%	3.8%
	Weighted average	4.1%	351	6.8%	4.5%	4.7%
Germany	Max	7.9%	471	8.4%	7.3%	4.0%
	Min	4.1%	154	6.1%	4.2%	2.0%
	Weighted average	4.7%	292	6.5%	4.7%	3.2%
Austria	Max	4.7%	388	6.3%	4.5%	2.5%
	Min	4.5%	340	6.2%	4.4%	2.5%
	Weighted average	4.6%	363	6.3%	4.4%	2.5%
The Netherlands	Max	7.3%	351	8.1%	7.1%	3.2%
	Min	4.4%	142	6.2%	4.5%	2.0%
	Weighted average	5.3%	239	6.8%	5.3%	2.6%
US	Max	11.8%	1,868	10.5%	8.5%	11.3%
	Min	3.1%	213	5.8%	4.3%	0.8%
	Weighted average	4.2%	523	6.5%	5.0%	4.2%
UK & Italy	Max	5.5%	619	7.5%	6.1%	4.6%
	Min	5.0%	575	7.2%	5.9%	3.7%
	Weighted average	5.2%	594	7.4%	6.1%	4.2%

NIY, DR and ECR weighted by GMV. Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled by URW, the trademark and the airport activities are not included in this table.
(a) Average annual rent (MGR + SBR) per asset per sqm.
(b) Rate used to calculate the net present value of future cash-flows.
(c) Rate used to capitalize the exit rent to determine the exit value of an asset.
(d) CAGR of NRI determined by the appraiser (between 6 and 10 years depending on duration of DCF model used).

[62] EPRA Position Paper on IFRS 13 - Fair value measurement and illustrative disclosures, February 2013.

For the US, the split between Flagships and Regionals is as follows:

Shopping Centres - Dec. 31, 2020		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalization Rate (c)	CAGR of NRI (d)
US Flagships (e)	Max	7.3%	1,868	8.8%	7.0%	6.8%
	Min	3.1%	297	5.8%	4.3%	0.8%
	Weighted average	3.7%	691	6.2%	4.7%	4.4%
US Regionals (e)	Max	11.8%	550	10.5%	8.5%	11.3%
	Min	4.0%	213	6.8%	5.8%	1.0%
	Weighted average	6.1%	322	8.1%	6.4%	3.8%

NIY, DR and ECR weighted by GMV. Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled by URW, the trademark and the airport activities are not included in this table.
(a) Average annual rent (MGR + SBR) per asset per sqm.
(b) Rate used to calculate the net present value of future cash-flows.
(c) Rate used to capitalize the exit rent to determine the exit value of an asset.
(d) CAGR of NRI determined by the appraiser (10 years).
(e) The split between US Flagships and US Regionals has changed compared to the previous communications due to the reclassification of Westfield Annapolis, Westfield Fashion Square and Westfield Santa Anita from Flagships to Regionals and Westfield Mission Valley from Regionals to Flagships.

The CAGR of NRI is based on 2020 NRI, which is lower than the 2019 NRI. Compared to 2019, the CAGR of NRI are as follows:

Shopping Centres - Dec. 31, 2020	**CAGR of NRI - Starting from 2020**	**CAGR of NRI - Starting from 2019**	**CAGR of NRI in 2019 valuations**
France	3.8%	3.0%	3.7%
Central Europe	2.7%	1.9%	2.5%
Spain	5.1%	2.2%	3.1%
Nordics	4.7%	3.0%	3.4%
Germany	3.2%	2.3%	2.8%
Austria	2.5%	1.7%	2.5%
The Netherlands	2.6%	2.2%	3.2%
US Flagships	4.4%	3.1%	4.2%
US Regionals	3.8%	2.2%	3.6%
UK & Italy	4.2%	1.6%	3.0%
Average URW	**3.8%**	**2.5%**	**3.4%**

2. EPRA Net Asset Value metrics calculation

In October 2019, EPRA released its revised Best Practices Recommendations for the calculation of NAV. As discussed above, EPRA NAV and EPRA NNNAV are replaced by three new metrics: EPRA NRV, EPRA NTA and EPRA NDV[63].

URW does not believe the EPRA NTA reflects the total value of its business as it ignores the value of intangible assets and the fee businesses which are integral parts of its business model.

The Group calculated the new metrics as at December 31, 2019, and as at December 31, 2020. The EPRA NAV and EPRA NNNAV as at December 31, 2019, were added to the table for comparison purposes.

The EPRA measures are calculated by adjusting the equity attributable to the holders of the Stapled Shares, as shown in the Consolidated statement of financial position (under IFRS), for the items as described below. These apply differently to each metric as noted.

2.1. Equity attributable to the holders of the Stapled Shares

As at December 31, 2020, the Equity attributable to the holders of the Stapled Shares (which excludes both the Hybrid securities and the External non-controlling interests) came to €17,393.5 Mn.

The Equity attributable to the holders of the Stapled Shares incorporated the net recurring profit in the period of €1,056.6 Mn and the net negative impact in the period of -€8,269.2 Mn as a result of negative valuation movements, goodwill impairment and the negative mark-to-market of financial instruments.

2.2. Revaluation to fair value of investment properties, development properties held for investment and other non-current investments

Three adjustments are made relative to the IFRS accounts for all EPRA metrics:

a. Where URW has accounted for investment properties at cost under the option in IAS 40, the revaluation of such assets to fair value, as measured in accordance with IAS 40, is adjusted;
b. Where URW holds properties at cost under IAS 16, any valuation increase/decrease to fair value at the reporting date is adjusted;
c. Any other non-current assets with a reliably determined fair value which is not included in the equity under IFRS is also adjusted. If applicable, the basis of valuation, and, in particular, whether or not a third-party appraiser was involved, is disclosed.

The appraisal of the operating asset of URW (7 Adenauer, Paris 16th), held at cost under IAS 16, gave rise to an unrealized capital gain of +€54 Mn, which was thus added back for the purpose of the EPRA NRV, EPRA NTA and EPRA NDV calculation.

2.3. Deferred tax in relation to fair value movements in investment property

EPRA NRV: Excludes the deferred tax as per the IFRS balance sheet in respect of the difference between the fair value and the tax book value of investment property, development property held for investment, intangible assets, or other non-current investments as this would only become payable if the assets were sold.

The deferred tax relating to the financial instruments, which would not crystallize until or unless the financial instrument is sold, is also excluded. The same treatment is adopted for any deferred tax relating to property depreciation allowances (in the UK capital allowances) that could reverse on disposal of the property.

EPRA NTA: Under the revised EPRA methodology, three options are available:

a. When a company has clearly and specifically identified in its reporting part of its portfolio that it intends to hold and does not intend in the long run to sell, exclude such deferred taxes which are attributable to such part of the portfolio.

[63] For further information on this change, please refer to the EPRA website: https://www.epra.com/application/files/2315/7321/0568/EPRA_FAQ_-_FINAL_version.pdf.

b. A company may specifically identify, based on its track record and/or tax structuring, that deferred tax which will only partially crystallize for part of its portfolio. In this case, the deferred tax can be reduced by a specific percentage for such part of the portfolio. For the avoidance of doubt, deferred taxes are supposed to have crystallized whether it is payed as an actual tax, or as part of a purchase price reduction, or in any other shape or form (whether cash or not). In such case, the company must disclose the basis and methodology for such treatment in the EPRA NTA calculation. This must include the disclosure of the way the percentage of saving has been calculated, as well as the disclosure of the most recent percentage of saving achieved in similar transaction.
c. In any other cases, exclude 50% of the deferred taxes.

URW has adopted the third option.

EPRA NDV: The deferred tax as per the IFRS balance sheet is assumed under this method to hypothetically crystallize, therefore, no adjustment is made. This is on the basis of a hypothetical sale of all of the assets and settlement of all of the liabilities of the Group.

In the Group's IFRS consolidated accounts, deferred tax on property assets was calculated in accordance with accounting standards as at December 31, 2020.
As a result, and consistent with the methodology described above, for the purpose of the EPRA NRV calculation, deferred taxes (€2,023 Mn) were added back for the calculation of EPRA NRV, and for the calculation of the EPRA NTA. For the EPRA NTA calculation, -€1,011 Mn of effective deferred taxes were then deducted. The EPRA NDV was not adjusted.

2.4. Fair value of financial instruments

EPRA NRV and EPRA NTA: Excludes the fair value of financial instruments that are used for hedging purposes where the company has the intention of keeping the hedge position until the end of the contractual duration. Whether the URW has chosen to/is able to apply hedge accounting under IFRS is irrelevant. The mark-to-market value of any convertible debt or other financial instrument is excluded from net assets.

The logic for this adjustment is that, under normal circumstances, the financial derivatives that companies use to provide an economic hedge are held until maturity and so any fair value movements will not ultimately crystallize.

Likewise, the fair value of any foreign currency hedging instrument (where the hedge instrument is intended to be held to maturity) associated with changes in interest rates is excluded from the EPRA NRV and EPRA NTA measures.

EPRA NDV: Includes the full fair value of financial instruments, including the fair value of any loans and borrowings held at amortized cost under IFRS. The logic is that, under conditions of immediate disposal, a company may lack financial flexibility and may not be in a position to allow debt and associated derivatives run to expiry, as assumed in the EPRA NRV and EPRA NTA. EPRA NDV therefore requires the inclusion of the full fair value of financial debt and financial instruments, net of the associated deferred tax effect.

Therefore, the fair value adjustment of financial instruments recorded in the IFRS consolidated statement of financial position was added back by URW for the EPRA NRV and EPRA NTA calculation for a total amount of €929 Mn (excluding exchange rate hedging), and remained at the IFRS value for the EPRA NDV.

Fair value movements of foreign currency hedging instruments (fair value hedges or net investment hedges) recorded in the balance sheet and associated with foreign exchange retranslation remains in all three NAV metrics (NRV, NTA, and NDV) to offset the movement in the underlying investment being hedged.

2.5. Goodwill as a result of deferred taxes

All metrics exclude goodwill arising as a direct result of accounting for deferred tax in an acquisition.

Goodwill booked on the balance sheet as a result of deferred taxes of -€200 Mn as at December 31, 2020, was accordingly excluded from the EPRA NRV, EPRA NTA and EPRA NDV.

2.6. Other Goodwill as per the IFRS Balance Sheet

EPRA NRV: Goodwill as per the IFRS balance sheet is not adjusted, except where it relates to deferred taxes as noted above.

EPRA NTA and EPRA NDV: All Goodwill as per the balance sheet is excluded.

Goodwill booked on the balance sheet (which is mainly related to the Westfield acquisition) of -€1,049 Mn was thus deducted from the EPRA NTA and EPRA NDV (net of the goodwill resulting from deferred taxes already deducted).

2.7. Intangibles as per the IFRS Balance Sheet

EPRA NRV and EPRA NDV: Intangibles as per the IFRS balance are not adjusted for EPRA NRV and EPRA NDV calculation.

EPRA NTA: Intangibles as per the balance sheet are excluded from EPRA NTA.

Intangible assets of -€876 Mn have thus been deducted from the EPRA NTA.

2.8. Fair value of fixed interest rate debt

EPRA NRV and EPRA NTA: No adjustment to be made.

EPRA NDV: Any financial liability and asset on the balance sheet of the company is accounted for at fair value, net of any related deferred tax.

The value of the fixed rate debt on the balance sheet of the Group is equal to the nominal value of the UR debt and the fair value of the Westfield debt at the accounting combination date (May 31, 2018). Taking fixed rate debt at its fair value would have a negative impact of -€865 Mn as at December 31, 2020. This impact was taken into account in the EPRA NDV calculation.

2.9. Revaluation of intangibles to fair value

EPRA NRV: When the fair value of an intangible asset can reliably be determined and is not already included within goodwill or otherwise recorded on the balance sheet, it is added to the EPRA NRV. The basis of valuation is disclosed. URW uses an external valuer at least annually to determine the valuation of such intangible assets and discloses the name of the firms undertaking the valuations. Care is taken that no double counting takes place with the Goodwill on the balance sheet.

EPRA NTA and EPRA NDV: No adjustment is made.

The appraisal of property services companies in France, the US, the UK and Germany, the airport activities (excluding LAX and Chicago), the trademark and of the operations ("fonds de commerce") of Viparis Porte de Versailles, Paris Nord Villepinte, Palais des Congrès de Paris and Palais des Congrès d'Issy-les-Moulineaux, meet the criteria of this adjustment and have been so valued. This gave rise to an unrealized capital gain of +€1,113 Mn, which was added for the purpose of the EPRA NRV calculation.

2.10. Real estate transfer tax

EPRA NRV: Includes transfer taxes, by using the gross value of assets as provided in the Valuation Certificate (i.e. the value prior to any deduction of purchasers' costs).

EPRA NTA: Uses the IFRS values (usually the Net Value in the Valuation Certificate, i.e. the property value net of any purchasers' costs). However, URW has utilized the allowed option to use the optimized net property value as it can reasonably demonstrate that it can actually achieve this optimization on a consistent basis. The average transfer tax achieved is thus used.

EPRA NDV: No adjustment is made to the IFRS value.

