UNIBAIL-RODAMCO-WESTFIELD

Paris, Amsterdam, November 1, 2020

Press release

UNIBAIL-RODAMCO-WESTFIELD REPORTS Q3-2020 EARNINGS

Adjusted Recurring Earnings per Stapled Share ("AREPS") of €6.57 for the first 9 months of 2020

- Footfall recovery sustained: September -21% in Continental Europe and -24% in Europe
- Tenant sales **impacted less** than footfall: September down -15% in Continental Europe, -19% in Europe, and -17% in the US for opened stores(1)
- New restrictions in place in Europe may affect recovery and Q4 results
- Tenant negotiations: **72% through** the process
- Collection rates: **95%** in **Q1, 52%** in **Q2** and **79%** in **Q3,** of which **91% in Continental Europe**
- Disposals: **€0.6 Bn realized** of the **€4 Bn RESET plan,** with the signing of the SHiFT office disposal at a premium to book value
- Average cost of debt: **1.8%**;
- Like-for-like (Lfl) portfolio revaluation since Dec. 31, 2019: **-7.6%** (-2.7% in Q3-2020)
- EPRA Net Reinstatement Value ("EPRA NRV"): **€180.90** / share
- Development pipeline scaled back to **€5.4 Bn** (**-€2.9 Bn** vs. Dec. 31, 2019)
- LTV: **42.5%** (41.9% pro-forma for the proceeds of the SHiFT disposal)
- 2020 Forecast: **AREPS of €7.20 - €7.80;** retail NRI: between **-25% and -30%** on a **cash basis, -18% to -23%** on an **IFRS basis**
- 2021 Lfl retail NRI guidance: between **+10% and +20%** vs. 2020 on a cash basis, broadly flat on an IFRS basis
- Dividend: cash dividends capped at €250 Mn for 2020 and 2021
- €9+ Bn RESET plan announced on September 16 to strengthen the balance sheet and ensure uninterrupted access to credit markets

"The recovery accelerated through September, as all of the Group's European centres were open and restrictions mostly lifted in the US, except in California, and footfall and tenant sales continued to recover. Collection rates improved significantly to 79%, with Continental Europe at 91%. Tenant negotiations also progressed well and are now 72% complete. We achieved a key milestone in our €4 Bn disposal programme, with the signing of an agreement on October 12 to sell the SHiFT office building above book value.
In October, a worrying increase in COVID-19 infections has led to a return of government restrictions, including renewed lockdowns, hence adding further uncertainty. These extraordinary challenges reaffirm the necessity of the Group's €9+ Bn RESET plan, to immediately strengthen the capital structure and reduce risk.
Taking into account the new restrictive measures in place and their impact on the Group's operations, URW currently expects its 2020 AREPS to be between €7.20 and €7.80 per share. For 2021, the Group expects like-for-like retail NRI to grow by between +15 and +20% on a cash basis versus that expected for 2020. I want to thank our terrific teams. They have been working tirelessly since March to help URW overcome this unprecedented situation."
Christophe Cuvillier, Group Chief Executive Officer

	9M-2020	9M-2019	Growth	Like-for-like growth[2]
Net Rental Income (in € Mn)	**1,531**	**1,849**	-17.2%	**-15.3%**
Shopping Centres	**1,460**	**1,699**	-14.1%	**-12.3%**
France	*436*	*495*	*-11.9%*	*-4.2%*
Central Europe	*153*	*169*	*-9.3%*	*-9.3%*
Spain	*105*	*115*	*-9.1%*	*-7.8%*
Nordics	*86*	*95*	*-8.7%*	*-9.0%*
Austria	*65*	*83*	*-22.3%*	*-21.0%*
Germany	*96*	*106*	*-8.9%*	*-8.9%*
The Netherlands	*41*	*43*	*-3.6%*	*-6.9%*
United States	*400*	*480*	*-16.7%*	*-16.9%*
United Kingdom	*78*	*114*	*-31.5%*	*-30.7%*
Offices & Others	**63**	**81**	-22.5%	**-1.3%**
Convention & Exhibition	**8**	**69**	-88.7%	**-88.7%**
Recurring net result (in € Mn)	**945**	**1,341**	-29.5%	
Recurring EPS (in €)	6.83	9.69	-29.5%	
Adjusted Recurring EPS (in €)	***6.57***	***9.43***	*-30.4%*	
	Sep. 30, 2020	**Dec. 31, 2019**	**Growth**	**Like-for-like growth**
Proportionate portfolio valuation (in € Mn)	**58,334**	**65,341**	-10.7%	-7.6%
EPRA Net Reinstatement Value (in € per stapled share)	**180.90**	**228.80**	-20.9%	

Figures may not add up due to rounding

9M-2020 AREPS: €6.57

Reported AREPS amounted to €6.57, down -30.4% from 9M-2019, a decrease of -€2.86, split as follows:

- -€0.35 due to disposals made in 2019 and 2020;
- -€0.32 as a result of ending the capitalisation of letting fees;
- -€2.42 due to the impact of COVID-19 on operations and financing, of which:
  - -€0.23 due to rent relief;
  - -€0.88 due to increased doubtful debtors;
  - -€0.43 due to lower variable revenue streams (e.g. Sales Based Rent (“SBR”), parking, and Commercial Partnerships);
  - -€0.35 due to lower net services income;
  - -€0.36 reduction in net income from the Convention & Exhibition business; and
  - -€0.17 increase in financial expenses due to liquidity measures taken in response to the crisis.
- Partially offset by +€0.23 of other items.

OPERATING PERFORMANCE

Shopping Centres

All centres in Europe reopened by June 15 and remained open throughout Q3, although some restrictions remained in certain markets, such as on restaurants and entertainment.

In the US, all of the Group's centres, except Westfield World Trade Center, had reopened by July. However, on July 13, as COVID-19 cases surged, the State of California ordered all indoor operations of shopping centres to close again. This order was lifted on September 2, but five of the Group's centres in Los Angeles county were required to keep indoor operations closed until October 7. Westfield World Trade Center reopened on September 9.

As from October, most European regions reintroduced measures such as capacity restrictions, closure of F&B and leisure, curfews or lockdowns, which will negatively affect operations going forward.

Footfall in the European centres showed an encouraging recovery, although it was slightly weaker in September as COVID-19 infections began to rise again.

In the US, with only around 60% of the centres included (due to centres not opened for the whole month and data limitations), footfall in September was around 65% of the prior year.

Tenant sales[(3)] generally showed an improving trend after the first lockdown with Continental Europe at -26%, -16%, -12% and -15% for June, July, August and September, respectively, and total Europe, impacted by the later recovery of the UK, at -33%, -21%, -16% and -19%, respectively. August benefitted from a strong performance in France (-5%). September was impacted by the start of the second wave of COVID-19 in Europe.

The best performing categories during Q3 were Food stores and Mass Merchandise (-3%), Home (-6%), Culture & Media & Technology (-9%) and Sport (-9%), showing encouraging results.

In the US, tenant sales[(4)] in the centres which were open throughout each respective month were -34% in July, -33% in August and -24% in September compared to the same months in 2019. This reflected that only c. 90% of the stores were open in these centres. Monthly variances for sales pro-rated[(1)] to reflect the same number of operating stores per days in both years were: July -28%, August -27% and September -17%.

The rent collection[(5)] amounted to 95% for Q1 and 52% for Q2 (up from 46% as at September 15). In Q3, collection rose to 79%, of which 91% in Continental Europe, showing strong recovery, progress in tenant negotiations and the efforts of URW's teams.

Tenant negotiations are advancing well. As at October 27, the Group was 72% through the process, including agreements reached with 9 of its top 10 retailers. These negotiations are 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). Additional rent relief may be required to support tenants as a result of the further closure of stores as from the end of October due to the second wave of COVID-19.

Lfl shopping centre NRI was down by -12.3% for the Group, and by -8.0% in Continental Europe, mainly driven by the impact of COVID-19. Rent relief amounted to €54.1 Mn. The Group currently expects to grant a total of between €250 Mn and €290 Mn of H1 COVID-19 related rent relief.

The comprehensive €9.0+ Bn RESET plan unveiled on September 16 to strengthen URW's balance sheet, maintain a strong investment grade rating and ensure uninterrupted access to bond and bank markets is more necessary than ever. As a reminder, the main elements of this deleveraging plan include a €3.5 Bn rights issue, €1.0 Bn of savings by limiting the cash dividends over two years, c.€800 Mn of Capex reduction, and €4.0 Bn in asset disposals by 2021, which the Group is executing. Full details of this plan can be found at reset.urw.com.

Offices & Others
Lfl NRI was down by -1.3%, while total NRI was down by -22.5%, primarily as a result of the disposals of the Majunga office and the Novotel Lyon Confluence in 2019 and 2020, respectively.

Convention & Exhibition
Recurring NOI was down by -92.1% compared to 2019, as most events were cancelled from March 9 as a result of government restrictions.

DEVELOPMENT PIPELINE FURTHER REDUCED

The Total Investment Cost (TIC)(6) of URW's development pipeline stood at €5.4 Bn, down from €10.3 Bn as at June 30, 2019, €8.3 Bn as at December 31, 2019, and €6.2 Bn as at June 30, 2020.

The Group retains significant flexibility, with committed projects of only €3.7 Bn, of which €2.2 Bn already invested. The Group plans to deliver the La Part-Dieu extension and the Trinity office building in Q4 2020, the Westfield Mall of the Netherlands redevelopment in H1-2021, and the Gaîté Montparnasse mixed use project in H2-2021.

DISPOSALS

On October 12, URW entered into an agreement with a consortium of French institutional investors (Primonial REIM, La Française and EDF Invest) for the sale of the SHiFT office building, which is expected to close in Q1-2021. The Disposal Price(7) of €620 Mn represents a premium to the June 30, 2020, book value.

Upon closing of this transaction, the Group will have generated €5.3 Bn of net disposal proceeds since June 2018, at an average net initial yield of 4.5% and an average premium to book value of +5.6%.

VALUATION

The proportionate Gross Market Value (GMV) of the Group's assets as at September 30, 2020, decreased by -10.7% to €58.3 Bn from December 31, 2019, as a result of a like-for-like portfolio revaluation of -€4,168 Mn (-7.6%), of which -€1,400 Mn (-2.7%) in Q3, and of disposals.

The EPRA Net Reinstatement Value per share came to €180.90 as at September 30, 2020, down -€47.90 (-20.9%) compared to December 31, 2019, and -€16.10 (-8.2%) compared to June 30, 2020, mainly driven by the revaluation of investment properties and the impairment of goodwill.

FINANCING

The Group's average cost of debt increased to 1.8% (1.7% in H1), representing a blended 1.2% for EUR(8) debt and 3.7% for USD and GBP debt. The LTV (Loan-to-Value) ratio stood at 42.5% (41.9% pro-forma for the disposal of SHiFT). The Group's average debt maturity came to 8.2 years. The ICR (interest coverage ratio) was 4.0x.

2020 AREPS OUTLOOK

The evolving health and economic situation as well as the extreme volatility of market conditions are likely to create or increase risks and uncertainties on the validity of the assumptions and estimates on which forecasts and guidance prepared by the Group are based on and which reflect the situation as it exists as at October 15, 2020. The forecasts and guidance released by the Group are not guarantees of future performance, and the Group's actual financial condition, results of operations and cash flows may differ materially from those presented below[9].

The Group had prepared the outlook for 2020 based upon the situation as at October 15 and on:

- its results through September 30, 2020;
- the rent relief negotiations referring to events during the first 9 months of 2020 and expected to be signed in Q4;
- the expected vacancy rate at December 31, 2020;
- the like-for-like retail NRI performance, expected to be down by -25% to -30% from that of 2019 (approximately €2.0 Bn) on a cash basis, and by -18% to -23% on an IFRS basis (under IFRS 16, rent relief qualifying as a lease modification must be straight-lined over the remaining term of the lease);
- the results of the C&E business as COVID-19 effectively forced an almost complete halt of operations;
- the full year effect of the incremental liquidity raised by URW in response to the pandemic; and
- a weighted average number of 138,437,274 shares outstanding for 2020, i.e., before the impact of the issuance of new shares as a result of the proposed €3.5 Bn capital increase.

The above would have led to a range for the full year net recurring result of between €1,000 Mn and €1,080 Mn, and to 2020 AREPS of between €7.50 and €7.80, a decrease of between -37% and -40% compared to the 2019 AREPS of €12.37.

This decrease in AREPS of between €4.57 to €4.87 vs. 2019 included among others:

- -€0.53 for the C&E business due to the effective closure of sites during the last 9 months of the year;
- -€0.44 due to the end of the capitalisation of internal letting fees;
- -€0.47 due to the disposals completed in 2019 and 2020; and
- -€0.35 due to increased financial expenses.

The estimated cash impact (i.e., no straightlining) on the 2020 AREPS of the rent relief negotiations would be an additional -€1.25.

However, since the preparation of this forecast, authorities in Europe have imposed new lockdowns and other restrictions to combat the spread of COVID-19. This might require the Group to grant additional rent relief to support tenants as it did for the period of closures during H1. Hence, the outlook for the full year net recurring result has been adjusted by €40 Mn and the 2020 AREPS by 30 cents, to between €7.20 and €7.80.

An increase of the number of shares, resulting from the capital increase to be approved by the General Meeting on November 10, 2020, would result in lower 2020 AREPS than described above.

2021 Like-for-like retail NRI

The Group currently expects the 2021 like-for-like retail NRI, which includes the negative impact of the straightlining of rent relief granted in 2020, to be broadly flat versus that expected for 2020.

On a cash basis, i.e., excluding the straightlining of rent relief granted in 2020, the 2021 like-for-like retail NRI would grow by between +10 % and +20% versus that expected for 2020.

Based on the above guidance, the 2021 like-for-like retail NRI would reach, both on an IFRS and on a cash basis, between 80% and 90% of the approximately €2 Bn recorded in 2019 [10].

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DIVIDEND POLICY

Any dividend to be proposed to the AGM for 2020 will depend on the Group's operations, results and outlook as described above, and be paid after such AGM.

As per its RESET plan, the Group targets €1 Bn of cash dividend savings in 2021 and 2022 relative to the €750 Mn paid in 2020 with respect to 2019.

Consequently, if a dividend is proposed to the AGM for 2020, the Group would include an option for shareholders to take a scrip dividend in order to limit the cash amount to a maximum of €250 Mn.

SUMMARY OF THE RECOMMENDATIONS OF PROXY ADVISORS FOR THE GENERAL MEETING OF NOVEMBER 10, 2020

A table summarizing the recommendations of proxy advisors is available in Appendix 2.

FINANCIAL SCHEDULE

The next financial events on the Group's calendar will be:
November 10, 2020: General Meeting Unibail-Rodamco-Westfield SE
February 10, 2021: 2020 Full-Year results
May 12, 2021: AGM Unibail-Rodamco-Westfield SE

The financial report, including the notes to the consolidated accounts, as well as the auditors' report are available on the financial results section of URW's website: https://www.urw.com/en/investors/financial-information/financial-results.

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(1) Tenant sales for stores open, pro rata for trading days. Excludes Westfield World Trade Center, which did not reopen until September.
(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) 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 9M-2020 reporting period, shopping centres excluded due to delivery or ongoing works were Les Ateliers Gaité, La Part-Dieu, CNIT (from August), 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.
(4) Excluding auto, department stores and assets not open throughout the whole month: July (14 exclusions), August (13 exclusions) and September (7 exclusions).
(5) For the Shopping Centre division as at October 27.
(6) 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) tenants' lease incentives and opening marketing expenses. It excludes: (i) capitalized financial interests; (ii) overheads costs; (iii) early or lost Net Rental Income; and (iv) IFRS adjustments.
(7) 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.
(8) Including SEK.
(9) For a complete description of risk factors, please refer to the Appendix to this press release and the Group's 2019 Universal Registration Document.
(10) Data based on internal business plan as at October 15 and may be impacted by new restrictive measures imposed across Europe.