As at December 31, 2020, the transfer taxes and costs deducted from asset values in the statement of financial position (in accordance with IFRS) amounted to €1,836 Mn. For the purpose of the EPRA NRV calculation, this amount was added back.

For the purpose of the EPRA NTA calculation, the Group used the optimized net property value as noted. Transfer taxes and transaction costs are estimated after taking into account the likely disposal scenario: sale of the asset or of the company that owns it.

As at December 31, 2020, these estimated transfer taxes and other transaction costs compared to transfer taxes and costs already deducted from asset values on the statement of financial position (in accordance with IFRS) came to a positive net adjustment of +€522 Mn.

2.11. Fully diluted number of shares

Dilution from securities giving access to share capital as at December 31, 2020, was computed for such instruments “in the money” and having fulfilled the performance conditions.

In accordance with IFRS, financial instruments and the ORNANEs[64] were recorded on URW’s statement of financial position at their fair value with the impact of the change in fair value included in the income statement and thus in the equity attributable to the holders of the Stapled Shares.

The ORNANEs issued in 2014 and 2015 were not restated for the EPRA measures calculation as they were “out of the money” as at December 31, 2020, and therefore had no impact on the number of shares.

The exercise of “in the money” stock-options and performance shares with the performance conditions fulfilled as at December 31, 2020, would have led to a rise in the number of shares by +314,217, without any impact on the equity attributable to the holders of the Stapled Shares as they relate only to performance shares.

As at December 31, 2020, the fully-diluted number of shares taken into account for the EPRA measures calculations was 138,786,602.

2.12. URW’s EPRA NRV

URW’s EPRA NRV stood at €23,148 Mn or €166.80 per share (fully-diluted) as at December 31, 2020. The EPRA NRV per share decreased by -€62.00 (or -27.1%) compared to December 31, 2019.

The decrease of -€62.00 compared to December 31, 2019, was the sum of: (i) -€-55.25 per share representing the sum of: (a) -€56.89 per share representing the revaluation of investment properties, the impairment of goodwill and intangible assets and the capital gains on disposals, (b) the Recurring Earnings Per Share of +€7.63, (c) -€2.31 per share due to transfer taxes; (d) -€1.96 per share due to the deferred taxes on Balance Sheet and effective deferred taxes; (e) +€1.15 per share due to intangible assets; and (f) other effects of -€2.87 per share; (ii) the impact of the payment of the dividend for 2019 of -€5.40 per share; and (iii) the negative impact of the mark-to-market of financial assets of -€1.35 per share.

2.13. URW’s EPRA NTA

URW’s EPRA NTA stood at €17,785 Mn or €128.10 per share (fully-diluted) as at December 31, 2020. The EPRA NTA per share decreased by -€49.50 (or -27.9%) compared to December 31, 2019.

2.14. URW’s EPRA NDV

UWR’s EPRA NDV stood at €15,334 Mn or €110.50 per share (fully-diluted) as at December 31, 2020. The EPRA NDV per share decreased by -€49.00 (or -30.7%) compared to December 31, 2019.

The decrease of -€49.00 compared to December 31, 2019, was the sum of: (i) -€-40.68 per share representing the sum of: (a) -€56.89 per share representing the revaluation of investment properties, the impairment of goodwill and intangible assets and the capital gains on disposals, (b) the Recurring Earnings Per Share of +€7.63 per share, (c) +€11.75 per share due to the neutralization of the goodwill impairment, and (d) other effects of -€3.17 per share; (ii) the impact of the payment of the dividend for 2019 of -€5.40 per share; and (iii) the negative impact of the mark-to-market of financial assets and fixed interest rate debt of -€2.92 per share.

[64] Net share settled bonds convertible into new and/or existing shares (ORNANE) – see Financial resources note.

3. EPRA Net Asset Value metrics table

	Dec. 31, 2019				
	Current measures			Previously reported measures	
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
Equity attributable to the holders of the Stapled Shares (IFRS)	**25,951**	**25,951**	**25,951**	**25,951**	**25,951**
Include / Exclude:*					
i) Hybrid instruments	-	-	-	-	-
Diluted NAV	**25,951**	**25,951**	**25,951**	**25,951**	**25,951**
Include:*					
ii.a) Revaluation of IP (if IAS 40 cost option is used)	53	53	53	53	53
ii.b) Revaluation of IPUC(1) (if IAS 40 cost option is used)	0	0	0	0	0
ii.c) Revaluation of other non-current investments (2)	0	0	0	0	0
iii) Revaluation of tenant leases held as finance leases (3)	0	0	0	0	0
iv) Revaluation of trading properties (4)	0	0	0	0	0
Diluted NAV at Fair Value	**26,004**	**26,004**	**26,004**	**26,004**	**26,004**
Exclude:*					
v) Deferred tax in relation to fair value gains of IP(5) detailled below:					
v.a) Reversal of deferred taxes on Balance sheet	2,295	2,295	-	2,295	2,295
v.b) Effective deferred taxes on capital gains	-	- 1,004	-	-	- 1,004
vi) Fair value of financial instruments	547	547	-	547	-
vii) Goodwill as a result of deferred tax	- 241	- 241	- 241	- 241	- 241
viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	- 2,637	- 2,637	-	-
viii.b) Intangibles as per the IFRS balance sheet	-	- 984	-	-	-
Include:*					
ix) Fair value of fixed interest rate debt	-	-	- 1,022	-	- 1,022
x) Revaluation of intangibles to fair value	952	-	-	952	952
xi) Real estate transfer tax(6)	2,156	627	-	-	627
NAV	**31,712**	**24,606**	**22,103**	**29,556**	**27,611**
Fully diluted number of shares	138,577,341	138,577,341	138,577,341	138,577,341	138,577,341
NAV per share	**€228.80**	**€177.60**	**€159.50**	**€213.30**	**€199.20**

Figures may not add up due to rounding.

(1) Difference between development property held on the balance sheet at cost and fair value of that development property.
(2) Revaluation of intangibles are presented under adjustment (x). Revaluation of Intangibles to fair value is not under this line item.
(3) Difference between finance lease receivables held on the balance sheet at amortized cost and the fair value of those finance lease receivables.
(4) Difference between trading properties held on the balance sheet at cost (IAS 2) and the fair value of those trading properties.
(5) Deferred tax adjustment for NTA calculated in line with the EPRA guidelines.
(6) Real estate transfer taxes were adjusted in accordance with the EPRA guidelines.
* "Include" indicates that an asset (whether on or off balance sheet) should be added to the shareholders' equity, whereas a liability should be deducted.
* "Exclude" indicates that an asset (part of the balance sheet) is reversed, whereas a liability (part of the balance sheet) is added back.

	Dec. 31, 2020		
	EPRA NRV	**EPRA NTA**	**EPRA NDV**
Equity attributable to the holders of the Stapled Shares (IFRS)	**17,394**	**17,394**	**17,394**
Include / Exclude:*			
i) Hybrid instruments	-	-	-
Diluted NAV	**17,394**	**17,394**	**17,394**
Include:*			
ii.a) Revaluation of IP (if IAS 40 cost option is used)	54	54	54
ii.b) Revaluation of IPUC(1) (if IAS 40 cost option is used)	0	0	0
ii.c) Revaluation of other non-current investments (2)	0	0	0
iii) Revaluation of tenant leases held as finance leases (3)	0	0	0
iv) Revaluation of trading properties (4)	0	0	0
Diluted NAV at Fair Value	**17,447**	**17,447**	**17,447**
Exclude:*			
v) Deferred tax in relation to fair value gains of IP(5) detailled below:			
v.a) Reversal of deferred taxes on Balance sheet	2,023	2,023	-
v.b) Effective deferred taxes on capital gains	-	- 1,011	-
vi) Fair value of financial instruments	929	929	-
vii) Goodwill as a result of deferred tax	- 200	- 200	- 200
viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	- 1,049	- 1,049
viii.b) Intangibles as per the IFRS balance sheet	-	- 876	-
Include:*			
ix) Fair value of fixed interest rate debt	-	-	- 865
x) Revaluation of intangibles to fair value	1,113	-	-
xi) Real estate transfer tax(6)	1,836	522	-
NAV	**23,148**	**17,785**	**15,334**
Fully diluted number of shares	138,786,602	138,786,602	138,786,602
NAV per share	**€166.80**	**€128.10**	**€110.50**

Figures may not add up due to rounding.

(1) Difference between development property held on the balance sheet at cost and fair value of that development property.
(2) Revaluation of intangibles are presented under adjustment (x). Revaluation of Intangibles to fair value is not under this line item.
(3) Difference between finance lease receivables held on the balance sheet at amortized cost and the fair value of those finance lease receivables.
(4) Difference between trading properties held on the balance sheet at cost (IAS 2) and the fair value of those trading properties.
(5) Deferred tax adjustment for NTA calculated in line with the EPRA guidelines.
(6) Real estate transfer taxes were adjusted in accordance with the EPRA guidelines.
* "Include" indicates that an asset (whether on or off balance sheet) should be added to the shareholders' equity, whereas a liability should be deducted.
* "Exclude" indicates that an asset (part of the balance sheet) is reversed, whereas a liability (part of the balance sheet) is added back.

	EPRA NRV		
	Dec. 31, 2020	**June 30, 2020**	**Dec. 31, 2019**
Equity attributable to the holders of the Stapled Shares (IFRS)	**17,394**	**21,539**	**25,951**
Include / Exclude:*			
i) Hybrid instruments	-	-	-
Diluted NAV	**17,394**	**21,539**	**25,951**
Include:*			
ii.a) Revaluation of IP (if IAS 40 cost option is used)	54	54	53
ii.b) Revaluation of IPUC(1) (if IAS 40 cost option is used)	0	0	0
ii.c) Revaluation of other non-current investments(2)	0	0	0
iii) Revaluation of tenant leases held as finance leases(3)	0	0	0
iv) Revaluation of trading properties(4)	0	0	0
Diluted NAV at Fair Value	**17,447**	**21,593**	**26,004**
Exclude:*			
v) Deferred tax in relation to fair value gains of IP(5) detailled below:			
v.a) Reversal of deferred taxes on Balance sheet	2,023	2,156	2,295
v.b) Effective deferred taxes on capital gains	-	-	-
vi) Fair value of financial instruments	929	1,154	547
vii) Goodwill as a result of deferred tax	- 200	- 205	- 241
viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	-	-
viii.b) Intangibles as per the IFRS balance sheet	-	-	-
Include:*			
ix) Fair value of fixed interest rate debt	-	-	-
x) Revaluation of intangibles to fair value	1,113	703	952
xi) Real estate transfer tax(6)	1,836	1,962	2,156
EPRA NRV	**23,148**	**27,362**	**31,712**
Fully diluted number of shares	138,786,602	138,882,932	138,577,341
EPRA NRV per share	**€166.80**	**€197.00**	**€228.80**

Figures may not add up due to rounding.

(1) Difference between development property held on the balance sheet at cost and fair value of that development property.
(2) Revaluation of intangibles are presented under adjustment (x). Revaluation of Intangibles to fair value is not under this line item.
(3) Difference between finance lease receivables held on the balance sheet at amortized cost and the fair value of those finance lease receivables.
(4) Difference between trading properties held on the balance sheet at cost (IAS 2) and the fair value of those trading properties.
(5) Deferred tax adjustment for NTA calculated in line with the EPRA guidelines.
(6) Real estate transfer taxes were adjusted in accordance with the EPRA guidelines.
* "Include" indicates that an asset (whether on or off balance sheet) should be added to the shareholders' equity, whereas a liability should be deducted.
* "Exclude" indicates that an asset (part of the balance sheet) is reversed, whereas a liability (part of the balance sheet) is added back.

Evolution of EPRA NRV, EPRA NTA and EPRA NDV - per share (fully diluted)		EPRA NRV	EPRA NTA	EPRA NDV
As at December 31, 2019, per share		**€228.80**	**€177.60**	**€159.50**
Recurring Net Result		**7.63**	**7.63**	**7.63**
Revaluation of Investment Properties *		-44.66	-44.66	-44.66
Shopping Centres	-43.39			
Offices & Others	-0.22			
Convention & Exhibition	-1.04			
Depreciation or impairment of intangibles		-0.42	-0.42	-0.42
Impairment of goodwill		-11.19	-11.19	-11.19
Capital gain on disposals		-0.62	-0.62	-0.62
Subtotal revaluations, impairments and capital gain on disposals		**-56.89**	**-56.89**	**-56.89**
Mark-to-market of debt and financial instruments		-4.10	-4.10	-4.10
Taxes on non-recurring result		2.01	2.01	2.01
Other non-recurring result		-0.60	-0.60	-0.60
Subtotal non-recurring financial expenses, taxes and other		**-2.69**	**-2.69**	**-2.69**
Distribution		**-5.40**	**-5.40**	**-5.40**
Other changes in Equity attributable to the holders of the Stapled Shares		**-4.59**	**-4.59**	**-4.59**
Total changes in Equity attributable to the holders of the Stapled Shares		**-61.94**	**-61.94**	**-61.94**
Revaluation of Investment Properties (operating assets)		0.01	0.01	0.01
Impact of deferred taxes on Balance sheet and effective deferred taxes		-1.96	-2.02	-
Impact of fair value of financial instruments adjustment		2.75	2.75	-
Impact of impairment or changes in goodwill as per the IFRS balance sheet		0.30	11.75	11.75
Impact of real estate transfer tax		-2.31	-0.76	-
Impact from intangibles assets		1.15	0.71	-
Impact of fair value adjustment of fixed interest rate debt		-	-	1.18
Total changes due to NAV adjustments		**-0.06**	**12.44**	**12.94**
As at December 31, 2020, per share (fully diluted)		**€166.80**	**€128.10**	**€110.50**

Figures may not add up due to rounding.