About Unibail-Rodamco-Westfield

Unibail-Rodamco-Westfield is the premier global developer and operator of Flagship Destinations, with a portfolio valued at €58.3 Bn as at September 30, 2020, of which 86% in retail, 7% in offices, 5% in convention & exhibition venues and 2% in services. Currently, the Group owns and operates 89 shopping centres, including 55 Flagships in the most dynamic cities in Europe and the United States. Its centres welcome 1.2 billion visits per year. 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 3,400 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
Follow the Group updates on Twitter @urw_group, Linkedin @Unibail-Rodamco-Westfield and Instagram @urw_group

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APPENDIX TO THE PRESS RELEASE
November 1, 2020

CONSOLIDATED FINANCIAL STATEMENTS (IFRS):

FINANCIAL STATEMENTS ON A PROPORTIONATE BASIS:

MANAGEMENT DISCUSSION & ANALYSIS:

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

UNIBAIL-RODAMCO-WESTFIELD

CONSOLIDATED FINANCIAL STATEMENTS (IFRS)[1]:

[1] The statutory auditors issued their report on the consolidated condensed interim financial statements for the nine months ended September 30, 2020.
URW has not prepared comparative data for the nine months ended September 30, 2019 for the Consolidated interim statement of comprehensive income and the Consolidated interim statement of cash flows.
The comparative Consolidated interim statement of comprehensive income and the Consolidated interim statement of cash flows are related to the 12-month period ended December 31, 2019.
In addition, in this MD&A, comparative data related to the recurring income statement for the nine months period ended September 30, 2019 are presented, which have not been audited, nor reviewed by the statutory auditors.

Consolidated statement of comprehensive income (YTD in €Mn)	Jan. - Sept. 2020	2019
Gross rental income	1,558.0	2,417.6
Ground rents paid	*(16.2)*	*(14.5)*
Service charge income	*279.8*	*376.6*
Service charge expenses	*(310.4)*	*(413.5)*
Property operating expenses	*(284.0)*	*(380.9)*
Operating expenses and net service charges	(330.8)	(432.3)
Net rental income	**1,227.1**	**1,985.2**
Property development and project management revenue	212.8	276.6
Property development and project management costs	(187.8)	(235.2)
Net property development and project management income	**25.0**	**41.3**
Property services and other activities revenues	137.2	310.1
Property services and other activities expenses	(137.3)	(211.4)
Net property services and other activities income	**(0.1)**	**98.7**
Share of the result of companies accounted for using the equity method	(963.4)	(77.9)
Income on financial assets	18.9	32.2
Contribution of companies accounted for using the equity method	**(944.5)**	**(45.7)**
Corporate expenses	(143.4)	(191.5)
Development expenses	(1.0)	(17.4)
Depreciation of other tangible assets	(1.6)	(2.0)
Administrative expenses	**(146.0)**	**(210.9)**
Acquisition and related costs	**(22.4)**	**(45.8)**
Proceeds from disposal of investment properties	651.4	1,180.2
Carrying value of investment properties sold	(705.1)	(1,111.7)
Result on disposal of investment properties (1)	**(53.7)**	**68.5**
Valuation gains on assets	45.6	924.0
Valuation losses on assets	(3,356.2)	(2,026.4)
Valuation movements on assets	**(3,310.6)**	**(1,102.4)**
Impairment of goodwill	**(1,456.1)**	**(7.1)**
NET OPERATING RESULT	**(4,681.3)**	**781.8**
Result from non-consolidated companies	1.1	1.7
Financial income	*186.1*	*278.3*
Financial expenses	*(514.6)*	*(670.0)*
Net financing costs	(328.5)	(391.7)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	6.0	(7.6)
Fair value adjustments of derivatives, debt and currency effect	(646.2)	(343.5)
Debt discounting	-	(0.7)
RESULT BEFORE TAX	**(5,648.9)**	**40.1**
Income tax expenses	194.5	1,065.4
NET RESULT FOR THE PERIOD	**(5,454.3)**	**1,105.5**
Net result for the period attributable to:		
- The holders of the Stapled Shares	(5,156.9)	1,103.3
- External non-controlling interests	(297.4)	2.2
NET RESULT FOR THE PERIOD	**(5,454.3)**	**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	(4,233.5)	1,052.1
- Unibail-Rodamco-Westfield N.V. members	(923.4)	51.2
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE HOLDERS OF THE STAPLED SHARES	**(5,156.9)**	**1,103.3**
Average number of shares (undiluted)	138,425,485	138,350,731
Net result for the period (Holders of the Stapled Shares)	(5,156.9)	1,103.3
Net result for the period per share (Holders of the Stapled Shares) (€)	**(37.25)**	**7.97**
Net result for the period restated (Holders of the Stapled Shares) (2)	(5,162.9)	1,110.9
Average number of shares (diluted)	140,664,650	140,466,405
Diluted net result per share (Holders of the Stapled Shares) (€)	**(36.70)**	**7.91**

NET COMPREHENSIVE INCOME (€Mn)	Jan. - Sept. 2020	2019
NET RESULT FOR THE PERIOD	**(5,454.3)**	**1,105.5**
Foreign currency differences on translation of financial statements of subsidiaries and net investments in these subsidiaries	(457.3)	198.5
Other comprehensive income that may be subsequently recycled to profit or loss	**(457.3)**	**198.5**
Employee benefits	-	(0.9)
Fair Value of Financial assets	(15.1)	3.4
Other comprehensive income not subsequently recyclable to profit or loss	**(15.1)**	**2.5**
OTHER COMPREHENSIVE INCOME	**(472.4)**	**200.9**
NET COMPREHENSIVE INCOME	**(5,926.7)**	**1,306.4**
- External non-controlling interests	(297.4)	2.0
NET COMPREHENSIVE INCOME (HOLDERS OF THE STAPLED SHARES)	**(5,629.3)**	**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.

Recurring Earnings per share	Jan. - Sept. 2020	2019
Net Result of the period attributable to the holders of the Stapled Shares (€Mn)	**(5,156.9)**	**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	(3,310.6)	(1,102.4)
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	(53.7)	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	(1,456.1)	(7.1)
(vi) Changes in fair value of financial instruments and associated close-out costs	(640.2)	(351.8)
(vii) Acquisition costs on share deals and non-controlling joint venture interests	(22.4)	(45.8)
(viii) Deferred tax in respect of EPRA adjustments	223.3	1,324.9
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	(1,234.9)	(533.4)
(x) External non-controlling interests in respect of the above	392.3	200.7
EPRA Recurring Earnings	**945.4**	**1,759.7**
Coupon on the Hybrid Securities	(36.1)	(48.1)
Adjusted Recurring Earnings	**909.3**	**1,711.6**
Average number of shares and ORA	138,425,485	138,354,383
EPRA Recurring Earnings per Share (REPS)	**6.83 €**	**12.72 €**
EPRA Recurring Earnings per Share growth (1)	**-29.5%**	**-3.3%**

Adjusted Recurring Earnings per Share (AREPS)	**6.57 €**	**12.37 €**
Adjusted Recurring Earnings per Share growth (2)	**-30.4%**	**-4.3%**

(1) The Jan. - Sept. 2019 REPS has not been published in 2019 nor reviewed by statutory auditors. It is published in 2020 in order to give investors and stakeholders a comparison of REPS between Jan. - Sept. 2020 and Jan. - Sept. 2019.
(2) The Jan. - Sept. 2019 AREPS has not been published in 2019 nor reviewed by statutory auditors. It is published in 2020 in order to give investors and stakeholders a comparison of AREPS between Jan. - Sept. 2020 and Jan. - Sept. 2019.

Consolidated Statement of financial position (€Mn)	**Sept. 30, 2020**	**Dec. 31, 2019**
NON CURRENT ASSETS	**55,496.1**	**61,106.6**
Investment properties	**42,173.8**	**45,733.2**
Investment properties at fair value	*40,901.5*	*44,589.9*
Investment properties at cost	*1,272.3*	*1,143.3*
Shares and investments in companies accounted for using the equity method	9,459.7	10,194.6
Other tangible assets	294.2	344.5
Goodwill	1,398.4	2,878.4
Intangible assets	912.3	984.4
Investments in financial assets	320.1	343.5
Deferred tax assets	34.1	28.4
Derivatives at fair value	903.5	599.6
CURRENT ASSETS	**5,059.3**	**3,896.5**
Properties or shares held for sale	631.1	2,147.6
Derivatives at fair value	-	-
Inventories	34.5	91.2
Trade receivables from activity	762.7	513.0
Tax receivables	216.7	303.6
Other receivables	367.2	352.4
Cash and cash equivalents	3,047.1	488.8
TOTAL ASSETS	**60,555.4**	**65,003.2**
Equity attributable to the holders of the Stapled Shares	**19,566.0**	**25,950.8**
Share capital	692.4	691.9
Additional paid-in capital	13,480.7	13,478.2
Consolidated reserves	11,001.0	10,671.4
Hedging and foreign currency translation reserves	(451.2)	6.1
Consolidated result	(5,156.9)	1,103.3
- Equity attributable to Unibail-Rodamco-Westfield S.E. members	***18,979.2***	***24,334.4***
- Equity attributable to Unibail-Rodamco-Westfield N.V. members	***586.8***	***1,616.4***
Hybrid securities	1,988.5	1,988.8
External non-controlling interests	3,545.6	3,912.9
TOTAL SHAREHOLDERS' EQUITY	**25,100.1**	**31,852.5**
NON CURRENT LIABILITIES	**28,702.2**	**28,291.0**
Non current commitment to external non-controlling interests	113.9	172.2
Net share settled bonds convertible into new and/or existing shares (ORNANE)	493.5	602.1
Non current bonds and borrowings	23,128.8	22,931.6
Non current lease liabilities	777.0	806.7
Derivatives at fair value	1,676.8	1,025.0
Deferred tax liabilities	2,075.1	2,276.0
Non current provisions	108.4	110.3
Guarantee deposits	204.7	218.0
Amounts due on investments	104.1	149.1
Other non current liabilities	19.9	-
CURRENT LIABILITIES	**6,753.1**	**4,859.7**
Liabilities directly associated with properties or shares classified as held for sale	-	110.7
Current commitment to external non-controlling interests	1.0	1.0
Amounts owed to shareholders	0.9	-
Amounts due to suppliers and other creditors	**1,229.0**	**1,349.4**
Amounts due to suppliers	*191.3*	*230.5*
Amounts due on investments	*462.9*	*633.5*
Sundry creditors	*574.8*	*485.3*
Other current liabilities	794.2	729.8
Current borrowings and amounts due to credit institutions	4,639.4	2,557.4
Current lease liabilities	42.5	41.4
Derivatives at fair value	13.0	30.1
Current provisions	33.1	39.9
TOTAL LIABILITIES AND EQUITY	**60,555.4**	**65,003.2**

Consolidated statement of cash flows (€Mn)	Jan. - Sept. 2020	2019
Operating activities		
Net result	**(5,454.3)**	**1,105.5**
Depreciation & provisions (1)	97.4	28.1
Impairment of goodwill	1,456.1	7.1
Changes in value of property assets	3,310.6	1,102.4
Changes in value of financial instruments	640.2	351.8
Charges and income relating to stock options and similar items	9.2	13.8
Net capital gains/losses on disposal of investment properties (2)	53.7	(68.6)
Share of the result of companies accounted for using the equity method	963.4	77.9
Income on financial assets	(18.9)	(32.2)
Dividend income from non-consolidated companies	(1.0)	(1.7)
Net financing costs	328.5	391.7
Income tax charge (income)	(194.5)	(1,065.4)
Cash flow before net financing costs and tax	**1,190.4**	**1,910.4**
Income on financial assets	18.9	32.2
Dividend income and result from companies accounted for using the equity method or non consolidated	65.4	274.2
Income tax paid	(22.9)	(211.7)
Change in working capital requirement	(125.7)	(118.0)
Total cash flow from operating activities	**1,126.1**	**1,887.1**
Investment activities		
Property activities	**391.7**	**(398.2)**
Acquisition of businesses, net of cash acquired	(37.2)	(35.5)
Amounts paid for works and acquisition of property assets	(886.7)	(1,525.4)
Repayment of property financing	18.5	80.7
Increase of property financing	(207.9)	(166.4)
Disposal of shares	1,036.5	291.2
Disposal of investment properties	468.5	957.2
Financial activities	**16.9**	**(18.5)**
Acquisition of financial assets	(6.8)	(33.1)
Repayment of financial assets	16.0	4.0
Change in financial assets	7.7	10.6
Total cash flow from investment activities	**408.6**	**(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	4.4	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	(73.9)	(84.1)
Coupon on the Hybrid Securities	(21.6)	(48.1)
New borrowings and financial liabilities	3,415.9	4,707.8
Repayment of borrowings and financial liabilities	(1,016.5)	(3,826.2)
Financial income	171.8	257.4
Financial expenses	(521.1)	(665.8)
Other financing activities	(198.3)	(210.6)
Total cash flow from financing activities	**1,015.3**	**(1,345.9)**
Change in cash and cash equivalents during the period	**2,550.0**	**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	**0.8**	**(7.2)**
Net cash and cash equivalents at period-end	**3,036.8**	**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.

UNIBAIL-RODAMCO-WESTFIELD

FINANCIAL STATEMENTS ON A PROPORTIONATE BASIS[2]:

[2] 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 (YTD in €Mn)	**Jan. - Sept. 2020 IFRS**	**Proportionate**	**Total Jan. - Sept. 2020 Proportionate**	**2019 IFRS**	**Proportionate**	**Total 2019 Proportionate**
Gross rental income	1,558.0	463.9	2,021.8	2,417.6	665.8	3,083.4
Ground rents paid	*(16.2)*	(0.7)	*(16.9)*	*(14.5)*	(0.3)	*(14.9)*
Service charge income	*279.8*	54.0	*333.8*	*376.6*	73.9	*450.5*
Service charge expenses	*(310.4)*	(66.6)	*(377.0)*	*(413.5)*	(86.2)	*(499.7)*
Property operating expenses	*(284.0)*	(147.1)	*(431.1)*	*(380.9)*	(147.2)	*(528.1)*
Operating expenses and net service charges	(330.8)	(160.4)	(491.2)	(432.3)	(159.8)	(592.1)
Net rental income	**1,227.1**	**303.5**	**1,530.7**	**1,985.2**	**506.0**	**2,491.2**
Property development and project management revenue	212.8	-	212.8	276.6	-	276.6
Property development and project management costs	(187.8)	-	(187.8)	(235.2)	-	(235.2)
Net property development and project management income	**25.0**	**-**	**25.0**	**41.3**	**-**	**41.3**
Property services and other activities revenues	137.2	(0.0)	137.2	310.1	(0.3)	309.8
Property services and other activities expenses	(137.3)	0.0	(137.3)	(211.4)	(0.0)	(211.5)
Net property services and other activities income	**(0.1)**	**0.0**	**(0.1)**	**98.7**	**(0.3)**	**98.4**
Share of the result of companies accounted for using the equity method	(963.4)	844.3	(119.1)	(77.9)	85.5	7.6
Income on financial assets	18.9	(6.3)	12.6	32.2	(9.2)	23.0
Contribution of companies accounted for using the equity method	**(944.5)**	**838.0**	**(106.6)**	**(45.7)**	**76.3**	**30.5**
Corporate expenses	(143.4)	(5.3)	(148.7)	(191.5)	(8.9)	(200.3)
Development expenses	(1.0)	(0.0)	(1.0)	(17.4)	-	(17.4)
Depreciation of other tangible assets	(1.6)	-	(1.6)	(2.0)	0.0	(2.0)
Administrative expenses	**(146.0)**	**(5.3)**	**(151.3)**	**(210.9)**	**(8.9)**	**(219.8)**
Acquisition and related costs	**(22.4)**	**-**	**(22.4)**	**(45.8)**	**(5.7)**	**(51.5)**
Proceeds from disposal of investment properties	651.4	1.1	652.4	1,180.2	1.8	1,182.1
Carrying value of investment properties sold	(705.1)	(0.4)	(705.5)	(1,111.7)	(1.0)	(1,112.7)
Result on disposal of investment properties (1)	**(53.7)**	**0.7**	**(53.0)**	**68.5**	**0.8**	**69.4**
Valuation gains on assets	45.6	3.7	49.3	924.0	90.3	1,014.3
Valuation losses on assets	(3,356.2)	(1,101.3)	(4,457.5)	(2,026.4)	(603.5)	(2,629.9)
Valuation movements on assets	**(3,310.6)**	**(1,097.7)**	**(4,408.2)**	**(1,102.4)**	**(513.1)**	**(1,615.6)**
Impairment of goodwill	**(1,456.1)**	**-**	**(1,456.1)**	**(7.1)**	**-**	**(7.1)**
NET OPERATING RESULT	**(4,681.3)**	**39.3**	**(4,642.1)**	**781.8**	**55.1**	**836.9**
Result from non-consolidated companies	1.1	(0.0)	1.0	1.7	0.1	1.8
Financial income	*186.1*	0.8	*186.9*	*278.3*	1.2	*279.5*
Financial expenses	*(514.6)*	(42.9)	*(557.5)*	*(670.0)*	(59.8)	*(729.8)*
Net financing costs	(328.5)	(42.1)	(370.6)	(391.7)	(58.7)	(450.4)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	6.0	-	6.0	(7.6)	-	(7.6)
Fair value adjustments of derivatives, debt and currency effect	(646.2)	(2.8)	(649.0)	(343.5)	3.1	(340.3)
Debt discounting	-	-	-	(0.7)	-	(0.7)
RESULT BEFORE TAX	**(5,648.9)**	**(5.7)**	**(5,654.6)**	**40.1**	**(0.3)**	**39.8**
Income tax expenses	194.5	5.7	200.2	1,065.4	0.4	1,065.7
NET RESULT FOR THE PERIOD	**(5,454.3)**	**(0.0)**	**(5,454.3)**	**1,105.5**	**0.0**	**1,105.5**
Net result for the period attributable to:						
- The holders of the Stapled Shares	(5,156.9)	0.0	(5,156.9)	1,103.3	0.0	1,103.3
- External non-controlling interests	(297.4)	(0.0)	(297.4)	2.2	-	2.2
NET RESULT FOR THE PERIOD	**(5,454.3)**	**(0.0)**	**(5,454.3)**	**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 (YTD in €Mn)			Jan. - Sept. 2020			2019		
			Recurring activities	Non-recurring activities (1)	Result	Recurring activities	Non-recurring activities (1)	Result
SHOPPING CENTRES	FRANCE	Gross rental income	484.9	-	484.9	714.3	-	714.3
		Operating expenses and net service charges	(49.0)	-	(49.0)	(50.9)	-	(50.9)
		Net rental income	**436.0**	-	**436.0**	**663.4**	-	**663.4**
		Contribution of companies accounted for using the equity method	10.3	(46.1)	(35.8)	-	-	-
		Gains/losses on sales of properties	-	(41.9)	(41.9)	-	1.8	1.8
		Valuation movements on assets	-	(983.8)	(983.8)	-	(277.0)	(277.0)
		Impairment of goodwill	-	(0.2)	(0.2)	-	-	-
		Result from operations Shopping Centres France	**446.2**	**(1,072.0)**	**(625.7)**	**663.4**	**(275.2)**	**388.2**
	UNITED STATES	Gross rental income	649.6	-	649.6	957.7	-	957.7
		Operating expenses and net service charges	(250.0)	-	(250.0)	(304.9)	-	(304.9)
		Net rental income	**399.7**	-	**399.7**	**652.8**	-	**652.8**
		Contribution of companies accounted for using the equity method	(2.2)	(44.3)	(46.5)	9.0	(36.5)	(27.5)
		Gains/losses on sales of properties	-	(11.4)	(11.4)	-	0.8	0.8
		Valuation movements on assets	-	(1,231.5)	(1,231.5)	-	(417.4)	(417.4)
		Impairment of goodwill	-	(721.3)	(721.3)	-	-	-
		Result from operations Shopping Centres United States	**397.4**	**(2,008.4)**	**(1,611.0)**	**661.8**	**(453.1)**	**208.7**
	CENTRAL EUROPE	Gross rental income	159.3	-	159.3	224.5	-	224.5
		Operating expenses and net service charges	(6.4)	-	(6.4)	(1.5)	-	(1.5)
		Net rental income	**152.9**	-	**152.9**	**223.0**	-	**223.0**
		Contribution of companies accounted for using the equity method	24.7	(44.4)	(19.7)	39.1	23.2	62.3
		Gains/losses on sales of properties	-	0.3	0.3	-	(1.2)	(1.2)
		Valuation movements on assets	-	(177.9)	(177.9)	-	111.6	111.6
		Impairment of goodwill	-	(0.3)	(0.3)	-	-	-
		Result from operations Shopping Centres Central Europe	**177.5**	**(222.4)**	**(44.8)**	**262.2**	**133.6**	**395.7**
	SPAIN	Gross rental income	122.5	-	122.5	169.5	-	169.5
		Operating expenses and net service charges	(17.8)	-	(17.8)	(12.7)	-	(12.7)
		Net rental income	**104.7**	-	**104.7**	**156.8**	-	**156.8**
		Contribution of companies accounted for using the equity method	-	-	-	-	-	-
		Gains/losses on sales of properties	-	0.1	0.1	-	(0.2)	(0.2)
		Valuation movements on assets	-	(230.6)	(230.6)	-	46.1	46.1
		Impairment of goodwill	-	(103.8)	(103.8)	-	-	-
		Result from operations Shopping Centres Spain	**104.7**	**(334.3)**	**(229.6)**	**156.8**	**45.9**	**202.7**
	UNITED KINGDOM	Gross rental income	130.4	-	130.4	211.4	-	211.4
		Operating expenses and net service charges	(52.2)	-	(52.2)	(54.1)	-	(54.1)
		Net rental income	**78.2**	-	**78.2**	**157.3**	-	**157.3**
		Contribution of companies accounted for using the equity method	-	-	-	-	-	-
		Gains/losses on sales of properties	-	-	-	-	-	-
		Valuation movements on assets	-	(841.9)	(841.9)	-	(611.7)	(611.7)
		Impairment of goodwill	-	(186.0)	(186.0)	-	-	-
		Result from operations Shopping Centres United Kingdom	**78.2**	**(1,027.9)**	**(949.7)**	**157.3**	**(611.7)**	**(454.4)**
	NORDICS	Gross rental income	95.5	-	95.5	136.3	-	136.3
		Operating expenses and net service charges	(9.2)	-	(9.2)	(13.6)	-	(13.6)
		Net rental income	**86.3**	-	**86.3**	**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	-	(168.7)	(168.7)	-	24.7	24.7
		Impairment of goodwill	-	(131.5)	(131.5)	-	-	-
		Result from operations Shopping Centres Nordics	**86.3**	**(300.3)**	**(214.0)**	**122.7**	**44.2**	**166.9**
	AUSTRIA	Gross rental income	68.7	-	68.7	116.7	-	116.7
		Operating expenses and net service charges	(3.9)	-	(3.9)	(5.3)	-	(5.3)
		Net rental income	**64.8**	-	**64.8**	**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	-	(176.1)	(176.1)	-	(116.5)	(116.5)
		Result from operations Shopping Centres Austria	**64.8**	**(176.1)**	**(111.3)**	**111.4**	**(116.5)**	**(5.1)**
	GERMANY	Gross rental income	111.3	-	111.3	154.6	-	154.6
		Operating expenses and net service charges	(15.0)	-	(15.0)	(11.1)	-	(11.1)
		Net rental income	**96.3**	-	**96.3**	**143.5**	-	**143.5**
		Contribution of companies accounted for using the equity method	1.9	(6.4)	(4.5)	2.7	(7.0)	(4.2)
		Gains/losses on sales of properties	-	(0.2)	(0.2)	-	(0.2)	(0.2)
		Valuation movements on assets	-	(160.1)	(160.1)	-	(179.0)	(179.0)
		Impairment of goodwill	-	(60.4)	(60.4)	-	-	-
		Result from operations Shopping Centres Germany	**98.2**	**(227.1)**	**(128.9)**	**146.2**	**(186.1)**	**(40.0)**
	THE NETHERLANDS	Gross rental income	51.7	-	51.7	71.0	-	71.0
		Operating expenses and net service charges	(10.3)	-	(10.3)	(8.6)	-	(8.6)
		Net rental income	**41.4**	-	**41.4**	**62.4**	-	**62.4**
		Contribution of companies accounted for using the equity method	-	-	-	-	-	-
		Gains/losses on sales of properties	-	(0.1)	(0.1)	-	1.4	1.4
		Valuation movements on assets	-	(143.8)	(143.8)	-	(89.6)	(89.6)
		Result from operations Shopping Centres The Netherlands	**41.4**	**(143.9)**	**(102.5)**	**62.4**	**(88.2)**	**(25.8)**
		TOTAL RESULT FROM OPERATIONS SHOPPING CENTRES	**1,494.8**	**(5,512.3)**	**(4,017.5)**	**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 (YTD in €Mn)			Jan. - Sept. 2020			2019		
			Recurring activities	Non-recurring activities [1]	Result	Recurring activities	Non-recurring activities [1]	Result
OFFICES & OTHERS	FRANCE	Gross rental income	47.0	-	47.0	78.1	-	78.1
		Operating expenses and net service charges	(6.6)	-	(6.6)	(6.0)	-	(6.0)
		Net rental income	**40.4**	-	**40.4**	**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	-	(1.7)	(1.7)	-	184.2	184.2
		Result from operations Offices France	**40.4**	**(1.3)**	**39.1**	**72.0**	**230.7**	**302.8**
	OTHER COUNTRIES	Gross rental income	30.8	-	30.8	40.8	-	40.8
		Operating expenses and net service charges	(8.7)	-	(8.7)	(10.0)	-	(10.0)
		Net rental income	**22.1**	-	**22.1**	**30.8**	-	**30.8**
		Contribution of companies accounted for using the equity method	-	-	-	0.0	-	0.0
		Gains/losses on sales of properties	-	(0.1)	(0.1)	-	0.9	0.9
		Valuation movements on assets	-	(47.5)	(47.5)	-	39.0	39.0
		Result from operations Offices other countries	**22.1**	**(47.6)**	**(25.5)**	**30.8**	**39.8**	**70.7**
		TOTAL RESULT FROM OPERATIONS OFFICES	**62.6**	**(49.0)**	**13.6**	**102.9**	**270.6**	**373.4**
CONVENTION & EXHIBITION	FRANCE	Gross rental income	70.0	-	70.0	208.5	-	208.5
		Operating expenses and net service charges	(62.2)	-	(62.2)	(113.4)	-	(113.4)
		Net rental income	**7.8**	-	**7.8**	**95.1**	-	**95.1**
		On site property services net income	**6.1**	-	**6.1**	**61.7**	-	**61.7**
		Contribution of companies accounted for using the equity method	-	-	-	-	-	-
		Valuation movements, depreciation, capital gains	(13.3)	(216.5)	(229.7)	(15.4)	(180.6)	(196.0)
		Impairment of goodwill	-	(8.2)	(8.2)	-	(7.1)	(7.1)
		TOTAL RESULT FROM OPERATIONS C & E	**0.7**	**(224.7)**	**(224.0)**	**141.5**	**(187.7)**	**(46.2)**
		Net property development and project management income	25.0	(9.5)	15.5	41.3	(141.4)	(100.1)
		Other property services net income	7.0	(18.7)	(11.7)	52.0	(7.9)	44.1
		Impairment of Goodwill related to the property services	-	(244.3)	(244.3)	-	-	-
		Administrative expenses	(150.2)	-	(150.2)	(202.3)	-	(202.3)
		Development expenses	(1.0)	-	(1.0)	(17.4)	-	(17.4)
		Acquisition and related costs	-	(22.4)	(22.4)	-	(51.5)	(51.5)
NET OPERATING RESULT			**1,438.9**	**(6,081.0)**	**(4,642.1)**	**2,461.9**	**(1,625.0)**	**836.9**
		Result from non consolidated companies	1.0	-	1.0	1.8	-	1.8
		Financing result	(370.6)	(643.0)	(1,013.5)	(450.4)	(348.6)	(799.0)
RESULT BEFORE TAX			**1,069.3**	**(6,723.9)**	**(5,654.6)**	**2,013.4**	**(1,973.6)**	**39.8**
		Income tax expenses	(29.1)	229.4	200.2	(50.8)	1,116.5	1,065.7
NET RESULT FOR THE PERIOD			**1,040.2**	**(6,494.6)**	**(5,454.3)**	**1,962.6**	**(857.1)**	**1,105.5**
		External non-controlling interests	(94.8)	392.3	297.4	(202.9)	200.7	(2.2)
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE HOLDERS OF THE STAPLED SHARES			**945.4**	**(6,102.3)**	**(5,156.9)**	**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.

Net result by segment on a proportionate basis (YTD in €Mn)			Jan. - Sept. 2020 Recurring activities	Jan. - Sept. 2019 Recurring activities
SHOPPING CENTRES	FRANCE	Gross rental income	484.9	535.4
		Operating expenses and net service charges	(49.0)	(40.4)
		Net rental income	**436.0**	**495.0**
		Contribution of companies accounted for using the equity method	10.3	-
		Result from operations Shopping Centres France	**446.2**	**495.0**
	UNITED STATES	Gross rental income	649.6	698.9
		Operating expenses and net service charges	(250.0)	(219.0)
		Net rental income	**399.7**	**479.9**
		Contribution of companies accounted for using the equity method	(2.2)	7.3
		Result from operations Shopping Centres United States	**397.4**	**487.1**
	CENTRAL EUROPE	Gross rental income	159.3	168.0
		Operating expenses and net service charges	(6.4)	0.5
		Net rental income	**152.9**	**168.5**
		Contribution of companies accounted for using the equity method	24.7	30.9
		Result from operations Shopping Centres Central Europe	**177.5**	**199.4**
	SPAIN	Gross rental income	122.5	126.2
		Operating expenses and net service charges	(17.8)	(11.0)
		Net rental income	**104.7**	**115.2**
		Contribution of companies accounted for using the equity method	-	-
		Result from operations Shopping Centres Spain	**104.7**	**115.2**
	UNITED KINGDOM	Gross rental income	130.4	153.6
		Operating expenses and net service charges	(52.2)	(39.5)
		Net rental income	**78.2**	**114.1**
		Contribution of companies accounted for using the equity method	-	-
		Result from operations Shopping Centres United Kingdom	**78.2**	**114.1**
	NORDICS	Gross rental income	95.5	103.0
		Operating expenses and net service charges	(9.2)	(8.5)
		Net rental income	**86.3**	**94.5**
		Contribution of companies accounted for using the equity method	-	-
		Result from operations Shopping Centres Nordics	**86.3**	**94.5**
	AUSTRIA	Gross rental income	68.7	86.7
		Operating expenses and net service charges	(3.9)	(3.3)
		Net rental income	**64.8**	**83.5**
		Contribution of companies accounted for using the equity method	-	-
		Result from operations Shopping Centres Austria	**64.8**	**83.5**
	GERMANY	Gross rental income	111.3	114.6
		Operating expenses and net service charges	(15.0)	(8.9)
		Net rental income	**96.3**	**105.7**
		Contribution of companies accounted for using the equity method	1.9	1.8
		Result from operations Shopping Centres Germany	**98.2**	**107.4**
	THE NETHERLANDS	Gross rental income	51.7	52.3
		Operating expenses and net service charges	(10.3)	(9.4)
		Net rental income	**41.4**	**42.9**
		Contribution of companies accounted for using the equity method	-	-
		Result from operations Shopping Centres The Netherlands	**41.4**	**42.9**
		TOTAL RESULT FROM OPERATIONS SHOPPING CENTRES	**1,494.8**	**1,739.3**

Net result by segment on a proportionate basis (YTD in €Mn)			Jan. - Sept. 2020 Recurring activities	Jan. - Sept. 2019 Recurring activities
OFFICES & OTHERS	FRANCE	Gross rental income	47.0	62.3
		Operating expenses and net service charges	(6.6)	(4.3)
		Net rental income	**40.4**	**57.9**
		Contribution of companies accounted for using the equity method	-	-
		Result from operations Offices France	**40.4**	**57.9**
	OTHER COUNTRIES	Gross rental income	30.8	29.8
		Operating expenses and net service charges	(8.7)	(7.0)
		Net rental income	**22.1**	**22.8**
		Contribution of companies accounted for using the equity method	-	-
		Result from operations Offices other countries	**22.1**	**22.8**
		TOTAL RESULT FROM OPERATIONS OFFICES	**62.6**	**80.8**
CONVENTION & EXHIBITION	FRANCE	Gross rental income	70.0	149.4
		Operating expenses and net service charges	(62.2)	(80.4)
		Net rental income	**7.8**	**69.0**
		On site property services net income	**6.1**	**42.8**
		Contribution of companies accounted for using the equity method	-	-
		Valuation movements, depreciation, capital gains	(13.3)	(11.2)
		TOTAL RESULT FROM OPERATIONS C & E	**0.7**	**100.6**
		Net property development and project management income	25.0	45.8
		Other property services net income	7.0	34.9
		Administrative expenses	(150.2)	(142.3)
		Development expenses	(1.0)	(1.2)
NET OPERATING RESULT			**1,438.9**	**1,857.9**
		Result from non consolidated companies	1.0	1.5
		Financing result	(370.6)	(334.6)
RESULT BEFORE TAX			**1,069.3**	**1,524.8**
		Income tax expenses	(29.1)	(31.6)
NET RESULT FOR THE PERIOD			**1,040.2**	**1,493.2**
		External non-controlling interests	(94.8)	(152.1)
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE HOLDERS OF THE STAPLED SHARES			**945.4**	**1,341.1**

Coupon on the Hybrid Securities	(36.1)	(36.0)
Adjusted Recurring Earnings	**909.3**	**1,305.1**
Average number of shares and ORA	138,425,485.0	138,346,205.0
EPRA Recurring Earnings per Share (REPS) (1)	**6.83 €**	**9.69 €**
EPRA Recurring Earnings per Share growth	**-29.5%**	

Adjusted Recurring Earnings per Share (AREPS) (2)	**6.57 €**	**9.43 €**
Adjusted Recurring Earnings per Share growth	**-30.4%**	

(1) The Jan. - Sept. 2019 REPS has not been published in 2019 nor reviewed by statutory auditors. It is published in 2020 in order to give investors and stakeholders a comparison of REPS between Jan. - Sept. 2020 and Jan. - Sept. 2019.
(2) The Jan. - Sept. 2019 AREPS has not been published in 2019 nor reviewed by statutory auditors. It is published in 2020 in order to give investors and stakeholders a comparison of AREPS between Jan. - Sept. 2020 and Jan. - Sept. 2019.

Consolidated statement of financial position (€Mn)	Sept. 30, 2020 IFRS	Proportionate	Sept. 30, 2020 Proportionate	Dec. 31, 2019 IFRS	Proportionate	Dec. 31, 2019 Proportionate
NON CURRENT ASSETS	**55,496.1**	**2,031.6**	**57,527.7**	**61,106.6**	**2,344.8**	**63,451.4**
Investment properties	**42,173.8**	**10,134.7**	**52,308.5**	**45,733.2**	**11,491.5**	**57,224.7**
Investment properties at fair value	*40,901.5*	*10,059.1*	*50,960.6*	*44,589.9*	*11,412.5*	*56,002.4*
Investment properties at cost	*1,272.3*	*75.6*	*1,347.9*	*1,143.3*	*79.0*	*1,222.3*
Shares and investments in companies accounted for using the equity method	9,459.7	(8,194.8)	1,264.9	10,194.6	(9,246.6)	948.0
Other tangible assets	294.2	0.9	295.1	344.5	1.0	345.5
Goodwill	1,398.4	90.5	1,488.9	2,878.4	90.5	2,968.9
Intangible assets	912.3	-	912.3	984.4	-	984.4
Investments in financial assets	320.1	0.3	320.4	343.5	8.4	351.9
Deferred tax assets	34.1	-	34.1	28.4	-	28.4
Derivatives at fair value	903.5	-	903.5	599.6	-	599.6
CURRENT ASSETS	**5,059.3**	**390.1**	**5,449.4**	**3,896.5**	**270.6**	**4,167.1**
Properties or shares held for sale	631.1	(0.0)	631.1	2,147.6	-	2,147.6
Derivatives at fair value	-	-	-	-	-	-
Inventories	34.5	23.1	57.6	91.2	11.9	103.1
Trade receivables from activity	762.7	194.9	957.6	513.0	96.7	609.7
Tax receivables	216.7	10.0	226.7	303.6	2.7	306.3
Other receivables	367.2	41.6	408.8	352.4	53.8	406.2
Cash and cash equivalents	3,047.1	120.5	3,167.6	488.8	105.5	594.3
TOTAL ASSETS	**60,555.4**	**2,421.7**	**62,977.1**	**65,003.2**	**2,615.4**	**67,618.6**
Equity attributable to the holders of the Stapled Shares	**19,566.0**	**-**	**19,566.0**	**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	11,001.0	-	11,001.0	10,671.4	-	10,671.4
Hedging and foreign currency translation reserves	(451.2)	-	(451.2)	6.1	-	6.1
Consolidated result	(5,156.9)	-	(5,156.9)	1,103.3	-	1,103.3
- Equity attributable to Unibail-Rodamco-Westfield S.E. members	***18,979.2***	-	***18,979.2***	***24,334.4***	-	***24,334.4***
- Equity attributable to Unibail-Rodamco-Westfield N.V. members	***586.8***	-	***586.8***	***1,616.4***	-	***1,616.4***
Hybrid securities	1,988.5	-	1,988.5	1,988.8	-	1,988.8
External non-controlling interests	3,545.6	-	3,545.6	3,912.9	-	3,912.9
TOTAL SHAREHOLDERS' EQUITY	**25,100.1**	**-**	**25,100.1**	**31,852.5**	**-**	**31,852.5**
NON CURRENT LIABILITIES	**28,702.2**	**2,086.8**	**30,789.0**	**28,291.0**	**2,375.6**	**30,666.6**
Non current commitment to external non-controlling interests	113.9	2.1	116.0	172.2	3.3	175.5
Net share settled bonds convertible into new and/or existing shares (ORNANE)	493.5	-	493.5	602.1	-	602.1
Non current bonds and borrowings	23,128.8	1,955.7	25,084.5	22,931.6	2,227.9	25,159.5
Non current lease liabilities	777.0	9.0	786.0	806.7	9.3	816.0
Derivatives at fair value	1,676.8	-	1,676.8	1,025.0	-	1,025.0
Deferred tax liabilities	2,075.1	108.1	2,183.2	2,276.0	116.6	2,392.6
Non current provisions	108.4	0.3	108.7	110.3	0.3	110.6
Guarantee deposits	204.7	11.4	216.1	218.0	18.0	236.0
Amounts due on investments	104.1	0.2	104.3	149.1	0.2	149.3
Other non current liabilities	19.9	-	19.9	-	-	-
CURRENT LIABILITIES	**6,753.1**	**334.9**	**7,088.0**	**4,859.7**	**239.8**	**5,099.5**
Liabilities directly associated with properties or shares classified as held for sale	-	-	-	110.7	-	110.7
Current commitment to external non-controlling interests	1.0	-	1.0	1.0	-	1.0
Amounts owed to shareholders	0.9	0.1	1.0	-	-	-
Amounts due to suppliers and other creditors	**1,229.0**	**136.2**	**1,365.2**	**1,349.4**	**151.7**	**1,501.1**
Amounts due to suppliers	*191.3*	*28.1*	*219.4*	*230.5*	*43.1*	*273.6*
Amounts due on investments	*462.9*	*42.4*	*505.3*	*633.5*	*34.4*	*667.9*
Sundry creditors	*574.8*	*65.7*	*640.5*	*485.3*	*74.2*	*559.5*
Other current liabilities	794.2	(46.3)	747.9	729.8	23.8	753.6
Current borrowings and amounts due to credit institutions	4,639.4	243.2	4,882.6	2,557.4	62.6	2,620.0
Current lease liabilities	42.5	0.1	42.6	41.4	-	41.4
Derivatives at fair value	13.0	-	13.0	30.1	-	30.1
Current provisions	33.1	1.6	34.7	39.9	1.7	41.6
TOTAL LIABILITIES AND EQUITY	**60,555.4**	**2,421.7**	**62,977.1**	**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.

UNIBAIL-RODAMCO-WESTFIELD

MANAGEMENT DISCUSSION & ANALYSIS[3]:

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

1. BUSINESS REVIEW AND END OF SEPTEMBER 2020 RESULTS

I. ACCOUNTING PRINCIPLES AND SCOPE OF CONSOLIDATION

Accounting principles

Unibail-Rodamco-Westfield's ("URW" or "the Group") condensed consolidated financial statements as at September 30, 2020, were prepared in accordance with International Financial Reporting Standards ("IFRS") as applicable in the European Union as at that date. URW has not prepared comparative data for the nine months ended September 30, 2019 for the Consolidated interim statement of comprehensive income and the Consolidated interim statement of cash flows. As a consequence, the information presented as comparative data for the Consolidated interim statement of comprehensive income and the Consolidated interim statement of cash flows are not compliant with IAS 34.

URW is publishing more detailed results than usual for the nine months ending September 30, 2020, to provide investors with the most recent information on the Group's operations before the General Meeting on November 10 to approve the €3.5 Bn capital increase described in Section II. Comparisons of Consolidated statement of financial position and Consolidated statement of cash flows for the nine months ending September 30, 2020, with the same period last year are not provided as the Group did not compile these for its first and third quarters.

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., in the case of URW, 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 Net Rental Income ("NRI").

Rent relief without changes to the lease contract, imposed by laws in force before an event giving rise to the relief, such as in Austria, or pursuant to a provision in the existing lease contract allowing for rent modification, is directly charged to the income statement as a reduction of the NRI.

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 condensed 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.

The most significant estimates are set out in the notes to the consolidated financial statements as at December 31, 2019, included in the URW's 2019 Universal Registration Document: for the valuation of investment properties in § 5.1 "Investment properties", for the goodwill and intangible assets, respectively in § 5.4 "Goodwill" and § 5.3 "Intangible assets" and for fair value of financial instruments in § 7.4 "Hedging instruments". 93% of URW's property portfolio and intangible assets related to the Shopping Centres, Offices & Others and Convention & Exhibition segments were valued by independent appraisers as at September 30, 2020.

Scope of consolidation

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

- On May 29, 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.

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")[4]. The other regions operate almost exclusively in the Shopping Centres segment. In the US, the Group also operates an airport terminal commercial management business.

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

Unless otherwise indicated, all references in this section relate to the period January 1 through September 30, 2020.

The COVID-19 pandemic has significantly impacted URW's business. Consequently, many of the standard performance indicators are not meaningful. As a result, the Group is providing investors with as clear a view of conditions during the period as possible.

Update on Group's shopping centres operations

Following the outbreak of the COVID-19 pandemic, the authorities in many of the markets the Group operates in imposed restrictions on the opening of its shopping centres. Except for select "essential" retailers, or those able to offer curbside pickup or fulfil delivery orders from the store, the tenants in the Group's centres were unable to trade for the period in the table below. In addition, even in those regions in which there were no mandatory shutdowns, or when shopping centres were allowed to reopen, not all retailers continued or restarted operations.

Country	Restrictions started	Restrictions lifted[5]
Austria	March 16	May 2 for non-essential stores, May 15 for Food & Beverage ("F&B"). May 29 for cinemas.
Czech Republic	March 15	May 11 for non-essential stores and cinemas (with capacity restraint at 100) and May 15 for F&B.
Denmark	March 18	May 11 including F&B. May 22 for cinemas.
France	March 17	May 11 for non-essential stores, excluding URW's large Parisian centres and La Part-Dieu in Lyon. May 30 for remaining centres except Westfield Les 4 Temps (June 4) and Westfield Forum des Halles (June 15). F&B from June 2 depending on the region, and cinemas from June 22.
Germany	March 16	Varied by centre/state between April 20 and May 4, with F&B open from May 11.
The Netherlands	N/A	No enforced closures, although some trading restrictions applied (e.g. cinemas and F&B closed). F&B reopened from June 1.
Poland	March 14	May 4 for non-essential stores, May 18 for F&B.
Sweden	N/A	No enforced closures, although some trading restrictions applied (e.g. cinemas closed).
Slovakia	March 16	May 20 for non-essential stores and F&B.
Spain	March 15	Phased reopening, with Glòries (partially) on May 20, Garbera on May 25 and Bonaire on June 1. Others from June 8 (including F&B). Cinemas in Bonaire from June 8, Splau from June 22, La Maquinista from July 6, Parquesur and Equinoccio from July 13.
UK	March 23	Non-essential stores open from June 15, F&B and cinemas from July 4, Gyms from July 25, Bowling & Casinos from August 15.
US	March 18	Progressive reopening based on local official orders. Florida centres reopened between May 15 and 22, including F&B with dine-in capacity restrictions. Connecticut and Sacramento centres opened on May 20 and May 22, respectively, followed by San Diego / Palm Desert on May 29, and Westfield Century City on May 30. Remaining Los Angeles centres as well as Chicago opened from June 3 (subject to impact of social unrest). The Maryland centres opened in mid-June, Westfield Garden State Plaza in New Jersey on June 29 and the New York centres, except Westfield WTC, in July. Westfield WTC reopened on September 9. F&B restrictions vary by county/state. On July 13, the state of California ordered all indoor operations of shopping centres to close again. This order was lifted on September 2, but five of the Group's centres in Los Angeles county were required to keep indoor operations closed until October 7.

[4] C&E includes the Les Boutiques du Palais retail asset.
[5] Although restrictions were lifted, not all retailers actually reopened on such dates. Restrictions related to the first wave of COVID-19 only.

All centres in Europe reopened by June 15, although restrictions, primarily on restaurants, cinemas, gyms and other leisure activities, have remained in some regions.

In the US, all of the Group's centres, except Westfield World Trade Center, had reopened by July. However, on July 13, as COVID-19 cases in the state surged, California ordered all indoor operations of shopping centres to close again. This order was lifted on September 2, but five of the Group's centres in Los Angeles county were required to keep indoor operations closed until October 7. Westfield World Trade Center reopened on September 9. Depending on the state, most centres currently operate at a maximum capacity of either 25% or 50%.

As at September 30, 90% of the Group's US stores (94% of GLA) were open.

Following the increase in COVID-19 cases since September 2020 in a number of the Group's regions, health and safety measures such as mandatory wearing of masks, social distancing measures, earlier closing of restaurants and bars and curfews have been introduced and/or reinforced. These are impacting businesses in URW's shopping centres. Should COVID-19 cases continue to rise, governments may impose further restrictions to protect public health. As at October 31, the restrictions in place or announced are:

Country	**Restrictions**
Austria	On October 31, government announced various restrictions effective through November 30, including requiring restaurants to close (except for take-away and home delivery), cinemas and leisure operators to close, limiting stores capacity to 1 person per 10 sqm and a daily curfew from 8 pm to 6 am.
Czech Republic	A 30-day state of emergency was declared on October 5. From October 9 various activities were restricted for two weeks, including requiring restaurants and bars to close at 8 pm, cinemas to close, and allowing people to enter shops and shopping centres in groups of no more than two. On October 21, the government announced non-essential shops would be required to close again until November 3. From October 28, a curfew from 9 pm to 5 am is in place. Wearing of masks is also compulsory.
Denmark	Shopping centre capacity is limited to one person per 20 sqm in the common areas, or one person per four sqm inside stores. Restaurants and bars are open for seated patrons only, with closure at 10 pm.
France	Increased restrictions were introduced in several major cities (including Paris, Lille, Lyon and Rennes) on September 28. This included a ban on large events (>1,000 people) and the closing of certain activities (notably gyms). On October 6, bars and cafes (but not venues serving food) were required to close and shopping centre capacity (including hypermarkets) was limited to one visitor per four sqm. On October 17, a daily curfew from 9 pm to 6 am was put in place in the Paris region and eight metropolises (including Lille, Lyon, Marseille and Toulouse), with the possibility of being extended to other regions in the future. Wearing of masks remains compulsory in both internal and external public areas, except when seated in a restaurant. On October 28, the government announced non-essential shops, restaurants and bars would be required to close again across the whole country and a lockdown has been put in place until December 1.
Germany	Different measures regarding freedom of movement and contact restrictions have been taken depending on the Länder (state). Berlin, Frankfurt, and nine other major cities are subject to partial curfews. On October 28, the federal government announced various restrictions until November 30, including requiring restaurants to close (except for take-away and home delivery), cinemas and leisure operators to close, and limiting capacity to one person per 10 sqm.
The Netherlands	From October 14, bars and restaurants were required to close, except for takeaway. Shops are closed after 8 pm except for grocery stores. Large events are forbidden, and attendance capped at 30 persons in theatres/cinemas. Locations such as shopping centres must take steps to prevent overcrowding.
Poland	Restaurants are allowed to remain open with a capacity limit of one person per four sqm, while entertainment venues are subject to a 25% capacity limit. Restaurants must close at 10 pm. Wearing of masks is mandatory. Events are limited to 75 people (or 50 in red zones). Public transport capacity limits apply.
Sweden	Events are limited to 50 people (300 if seated, e.g. in cinemas). From October 29, for 3 weeks, strong recommendation from public health authorities to limit social interactions and not to visit shopping centres.
Slovakia	Non-essential shops were closed from October 24 for 9 days. Restrictions on free movement imposed from November 2 to November 15.
Spain	In Madrid, from September 21, residents are not allowed to leave their district for non-essential purposes while restaurant capacity was limited to 50%. In Catalonia, on October 15, bars and restaurants were required to close and shopping centres were subject to a 30% capacity limit, and regulation of rents for closed stores. On October 25, Spain began a nationwide curfew (11 pm until 6 am) after the government declared new state of emergency for 6 months. In Catalonia, on October 30, restrictions were increased for 15 days, with the closure of non-essential stores in shopping centres, limitation of selling area to 800 sqm for high street non-essential retail and closures of cinemas.
UK	On October 13, the UK announced a new "three tier" system of restrictions. London was in the 2nd tier or "high alert". Restaurants and bars had to close at 10 pm, and people cannot meet with anyone outside their household or support bubble in any indoor setting. Use of public transport was discouraged and the government encouraged work from home. On October 31, the government announced non-essential shops, restaurants and bars would be required to close again across the UK and a nationwide lockdown effective November 5 to December 2.
US	In the US, restrictions continue to vary by county. While some counties have no major restrictions, capacity in others is limited to 25% or 50% of maximum. Many food courts also have capacity limits. Many centres or stores also have reduced operating hours due to both lower demand and staffing issues.