(*) Revaluation of property assets is -€35.70 per share on a like-for-like basis, of which -€11.94 due to the rental effect and -€23.76 due to the yield effect, as appraisers have increased ECR and DR for a number of assets in the Shopping Centre portfolio due to the COVID-19 pandemic.

5. FINANCIAL RESOURCES

In 2020, all financial markets were affected by the COVID-19 pandemic. The credit markets were severely hit, with a significant increase in credit spreads and a few periods in which markets were effectively closed.
However, the extraordinary scale of the intervention by Central Banks (ECB, US Federal Reserve and the Bank of England) supported the credit markets and the access to liquidity for issuers. Moreover, market sentiment improved at year end following the announcement of vaccine candidates in November 2020.

Against this backdrop, URW raised €4,750 Mn of medium to long-term funds in the bond and bank markets including credit facility extensions. As at December 31, 2020, the Group had €11.4 Bn of cash on hand and undrawn credit lines (€11.5 Bn on a proportionate basis).

As the Group's financial covenants are calculated in accordance with IFRS, unless otherwise indicated, the financial information in this section is presented in accordance with IFRS. The Group also provides such information on a proportionate basis (see comparative table in section 5).

Unless otherwise indicated, comparisons to ratios, debt outstanding, average cost of debt, the amount of undrawn credit lines and cash on hand relate to December 31, 2019.

As at December 31, 2020:[65]
- The Interest Coverage Ratio[66] ("ICR") was 3.5x[67] (5.7x[68]);
- The Loan-to-Value ("LTV") ratio[69] was 44.7%[70] (38.6%).

The average cost of debt for the period was 1.7% (1.6%), representing the blended average cost of 1.1% for Euro and SEK denominated debt and 3.6% for USD and GBP denominated debt.

1. Debt structure as at December 31, 2020

URW's gross financial debt[71] was €26,385 Mn (€24,728 Mn).

The gross financial debt includes €603 Mn of net share settled bonds convertible into new and/or existing URW stapled shares (ORNANE) issued in June 2014 and in April 2015.

The increase in gross debt is primarily a result of the Group's decision to raise funds to increase liquidity in light of COVID-19, and of the full consolidation of the debt of JV entities following the acquisition of the JV partners' shares (50%) in five US assets (Westfield Brandon, Westfield Broward, Westfield Citrus Park, Westfield Countryside, and Westfield Sarasota) partly offset by the disposal of the five French assets and the debt early repayment completed in 2020.

The net financial debt was €24,248 Mn (€24,239 Mn), excluding partners' current accounts and taking into account cash on hand of €2,138 Mn[72] (€489 Mn), following the additional funds raised by the Group. Pro-forma for the receipt of the proceeds from the disposal of SHiFT and Les Villages 3, 4 and 6 office buildings, the net financial debt would be €23,470 Mn.

[65] Hybrid securities are accounted for as equity. The hybrid securities are deeply subordinated perpetual instruments with a coupon deferral option and are required to be classified as equity under IFRS. Details on the hybrid securities are available at:
https://images-urw.azureedge.net/-/media/Corporate~o~Sites/Unibail-Rodamco-Corporate/Files/Homepage/INVESTORS/Financing-Activity/Bond-Issues/Prospectuses-Hybrid/20180423-2018-Prospectus-Hybrid_onlyEN.ashx?revision=035329ae-9e2d-4980-a5c7-97b97e3f2fd1
[66] Recurring EBITDA / Recurring Net Financial Expenses (including capitalized interest). Recurring EBITDA is calculated as total recurring operating result and other income minus general expenses, excluding depreciation and amortization.
[67] 3.1x on a proportionate basis.
[68] 4.9x on a proportionate basis.
[69] Net financial debt as shown on the Group's balance sheet, after the impact of derivative instruments on debt raised in foreign currencies / total assets, including transfer taxes (46.3% excluding transfer taxes). The proportionate LTV ratio as at December 31, was 46.3% (48.0% excluding transfer taxes).
[70] Excluding €1,129 Mn of goodwill not justified by fee business as per the Group's European leverage covenants.
[71] After impact of derivative instruments on debt raised in foreign currencies. Excluding financial leases accounted as debt under IFRS 16.
[72] €2,270 Mn on a proportionate basis.

1.1. Debt breakdown

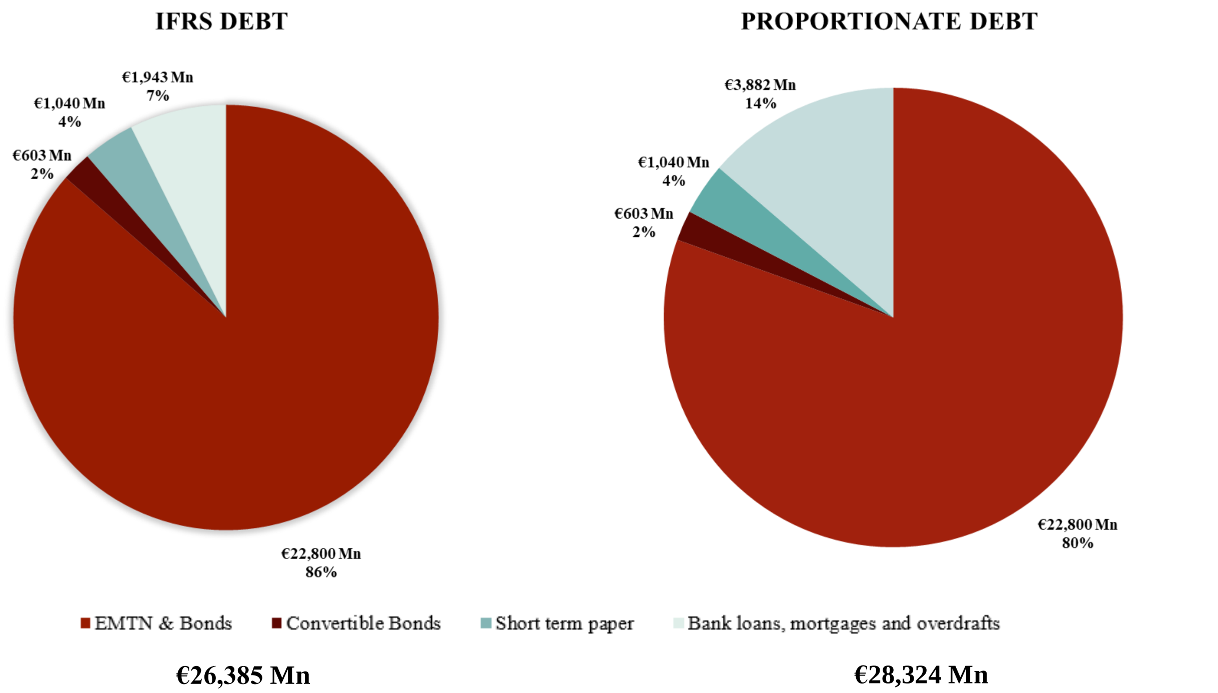
URW's gross financial debt as at December 31, 2020:[73]

	Total URW (€ Mn)
EMTN	18,243
Rule 144A and other Regulation S bonds	4,557
ORNANE	603
Short term paper	1,040
Bank loans and overdrafts	385
Mortgage loans	1,558
Total	**26,385**

The medium to long-term corporate debt issued by the various URW entities is cross guaranteed.
No loans are subject to prepayment clauses linked to the Group's credit ratings[74].

On a proportionate basis, the Group's gross financial debt stood at €28,324 Mn[75] (€27,034 Mn) and the net financial debt at €26,054 Mn (€26,440 Mn), after taking into account the cash on hand. Pro-forma for the receipt of the proceeds from the disposal of SHiFT and Les Villages 3, 4 and 6 office buildings, the net financial debt would be €25,277 Mn.

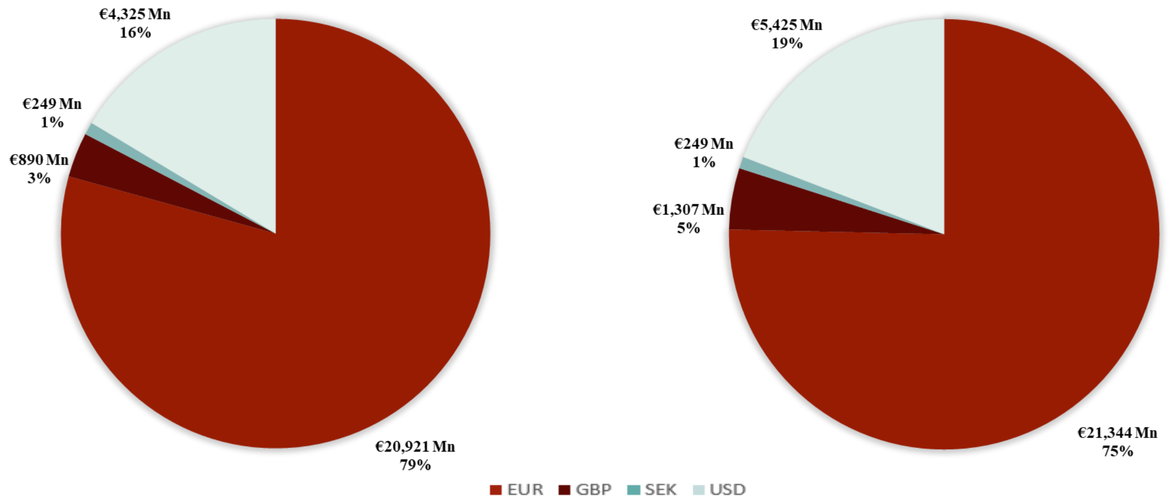
The Group's financing sources are as follows:



[73] Figures may not add up due to rounding.
[74] Barring exceptional circumstances (change in control).
[75] The sum of: (i) IFRS debt, and (ii) the Group's share of debt at joint ventures accounted for using the equity method under IFRS, most of which is secured by assets held in joint ventures (mainly in the US and the UK).

The split of the gross financial debt by currency is as follows:[76]

IFRS DEBT **PROPORTIONATE DEBT**



€26,385 Mn **€28,324 Mn**

1.2. Funds Raised

Despite the challenging market conditions, the Group secured additional liquidity and increased[77] its debt maturity, though at a higher cost, through the following public EMTN Bonds:

- On April 2, 2020:
  - €600 Mn with a 2.125% coupon and 5-year maturity;
  - €800 Mn with a 2.625% coupon and 10-year maturity;
- On June 22, 2020:
  - €750 Mn with a 2.0% coupon and 12-year maturity;
- On November 25, 2020:
  - €1,000 Mn with a 0.625% coupon and 6-year and 5 month maturity;
  - €1,000 Mn with a 1.375% coupon and 11-year maturity.

In total, €4,150 Mn of bonds were issued with a weighted average maturity of 9.0 years and a weighted average coupon of 1.66%.

Part of the long term debt raised was used to repay existing debt with shorter maturities, including:

- On September 4, 2020, $300 Mn partial repayment of the 144A bond maturing in October 2020;
- On December 2, 2020, €544.9 Mn (in nominal) tender offer on five outstanding public bonds maturing over 2021-2024 (representing 19.56% of the outstanding amount subject to the tender offer) with an average remaining maturity of 1.3 years and an average coupon of 1.0%;
- On December 16, 2020, €500 Mn full repayment of a Floating Rate Note private placement maturing in June 2021.

In addition, URW accessed the money markets by issuing short-term paper.

In April 2020, the Group raised £600 Mn in European Commercial Paper (ECP) from the Bank of England as part of its COVID Corporate Financing Facility (CCFF) programme with a maturity of 10 months and an average yield of 0.49%.

In December 2020, the Group fully repaid in advance the £600 Mn ECP maturing in Q1 2021 with its available cash.

The average amount of short-term paper[78] in 2020 was €1,364 Mn (€1,061 Mn on average in 2019).

[76] Figures may not add up due to rounding.
[77] Taking into account the undrawn credit lines and cash on hand.
[78] Neu CP, Neu MTN and ECP.

The Group also took the following actions in 2020 to ensure it had ample liquidity:

- In March, URW drew down part of its credit lines for a total amount of €3.2 Bn. These drawdowns were repaid and these credit lines are available in full at the end of December 2020;
- In April, a €100 Mn 1-year term loan was put in place with a yield of 0.49%;
- Since September, the Group extended part of its credit facilities for an amount of €500 Mn, with an average maturity of four years.