As at October 31, 65% of the Group's shopping centres by value (representing 75% of the GLA) were fully open.

Implementation of enhanced health and safety measures in all centres has been a key element in safely restarting the business and reassuring customers and employees. These include:

- Additional cleaning, including deep cleaning of all public space, toilets in particular;
- Installing hand sanitisers throughout the centres;
- Providing masks 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 retailer to collaboratively manage visitor flows.

URW has created a "Safe & Healthy Places" label in collaboration with epidemiologists to attest to the robustness of its HSE practices and to ensure compliance with the latest recommendations of local health authorities. Bureau Veritas is conducting audits of all URW's shopping centres in order to label them. As at October 27, 35 European centres and 27 US centres had been labelled. All centres will be labelled by the end of 2020.

Footfall[6]

September European footfall figures are comparable to August (at -23.5% compared to September 2019).

Region	June 2020	July 2020	August 2020	September 2020
France	-37.8%	-26.2%	-18.3%	-20.6%
Central Europe	-34.1%	-28.4%	-26.9%	-27.7%
Spain	-41.6%	-34.8%	-30.4%	-23.7%
Nordics	-24.9%	-16.8%	-20.9%	-17.6%
Austria	-17.4%	-15.7%	-17.3%	-13.0%
Germany	-24.1%	-20.8%	-22.5%	-17.7%
The Netherlands	-23.4%	-18.6%	-22.9%	-23.3%
Total Continental Europe	**-33.6%**	**-25.7%**	**-22.6%**	**-21.4%**
United Kingdom	-71.8%	-56.8%	-46.9%	-39.4%
Total Europe	**-38.1%**	**-29.5%**	**-25.8%**	**-23.5%**

Footfall in the Group's Continental European shopping centres well exceeds that of the centres in London and major US cities as they reopened earlier, office occupancy in those countries remains well below that in Continental Europe, and indoor operations in a number of the Group's Californian centres were restricted until October 7. However, new "work from home" requirements and mobility restrictions imposed by governments will likely again negatively affect footfall of centres.

Footfall data in the Group's US shopping centres are not meaningful, due to the extended period these were closed, as well as the activities deployed by URW to assist its retail partners with curbside pick-up and outdoor sales areas. In the US, with only around 60% of the centres included (due to centres not open for the whole month and data limitations), footfall for September was around 65% of the prior year.

Tenant sales[7]

Tenant sales in Europe in Q3-2020 continued to recover and were down -18.3% compared to the same period in 2019 (vs. -38.9% in H1-2020). For Continental Europe, tenant sales generally showed an improving trend at -26%, -16%, -12% and -15% for June, July, August and September, respectively, with total Europe, impacted by later recovery of the UK, at -33%, -21%, -16% and -19%, respectively. August benefitted from a strong performance in France (-5%). September was impacted by the start of the second wave of COVID-19 in Europe. Tenant sales data for Q3 by region is shown below.

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[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. For the period through September 30, 2020, shopping centres excluded due to delivery or ongoing works were Les Ateliers Gaîté, La Part-Dieu, CH Ursynow, Westfield Mall of the Netherlands, Garbera, Gropius Passagen and CNIT from August 2020. Le Carrousel du Louvre is also 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. For the period through September 30, 2020, shopping centres excluded due to delivery or ongoing works were Les Ateliers Gaîté, La Part-Dieu, CH Ursynow, Garbera, Gropius Passagen and CNIT from August 2020. Le Carrousel du Louvre is also excluded. Primark sales are based on estimates. Excluding Tesla.

Region	Tenant Sales Growth (%) (YTD September 30, 2020)	Tenant Sales Growth (%) (July – Sept. 2020)
France	-29.4	-8.6
Spain	-38.6	-22.8
Central Europe	-29.0	-17.0
Austria	-24.3	-10.8
Nordics	-19.7	-14.7
The Netherlands	NA	NA
Germany	-25.2	-15.2
Total Continental Europe	**-28.4**	**-13.4**
UK	-48.5	-39.7
Total Europe	**-31.9**	**-18.3**

During Q3, the categories performing best were Food stores and Mass Merchandise (-3%), Home (-6%), Culture & Media & Technology (-9%) and Sport (-9%).

In the US, tenant sales[8] in the centres which were open throughout each respective month were -34% in July, -33% in August and -24% in September compared to the same months in 2019. This reflected that only c. 90% of the stores were open in these centres. Monthly variances for sales pro-rated to reflect the same number of operating stores[9] per days in both years were: July -28%, August -27% and September -17%.

Tenant negotiations, rent collection and deferred rent

Since the reopening of its shopping centres, the Group has been engaged in discussions with tenants about collecting rent and service charges as well as the terms of any support by URW.

The tenant negotiations are advancing well. These negotiations are conducted 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 based on the principle of a fair sharing of the burden. In many cases they entail concessions by tenants in exchange for such relief. They are 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 October 27, the Group had reached agreements with nine of its top ten tenants[10] across its portfolio, covering 93% of the MGR coming from those tenants, of which 34% has been signed.

As at September 30, the Group estimated it was 67% through the rent relief negotiation process in Europe[11], up from c. 25% as at July 24. 5,496 deals were approved out of which 26% with lease extensions or break-option waivers, securing around five months additional rents on average. In France, three months of rent relief have been granted to "Very Small Companies" as per a French government decree. As at October 27, negotiations were 75% completed, with an average rent relief[12] of 1.4 months. Q2 and Q3 rent collection is expected to further improve as negotiations are completed.

In Europe, as at October 27, 87% of invoiced Q3 rents had been collected, of which 91% in Continental Europe.

In the US, the Group had completed negotiations[13] with tenants representing approximately 77% of leasing revenue as at October 27, up from 30% as at July 24. As part of this, 428 lease extensions were signed for an average duration extension of almost one year in conjunction with the relief granted to tenants, of which 173 for more than one year.

Overall for the Group, 72% of the negotiations[14] have been completed.

[8] Excluding auto, department stores and assets not open throughout the whole month: July (Westfield Culver City, Westfield Fashion Square, Westfield Galeria at Roseville, Westfield North County, Westfield Oakridge, Westfield Palm Desert, Westfield Plaza Bonita, Westfield San Francisco Centre, Westfield Santa Anita, Westfield South Shore, Westfield Topanga, Westfield Valencia, Westfield Valley Fair and Westfield World Trade Center), August (Westfield Valencia, Westfield Palm Desert, Westfield Galleria at Roseville, Westfield Plaza Bonita, Westfield Valley Fair, Westfield Oakridge, Westfield Culver City, Westfield Topanga, Westfield San Francisco Centre, Westfield North County, Westfield World Trade Center, Westfield Santa Anita and Westfield Fashion Square) and September (Westfield Culver City, Westfield Fashion Square, Westfield Santa Anita, Westfield Topanga, Westfield Valencia, Westfield World Trade Center and Westfield San Francisco Centre).
[9] Sales for stores open in all centres except Westfield World Trade Center which did not reopen until September.
[10] URW's top ten tenants as a percentage of total MGR Contracted.
[11] As a percentage of MGR.
[12] In term of MGR + SBR + Service Charges invoiced in 2019, excluding the assets owned by the Entity.
[13] Includes tenants with financial terms agreed.
[14] Based on the number of stores.

As at October 27, 63% of Q3 billings in the US had been collected. The 40% collection rate in Q2 is due to the fact that many shopping centres generally did not open until mid-June. The Q3 collection rates were impacted by retailers particularly affected by capacity and use restrictions (entertainment, dining, fitness operators), the closures of the indoor centres in California and of Westfield World Trade Center. Excluding Entertainment, Fitness, Dining and all of California and Westfield World Trade Center, the Q3 collection rate was 76%.

The teams were instructed to focus on rent recovery while preserving commercial relationships. The rent collection rate is calculated compared to 100% of rents invoiced, reflecting no adjustment for deferred or discounted rent in denominator. Collection has progressed significantly since the publication of the H1-2020 results, with Q2 rent collection increasing from 38% to 52%.

Overall rent collection by quarter is shown below:

Region	**Q1**	**Q2**	**Q3**
Continental Europe	96%	58%	91%
UK	99%	56%	65%
Total Europe	**97%**	**58%**	**87%**
US	92%	40%	63%
Total Group	**95%**	**52%**	**79%**

For Q2 (the period with the most restrictions on operations) rent relief accounts for 12% of the billed rents, 8% of the rents billed are not yet due or are deferred and 52% has been collected. The remaining 27% is subject to the on-going tenant negotiations as a result of which part will not be collected.

The total accounts receivable[15] from the Group's tenants increased by +€348 Mn vs. December 2019, a €145 Mn improvement from H1 as the Group's collection rate improved. Deferred rents are expected to be recovered by December 31, 2020, although it is possible that some will not or will be deferred beyond the end of the year. The Group currently expects to grant a total of between €250 Mn and €290 Mn of COVID-19 related rent relief. Additional rent relief may be required to support tenants as a result of the further closure of stores as from the end of October due to the second wave of COVID-19.

Bankruptcies

In Europe, Q2 and Q3-2020 were marked by several tenants seeking protection from creditors through bankruptcy, judicial restructuring or, in the UK, Company Voluntary Arrangements ("CVAs"), affecting a total of 333 stores in Europe through September 30, 2020 (including 96 stores during Q3), of which 236 continue to trade (or have already been relet). The most affected regions in Q3 were France (Aldo, Kidiliz Group, Un Jour Ailleurs) and the Nordics (Accent, Intersport, G-Star and RnB). In the UK, 45 stores (out of a total of 786 stores) were affected, of which 25 during Q3 (including New Look, Busaba Eathai, TM Lewin). The Group currently expects a number of these tenants will stay in place.

In the US, bankruptcies affected 242 units (2.9 million sq. ft.). In addition, 12 J.C. Penney (1.6 million sq. ft.) not owned by the Group were impacted by bankruptcies.

For the Group, total tenant bankruptcies affected 575 stores (4.5% of the total number of stores) representing 416,165 sqm.

IFRS 16 and the accounting for rent discounts

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., in the case of URW, extension of a lease term or higher SBR), IFRS 16 applies, under which the relief is treated as a lease incentive straight-lined over the expected term of the lease as a reduction of the NRI.

Rent relief without changes to the lease contract, imposed by laws in force before an event giving rise to the relief, such as in Austria, or pursuant to a provision in the existing lease contract allowing for rent modification, is directly charged to the income statement as a reduction of the NRI.

Rent relief signed as at September 30 amounted to a cash impact of €54.1 Mn, €32.0 Mn of which have been charged to the income statement during this period. The difference will be straight-lined in future periods.

[15] On a proportionate basis.

Impact on earnings for the nine months ended September 30

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 -€335.1 Mn, with an impact on the Adjusted Recurring Earnings per Share (AREPS) of -€2.42:

- -€0.23: rent relief;
- -€0.88: increase in doubtful debtors;
- -€0.43: lower variable revenue streams (e.g., SBR, parking, and Commercial Partnerships);
- -€0.35: lower net services income;
- -€0.36: reduction in net income from the Convention & Exhibition business (Group share); and
- -€0.17: increase in financial expenses due to liquidity measures taken in response to the crisis.

Cost reduction and capital expenditure deferrals

The Group took steps to reduce operating expenses recharged to tenants in Europe (-11% of the amount initially expected for 2020), common area maintenance charges in the US, as well as to defer non-essential capital expenditures. These measures are not expected to impact the high level of quality and services tenants and customers expect from URW's shopping centres.

The Group launched 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 are now expected to generate gross administrative expense savings of approximately €65 Mn in 2020 vs. 2019 (increased from an initial target of €40 Mn as announced in July 2020), and the Group expects to save more than €60 Mn annually from 2021 onwards.

Reset Plan

On September 16, URW announced its €9.0+ Bn "RESET" plan. Key highlights of the "RESET" plan and its five strategic priorities are:

- **RESTORE** financial strength through a €9.0+ Bn deleveraging plan consisting of:
    - A fully underwritten €3.5 Bn capital raise to be used to immediately reduce leverage;
    - Limiting cash dividends through a lower pay-out ratio and/or scrip, resulting in €1.0 Bn of cash savings over the next two years[16] (see "Dividend Policy" below);
    - A further €0.8 Bn reduction in development and non-essential operating capex; and
    - €4.0 Bn[17] of disposals expected to be completed by year-end 2021, of which c. 50% will be European retail assets.

  These measures are designed to enable the Group to preserve the Group's strong investment grade credit and maintain a sustainable capital structure with an LTV[(18)] below 40% and net debt / EBITDA[19] below 9x while carefully balancing the various levers at the Group's disposal. Following the announcement of the RESET plan, S&P and Moody's confirmed the Group's strong investment grade ratings of A-[20] / Baa1[21], respectively.

[16] Estimated on the basis of dividend paid in 2020.
[17] Consistent with the Group's H1-2020 announcement.
[18] IFRS data.
[19] IFRS data. Recurring EBITDA is calculated as total recurring operating result and other income minus general expenses, excluding depreciation and amortisation. Net debt/EBITDA was 10x in 2019 and 11x in H1-2020 (on trailing 12 months basis).
[20] With a negative outlook (rating unchanged) by S&P.
[21] With a stable outlook (previously A3, negative outlook) by Moody's.

- **EXECUTE** the €4.0 Bn asset disposal programme (European assets only, circa 50% retail and 50% offices & others) by year-end 2021:
    - Acceleration of the previously announced disposal plan by outright sales of non-strategic assets across all asset classes, on the back of the Group's proven track record (€4.8 Bn disposals completed since June 2018 at a 5% premium to book value, including the disposal of five French retail assets in the middle of the COVID-19 crisis in line with the prior unaffected appraisal);
    - A €6.0+ Bn[22] identified pool of assets;
    - €1.0 Bn of disposals are well advanced (on October 12, the Group announced it had entered into a definitive agreement to dispose of the SHiFT office building for a disposal price[23] of €620 Mn); and
    - JV stakes in most liquid and mature assets to reduce capital obligations and leverage.

- **STREAMLINE** operations and footprint to enhance agility and optimize use of resources:
    - Further reduce capex by c. €800 Mn, of which c. €600 Mn of development capex and c. €200 Mn of non-essential operating capex. The development pipeline has been reduced by €2.1 Bn as at June 30, 2020, from €8.3 Bn as at December 31, 2019, and by a further €0.8 Bn compared to H1-2020;
    - Downsize the US Regional mall footprint in the near-term; and
    - Simplify structure and reduce gross admin expenses further.

- **EMBRACE** a changing environment:
    - Strengthen the appeal of URW's portfolio as structural dynamic changes in retail are increasing:
        - Accelerate its Flagship destination strategy;
        - Capture the mixed-use potential embedded within the portfolio, leveraging URW's multi-disciplinary platform and third-party capital; and
        - Capitalise on a highly diversified and flexible pipeline.

- **THRIVE** by harnessing URW's powerful portfolio to grow new revenue streams:
    - Increase appeal and audience of URW's Flagship destinations;
    - Monetize the value proposition and Flagship destination audience by developing digital and omni-channel services;
    - Generate new non-rent based revenues of €150 Mn per year by 2025; and
    - Develop additional revenues by developing "asset light" and "capital light" partnerships building on the Westfield brand.

As part of this plan, the Supervisory Board of URW authorised the principle of a €3.5 Bn capital raise, which, in conjunction with the other strategic initiatives, is designed to bolster the financial profile of the Group and best position URW to execute on its long-term strategy, while:

- Strengthening its balance sheet;
- Maintaining a strong investment grade credit rating; and
- Securing uninterrupted access to debt markets.

URW has entered into a standby underwriting commitment with six banks, pursuant to which they have undertaken to fully underwrite the €3.5 Bn capital raise, subject to the satisfaction of customary conditions precedent.
The proceeds of the capital raise would be used to immediately reduce leverage. Pro forma for the capital raise, LTV would decrease to 36.5%[24] from 42.5% as at September 30, 2020. Pro forma for both the capital raise and the full €4.0 Bn disposal programme, LTV would stand at 31.6%[24].

The capital raise is subject to approval by URW's shareholders at the General Meeting to be held on November 10, 2020.
The convening notice, including the Chairman's letter, resolutions and voting instructions, are available on URW's website.
Upon approval of the capital raise by the General Meeting, and subject to market conditions and necessary regulatory approvals being received, final terms and conditions, including the subscription price, will be determined and announced in the week following the General Meeting, and the transaction is expected to close by year-end. The prospectus to be issued by URW in connection with the capital raise will be subject to the visa of the AMF (Autorité des Marchés Financiers) and the approval of the AFM (Autoriteit Financiële Markten).

[22] Total pool of assets identified for potential disposal, Group share.
[23] 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.
[24] Based on September 30, 2020, valuations.

III. BUSINESS REVIEW BY SEGMENT

Sections 1 to 3 relate to URW's European operations and section 4 to the US operations. Unless otherwise indicated, all references relate to the period January 1 through September 30, 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[25] have limited practical relevance.

1. Europe – Shopping Centres

1.1 Activity

Leasing activity

Because of the COVID-19 pandemic and focus of the leasing teams on rent and service charge collection as well as COVID-19 negotiations, leasing activity was significantly impacted in Q2 and Q3, in both the number of leases signed and MGR uplift. Through September 30, URW signed 614 leases (1,106[26]) on standing assets for €93.5 Mn of MGR. The MGR uplift on renewals and relettings was +3.1% (+12.5%) in Continental Europe and +5.6% (+17.6%) in the UK for a total of +3.4% (+13.4%) in Europe. This uplift was primarily due to a strong double-digit reversion in Spain and France, partially offset by a decrease in The Netherlands and Germany. The decrease in Germany is mainly due to the renewal of an anchor department store in CentrO. The MGR uplift in Flagships in Continental Europe was +5.0% (+14.1%) and +5.1% (+14.8%) in Europe.

Region	Lettings / re-lettings / renewals excluding Pipeline				
	nb of leases signed	sqm	MGR (€ Mn)	MGR uplift	
				€ Mn	%
France	107	19,267	14.1	1.6	16.2%
Central Europe	143	36,120	17.5	1.3	8.5%
Spain	57	16,334	9.1	2.0	30.3%
Nordics	118	41,080	16.5	-0.3	-1.7%
Austria	67	13,260	8.9	0.1	1.9%
Germany	54	27,646	10.6	-1.3	-11.5%
The Netherlands	32	20,048	3.3	-1.3	-32.0%
Total Continental Europe	**578**	**173,755**	**80.1**	**2.2**	**3.1%**
UK and Italy	36	28,072	13.5	0.6	5.6%
Total Europe	**614**	**201,826**	**93.5**	**2.8**	**3.4%**

MGR: Minimum Guaranteed Rent.
Figures may not add up due to rounding.

In a challenging environment, leasing activity progressed during Q3-2020, and leasing teams are focusing on developing new sectors and brands, introducing retailers such as:

- Experiential and international fashion: Peek & Cloppenburg (4,509 sqm flagship) in Westfield Mall of The Netherlands, Mango in Shopping City Süd, Lacoste in Westfield Arkadia, four deals with Calzedonia Group (three in Czech Republic and one in the Nordics);
- Health & Beauty: Parfums Christian Dior in La Part-Dieu;
- Technology: MediaMarkt renewal in La Maquinista, Huawei in Westfield Stratford City;
- Entertainment: Enterspace (Virtual Reality concept) in Täby Centrum and The Disney Store renewal in La Vaguada;
- Sports: Snipes extension in Donau Zentrum (doubling the size of the store), Sports Direct renewal in Westfield London.

On October 14, URW signed a framework agreement with FOX Group to open 12 stores including 11 Nike for a total of 8,700 sqm GLA across six countries, showing their confidence in the Group's assets.

[25] The Jan. – Sept. 2019 financial data has not been published in 2019 nor reviewed by statutory auditors.
[26] 1,016 leases for Continental Europe and 90 for the UK through September 30, 2019.

In addition, URW opened major new flagship stores in Q3:

- Pharmacie du Forum (over 2,000 sqm, the largest in France) in Westfield Forum des Halles;
- Xiaomi, Uniqlo (1,800 sqm) in Westfield Mall of Scandinavia;
- Tudor (first standalone boutique in Europe) in Westfield London;
- Top Shop (1,989 sqm) in Westfield Stratford City;
- Dyson (216 sqm) in Westfield Parly 2 (first in a shopping centre in France);
- Polestar in Westfield Mall of the Netherlands;
- Fitness Park (over 2,000 sqm) in Westfield Carré Sénart;
- Swarovski latest concept (first crystal boutique in Germany) in CentrO;
- Abercrombie & Fitch in Westfield Vélizy 2;
- Pull & Bear in Westfield Les 4 Temps.

Since September 30, the Group also successfully opened iconic stores in its Westfield Flagship assets such as:

- A new expanded Rituals flagship in Westfield Mall of Scandinavia;
- Hema in Westfield Mall of the Netherlands;
- Polestar in Westfield London;
- Asics and Snipes in Westfield Euralille;
- Mauboussin in Westfield Rosny 2.

The Group is currently in advanced negotiations with many leading international retailers across strategic sectors, such as fashion (18 deals), sports (6 deals), automotive and electronics.

<u>Commercial Partnerships</u>

Income[27] in Europe (including UK) reached €23.3 Mn (€31.8 Mn).

Many brands have moved bookings to Q1-2021. Some important brands (e.g., Disney, Netflix and Seat) are planning events and have made bookings for Q4-2020, albeit on flexible terms, and the Group is expecting an increase in pop-up shop enquiries.

1.2. Net Rental Income

Total consolidated Net Rental Income ("NRI") was €982.4 Mn for Continental Europe (-11.1%) and €1,060.6 Mn for Europe (-13.0%), as a result of negative like-for-like growth, mainly due to the impact of COVID-19, the disposal of five shopping centres in France in May 2020 and higher vacancy.

Region	Net Rental Income (YTD in €Mn)		
	Jan. - Sept. 2020	Jan. - Sept. 2019	%
France	436.0	495.0	-11.9%
Central Europe	152.9	168.5	-9.3%
Spain	104.7	115.2	-9.1%
Nordics	86.3	94.5	-8.7%
Austria	64.8	83.5	-22.3%
Germany	96.3	105.7	-8.9%
The Netherlands	41.4	42.9	-3.6%
Total NRI - Continental Europe	**982.4**	**1,105.4**	**-11.1%**
UK and Italy	78.2	114.1	-31.5%
Total NRI - Europe	**1,060.6**	**1,219.5**	**-13.0%**

Figures may not add up due to rounding.

[27] Total gross revenue - proportionate view. Excluding third party assets in Germany.

The total net change in NRI amounted to -€158.9 Mn and breaks down as follows:

- +€2.1 Mn due to partial deliveries in La Part-Dieu extension;
- +€1.8 Mn due to exceptional and other items;
- +€0.1 Mn from the acquisition of units in Spain (in Parquesur and La Vaguada);
- -€0.0 Mn due to negative currency effects (GBP impact offset by SEK impact);
- -€14.2 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;
- -€39.6 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);
- -€75.8 Mn of like-for-like NRI growth[28] in Continental Europe (-8.0%) and -€109.1 Mn for the entire European portfolio (-10.4%).

Region	Net Rental Income (YTD in €Mn) Like-for-like		
	Jan. - Sept. 2020	Jan. - Sept. 2019	%
France	338.0	352.8	-4.2%
Central Europe	152.9	168.5	-9.3%
Spain	97.8	106.1	-7.8%
Nordics	85.5	94.0	-9.0%
Austria	62.2	78.8	-21.0%
Germany	96.3	105.7	-8.9%
The Netherlands	35.2	37.8	-6.9%
Total NRI Lfl - Continental Europe	**867.9**	**943.7**	**-8.0%**
UK and Italy	75.3	108.7	-30.7%
Total NRI Lfl - Europe	**943.2**	**1,052.3**	**-10.4%**

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	1.7%	0.9%	-0.5%	-3.1%	-3.2%	-4.2%
Central Europe	1.5%	-0.5%	-5.4%	-3.7%	-1.2%	-9.3%
Spain	0.3%	1.5%	-0.1%	-4.8%	-4.6%	-7.8%
Nordics	1.5%	-4.1%	-0.6%	-2.0%	-3.9%	-9.0%
Austria	1.3%	-1.1%	-16.4%	-0.6%	-4.1%	-21.0%
Germany	1.2%	-2.4%	0.0%	-2.9%	-4.7%	-8.9%
The Netherlands	1.8%	-6.7%	-0.1%	1.5%	-3.5%	-6.9%
Total NRI Lfl - Cont. Europe	**1.4%**	**-0.6%**	**-2.6%**	**-2.9%**	**-3.3%**	**-8.0%**
UK and Italy	0.0%	-4.6%	0.0%	-15.2%	-10.9%	-30.7%
Total NRI Lfl - Europe	**1.3%**	**-1.0%**	**-2.3%**	**-4.2%**	**-4.1%**	**-10.4%**

Figures may not add up due to rounding.

[28] 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.

Like-for-like NRI decreased by -8.0% in Continental Europe, and includes:
- +1.4% of indexation;
- -0.6% of "Renewals and relettings net of departures";
- -2.6% due to rent relief granted to tenants and registered before the end of September, taking into account the straightlining for Central Europe, the Nordics, Spain and France, while in Austria, where, as a result of existing legislation, the impact of rent relief was recognized in full during the period;
- -2.9% due to the increase of the provisions for doubtful debtors (vs. -0.2% in 2019 and -1.8% in H1-2020), mainly due to the impact of COVID-19 with several bankruptcies in some regions and the Group's views on increased customer risks;
- -3.3% in "Other" (vs. -4.0% in H1-2020), 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 -30.7% (vs. -34.1% in H1-2020), mainly driven by doubtful debtors (-15.2%), higher vacancy and lower parking revenues, SBR and Commercial Partnerships in "Other" (-10.9%).

Collectively, European like-for-like NRI decreased by -10.4%.

The impact in Q3-2020 of rent discounts was limited due to the relatively low number of signed deals. As agreed deals are signed in Q4, the impact of such rent discounts will increase in Q4, even after taking into account straightlining.

1.3. Vacancy

The Estimated Rental Value ("ERV") of vacant space in operation in the portfolio was €76.1 Mn in Continental Europe (€43.2 Mn as at December 31, 2019, and €62.5 Mn as at June 30, 2020) and €107.0 Mn in Europe.

COVID-19 caused a material increase in bankruptcies and delays in lettings in Q2 and Q3. The EPRA vacancy rate[29] in Continental Europe was 4.7%, 9.4% in the UK, and 5.5% in Europe overall. This increase is mainly due to the Nordics (mainly in Täby Centrum), Central Europe and Spain. Vacancy decreased in Germany (compared to June 30, 2020), especially in Ruhr Park and Minto due to successful relettings.

Region	Vacancy			
	Sept. 30, 2020		% June 30, 2020	% Dec. 31, 2019
	€Mn	%		
France	22.4	3.5%	3.2%	2.6%
Central Europe	14.1	5.7%	3.1%	1.3%
Spain	8.9	4.6%	4.1%	0.7%
Nordics	13.0	9.3%	6.9%	3.3%
Austria	2.9	2.6%	2.0%	1.1%
Germany	9.5	4.3%	4.6%	3.4%
The Netherlands	5.2	8.5%	8.1%	8.2%
Total - Continental Europe	**76.1**	**4.7%**	**3.9%**	**2.5%**
UK and Italy	31.0	9.4%	8.6%	7.7%
Total - Europe	**107.0**	**5.5%**	**4.7%**	**3.4%**

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

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

2. Continental Europe - Offices & Others

2.1. Property market

Take-up[30]

Through September 30, the Paris Region market saw 913,200 sqm of take-up, compared to 1.69 million sqm in the same period last year (-46%).

Q3 accounted for 246,200 sqm (vs. 584,000 sqm in Q3-2019) and was particularly impacted by the postponement or cancellation of a large amount of transactional activity.

Available area[31]

The immediate supply in the Paris Region increased by +18% year-on-year to almost 3.3 million sqm, of which 22% new or refurbished as new. The market vacancy rate increased from 5.0% at the end of 2019 to 6.1% at the end of September 2020, with still significant discrepancies between areas (e.g., 2.7% in Paris CBD, 7.8% in La Défense (vs. 4.4% as at December 31, 2019) and 11.5% in the Western Crescent).

Rental values

Paris CBD achieved historically high rents, illustrated by the Goldman Sachs transaction in 83, avenue Marceau Paris 8th at more than €900 per sqm (signed in March 2020) and Square Point in 16, avenue Matignon Paris 8th at €860 per sqm.

In La Défense, the expected deliveries of a number of new buildings in H2-2020 is putting pressure on rental values for second hand and refurbished buildings. However, prime rents remained stable as at the end of September, at €540 per sqm.

Investment market

The total volume of transactions in the Paris region amounted to €10.0 Bn[32], -28% vs. the same period last year (€14.0 Bn).

Volumes were driven by an exceptional performance in Q1-2020 (€4.5 Bn, almost twice the volume of Q1-2019), offset by the impact in Q2 of the COVID-19 outbreak (€1.9 Bn, half of the 5-year average), and with some recovery in Q3-2020 (€3.6 Bn, slightly below the last 3-year average).

The level of transactions at the end of the year is currently expected to be between €14 Bn and €16 Bn, one third less than in 2019 (a record high volume of €21.7 Bn) but still in line with the 10-year average.

Investments were driven by large transactions, with deals above €100 Mn accounting for 69% of total investments (in line with the 5-year average).

The demand was largely fueled by domestic players (65% of total investments), with other European investors accounting for more than 80% of total investments.

Paris remained the main target of investors and represented around 49% of the transactions (above the 10-year average of 41%).

Prime yields are stable at 2.80% in Paris CBD, and in La Défense are expected to rise by December 2020, from 4.00% to 4.25%.

[30] Source: Immostat.
[31] Source: BNP Paribas Real Estate.
[32] Sources: Cushman & Wakefield and BNP Paribas Real Estate.

2.2. Activity

Consolidated NRI amounted to €54.3 Mn, a -23.3% decrease due primarily to the transfer of Michelet-Galilée to the pipeline and the impact of the disposal of Tour Majunga in 2019.

Region	Net Rental Income (YTD - in €Mn)		
	Jan. - Sept. 2020	Jan. - Sept. 2019	%
France	40.4	57.9	-30.2%
Nordics	7.8	7.5	4.1%
Other countries	6.1	5.5	11.8%
Total NRI	**54.3**	**70.9**	**-23.3%**

Figures may not add up due to rounding.

The decrease of -€16.6 Mn breaks down as follows:

- +€12.8 Mn resulting from the deliveries of SHiFT and Versailles Chantiers in France;
- +€0.2 Mn due to 390 sqm office premises (in CNIT Offices) transferred from C&E to the Offices & Others division;
- -€15.3 Mn resulting from the transfer of assets to the pipeline (mainly Michelet-Galilée);
- -€14.5 Mn due to the impact of the disposal of Tour Majunga in July 2019 and the Novotel Lyon Confluence in May 2020;
- The like-for-like NRI growth was +€0.2 Mn (+0.7%).

Region	Net Rental Income (YTD - in €Mn) Like-for-like		
	Jan. - Sept. 2020	Jan. - Sept. 2019	%
France	23.6	24.2	-2.4%
Nordics	7.8	7.5	3.9%
Other countries	6.1	5.6	9.6%
Total NRI Lfl	**37.5**	**37.3**	**0.7%**

Figures may not add up due to rounding.

The NRI from hotels (Novotel Lyon Confluence, Pullman Montparnasse and CNIT Hilton) increased to €4.5 Mn (€4.2 Mn), mainly due to savings in property operating expenses.

94.5% of rents owed were collected for Q3-2020.

10,344 weighted square meters (wsqm) were leased in standing assets, including 4,214 wsqm in the Nordics and 4,267 wsqm in France. In addition, URW let approximately 20% of the total GLA in the Trinity tower, where it is planning to move its headquarters in 2021.

The ERV of vacant office space in operation amounted to €7.5 Mn, representing an EPRA vacancy rate of 7.5% (8.7%), of which €5.2 Mn or 6.5% (8.5%) in France.

3. Convention & Exhibition

The first three quarters of 2020 were considerably impacted by COVID-19. All events of more than 1,000 persons in Paris were banned from March 9, quickly followed by the ban on all events from March 13 to July 10. Events of up to 5,000 persons were permitted until September 25. New restrictions imposed then limited attendance to 1,000 persons until October 9. On October 6, this was extended, and all exhibitions were banned. As at September 30, 232 events had been cancelled (of which 81 exhibitions, 32 congresses, 108 corporate events and 11 live shows) and 19 events had been postponed to 2021 (of which 2 exhibitions, 9 congresses, 7 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.