As at December 31, 2020, the total amount of undrawn credit lines[79] came to €9,240 Mn (€9,195 Mn) and the cash on hand came to €2,138 Mn (€489 Mn), which will be used to repay debt maturities coming due in the next 12-months. The undrawn credit lines include a $3,200 Mn (ca. €2,608 Mn) multi-currency revolving credit facility.
The average residual maturity of these undrawn credit lines stands at 1.9 year.

In addition, the Entity which acquired the five French assets raised a non-recourse mortgage loan of €1,010 Mn with a 7-year maturity at a yield of 1.69%.

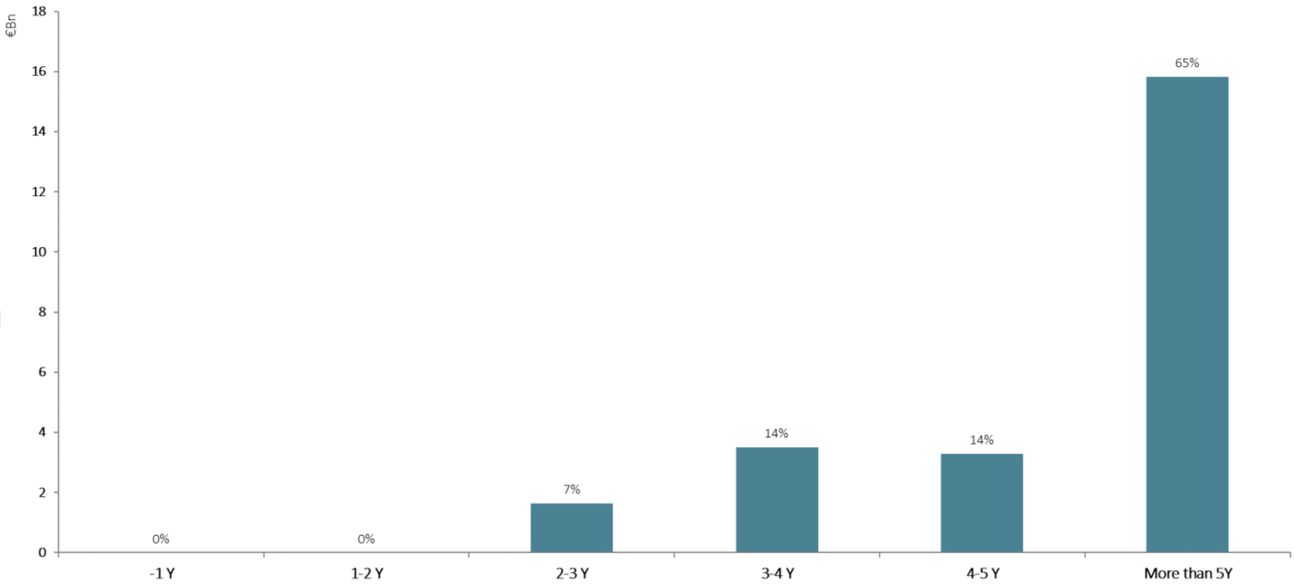
In November 2020, the Group acquired its JV partner's 50% share in five US assets (Westfield Brandon, Westfield Broward, Westfield Citrus Park, Westfield Countryside, and Westfield Sarasota).
These properties and their related mortgage debt are now fully consolidated in URW accounts as at December 31, 2020. This debt totals $411 Mn, reflecting the repayment in full of the Brandon mortgage debt ($131 Mn at 100%) in November 2020 through corporate financing. These properties and the related loans were previously equity accounted at the Group's 50% share.

1.3. Debt maturity

The average maturity of the Group's debt as at December 31, 2020, taking into account the undrawn credit lines[80] and cash on hand, stood at 8.4 years.

The following chart illustrates the split of URW's net financial debt as at December 31, 2020, by maturity date, after the allocation of the undrawn part of the credit lines and based on the residual life of its facilities.

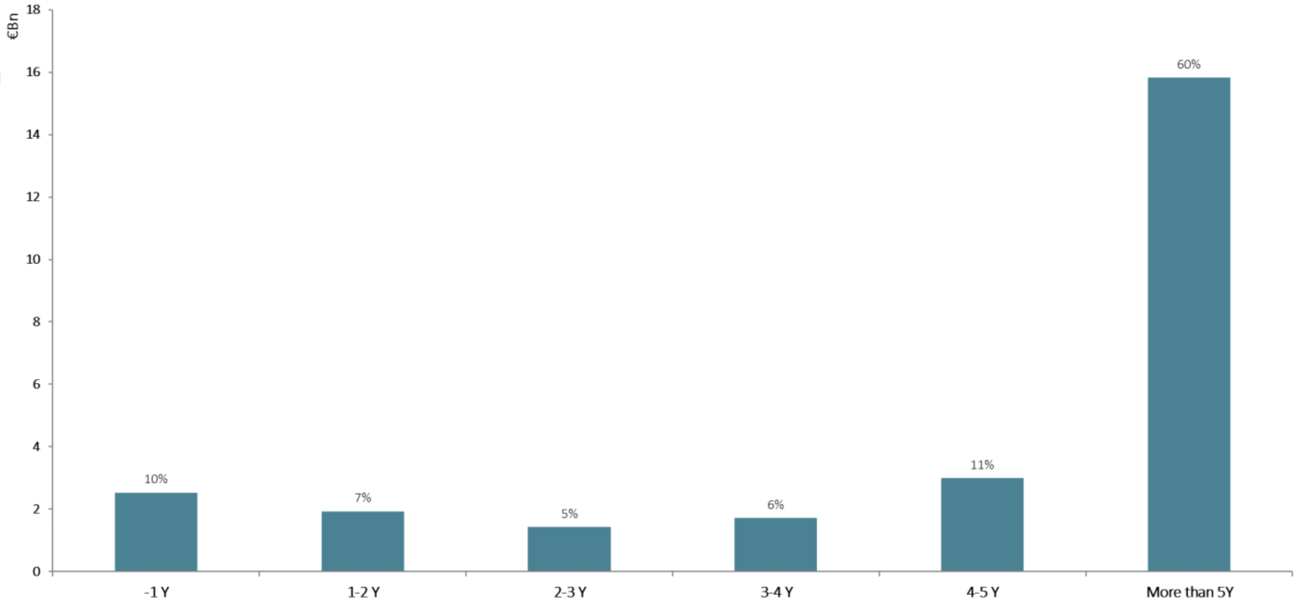
100% of the debt had a maturity of more than two years as at December 31, 2020 (after taking into account undrawn credit lines and cash on hand).



[79] Subject to covenants.
[80] Subject to covenants.

The average maturity of the Group's debt as at December 31, 2020, without taking into account the undrawn credit lines and cash on hand, stood at 7.5 years.

The following chart illustrates URW's gross financial debt as at December 31, 2020, by maturity date without taking into account cash on hand and available credit lines.



Liquidity needs

URW's debt repayment needs for the next 12-months (€2,518 Mn)[81] are fully covered by the cash on hand (€2,138 Mn)[82] and available undrawn credit lines[83] (€9,240 Mn). These debt repayment needs have been reduced by €1,513 Mn of early repayment completed in 2020 including ECP and bonds buybacks.
The amount of bonds, ORNANE, mortgage and bank loans outstanding as at December 31, 2020, and maturing or amortizing within one year is €1,469 Mn (including €1,125 Mn of bonds and ORNANE). The amount of Neu CP maturing in the next twelve months is €1,040 Mn.
The credit facilities maturing over the next 12-months stands at €2,350 Mn. URW has engaged in discussions to extend these lines.

1.4. Average cost of debt

The average cost of debt as at December 31, 2020, was 1.7% (1.6%), representing the blended average cost of 1.1% for Euro and SEK denominated debt and 3.6% for USD and GBP denominated debt.

This average cost of debt results from:

- The low coupon levels the Group achieved on its fixed rate debt;
- The level of margins on existing borrowings;
- The hedging instruments in place;
- The cost of carry of the undrawn credit lines;
- The cost of debt to finance the Westfield acquisition;
- Higher base rates in the US and the UK and debt issued by Westfield prior to completion of the acquisition;
- The cost of carry in relation with the significant liquidity raised by the Group in 2020;
- The impact of rating downgrade in 2020 on the cost of its credit lines and financing.

[81] Including short term paper maturing in 2021 (€1,040 Mn) and overdrafts (€10 Mn) and excluding mortgage debt under foreclosure in the US.
[82] To be noted that the cash on hand does not include proceeds from the disposal of SHiFT and Les Villages 3, 4 and 6 office buildings.
[83] Subject to covenants.

2. Ratings

URW has a solicited rating from both Standard & Poor's (S&P) and Moody's.

Due to the expected impact of the COVID-19 crisis on the Group, on March 27, 2020:

- S&P downgraded URW's long-term rating from "A" to "A-"and its short-term rating from "A-1" to "A-2", with a negative outlook;
- Moody's downgraded URW's long-term rating from "A2" to "A3", with a negative outlook.

On September 16, 2020, following the "RESET plan" announcement:

- S&P published a press release, affirming the Group's ratings at "A-/A-2", with negative outlook unchanged (long-term and short-term respectively);
- Moody's downgraded URW's long-term rating from "A3" to "Baa1", while changing the outlook from negative to stable.

These ratings were subject to the completion of the RESET plan, including the €3.5 Bn capital increase which was subject to the EGM vote.

On November 12, 2020, following the EGM vote result and the decision not to proceed with the capital increase:

- S&P downgraded URW's long-term rating from "A-" to "BBB+" with a negative outlook while maintaining the Group's short-term rating unchanged at "A-2";
- Moody's confirmed the Group's rating at "Baa1", while changing its outlook from stable to "review for downgrade".

3. Market risk management

Market risks can generate losses resulting from fluctuations in interest rates, exchange rates, raw material prices and share prices. URW's risk mainly relates to interest rate fluctuations on the debt it has taken out to finance its investments and maintain the cash position it requires and exchange rate fluctuations due to the Group's activities in countries outside the Eurozone, in particular in the US and the UK. The Group, through its activities, may be exposed to market risks which can generate losses as a result of fluctuations in stock markets. The Group is either: (i) directly exposed to fluctuations in stock prices due to the ownership of shares or financial instruments, or, (ii) indirectly exposed to fluctuations in stock prices, due to the ownership of funds, investment instruments or share based derivatives which are directly correlated with the price of the asset underlying such derivatives.

URW's interest risk management policy aims to limit the impact of interest rate fluctuations on results, while minimizing 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.

URW's exchange rate policy objective is to have a ratio that is broadly consistent[84] currency by currency. Thus, the Group raises debt in local currency, uses derivatives and buys or sells foreign currencies at spot or forward rates.
Due to its use of derivatives, 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. The Group implemented IFRS 13 for the mark-to-market calculations of its derivative transactions.

*In millions**	**Euros[85]**	**USD**	**GBP**	**Total eq. EUR**
Assets[86]	**39,233**	**14,249**	**3,008**	**54,192**
Net Financial Debt	**19,136**	**5,207**	**781**	**24,248**
LTV [87]	**48.8%**	**36.5%**	**26.0%**	**44.7%**

**In local currencies*

On a proportionate basis, the Group's LTV was 46.3% as at December 31, 2020**.**

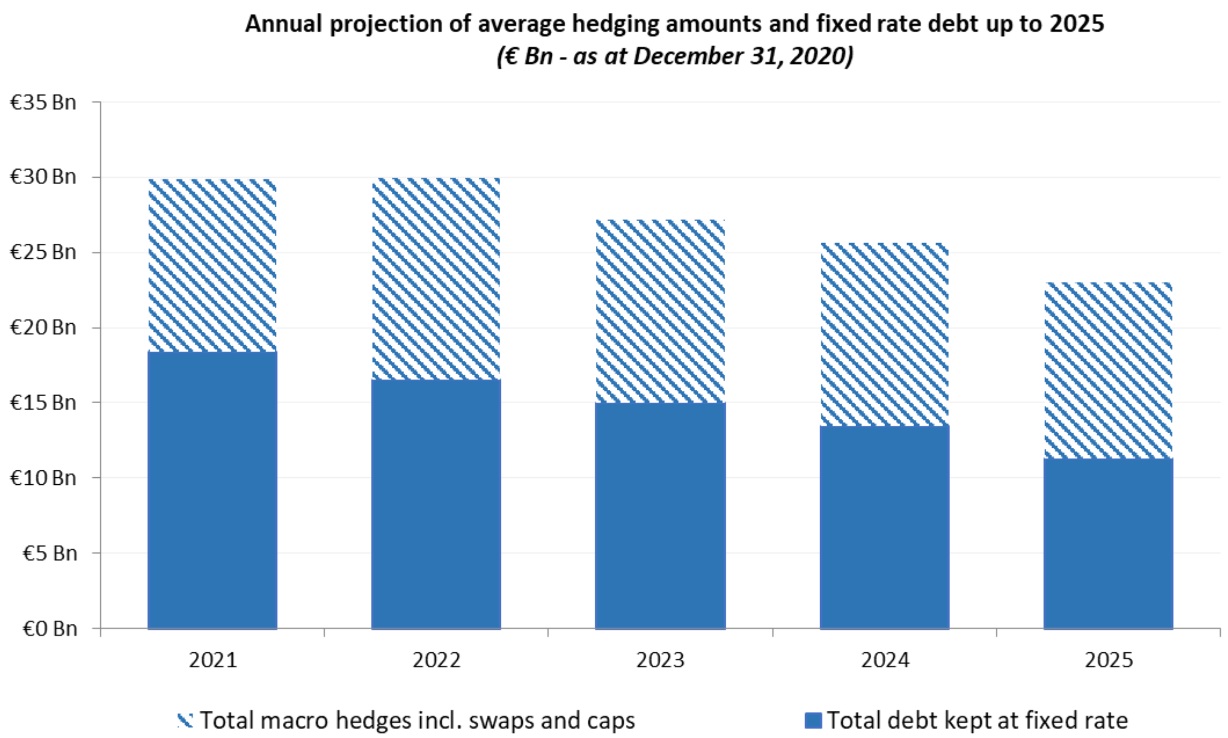
[84] On a proportionate basis.
[85] Including SEK.
[86] Including transfer taxes and excluding €1,129 Mn of goodwill not justified by fee businesses.
[87] The LTV per currency, on a proportionate basis, is 49.1%, 41.5%, 32.7% in EUR, USD and GBP, respectively.

3.1. Interest rate risk management

The five bonds issued in 2020 were kept at a fixed rate.

In view of the Group's fully hedged position, the debt raised at fixed rate in 2020 and the anticipated debt reduction resulting from its planned disposal programme, the hedging program has been adjusted to reduce the amount of hedging instruments for a total net cash cost of €44.4 Mn.

In total, the existing debt[88] and the debt the Group expects to raise in the coming years are fully hedged, based on its current disposal and investment plans.



The graph above shows:

- The part of the debt kept at a 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.

URW in general does not classify its financial hedging instruments as cash flow hedges. As a result, any fair value changes in these instruments are recognized in the Group's income statement.

Measuring interest rate exposure

The interest rate cost of outstanding debt was fully hedged as at December 31, 2020, through both:

- Debt kept at a fixed rate; and
- Hedging in place as part of URW's macro hedging policy.

Based on the estimated average proportionate debt position of URW in 2021, if interest rates (Euribor, Libor, Stibor or Pribor) were to rise by an average of +50 bps[89] during the 2021, the estimated negative impact on financial expenses would be €42.3 Mn, decreasing the 2021 recurring net result by a broadly similar amount:

- Euro financial expenses would increase by €42.3 Mn;
- No impact on Dollar financial expenses;

[88] On a proportionate basis.
[89] The impact on exchange rates due to this theoretical increase of +50 bps in interest rates is not taken into account. The theoretical impact of a rise or decrease in interest rates is calculated relative to the applicable rates as at December 31, 2020: 3m Euribor (-0.545%), 3m USD Libor (0.2384%) and 3m GBP Libor (0.2550%).

- No impact on Sterling financial expenses.

An additional +50 bps would increase financial expenses by a further €42.0 Mn.

In total, a +100 bps increase in interest rates during 2021 would have a net negative impact on financial expenses of €84.3 Mn.

A -50 bps drop in interest rates would have a positive impact on the financial expenses of €42.3 Mn, increasing the recurring net profit in 2021 by a broadly equivalent amount:

- Euro financial expenses would decrease by €42.3 Mn;
- No impact on Dollar financial expenses;
- No impact on Sterling financial expenses.

3.2. Foreign exchange risk management

The Group is active in countries outside the Eurozone. When converted into euros, the income and value of the Group's investments may be influenced by fluctuations in exchange rates against the euro. The Group's policy objective is to apply a broadly consistent LTV by currency allowing it to match part of the foreign currency asset value and income with debt and financial expenses in the same currency, thus reducing the exchange rate effects on the Group's balance sheet and earnings. Foreign exchange risk can be hedged by either matching investments in a specific currency with debt in the same currency or using derivatives to achieve the same risk management goal.

Currency risk during the building period of pipeline investments is covered as early as possible after signing the actual building contract.

Measure of exposure to foreign exchange risks (€ Mn)[90]

Currency	Assets	Liabilities	Net exposure	Hedging Instruments	Exposure net of hedges
USD	11,535	-5,438	6,097	0	6,097
GBP	3,008	-1,073	1,935	0	1,935
SEK	2,661	-637	2,024	0	2,024
Others	685	-720	-35	433	398
Total	17,888	-7,867	10,021	433	10,455

The main exposures kept are in USD, GBP and SEK. A change of 10% of EUR/USD, EUR/GBP or EUR/SEK (i.e. a +10% increase of EUR against the USD, GBP or SEK) would have an impact on shareholders' equity and on the net recurring result as follows:

	Impact on	
in € Mn	**Shareholder's Equity**	**Net Recurring Result**
+10% in EUR/USD	-554.3	-10.6
+10% in EUR/GBP	-175.9	-5.4
+10% in EUR/SEK	-184.0	-7.7

The impact on the net recurring result (or conversely a positive impact in case of a decrease of EUR vs. these currencies) would be fully offset by the FX hedging that the Group has put in place against EUR/USD, EUR/GBP, EUR/SEK fluctuations.

As at December 31, 2020, the SEK1,750 Mn credit line signed in December 2017 and the $3,200 Mn revolving credit facility signed in June 2018 are undrawn.

[90] Liabilities include, but are not limited to, the debt raised in the given currencies and deferred tax liabilities.

4. Financial structure

As at December 31, 2020, the GMV of the Group's assets was €54,192 Mn (€56,314 Mn on a proportionate basis).

Debt ratio

The LTV ratio was 44.7%[91] (38.6%). The increase in LTV is mainly due to lower valuations, partly offset by the impact of the disposal of the five French assets and the reduction of the dividend paid in 2020 to €750 Mn.

Pro-forma for the receipt of the proceeds from the disposal of the SHiFT and Les Villages 3, 4 and 6 office buildings, the LTV would be 44.0%.

On a proportionate basis, the LTV would go down from 46.3% to 45.6% pro-forma for the disposal of the SHiFT and Les Villages 3, 4 and 6 office buildings.

Out of the Group's €6.0 Bn disposal plan announced in February 2019, €4.8 Bn or 80% has been completed. Upon completion of the SHiFT and Les Villages 3, 4 and 6 office buildings disposals for a total of €0.8 Mn, the Group will have generated €5.6 Bn of net disposals proceeds since June 2018.

Interest coverage ratio

The ICR for the period stood at 3.5x[92] (5.7x).
This decrease results from (i) a decrease in EBITDA that is mainly due to the impact of COVID-19 and (ii) an increase in the cost of debt due in particular to the cost of carry of liquidity and increased spreads paid on URW's new debt raised.

Financial ratios	Dec. 31, 2020	Dec. 31, 2019
LTV	44.7%	38.6%
ICR	3.5x	5.7x

The Group's corporate debt covenant levels and corresponding current ratios, including the covenants on available credit facilities and on the US dollar bond indentures (Rule 144A and Reg S bonds) are set at:

	Dec. 31, 2020	Europe Credit facility covenants level	US Credit facility covenants level	US Bond covenants level
LTV	44.7%	< 60%	< 65%	< 65%
ICR	3.5x	> 2x	> 1.5x	> 1.5x
FFO/NFD	4.8%	> 4%	na.	na.
Secured debt ratio[93]	2.8%	na.	< 50%	< 45%
Unencumbered leverage ratio[94]	1.8x	na.	> 1.5x	> 1.25x

These covenants are tested twice a year based on the Group's IFRS financial statements.

As at December 31, 2020:

Corporate debt:
- 96% of the Group's credit facilities and loans allow an LTV of up to 60% for the Group or the borrowing entity, as the case may be.
- 100% of the Group's credit facilities and loans require an ICR > 2x for the Group or the borrowing entity, as the case may be.

[91] Excluding €1,129 Mn of goodwill not justified by fee businesses as per the Group's European leverage covenants.
[92] Proportionate ICR: 3.1x.
[93] Secured debt/Total assets.
[94] Unencumbered assets/unsecured debt.

- Some of the Group's credit facilities and loans include an FFO[95]/NFD covenant. These require an FFO/NFD above 4% for the Group or the borrowing entity, as the case may be.

Secured debt non-recourse:

- 19% of the non-recourse mortgage debt raised by certain entities of the Group includes Debt Yield[96] covenants. (Usually 7%-7.5% for the mortgaged asset).

Short term debt:

- There are no financial covenants (such as loan-to-value or interest coverage ratios) in the Neu MTN, the Neu CP, the ECP and the USCP programs of URW.

Regarding secured mortgage debt, with the decrease of the rent collection over 2020 and increased vacancy following the various lockdowns, potential covenant breaches could happen in Q1-2021 (on cashflow related ratios). Figures are under review as well as alternatives to deal with this situation. Any such breach would not lead to a cross-default on the Group's borrowings.

As a result of the COVID-19 pandemic, debt service payments on certain mortgage loans ($476 Mn on a proportionate basis) on some regional US assets have not been made. Two of these assets with loans totaling $278 Mn are currently in foreclosure. The Group is in discussion with the servicers regarding the remaining loans. Defaults under these loans are not expected to have a material adverse effect on the Group's finances.

Net debt/ EBITDA ratio:

Although it is not part of URW's corporate debt covenants, the Group has set itself a Net debt/EBITDA target of 9x.
The Net debt/EBITDA stands at 14.6x (9.9x) as a result of the impact of COVID-19 on 2020 EBITDA.

5. Comparative table of main financial data and ratios in IFRS and proportionate, as at December 31, 2020

Financial ratios	IFRS	Proportionate
Gross debt	€26,385 Mn	€28,324 Mn
Net debt	€24,248 Mn	€26,054 Mn
LTV	44.7%	46.3%
ICR	3.5x	3.1x
Net debt/EBITDA	14.6x	15.2x

95 Funds From Operations: on an annualized basis, the recurring EBITDA minus (i) recurring net financial expenses and (ii) tax on recurring operating result.
96 Debt Yield: ratio of the net operating income to the outstanding loan amount, net of certain cash as defined in the relevant mortgage loan documentation.

6. LTV reconciliation with the Balance Sheet (B/S)

a) Under IFRS:

€ Mn	Dec. 31, 2020 IFRS	June 30, 2020 IFRS	Dec. 31, 2019 IFRS
Amounts accounted for in B/S	**52,759.8**	**57,173.3**	**62,282.7**
Investment properties at fair value	39,623.6	42,591.0	44,589.9
Investment properties at cost	1,324.1	1,237.6	1,143.3
Shares and investments in companies accounted for using the equity method	8,370.3	9,907.4	10,194.6
Other tangible assets	279.2	330.5	344.5
Goodwill	1,248.1	2,119.4	2,878.4
Intangible assets	876.3	922.8	984.4
Properties or shares held for sale	1,038.2	64.6	2,147.6
Adjustments	**1,431.7**	**731.5**	**479.7**
Transfer taxes	1,842.7	1,956.5	2,189.9
Goodwill not justified by fee business (1)	-1,128.8	-1,364.8	-2,039.3
Revaluation intangible and operating assets	1,454.2	946.5	1,234.0
IFRS adjustments, including	-736.4	-806.7	-905.0
Financial leases	*-828.8*	*-848.4*	*-848.1*
Other	*92.4*	*41.7*	*-56.9*
Total assets, including Transfer Taxes (=A)	**54,191.5**	**57,904.8**	**62,762.4**
Total assets, excluding Transfer Taxes (=B)	**52,348.8**	**55,948.3**	**60,572.4**
Amounts accounted for in B/S			
Net share settled bonds convertible into new and/or existing shares (ORNANE)	497.7	488.1	602.1
Non current bonds and borrowings	24,310.5	23,354.4	22,931.6
Current borrowings and amounts due to credit institutions	2,686.7	4,956.5	2,557.4
Liabilities directly associated with properties or shares classified as held for sale	203.5		
Total financial liabilities	**27,698.4**	**28,799.0**	**26,091.0**
Adjustments			
Mark-to-market of debt	47.3	28.4	18.1
Current accounts with non-controlling interests	-1,269.2	-1,342.1	-1,307.9
Impact of derivative instruments on debt raised in foreign currency	-8.7	-59.8	-8.4
Accrued interest / issue fees	-82.5	19.6	-65.1
Total financial liabilities (nominal value)	**26,385.1**	**27,445.1**	**24,727.8**
Cash & cash equivalents	-2,137.6	-3,405.7	-488.8
Net financial debt (=C)	**24,247.5**	**24,039.4**	**24,239.0**

LTV ratio including Transfer Taxes (=C/A)	**44.7%**	**41.5%**	**38.6%**
LTV ratio excluding Transfer Taxes (=C/B)	**46.3%**	**43.0%**	**40.0%**

Figures may not add up due to rounding.