The major events held in 2020 were:

- The 56th 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.

In total, 195 events were held in Viparis venues through September 30, of which 65 exhibitions, 23 congresses and 107 corporate events compared to the 505 and 496 events held in 2019 and 2018, respectively.

Viparis' EBITDA amounted to €14.0 Mn compared to €109.4 Mn for the same period in 2018, which included the tri-annual INTERMAT show. Excluding INTERMAT, the decrease (-€87.7 Mn) is entirely attributable to the impact of COVID-19.

The Group already anticipates uncertainties to remain, including potential Q1-2021 shows cancellation (e.g., the International Agriculture show).

4. US Business Review

As described above, all of the Group's operations were significantly affected by the outbreak of the COVID-19 pandemic. Consequently, as a practical matter, comparisons to the same period in 2019 have limited relevance.

Footfall and Tenant sales

Footfall data in the Group's US shopping centres are not meaningful, due to the extended period these were closed, as well as the activities deployed by URW to assist its retail partners with curbside pick-up and outdoor sales areas. In the US, with only around 60% of the centres included (due to centres not open for the whole month and data limitations), footfall for September was around 65% of the prior year.

Tenant sales were hampered by government restrictions and reduced operating hours impacting all centres. Most centres continue to be bound by maximum capacity restrictions of either 25% or 50%, while others have to limit or forbid indoor dining (at both restaurants and food courts, which have historically experienced very high productivity), fitness, and movie theater operations. Most centres operated at reduced hours due to lower demand and retailer staffing constraints. Centres have worked to drive sales through regular open-air markets, drive-in movie nights and robust and convenient curbside offerings, but these efforts have not been enough to offset the government-imposed restrictions.

Tenant sales in the centres which were open throughout each respective month were -34% in July, -33% in August and -24% in September compared to the same months in 2019. This reflected that only c. 90% of the stores were open in these centres. Monthly variances for sales pro-rated to reflect the same number of operating stores[33] per days in both years were: July -28%, August -27% and September -17%.

Leasing

From Q2 onwards, the leasing teams have prioritized negotiations with tenants to deal with the pandemic consequences and minimize deferrals and rent relief.

In the period ended September 30, 411 leases, excluding COVID-19 extensions, were signed on standing assets (718), representing 1,490,000 sq. ft. (2,058,000 sq. ft.) and $56.7 Mn of MGR ($112.8 Mn). In addition, 24 leases were signed on 159,000 sq. ft. of pipeline project space, mainly at Westfield Valley Fair.

Despite the challenging conditions, the Group signed a number of significant deals in Q3:

- Chanel Beauty at Westfield UTC;
- Christian Louboutin at Westfield Valley Fair;
- Golden Goose (high fashion sneaker brand) at Westfield Topanga;
- Fabletics Legging Bar at Westfield Topanga (first in Los Angeles);
- Polestar (electric vehicle manufacturer) at Westfield Valley Fair;
- Psycho Bunny at Westfield Valley Fair;
- Lululemon at Westfield Brandon, Westfield Fashion Square, Westfield North County, and Westfield Santa Anita;
- Gansevoort Food Market at Westfield World Trade Center.

[33] Sales for stores open in all centres except Westfield World Trade Center which did not reopen until September.

Despite the challenging conditions, retailers have continued to open stores in URW's portfolio, with 43 new openings in October, including LEGO at Westfield Montgomery and the new flagship Apple store at Westfield Valley Fair.
Average rental spreads[34] were -9.9% for the last 12-months, of which -8.3% in Flagships and -13.7% in Regionals. The MGR uplift for the nine-month period ended September 2020 was -16.4%.

Commercial Partnerships

Commercial Partnerships revenue amounted to $29.1 Mn (-41.3%). COVID-19 impacted all categories, including Media (-36.3%), Retail (-25.1%), and Brand Partnerships (-62.2%).

Media revenue was significantly impacted by the prolonged closure of Westfield World Trade Center and a slow return of traffic upon reopening, as Westfield World Trade Center and adjacent Fulton Center represent 46% of overall income. In that context, contracts with long-term advertising partners were retained.

Airports

Passenger traffic in the U.S. airports where the Group operates was significantly impacted from March. While international passenger traffic has remained extremely low (-94% on average), domestic passenger traffic has been slowly recovering since April (-96% in April, -91% in May, -80% in June, -75% in July, -73% in August, -70% in September[35]).

Net income for the airport segment decreased by -69.1%, due to low sales and tenant rent relief, partially offset by rent discounts granted by the airport authorities.

The Group is implementing a digital strategy, predicated on building a seamless physical-digital relationship with tenants and consumers. In August 2020, the Group partnered with Grab to rollout an airport-wide digital food ordering platform at Los Angeles LAX airport (43 million enplanements). In addition, automated retail (vending machines) was increased and ExpresSpa units were replaced with ExpresCheck (COVID-19 testing) units.

Net Operating Income

Comparable Net Operating Income ("Comp NOI"[36]) decreased by -$67.5 Mn (-17.1%), of which -$49.5 Mn (-16.2%) in Flagships and -$18.0 Mn (-20.1%) in Regionals, primarily due to provisions for doubtful debtors and rent relief. Like-for-like Retail NRI[37] decreased by -16.1%.

Occupancy[38] as at 30 September was 91.7%, down by -10 bps from June 30, 2020, and by -340 bps from December 31, 2019, of which 93.0% (+30 and -320 bps, respectively) in Flagships and 89.8% (-60 and -370 bps, respectively) in Regionals.
The reduction in occupancy is due to bankruptcies, additional store closures, and slower lease up, all of which were significantly exacerbated by the COVID-19 pandemic.

Financial vacancy[39] was 10.2% vs. 10.1% as at June 30, 2020, and 8.2% as at December 31, 2019.

Bankruptcies affected 242 units (2.9 million sq. ft.), of which 155 remained trading, 83 were vacated, and four were relet.
In addition, 12 J.C. Penney (1.6 million sq. ft.) not owned by the Group were impacted by bankruptcy.

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[34] For the US portfolio, the rental spreads reflect the trailing 12-month average increase in total rent, including common area maintenance charges, for specialty stores (excluding lease extensions, deals with zero prior rent and deals for less than 12-months).
[35] Excluding Orlando airport, which as at the date hereof had not yet published September domestic passenger traffic data.
[36] Comp NOI: Net Operating Income before management fees, termination/settlement income and straight-line rent adjustments for comparable shopping centres. Comp NOI is a metric commonly used in the US Market to evaluate income-generating real estate properties.
[37] Like-for-Like NRI: Net Rental Income for spaces which have been consistently and fully in operation during two full comparison periods. In general, Net Rental Income excludes depreciation and amortization expense, ground lease expense, and operating tenant buyout expense, as opposed to Net Operating Income, which includes these expense categories. Excluding Westfield Sunrise, Fulton Center, Westfield Siesta Key and Westfield Sarasota.
[38] Occupancy based on a square foot basis, excluding development space and including executed permanent and temporary leases.
[39] Financial vacancy in accordance with the EPRA methodology. Excluding Westfield Sunrise, Fulton Center, Westfield Siesta Key and Westfield Sarasota.

IV. END OF SEPTEMBER 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 September 30, 2020, and the comparisons relate to the same period in 2019, but only for the recurring income statement and based on non-audited, non-reviewed financial information.

Gross Rental Income

The Gross Rental Income ("GRI") amounted to €2,021.8 Mn (€2,280.3 Mn), a decrease of -11.3%. This decrease resulted mainly from the negative impact of COVID-19 (rent relief and bankruptcies) and the impact of disposals in France in 2019 and H1-2020.

Region	Gross Rental Income (YTD - in €Mn)		
	Jan. - Sept. 2020	Jan. - Sept. 2019	%
France	484.9	535.4	-9.4%
Central Europe	159.3	168.0	-5.2%
Spain	122.5	126.2	-2.9%
Nordics	95.5	103.0	-7.3%
Austria	68.7	86.7	-20.8%
Germany	111.3	114.6	-2.9%
The Netherlands	51.7	52.3	-1.2%
Subtotal Continental Europe-Shopping Centres	**1,093.9**	**1,186.3**	**-7.8%**
United Kingdom	130.4	153.6	-15.1%
Subtotal Europe-Shopping Centres	**1,224.3**	**1,339.9**	**-8.6%**
Offices & Others	63.3	78.0	-18.8%
C&E	70.0	149.4	-53.1%
Subtotal Europe	**1,357.7**	**1,567.4**	**-13.4%**
United States - Shopping Centres	649.6	698.9	-7.0%
United States - Offices & Others	14.5	14.0	3.3%
Subtotal US	**664.1**	**712.9**	**-6.8%**
Total URW	**2,021.8**	**2,280.3**	**-11.3%**

Figures may not add up due to rounding.

Net Rental Income

NRI in Continental Europe-Shopping Centres amounted to €982.4 Mn (€1,105.4 Mn), a decrease of -11.1%, and €1,060.6 Mn in Europe-Shopping Centres (-13.0%). Total NRI amounted to €1,530.7 Mn (€1,849.2 Mn), a decrease of -17.2%. This decrease resulted mainly from the negative impact of COVID-19 (rent relief, doubtful debtors, a decrease in SBR and Commercial Partnerships) and disposals in France. The Group has provisioned €171.9 Mn of receivables which have been charged to the income statement.

Region	Net Rental Income (YTD - in €Mn)		
	Jan. - Sept. 2020	Jan. - Sept. 2019	%
France	436.0	495.0	-11.9%
Central Europe	152.9	168.5	-9.3%
Spain	104.7	115.2	-9.1%
Nordics	86.3	94.5	-8.7%
Austria	64.8	83.5	-22.3%
Germany	96.3	105.7	-8.9%
The Netherlands	41.4	42.9	-3.6%
Subtotal Continental Europe-Shopping Centres	**982.4**	**1,105.4**	**-11.1%**
United Kingdom	78.2	114.1	-31.5%
Subtotal Europe-Shopping Centres	**1,060.6**	**1,219.5**	**-13.0%**
Offices & Others	54.3	70.9	-23.3%
C&E	7.8	69.0	-88.7%
Subtotal Europe	**1,122.7**	**1,359.4**	**-17.4%**
United States - Shopping Centres	399.7	479.9	-16.7%
United States - Offices & Others	8.2	9.9	-16.6%
Subtotal US	**407.9**	**489.8**	**-16.7%**
Total URW	**1,530.7**	**1,849.2**	**-17.2%**

Figures may not add up due to rounding.

Net property development and project management income was €25.0 Mn (€45.8 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 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 -€0.1 Mn (€66.5 Mn), a decrease resulting mainly from the impact of the pandemic on Viparis (-€38.7 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 -€27.9 Mn.

Contribution of companies accounted for using the equity method

The Contribution of companies accounted for using the equity method[40] amounted to -€106.6 Mn, impacted by negative valuation movements of -€120.6 Mn (mainly in France, Central Europe and the US). The recurring Contribution of companies accounted for using the equity method was €34.6 Mn (€39.9 Mn), with a positive impact of the contribution of the 45% 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)					
	Jan. - Sept. 2020			Jan. - Sept. 2019		2020/2019
	Recurring activities	Non-recurring activities	Total	Recurring activities	Non-recurring activities (1)	Change in recurring activities
France	10.3	-46.1	-35.8	-	-	10.3
Central Europe	24.7	-44.4	-19.7	30.9	-	-6.2
Germany	1.9	-6.4	-4.5	1.8	-	0.1
Subtotal Continental Europe-Shopping Centres	**36.8**	**-96.9**	**-60.1**	**32.7**	**-**	**4.2**
United Kingdom	-	-	-	-	-	-
Subtotal Europe-Shopping Centres	**36.8**	**-96.9**	**-60.1**	**32.7**	**-**	**4.2**
Offices & Others	-	-	-	-	-	-
C&E	-	-	-	-	-	-
Subtotal Europe	**36.8**	**-96.9**	**-60.1**	**32.7**	**-**	**4.2**
United States	-2.2	-44.3	-46.5	7.3	-	-9.5
Subtotal US	**-2.2**	**-44.3**	**-46.5**	**7.3**	**-**	**-9.5**
Total URW	**34.6**	**-141.2**	**-106.6**	**39.9**	**-**	**-5.3**

(1) The non-recurring contribution is not available as at September 30, 2019, as valuations of the portfolio were not performed.

Administrative expenses (including Development expenses) amounted to -€151.3 Mn and include -€45.2 Mn of leasing costs previously capitalized (-€192.9 Mn, including leasing costs), reflecting €41.6 Mn of savings. As a percentage of NRI from shopping centres and offices, administrative expenses were 9.9% (7.0% excluding leasing costs) (vs. 10.8% in H1-2020 (7.9% excluding leasing costs) and 9.7% in 2019) as a result of the lower NRI and the inclusion of leasing costs.

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 are now expected to generate gross administrative expense savings of approximately €65 Mn in 2020 vs. 2019 (increased from an initial target of €40 Mn as announced in July 2020), and the Group expects to save more than €60 Mn annually from 2021 onwards.

Acquisition and related costs amounted to -€22.4 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.

Results on disposal of investment properties were -€53.0 Mn, reflecting the impact of the disposal to the Entity of five shopping centres and a hotel in France (net impact of -€41.9 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 in the US.

[40] 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.

<u>Valuation movements on assets</u> amounted to -€4,408.2 Mn (vs. -€3,015.5 Mn as at June 30,2020), of which -€4,380.0 Mn for investment properties and -€28.2 Mn for services.

Region	Valuation movements on Investment Properties (€Mn)		
	Jan. - Sept. 2020	Jan. - June 2020	July - Sept. 2020
France	- 983.8	- 640.4	- 343.4
Central Europe	- 177.9	- 185.0	7.1
Spain	- 230.6	- 152.9	- 77.7
Nordics	- 168.7	- 118.9	- 49.9
Austria	- 176.1	- 119.2	- 56.9
Germany	- 160.1	- 109.1	- 50.9
The Netherlands	- 143.8	- 107.9	- 35.8
Subtotal Continental Europe-Shopping Centres	**- 2,041.0**	**- 1,433.4**	**- 607.6**
United Kingdom - Shopping Centres	- 841.9	- 640.3	- 201.5
Subtotal Europe-Shopping Centres	**- 2,882.9**	**- 2,073.7**	**- 809.2**
Offices & Others - Continental Europe	- 2.7	4.8	- 7.5
Offices & Others - United Kingdom	- 7.8	10.8	- 18.6
C&E	- 216.5	- 126.9	- 89.6
Subtotal Europe	**- 3,109.9**	**- 2,185.0**	**- 924.9**
United States - Shopping Centres	- 1,231.5	- 770.9	- 460.6
United States - Offices & Others	- 38.7	- 21.7	- 16.9
Subtotal US	**- 1,270.1**	**- 792.6**	**- 477.5**
Total URW	**- 4,380.0**	**- 2,977.7**	**- 1,402.4**

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.

The -€28.2 Mn of valuation movements in services include the amortization of -€26.4 Mn for the US and UK related to DD&C and airport contracts 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 -€1,456.1 Mn, including -€604,7 Mn for Europe and -€851.4 Mn for the US.

Region	Impairment of goodwill (€Mn)		
	Jan. - Sept. 2020	**Jan. - June 2020**	**July - Sept. 2020**
France	- 0.2	-	- 0.2
Central Europe	- 0.3	-	- 0.3
Spain	- 103.8	- 103.8	-
Nordics	- 131.5	- 130.2	- 1.3
Austria	-	-	-
Germany	- 60.4	- 51.0	- 9.4
The Netherlands	-	-	-
Subtotal Continental Europe-Shopping Centres	**- 296.2**	**- 285.0**	**- 11.2**
United Kingdom	- 300.3	- 28.0	- 272.3
Subtotal Europe-Shopping Centres	**- 596.5**	**- 313.0**	**- 283.5**
Offices & Others - Europe	-	-	-
C&E	- 8.2	- 3.6	- 4.6
Subtotal Europe	**- 604.7**	**- 316.6**	**- 288.1**
United States	- 851.4	- 419.8	- 431.6
Subtotal US	**- 851.4**	**- 419.8**	**- 431.6**
Total URW	**- 1,456.1**	**- 736.4**	**- 719.7**

Figures may not add up due to rounding.

Please refer to the section "*Goodwill*" for further detail.