(1) Adjustment of goodwill according to bank covenants.

b) On a proportionate basis:

€ Mn	Dec. 31, 2020 Proportionate	June 30, 2020 Proportionate	Dec. 31, 2019 Proportionate
Amounts accounted for in B/S	**54,659.5**	**59,401.0**	**64,619.1**
Investment properties at fair value	48,579.4	53,249.1	56,002.4
Investment properties at cost	1,382.0	1,314.7	1,222.3
Shares and investments in companies accounted for using the equity method	1,188.7	1,308.5	948.0
Other tangible assets	280.0	331.4	345.5
Goodwill	1,314.7	2,209.9	2,968.9
Intangible assets	876.5	922.8	984.4
Properties or shares held for sale	1,038.2	64.6	2,147.6
Adjustments	**1,654.4**	**949.3**	**722.3**
Transfer taxes	2,069.9	2,214.2	2,472.8
Goodwill not justified by fee business (1)	-1,195.4	-1,455.3	-2,129.8
Revaluation intangible and operating assets	1,453.2	945.6	1,233.0
IFRS adjustments, including	-673.2	-755.2	-853.7
Financial leases	*-837.3*	*-857.7*	*-857.4*
Other	*164.1*	*102.5*	*3.7*
Total assets, including Transfer Taxes (=A)	**56,314.0**	**60,350.3**	**65,341.4**
Total assets, excluding Transfer Taxes (=B)	**54,244.1**	**58,136.1**	**62,868.6**
Amounts accounted for in B/S			
Net share settled bonds convertible into new and/or existing shares (ORNANE)	497.7	488.1	602.1
Non current bonds and borrowings	26,211.0	25,337.7	25,159.5
Current borrowings and amounts due to credit institutions	2,716.8	5,241.4	2,620.0
Liabilities directly associated with properties or shares classified as held for sale	203.5		
Total financial liabilities	**29,629.0**	**31,067.2**	**28,381.7**
Adjustments			
Mark-to-market of debt	61.3	45.5	36.4
Current accounts with non-controlling interests	-1,269.2	-1,342.1	-1,307.9
Impact of derivative instruments on debt raised in foreign currency	-8.7	-59.8	-8.4
Accrued interest / issue fees	-88.0	15.1	-67.5
Total financial liabilities (nominal value)	**28,324.2**	**29,725.9**	**27,034.3**
Cash & cash equivalents	-2,270.3	-3,491.2	-594.3
Net financial debt (=C)	**26,053.9**	**26,234.7**	**26,440.0**

LTV ratio including Transfer Taxes (=C/A)	**46.3%**	**43.5%**	**40.5%**
LTV ratio excluding Transfer Taxes (=C/B)	**48.0%**	**45.1%**	**42.1%**

Figures may not add up due to rounding.

(1) Adjustment of goodwill according to bank covenants.

6. EPRA PERFORMANCE MEASURES

In compliance with the EPRA[97] Best Practices Recommendations[98], URW summarises the Key Performance measures of 2020 and 2019 below.

1. EPRA earnings

EPRA earnings are defined as "recurring earnings from core operational activities" and are equal to the Group's definition of recurring earnings.

a) Synthesis

		2020	2019
EPRA Earnings	€ Mn	1,056.6	1,759.7
EPRA Earnings / share	€ / share	7.63	12.72
Growth EPRA Earnings / share	%	-40.0%	-3.3%

b) Bridge between Earnings per IFRS Statement of income and EPRA Recurring Earnings

Recurring Earnings per Share	2020	2019
Net Result of the period attributable to the holders of the Stapled Shares (€Mn)	**(7,212.6)**	**1,103.3**
Adjustments to calculate EPRA Recurring Earnings, exclude:		
(i) Changes in value of investment properties, development properties held for investment and other interests	(4,837.2)	(1,102.4)
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	(86.3)	68.6
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties	-	-
(iv) Tax on profits or losses on disposals	0.0	(210.1)
(v) Goodwill impairment	(1,596.1)	(7.1)
(vi) Changes in fair value of financial instruments and associated close-out costs	(569.1)	(351.8)
(vii) Acquisition and other costs on share deals and non-controlling joint venture interests	(83.4)	(45.8)
(viii) Deferred tax in respect of EPRA adjustments	301.0	1,324.9
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	(1,958.9)	(533.4)
(x) External non-controlling interests in respect of the above	560.8	200.7
EPRA Recurring Earnings	**1,056.6**	**1,759.7**
Average number of shares and ORA	138,437,274	138,354,383
EPRA Recurring Earnings per Share (REPS)	**7.63 €**	**12.72 €**
EPRA Recurring Earnings per Share growth	**-40.0%**	**-3.3%**

Figures may not add up due to rounding.

[97] EPRA: European Public Real estate Association.
[98] Best Practices Recommendations. See www.epra.com

2. EPRA NRV, NTA and NDV:

For a more detailed description of the EPRA NRV, NTA and NDV new metrics, please see the "*Property portfolio and Net Asset Value*" section, included in this report.

a) Synthesis

		Dec. 31, 2020	Dec. 31, 2019	Change
EPRA NRV	€ / share	166.80	228.80	-27.1%
EPRA NTA	€ / share	128.10	177.60	-27.9%
EPRA NDV	€ / share	110.50	159.50	-30.7%

b) Detailed calculations as at December 31, 2019

	December 31, 2019				
	Current measures			Previously reported measures	
	EPRA NRV	**EPRA NTA**	**EPRA NDV**	**EPRA NAV**	**EPRA NNNAV**
Equity attributable to the holders of the Stapled Shares (IFRS)	**25,951**	**25,951**	**25,951**	**25,951**	**25,951**
Include / Exclude:*					
i) Hybrid instruments	-	-	-	-	-
Diluted NAV	**25,951**	**25,951**	**25,951**	**25,951**	**25,951**
Include:*					
ii.a) Revaluation of IP (if IAS 40 cost option is used)	53	53	53	53	53
ii.b) Revaluation of IPUC[1] (if IAS 40 cost option is used)	0	0	0	0	0
ii.c) Revaluation of other non-current investments[2]	0	0	0	0	0
iii) Revaluation of tenant leases held as finance leases[3]	0	0	0	0	0
iv) Revaluation of trading properties[4]	0	0	0	0	0
Diluted NAV at Fair Value	**26,004**	**26,004**	**26,004**	**26,004**	**26,004**
Exclude:*					
v) Deferred tax in relation to fair value gains of IP[5] detailled below:					
v.a) Reversal of deferred taxes on Balance sheet	2,295	2,295	-	2,295	2,295
v.b) Effective deferred taxes on capital gains	-	-1,004	-	-	-1,004
vi) Fair value of financial instruments	547	547	-	547	-
vii) Goodwill as a result of deferred tax	-241	-241	-241	-241	-241
viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	-2,637	-2,637	-	-
viii.b) Intangibles as per the IFRS balance sheet	-	-984	-	-	-
Include:*					
ix) Fair value of fixed interest rate debt	-	-	-1,022	-	-1,022
x) Revaluation of intangibles to fair value	952	-	-	952	952
xi) Real estate transfer tax[6]	2,156	627	-	-	627
NAV	**31,712**	**24,606**	**22,103**	**29,556**	**27,611**
Fully diluted number of shares	138,577,341	138,577,341	138,577,341	138,577,341	138,577,341
NAV per share	**€228.80**	**€177.60**	**€159.50**	**€213.30**	**€199.20**

Figures may not add up due to rounding.

(1) Difference between development property held on the balance sheet at cost and fair value of that development property.
(2) Revaluation of intangibles are presented under adjustment (x). Revaluation of Intangibles to fair value is not under this line item.
(3) Difference between finance lease receivables held on the balance sheet at amortized cost and the fair value of those finance lease receivables.
(4) Difference between trading properties held on the balance sheet at cost (IAS 2) and the fair value of those trading properties.
(5) Deferred tax adjustment for NTA calculated in line with the EPRA guidelines.
(6) Real estate transfer taxes were adjusted in accordance with the EPRA guidelines.
* "Include" indicates that an asset (whether on or off balance sheet) should be added to the shareholders' equity, whereas a liability should be deducted.
* "Exclude" indicates that an asset (part of the balance sheet) is reversed, whereas a liability (part of the balance sheet) is added back.

c) Detailed calculations as at December 31, 2020

	Dec. 31, 2020		
	EPRA NRV	EPRA NTA	EPRA NDV
Equity attributable to the holders of the Stapled Shares (IFRS)	**17,394**	**17,394**	**17,394**
Include / Exclude:*			
i) Hybrid instruments	-	-	-
Diluted NAV	**17,394**	**17,394**	**17,394**
Include:*			
ii.a) Revaluation of IP (if IAS 40 cost option is used)	54	54	54
ii.b) Revaluation of IPUC(1) (if IAS 40 cost option is used)	0	0	0
ii.c) Revaluation of other non-current investments (2)	0	0	0
iii) Revaluation of tenant leases held as finance leases (3)	0	0	0
iv) Revaluation of trading properties (4)	0	0	0
Diluted NAV at Fair Value	**17,447**	**17,447**	**17,447**
Exclude:*			
v) Deferred tax in relation to fair value gains of IP(5) detailled below:			
v.a) Reversal of deferred taxes on Balance sheet	2,023	2,023	-
v.b) Effective deferred taxes on capital gains	-	- 1,011	-
vi) Fair value of financial instruments	929	929	-
vii) Goodwill as a result of deferred tax	- 200	- 200	- 200
viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	- 1,049	- 1,049
viii.b) Intangibles as per the IFRS balance sheet	-	- 876	-
Include:*			
ix) Fair value of fixed interest rate debt	-	-	- 865
x) Revaluation of intangibles to fair value	1,113	-	-
xi) Real estate transfer tax(6)	1,836	522	-
NAV	**23,148**	**17,785**	**15,334**
Fully diluted number of shares	138,786,602	138,786,602	138,786,602
NAV per share	**€166.80**	**€128.10**	**€110.50**

Figures may not add up due to rounding.

(1) Difference between development property held on the balance sheet at cost and fair value of that development property.
(2) Revaluation of intangibles are presented under adjustment (x). Revaluation of Intangibles to fair value is not under this line item.
(3) Difference between finance lease receivables held on the balance sheet at amortized cost and the fair value of those finance lease receivables.
(4) Difference between trading properties held on the balance sheet at cost (IAS 2) and the fair value of those trading properties.
(5) Deferred tax adjustment for NTA calculated in line with the EPRA guidelines.
(6) Real estate transfer taxes were adjusted in accordance with the EPRA guidelines.
* "Include" indicates that an asset (whether on or off balance sheet) should be added to the shareholders' equity, whereas a liability should be deducted.
* "Exclude" indicates that an asset (part of the balance sheet) is reversed, whereas a liability (part of the balance sheet) is added back.

3. EPRA Net Initial Yields

The following table provides the Group yields according to the EPRA Net Initial Yield definitions per segment for URW's Net Initial Yields (on a proportionate basis):

a) Synthesis

	Dec. 31, 2020		Dec. 31, 2019	
	Shopping Centres (3)	Offices & Others (3)	Shopping Centres (3)	Offices & Others (3)
Unibail-Rodamco-Westfield yields	**4.5%**	**4.9%**	**4.3%**	**5.5%**
Effect of vacant units		-1.1%		-0.6%
Effect of EPRA adjustments on NRI	0.1%	0.0%	0.1%	0.0%
Effect of estimated transfer taxes and transaction costs	-0.1%	-0.1%	-0.1%	-0.2%
EPRA topped-up yields (1)	**4.5%**	**3.7%**	**4.3%**	**4.8%**
Effect of lease incentives	-0.2%	-0.9%	-0.1%	-1.2%
EPRA Net Initial Yields (2)	**4.4%**	**2.8%**	**4.2%**	**3.6%**

Figures may not add up due to rounding.

Notes:
1) EPRA topped-up yield: EPRA Net Initial Yield adjusted in respect of the expiration of rent free periods (or other unexpired lease incentives such as discounted rent periods and step rents).
2) EPRA Net Initial Yield: annualized rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the Gross Market Value of the portfolio.
3) Assets under development or not controlled by URW, the trademark and the airport activities are not included in the calculation.

b) Detailed calculation

		Dec. 31, 2020		Dec. 31, 2019	
		Shopping Centres (1)	Offices & Others (1)	Shopping Centres (1)	Offices & Others (1)
EPRA topped-up NRI (A)	€ Mn	1,983	107	2,214	115
Valuation including transfer taxes (B)	€ Mn	43,843	2,876	51,578	2,420
EPRA topped-up yields (A/B)	**%**	**4.5%**	**3.7%**	**4.3%**	**4.8%**
EPRA NRI (C)	€ Mn	1,914	81	2,161	86
Valuation including transfer taxes (B)	€ Mn	43,843	2,876	51,578	2,420
EPRA Net Initial Yields (C/B)	**%**	**4.4%**	**2.8%**	**4.2%**	**3.6%**

Note:
1) Assets under development or not controlled by URW, the trademark and the airport activities are not included in the calculation.

4. EPRA Vacancy rate

The EPRA vacancy rate is defined as the ERV of vacant spaces divided by the ERV of total space (let plus vacant).

a) Synthesis

EPRA Vacancy Rate - total URW	Dec. 31, 2020	Dec. 31, 2019
Estimated Rental Value of vacant space (A)	295.5	185.7
Estimated Rental Value of the whole portfolio (B)	3,170.0	3,357.4
EPRA Vacancy rate (A/B)	**9.3%**	**5.5%**

b) Detail per region

EPRA Vacancy Rate - per region	Dec. 31, 2020	Dec. 31, 2019
Shopping Centres - Continental Europe		
France	3.7%	2.6%
Central Europe	5.5%	1.3%
Spain	4.4%	0.7%
Nordics	9.3%	3.3%
Austria	2.6%	1.1%
Germany	5.2%	3.4%
The Netherlands	9.7%	8.2%
Total Shopping Centres - Continental Europe	**4.9%**	**2.5%**
United Kingdom	9.7%	7.7%
Total Shopping Centres - Europe	**5.6%**	**3.4%**
Offices & Others		
France	30.6%	8.5%
Total Offices & Others - Continental Europe	**27.2%**	**8.7%**
United States - Shopping Centres	**13.1%**	**9.1%**
US Flagships	12.5%	7.7%
US Regionals	14.3%	12.7%
United States - Offices & Others	**28.4%**	**5.3%**
Total US	**13.6%**	**9.0%**

Total Shopping Centres	**8.3%**	**5.4%**
Total Offices & Others	**27.4%**	**8.0%**
Total URW	**9.3%**	**5.5%**

5. EPRA Cost ratios

EPRA references		Proportionate 2020	Proportionate 2019
	Include:		
(i-1)	General expenses	-215.8	-202.3
(i-2)	Development expenses	-2.6	-17.4
(i-3)	Operating expenses	-514.1	-425.2
(ii)	Net service charge costs/fees	-66.4	-49.1
(iii)	Management fees less actual/estimated profit element	0.0	0.0
(iv)	Other operating income/recharges intended to cover overhead expenses	0.0	0.0
(v)	Share of Joint Ventures expenses	-28.8	-11.6
	Exclude (if part of the above):		
(vi)	Investment Property Depreciation	0.0	0.0
(vii)	Ground rents costs	0.0	0.0
(viii)	Service charge costs recovered through rents but not separately invoiced	206.1	271.6
	EPRA Costs (including direct vacancy costs) (A)	**-621.6**	**-434.1**
(ix)	Direct vacancy costs	-66.4	-49.1
	EPRA Costs (excluding direct vacancy costs) (B)	**-555.2**	**-385.0**
(x)	Gross Rental Income (GRI) less ground rents	2,368.4	2,871.7
(xi)	Less: service fee and service charge costs component of GRI (if relevant)	-206.1	-271.6
(xii)	Add Share of Joint Ventures (Gross Rental Income less ground rents)	102.3	82.5
	Gross Rental Income (C)	**2,264.6**	**2,682.6**
	EPRA Cost Ratio (including direct vacancy costs) (A/C)	**27.5%**	**16.2%**
	EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	**24.5%**	**14.4%**

Figures may not add up due to rounding.

Notes:
1) The calculation is based on the EPRA recommendations and is applied on Shopping Centres and Offices & Others sectors.
2) Including letting fees in 2019, the EPRA Cost ratio (including direct vacancy costs) would be 18.7% and the EPRA Cost ratio (excluding direct vacancy costs) would be 16.8%.

6. Capital Expenditure

in € Mn	Proportionate			
	2020		2019	
	100%	Group share	100%	Group share
Acquisitions (1)	16.0	15.7	- 4.5	3.7
Development (2)	704.2	681.1	863.1	826.3
Like-for-like portfolio (3)	328.4	283.9	633.3	542.2
Other (4)	121.4	111.3	218.8	198.6
Total Capital Expenditures	**1,170.1**	**1,092.1**	**1,710.8**	**1,570.9**
Conversion from accruals to cash basis	124.6	111.8	- 7.1	- 39.0
Total Capital Expenditures on cash basis	**1,294.7**	**1,203.9**	**1,703.7**	**1,531.9**

Figures may not add up due to rounding.

Notes:

1) In 2020, includes mainly the acquisitions in France (Rennes Alma and units in Tour Rosny).
2) In 2020, includes mainly the capital expenditures related to investments in the La Part-Dieu, Westfield Mall of the Netherlands, Westfield Valley Fair and Les Ateliers Gaîté extension projects and to the Westfield Hamburg and Trinity new development projects.
3) In 2020, includes mainly the capital expenditures related to Westfield Les 4 Temps, Westfield London and Shopping City Süd. Capital expenditure on the like-for-like portfolio includes capital expenditure spent on extension and works on standing assets. In 2020, URW spent €105.1 Mn on replacement capex, Group share. The fitting out contributions paid to tenants amounted to €50.7 Mn in 2020.
4) Includes eviction costs and tenant incentives, external letting fees (internal letting fees are now included in Administrative expenses), capitalized interest relating to projects referenced above and other capitalized expenses of €12.5 Mn, €17.1 Mn, €61.5 Mn and €20.2 Mn in 2020, respectively (amounts in Group share).

UNIBAIL-RODAMCO-WESTFIELD

OTHER INFORMATION:

1. GROUP CONSOLIDATED DATA

Leasing activity - Shopping Centres

Region	Lettings / re-lettings / renewals excluding Pipeline				
	nb of leases signed	sqm	MGR (€ Mn)	MGR uplift	
				€ Mn	%
Continental Europe	935	316,252	134.2	2.1	1.7%
UK & Italy	61	35,882	18.4	0.1	0.4%
Total Europe	**996**	**352,134**	**152.7**	**2.2**	**1.6%**
US	532	170,281	66.3	- 12.2	-20.3%
Total URW	**1,528**	**522,414**	**219.0**	**- 10.0**	**-5.1%**

Figures may not add up due to rounding.

Net Rental Income ("NRI") by segment

Segment	Net Rental Income (€Mn)			
	2020	2019	Change (%)	Like-for like change (%)
Shopping Centres	1,698.7	2,293.2	-25.9%	-24.0%
Offices & Others	85.5	102.9	-16.9%	0.1%
Convention & Exhibition	6.1	95.1	-93.6%	-93.6%
Total URW	**1,790.2**	**2,491.2**	**-28.1%**	**-26.4%**

Figures may not add up due to rounding.

Net Rental Income ("NRI") - Shopping Centres

Region	Net Rental Income (€Mn)		
	2020	2019	%
NRI - Continental Europe	1,158.2	1,483.1	-21.9%
NRI UK & Italy	78.0	157.3	-50.4%
Total NRI - Europe	**1,236.2**	**1,640.4**	**-24.6%**
NRI US	462.4	652.8	-29.2%
Total NRI - URW	**1,698.6**	**2,293.2**	**-25.9%**

Figures may not add up due to rounding.

Region	Net Rental Income (€Mn) Like-for-like		
	2020	2019	%
Lfl NRI - Continental Europe	1,023.3	1,265.4	-19.1%
Lfl NRI UK & Italy	76.2	150.3	-49.3%
Total Lfl NRI - Europe	**1,099.5**	**1,415.7**	**-22.3%**
Lfl NRI US	417.2	579.7	-28.0%
Total Lfl NRI - URW	**1,516.7**	**1,995.4**	**-24.0%**

Figures may not add up due to rounding.

Region	Net Rental Income Like-for-like evolution (%)				
	Indexation	Renewals, relettings net of departures & other	COVID-19 rent discounts	Doubtful debtors	Total
Lfl NRI - Continental Europe	1.3%	-5.3%	-11.6%	-3.5%	-19.1%
Lfl NRI UK & Italy	0.0%	-24.9%	-16.2%	-8.3%	-49.3%
Total Lfl NRI - Europe	**1.2%**	**-7.4%**	**-12.1%**	**-4.0%**	**-22.3%**
Lfl NRI US	0.0%	-5.9%	-9.7%	-12.4%	-28.0%
Total Lfl NRI - URW	**0.8%**	**-7.0%**	**-11.4%**	**-6.4%**	**-24.0%**

Figures may not add up due to rounding.

Net Rental Income ("NRI") – Offices & Others

Region	Net Rental Income (€Mn)			
	2020	2019	Change (%)	Like-for like change (%)
France	56.0	72.0	-22.3%	0.7%
Nordics	10.2	10.0	2.0%	1.0%
Other countries	8.1	7.5	8.3%	6.7%
Total NRI - Europe	**74.3**	**89.6**	**-17.0%**	**1.7%**
NRI US	11.2	13.3	-16.1%	-8.0%
Total NRI - URW	**85.5**	**102.9**	**-16.9%**	**0.1%**

Figures may not add up due to rounding.

Vacancy - Shopping Centres

Region	Vacancy			
	Dec. 31, 2020		% June 30, 2020	% Dec. 31, 2019
	€Mn	%		
Continental Europe	79.3	4.9%	3.9%	2.5%
UK & Italy	29.2	9.7%	8.6%	7.7%
Total Europe	**108.5**	**5.6%**	**4.7%**	**3.4%**
US	141.9	13.1%	10.1%	9.1%
Total URW	**250.4**	**8.3%**	**6.8%**	**5.4%**

Figures may not add up due to rounding.

Lease expiry schedule

Total URW (Shopping Centres + Offices & Others)	Lease expiry schedule			
	MGR (€Mn) at date of next break option	As a % of total	MGR (€Mn) at expiry date	As a % of total
Expired	98.3	4.6%	98.3	4.6%
2021	319.8	14.9%	208.5	9.7%
2022	373.4	17.4%	242.6	11.3%
2023	329.7	15.4%	203.7	9.5%
2024	241.2	11.2%	184.8	8.6%
2025	197.8	9.2%	218.2	10.2%
2026	132.0	6.2%	169.4	7.9%
2027	102.4	4.8%	178.9	8.3%
2028	103.2	4.8%	164.0	7.6%
2029	60.9	2.8%	125.4	5.8%
2030	46.7	2.2%	102.3	4.8%
2031	21.3	1.0%	33.2	1.5%
Beyond	117.5	5.5%	215.0	10.0%
Total	**2,144.3**	**100%**	**2,144.3**	**100%**

Figures may not add up due to rounding.

2. CLOSURE AND RESTRICTION PERIODS

The closure and restriction periods are summarised in the table below:

Austria	Asset closure periods (except essential stores*): • 16/03/2020 to 01/05/2020 • 17/11/2020 to 06/12/2020 • 26/12/2020 to 07/02/2021 Specific restrictions by activity: • 02/05/2020 to 14/05/2020: F&B. (Entertainment and Hotels to 29/05/2020). • 03/11/2020 to TBC: F&B, Entertainment, Fitness and Hotels closed. Other restrictions: • 03/11/2020 to TBC: Curfew from 8 pm to 6 am.
Czech Republic	Asset closure periods (except essential stores*): • 15/03/2020 to 11/05/2020 • 22/10/2020 to 02/12/2020 • 27/12/2020 to 14/02/2021** Specific restrictions by activity: • 15/03/2020 to 25/05/2020: F&B and Entertainment closed. • 09/10/2020 to 21/10/2020: F&B and Entertainment had to close at 8pm. • 09/10/2020 to 28/02/2021: Cinemas closed. • 18/12/2020 to 14/02/2021**: F&B and Entertainment closed. Other restrictions: • 28/10/2020 to 31/12/2020**: Varying curfews.
Denmark	Asset closure periods (except essential stores*): • 18/03/2020 to 11/05/2020 • 17/12/2020 to 28/02/2021** Specific restrictions by activity: • 18/03/2020 to 11/05/2020: F&B closed, until 20/05/2020 for Cinemas. • 09/12/2020 to 28/02/2021**: F&B, Entertainment and Fitness closed.
France	Asset closure periods (except essential stores*): • 17/03/2020 to between 11/05/2020 and 30/05/2020 • 30/10/2020 to 28/11/2020 • 31/01/2021 to 28/02/2021** Specific restrictions by activity: • 17/03/2020 to 02/06/2020: F&B closed and to 22/06/2020 for Cinemas. • 30/10/2020 to 28/02/2021**: F&B, Entertainment and Fitness closed. Other restrictions: • 17/10/2020 to 29/10/2020: curfew from 9 pm to 6 am. • 28/11/2020 to 16/01/2021: curfew from 8 pm to 6 am. • 17/01/2021 to 21/02/2021**: curfew from 6 pm to 6 am.
Germany	Asset closure periods (except essential stores*): • 16/03/2020 to between 20/04/20 and 04/05/2020. • 16/12/2020 to 14/02/2021** Specific restrictions by activity: • 16/03/2020 to 11/05/2020: F&B closed. • 02/11/2020 to 14/02/2021**: F&B, Entertainment and Fitness closed. Other restrictions: • 16/12/2020 to 14/02/2021**: Curfew from 8 pm to 5 am.
The Netherlands	Asset closure periods (except essential stores*): • 15/12/2020 to 02/03/2021** Specific restrictions by activity: • 15/03/2020 to 01/06/2020: F&B closed. • 14/10/2020 to 09/02/2021**: F&B closed.
Poland	Asset closure periods (except essential stores*): • 14/03/2020 to 04/05/2020 • 07/11/2020 to 27/11/2020 • 28/12/2020 to 31/01/2021 Specific restrictions by activity: • 14/03/2020 to 18/05/2020: F&B closed. • 15/10/2020 to TBC: Fitness closed. • 07/11/2020 to TBC: F&B and culture closed.
Sweden	Other restrictions: • 29/10/2020 to TBC: Footfall limitation in F&B and Cinemas. • 16/11/2020 onwards: “rule of 8”, with flow on impact to some sectors (Cinemas for instance).
Slovakia	Asset closure periods (except essential stores*): • 16/03/2020 to 20/05/2020 • 24/10/2020 to 01/11/2020 • 19/12/2020 to TBC Specific restrictions by activity: • 15/10/2020 to TBC: F&B and Cinemas closed. Other restrictions: • 02/11/2020 to TBC: day curfew from 5 am to 1 am for the ones without negative PCR.

Spain – Catalonia	Asset closure periods (except essential stores*): • 15/03/2020 to 08/06/2020 • 30/10/2020 to 14/12/2020 • 07/01/2021 to 07/02/2021**
	Specific restrictions by activity: • 15/03/2020 to 08/06/2020: F&B closed. • 20/10/2020 to 01/12/2020: F&B closed. • 30/10/2020 to 07/02/2021**: Cinemas in shopping centres closed. • 21/12/2020 to 07/02/2021**: F&B in shopping centres closed.
	Other restrictions: • 30/10/2020 to TBC: Curfew from 10 pm to 6 am.
Spain – Madrid	Asset closure periods (except essential stores*): • 15/03/2020 to 08/06/2020
	Other restrictions: • Selective closure of districts in November and December (only affected Equinoccio). • 21/09/2020 to 08/02/2021**: Varying restrictions on F&B capacity and hours. • 25/10/2020 to 08/02/2021**: curfew between 10-12 pm to 6 am.
Spain – Valencia	Asset closure periods (except essential stores*): • 15/03/2020 to 01/06/2020
	Specific restrictions by activity: • 28/01/2021 to 14/02/2021**: F&B closed.
	Other restrictions: • 25/10/2020 to 14/02/2021**: Curfew between 10-12 pm to 6 am.
Spain – Basque Country	Asset closure periods (except essential stores*): • 15/03/2020 to 25/05/2020.
	Specific restrictions by activity: • 06/11/2020 to 12/12/2020: F&B closed.
	Other restrictions: • 06/11/2020 to TBC: curfew for stores at 9 pm. • 25/10/2020 to 28/02/2021**: Curfew between 10-11 pm to 6 am.
UK	Asset closure periods (except essential stores*): • 26/03/20 to 15/06/20 • 05/11/2020 to 02/12/2020 • 20/12/2020 to 22/02/2021**
	Specific restrictions by activity: • After the first lockdown ended on June 15, F&B and Cinemas opened on July 4, Fitness from July 25 and Bowling and Casinos from August 15.
	Other restrictions: • During certain times (based on the Tier system operating outside of full lockdowns) capacity restrictions have applied to sectors such as F&B and/or limited the ability of people to meet those outside their household.
US	Asset closure periods (except essential stores*): **California:** • 19/03/2020 to (between 22/05/20 and 15/06/2020) • 13/07/2020 to (between 31/08/2020 and 07/10/2020) **New York:** • 19/03/2020 to between 15/07/20 and 09/09/2020 (for Westfield World Trade Center) **New Jersey:** • 19/03/2020 to 29/06/2020 **Florida:** • 19/03/2020 to between 15/05/20 and 29/05/2020 **Maryland:** • 19/03/2020 to 23/06/2020 **Washington State:** • 19/03/2020 to 15/06/2020 **Connecticut:** • 19/03/2020 to 20/05/2020 **Illinois:** • 19/03/2020 to 10/06/2020
	Specific restrictions by activity: • Operation of F&B, Entertainment, Fitness and Salons have been restricted at various times dependant on both state and local county rules.
	Other restrictions: • In most states (except Florida) capacity restrictions for indoor malls have been introduced during the second half, with a limit of between 25 and 50% of standard capacity.

* "Essential stores" definition differs by country, but mainly comprises food, administrative services and pharmacies.
** Most recently announced date, subject to change or extension.

Note: "TBC" indicates that no date has currently been communicated.

In addition, for much of the year post the first lockdown, capacity/density limits applied in shops or shopping centres in almost all countries, with differing rules and time periods.

3. LIST OF SUBSIDIES

Country	Period	Government package
Austria	H1	No state subsidy.
	H2	Turnover subsidy programme, from 20% to 60% of turnover depending on the branch.
Czech Republic	H1	50% of rents supported by government for 3 months (April 1 to June 30) provided landlord bears 30% rent discount.
	H2	State pays 50% of Q3 rent (not SCS) to all closed or restricted shops (similar as for Q2 but this time, no discount from landlord required).
Denmark	H1	Partial activity, tax deferral and fixed costs coverage for businesses suffering a drop in turnover > 40%.
	H2	From July to October (update for end 2020/beg. 2021 to be announced) - Compensation for staff costs; - Compensation for loss of turnover to owner run businesses, depending on turnover drop %; - Compensation for fixed costs (rent + SCS + property tax) depending on turnover drop % (e.g. 80% of fixed costs if turnover drop ranges between -90% and -100%).
France	H1	Partial activity.
	H2	Tax credit of 50% of landlord's rent discount, available depending on company size and capped at €800 k per company on all French stores and all landlords.
Germany	H1	No state subsidy.
	H2	State compensating up to 75% of loss in turnover for closed stores; to be confirmed when the law passes.
The Netherlands	H1	If retailers' turnover drops by more than 20%, government proportionally covers the workers' salary, up to 90%.
	H2	Applicable to Q4 only and to small enterprises with minimum 30% revenue loss in Q4: - Sectors which have to close (F&B) get a 1 time support to handle the all necessary investments and to compensate for stock which becomes obsolete; - Maximum support = €90 k; - Exact implications, conditions and scope not defined yet.
Poland	H1	No state subsidy.
	H2	F&B, Entertainment & Fitness retailers can opt for social charges relief for November, furlough for November as well in case of 40% sales decline.
Slovakia	H1	Government to top-up rent discounts provided by landlords for closing period, to reach 50% discount / otherwise, tenant has 2 years to reimburse.
	H2	No state subsidy.
Spain	H1	No state subsidy.
	H2	No state subsidy.
Sweden	H1	Support by the government of 50% of rent discounts of up to 50% of base rent (limit of €800 k per retailer group).
	H2	Partial activation scheme has been prolonged. Support at 90% of the drop in turnover, on Rent + SCS (cap @30mn SEK ≈3mn€ per company). Tax deferral.
United Kingdom	H1	1-year business rates holiday for retail tenants.
	H2	Furlough scheme: government pays 80% of wages up to £2,500 per month. Business rates holidays.

4. GLOSSARY

Average cost of debt: recurring financial expenses (excluding the ones on financial leases and the ones related to partners' current accounts) + capitalized financial expenses (excluding non-recurring financial expenses such as mark-to-market and termination costs of financial instruments including bonds repurchased, currency impact) / average net debt over the period.

Average rental spread: for the US portfolio, the rental spread reflects the trailing 12-months average increase in total rents, including common area maintenance charges, for specialty stores (excluding lease extensions, deals with zero prior rent and deals for less than 12 months).

Buyer's Net Initial Yield: annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the TAC.

Committed projects: projects for which URW owns the land or building rights and has obtained all necessary administrative authorizations and permits, approvals of JV partners (if applicable), approvals of URW's internal governing bodies to start superstructure construction works and on which such works have started.

Controlled projects: projects in an advanced stage of studies, for which URW controls the land or building rights, and all required administrative authorizations have been filed or are expected to be filed shortly. There can be no assurance these will become "Committed" projects, as this will be subject to having obtained all required administrative approvals, as well as those of JV partners (if applicable), and of URW's internal governing bodies to start superstructure works.

Debt Yield: Ratio of the net operating income to the outstanding loan amount, net of certain cash as defined in the relevant mortgage loan documentation.

Discount Rate (DR): the Discount Rate is the rate used in a Discounted Cash Flow model to calculate the present value of future cash flows (positive or negative) that is to say converting such future cash-flows in today's monetary value.

EBITDA-Viparis: "Net rental income" and "On site property services operating result" + "Recurring contribution of affiliates" of Viparis venues.

EPRA Net Reinstatement Value ("NRV"): assumes that entities never sell assets and aims to represent the value required to rebuild the entity.

EPRA Net Tangible Assets ("NTA"): assumes that entities buy and sell assets, thereby crystallizing certain levels of unavoidable deferred tax.

EPRA Net Disposal Value ("NDV"): represents the shareholder's value under a disposal scenario, where deferred tax, financial instruments and other certain adjustments are calculated to the full extent of their liability, net of any resulting tax.

EPRA NIY: annualized rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the Gross Market Value of the portfolio. For a reconciliation of URW's NIY with the EPRA Net Initial Yield definitions, refer to the EPRA Performance Measures.

EPRA topped-up yield: EPRA Net Initial Yield adjusted in respect of the expiration of rent free periods (or other unexpired lease incentives such as discounted rent periods and step rents).

EPRA vacancy rate: Estimated Rental Value (ERV) of vacant spaces divided by ERV of total space (let + vacant).

Exit Cap Rate (ECR): the rate used to estimate the resale value of a property at the end of the holding period. The expected Net Rental Income (NRI) per year is divided by the ECR (expressed as a percentage) to get the terminal value.

Flagships: assets of a certain size and / or with footfall in excess of 10 million per year, substantial growth potential for the Group based on their appeal to both retailers and visitors, iconic architecture or design and a strong footprint in their area.

Financial statements under IFRS: the Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as applicable in the European Union as at closing date.

Financial statements on a proportionate basis: they are prepared based on the financial statements under IFRS, except for the joint-controlled entities, which are consolidated on a proportionate basis, instead of being accounted for using the equity method (as applicable under IFRS). Unibail-Rodamco-Westfield believes that these financial statements on a proportionate basis give to stakeholders a better understanding of the underlying operations of URW and the joint-controlled entities, as they represent a significant part of the Group's operations in the US and the UK.

Funds From Operations (FFO): on an annualized basis, the recurring EBITDA minus (i) recurring net financial expenses and (ii) tax on recurring operating result.

Group Share: the part that is attributable to the Group after deduction of the parts attributable to the minority interests.

Interest Cover Ratio (ICR): Recurring EBITDA / Recurring Net Financial Expenses (including capitalized interest); Recurring EBITDA is calculated as total recurring operating results and other income less general expenses, excluding depreciation and amortization.

Like-for-like Net Rental Income (Lfl NRI): Net Rental Income excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to the square meters and currency exchange rate differences in the periods analysed.

Loan-to-Value (LTV): net financial debt, excluding current accounts with non-controlling interests / total assets (whether under IFRS or on a proportionate basis), including or excluding transfer taxes and excluding goodwill not justified by fee business.

Minimum Guaranteed Rent uplift (MGR uplift): difference between new MGR and indexed old MGR. Indicator calculated on renewals and relettings only.

NNNAV (triple net asset value): corresponds to the former EPRA NNNAV.

Net Disposal Price (NDP): Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs.

Net Initial Yield (NIY): annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs.

Net Operating Income (NOI): Net Operating Income before management fees, termination/settlement income and straight-line adjustments.

Non-recurring activities: non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill, amortization of fair value of assets and liabilities recorded for the purpose of purchase price allocation, as well as costs directly incurred during a business combination and other non-recurring items.

Occupancy Cost Ratio (OCR): (rental charges + service charges including marketing costs for tenants, all including VAT) / (tenants' sales, including VAT). As tenant turnover is not known for all tenants for The Netherlands, no reliable OCR can be calculated for this country. Primark sales are estimates.

ORNANE (Obligations Convertibles ou Échangeables en Actions Nouvelles ou Existantes): net share settled bonds convertible into new and/or existing shares.

Potential Yield: annualized contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses + the ERV of vacant space, divided by the asset value net of estimated transfer taxes and transaction costs.

Replacement capital expenditure (Replacement Capex): replacement Capex relates to works either on equipment or the structure of a standing asset. The primary purpose of Replacement Capex is to ensure that the asset is in good working order and / or to make minor improvements. These investments can be triggered by obsolescence, maintaining technical performance at market levels or compliance with regulatory requirements.

Rotation rate: (number of re-lettings and number of assignments and renewals with new concepts) / number of stores. Short term leases are excluded.

SBR: Sales Based Rent.

SIIC: Société d'Investissement Immobilier Cotée (in France).

Specialty tenant: specialty stores <10k sq. ft. (ca. 929 sqm).

Tenant sales: performance in URW's shopping centres (excluding The Netherlands) in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, acquisition of new assets and assets under heavy refurbishment.

Total Acquisition Cost (TAC): the total amount a buyer shall pay to acquire an asset or a company. TAC equals the price agreed between the seller and the buyer plus all transfer taxes and transaction costs.

Total Investment Cost (TIC): Total Investment Cost equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, design costs, technical fees, tenant fitting-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) opening marketing expenses. It excludes: (i) step rents and rent-free periods; (ii) capitalized financial interests; (iii) overhead costs; (iv) early or lost Net Rental Income; and (v) IFRS adjustments.

Yield on cost: URW share of the expected stabilized Net Rental Income divided by the URW Total Investment Cost increased by rent incentives (step rents and rent free periods), and for redevelopment project only, the Gross Market Value of the standing asset at the launch of the project.