Financing result

Net financing costs (recurring) totalled -€370.6 Mn (after deduction of capitalized financial expenses of €50.2 Mn allocated to projects under construction) (-€334.6 Mn). This increase of -€36.0 Mn includes the impact of measures taken to preserve liquidity during COVID-19 crisis.

URW's average cost of debt[41] for the period was 1.8% (1.6% in 2019). URW's financing policy is described in the section *"Financial resources"*.

Non-recurring financial result amounted to -€643.0 Mn:

- +€6.0 Mn mark-to-market of the ORNANEs issued in 2014 and 2015;
- -€649.0 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[42] 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.

[41] 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.

[42] For example, in France: SIIC (Société d'Investissements Immobiliers Cotée); and in the US: REITs.

The total income tax expenses amounted to a credit of +€200.2 Mn. Income tax allocated to the recurring net result amounted to -€29.1 Mn (-€31.6 Mn), mainly due to the decrease of the taxable income of Viparis and service companies. Non-recurring income tax amounted to a credit of +€229.4 Mn mainly due to the reversal of deferred tax liabilities as a consequence of the negative valuation movements.

External non-controlling interests amounted to +€297.4 Mn comprising recurring and non-recurring external non-controlling interests. The recurring external non-controlling interests amounted to -€94.8 Mn (-€152.1 Mn) and mainly relate to French shopping centres (-€79.8 Mn, mainly Westfield Les 4 Temps, Westfield Parly 2 and Westfield Forum des Halles), to the stake of the CCIR in Viparis (+€16.6 Mn) and to URW Germany and Ruhr Park (-€23.0 Mn). The non-recurring non-controlling interests amounted to +€392.3 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 -€5,156.9 Mn (€1,103.3 Mn for FY-2019). This figure breaks down as follows:
- €945.4 Mn of recurring net result (€1,341.1 Mn) (as a result of COVID-19 crisis, disposals in 2019 and 2020 and the increase of net financing costs);
- -€6,102.3 Mn of non-recurring net result[43] mainly because of negative valuation movements, the impairment of goodwill and negative mark-to-market of financial instruments.

The Adjusted Recurring Earnings[44] reflect a profit of €909.3 Mn.

The average number of shares outstanding was 138,425,485 (138,346,205). The increase is due to the issuance of performance shares in 2019 and 2020. The number of shares outstanding as at September 30, 2020, was 138,472,385.

EPRA Recurring Earnings per Share (REPS) came to €6.83 (€9.69[45]), a decrease of -29.5%.

Adjusted Recurring Earnings per Share (AREPS)[44] came to €6.57 (€9.43[46]), a decrease of -30.4% 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 (-3.5%).

V. GOODWILL[47]

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, and as at September 30, 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 September 30, 2020, were based on:
- An estimate of the results of the 5-year Business Plan ("5YBP") exercise for 2021-2025 per geographical segment currently underway (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 model used to test goodwill does not include the impact of the €4.0 Bn disposal plan (considering that this assumption has no material impact on the impairment tests);
- 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 September 30, 2020. These discount rates were also compared with the discount rates used by appraisers for the valuation of Investment Properties as at September 30, 2020, and the consistency between those was ensured;

[43] 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.
[44] 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).
[45] The Jan. - Sept. 2019 REPS has not been published in 2019 nor reviewed by statutory auditors. It is published in 2020 in order to give investors and stakeholders a comparison of REPS between Jan. - Sept. 2020 and Jan. - Sept. 2019.
[46] The Jan. - Sept. 2019 AREPS has not been published in 2019 nor reviewed by statutory auditors. It is published in 2020 in order to give investors and stakeholders a comparison of AREPS between Jan. - Sept. 2020 and Jan. - Sept. 2019.
[47] This section refers to the IFRS Consolidated financial statements.

- 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 September 30, 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 condensed Consolidated Financial Statements as at September 30, 2020.

Impairment tests-results per region

US
An impairment of -€851.4 Mn was booked and the value of the goodwill allocated to the US was fully impaired as at September 30, 2020.

UK
An impairment of -€300.3 Mn was booked and the remaining value of the goodwill allocated to the UK was €132.0 Mn as at September 30, 2020.

France Retail
The value of the goodwill allocated to France Retail (€731.5 Mn) was found justified as at September 30, 2020.

Central Europe
The value of the goodwill allocated to Central Europe (€255.5 Mn) was found justified as at September 30, 2020.

Spain
An impairment of -€103.8 Mn was booked and the value of the goodwill allocated to Spain was fully impaired as at September 30, 2020.

Nordics
An impairment of -€131.5 Mn was booked and the value of the goodwill allocated to the Nordics was fully impaired as at September 30, 2020.

Germany
An impairment of -€60.4 Mn was booked and the remaining value of the goodwill allocated to Germany was €196.3 Mn as at September 30, 2020.

Convention & Exhibition
An impairment of -€8.2 Mn was booked and the value of the goodwill allocated to Convention & Exhibition was fully impaired as at September 30, 2020.

Austria and Other
The goodwill allocated to Austria and Other remained stable as at September 30, 2020, at €72.9 Mn and €10.3 Mn, respectively.

Breakdown of the goodwill

The total impairment of the goodwill amounted to -€1,456.1 Mn (-€736.4 Mn in H1), including -€572.2 Mn related to the goodwill justified by fee businesses, -€40.9 Mn related to the goodwill justified by tax optimizations and -€842.9 Mn related to Other goodwill.

Following this impairment, the goodwill in the Consolidated Statement of Financial Position (IFRS) as at September 30, 2020 amounts to €1,398.4 Mn and breaks down as follows:

In €Mn	Dec. 31, 2019	Impairment		Currency impact		Sept. 30, 2020
Goodwill justified by fee business	839.1	-	572.2	-	15.6	251.3
Goodwill justified by tax optimizations	241.0	-	40.9		-	200.0
Other goodwill	1,798.3	-	842.9	-	8.3	947.1
Total Goodwill	**2,878.4**	-	**1,456.1**	-	**23.9**	**1,398.4**

Figures may not add up due to rounding.

The difference of -€23.9 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 -€1,456.1 Mn in the Consolidated statement of comprehensive income and the change of -€1,480.0 Mn of the goodwill in the Consolidated statement of financial position.

VI. Post-Closing events

On October 12, URW entered into an agreement with a consortium of French institutional investors (Primonial REIM, La Française and EDF Invest) for the sale of the SHiFT office building. The Disposal Price[48] of €620 Mn represents a premium to the June 30, 2020, book value.

This transaction is subject to standard conditions precedent and is expected to close in January 2021.

SHiFT is located in the business district of Issy-les-Moulineaux (Paris region) with a GLA of 47,200 sqm. The property is fully let to Nestlé for its new French headquarters on a 12-year lease.

The transaction is part of URW's €9+ Bn RESET plan to strengthen the Group's balance sheet and which includes €4.0 Bn of disposals to be completed by year-end 2021. Upon closing of this transaction, the Group will have generated €5.3 Bn of net disposal proceeds since June 2018, at an average net initial yield of 4.5% and an average premium to book value of +5.6%.

On October 30, the Group and the O'Connor I partnership agreed to unwind the joint-venture on six assets in Florida. The transaction enables URW to take full control of five of these assets. The ownership of the sixth asset has been transferred to O'Connor I. The net cash consideration for this transaction was $55 Mn.

Since September 30, authorities have imposed new restrictions to limit the spread of the novel Coronavirus. Reference is made to the table on page 20 in Section II.

[48] 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.

VII. OUTLOOK

The COVID-19 pandemic has had a significant impact on economic and market conditions around the world through September 30, 2020 and continues to adversely impact economic activity in retail real estate.

The impact of the pandemic continues to evolve. After having lifted or modified some of the measures to contain the spread of the virus, certain governments and other authorities have already been forced to, and others may in the future, reinstate measures such as mandatory wearing of masks, social distancing measures, earlier closing of restaurants and bars, curfews and lockdowns. Even in the absence of such additional measures, consumer confidence may continue to erode as a result of the pandemic.

As a result, URW may experience additional material adverse impacts on its results of operations and financial condition, including changes in its ability to recognize revenue due to changes in its assessment of the probability of successful invoice and collection of rents and asset values as a result of changing cash flows generated by its properties.

The above, as well as the extreme volatility of market conditions are likely to create or increase risks and uncertainties on the validity of the assumptions and estimates on which forecasts and guidance prepared by the Group are based on and which reflect the situation as it existed as at October 15, 2020. The forecasts and guidance released by the Group are not guarantees of future performance, and the Group's actual financial condition, results of operations and cash flows may differ materially from those presented below.
Moreover, the occurrence of one or more of other risks described in section "Risk Factors" of the Group's 2019 Universal Registration Document could have an adverse impact on URW's business, results, financial condition or prospects and therefore jeopardize these forecasts.

1. Outlook for the 2020 AREPS

The Group has prepared the outlook for 2020 based upon the situation as at October 15th and on:

- its results through September 30, 2020;
- the rent relief negotiations relating to events during the first 9 months of 2020 and expected to be signed in Q4;
- the expected vacancy rate as at December 31, 2020;
- the like-for-like retail NRI performance, expected to be down by -25% to -30% from that of 2019 (approximately €2.0 Bn) on a cash basis, and by -18% to -23% on an IFRS basis (under IFRS 16, rent relief qualifying as a lease modification must be straight-lined over the remaining term of the lease);
- the results of the C&E business as COVID-19 effectively forced an almost complete halt of operations;
- the full year effect of the incremental liquidity raised by URW in response to the pandemic; and
- a weighted average number of 138,437,274 shares outstanding for 2020, i.e., before the impact of the issuance of new shares as a result of the proposed €3.5 Bn capital increase.

The above would have led to a range for the full year net recurring result of between €1,000 Mn and €1,080 Mn, and to 2020 AREPS of between €7.50 and €7.80, a decrease of between -37% and -40% compared to the 2019 AREPS of €12.37.

This decrease in AREPS of between €4.57 to €4.87 vs. 2019 included:
- -€0.53 for the C&E business due to the effective closure of sites during the last 9 months of the year;
- -€0.44 due to the end of the capitalization of internal letting fees;
- -€0.47 due to the disposals completed in 2019 and 2020; and
- -€0.35 due to increased financial expenses.

The estimated cash impact on the 2020 AREPS of the expected outcome of rent relief negotiations (i.e., no straightlining of such relief) would be an additional -€1.25.

However, since the preparation of such forecast, authorities in Europe have imposed new lockdowns and other restrictions to combat the spread of COVID-19. This might require the Group to grant additional rent relief to support tenants as it did for the period of closures during H1. Hence, the outlook for the full year net recurring result has been adjusted by €40 Mn and the 2020 AREPS by 30 cents, to between €7.20 and €7.80.

An increase of the number of shares, resulting from the capital increase to be approved by the General Meeting on November 10, 2020 would result in lower 2020 AREPS than described above.

2. Guidance for the 2021 like-for-like retail NRI

The Group currently expects the 2021 like-for-like retail NRI, which includes the negative impact of the straightlining of rent relief granted in 2020, to be broadly flat versus that expected for 2020.

On a cash basis, i.e., excluding the straight lining of rent relief granted in 2020, the 2021 like-for-like retail NRI would grow by between +10 % and +20% versus that expected for 2020.

Based on the above guidance, the 2021 like-for-like retail NRI would reach, both on an IFRS and on a cash basis, between 80% and 90% of the approximately €2 Bn recorded in 2019[49].

VIII. DIVIDEND POLICY

Any dividend to be proposed to the AGM for 2020 will depend on the Group's operations, results and outlook as described above, and be paid after such AGM.

As per its RESET plan, the Group targets €1 Bn of cash dividend savings in 2021 and 2022 relative to the €750 Mn paid in 2020 with respect to 2019.

Consequently, if a dividend is proposed to the AGM for 2020, the Group would include an option for shareholders to take a scrip dividend in order to limit the cash amount to a maximum of €250 Mn.

IX. 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 September 30, 2020. The consolidated statement of cash flows as at September 30, 2019, is not available.

Cash flow from operating activities
The total cash flow from operating activities was +€1,126.1 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 +€408.6 Mn because of the disposal of five shopping centres in France and a decrease of capital expenditures to -€886.7 Mn.

Cash flow from financing activities
The total cash flow from financing activities amounted to +€1,015.3 Mn due to measures taken to augment liquidity during the COVID-19 crisis.

[49] Data based on internal Business Plan as at October 15 and could potentially be impacted further by additional health and safety measures imposed by authorities across Europe.

2. INVESTMENTS AND DIVESTMENTS

Through September 30, 2020, URW invested €795.7 Mn[50], Group share, in capital expenditures in assets and on construction, extension and refurbishment projects, compared to €528.3 Mn in H1-2020 and €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					
	Jan. - Sept. 2020		H1-2020		2019	
	100%	Group share	100%	Group share	100%	Group share
Shopping Centres	674.5	629.9	430.4	403.1	1,184.3	1,125.1
Offices & Others	155.2	155.2	119.7	119.7	364.8	364.6
Convention & Exhibition	20.6	10.6	10.6	5.5	161.6	81.2
Total Capital Expenditure	**850.3**	**795.7**	**560.8**	**528.3**	**1,710.8**	**1,570.9**

Figures may not add up due to rounding.

2. Shopping Centres

URW invested €629.9 Mn[51] in its Shopping Centre portfolio:

- New acquisitions amounted to €12.9 Mn, mainly in France (Rennes Alma);
- €422.0 Mn were invested in construction, extension and refurbishment projects, including mainly: the La Part-Dieu, Westfield Mall of the Netherlands, Westfield Valley Fair, Westfield Topanga and Les Ateliers Gaîté redevelopments and extensions and Westfield Hamburg (see also section *"Development projects"*);
- €68.6 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[52] amounted to €64.1 Mn;
- Financial interest, eviction costs, external letting fees (internal letting fees are now included in Administrative expenses) and other costs were capitalized for €33.5 Mn, €8.3 Mn, €8.0 Mn and €12.5 Mn, respectively.

3. Offices & Others

URW invested €155.2 Mn in its Offices & Others portfolio:

- New acquisitions amounted to €1.3 Mn in France;
- €104.8 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"*);
- €27.7 Mn were invested in enhancement and improvement projects on standing assets, mainly in the US and France;
- Replacement Capex amounted to €1.6 Mn;
- Financial interest and other costs capitalized amounted to €19.8 Mn.

[50] On a proportionate basis, Group share.
[51] Amount capitalized in asset value.
[52] 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 €10.6 Mn in its Convention & Exhibition portfolio through September 30:

- €0.3 Mn were invested for construction works at Porte de Versailles;
- €4.9 Mn were invested in enhancement and improvement projects on standing assets, mainly in Porte de Versailles;
- Replacement Capex amounted to €4.7 Mn;
- Financial interest and other costs capitalized amounted to €0.7 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 9M-2020 for a total of €26 Mn.

As at September 30, 2020, the Group had completed €4.8 Bn[53] (80%) of its previous €6.0 Bn disposal programme. URW increased its target by €4.0 Bn by year-end 2021, of which circa 50% will be retail.

On October 12, URW entered into an agreement with a consortium of French institutional investors (Primonial REIM, La Française and EDF Invest) for the sale of the SHiFT office building. The Disposal Price[54] of €620 Mn represents a premium to the June 30, 2020, book value. This transaction is expected to close in January 2021.

Upon closing of the SHiFT disposal transaction, the Group will have generated €5.3 Bn of net disposal proceeds since June 2018, 60% of its increased €8.8 Bn disposal programme. URW is in discussions on the disposal of a number of assets.

[53] Net disposal proceeds.

[54] 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.

3. DEVELOPMENT PROJECTS AS AT SEPTEMBER 30, 2020

As at September 30, 2020, URW's share of the Total Investment Cost ("TIC" [55] and "URW TIC"[56]) of its development project pipeline amounted to €5.4 Bn[57], with a total of 0.8 million sqm of Gross Lettable Area ("GLA"[58]) to be re-developed or added to the Group's standing assets.

1. Development project portfolio overview

Since the beginning of the pandemic in Q1-2020, the Group has reduced its pipeline by -€2.9 Bn, from €8.3 Bn as at December 31, 2019. In addition, the Group expects to join with strategic capital partners on select development projects.

This decrease mainly results from:

- The removal of a number of projects (-€2.6 Bn);
- The completion and delivery in H1-2020 of the Westfield Valley Fair retail extension (-€0.5 Bn); and
- The addition of one retail project (Westfield Les 4 Temps Porte de Paris) and two office refurbishment projects (Michelet-Galilée and 7 Adenauer) (+€0.2 Bn).

Since December 31, 2019, the following projects have been removed:

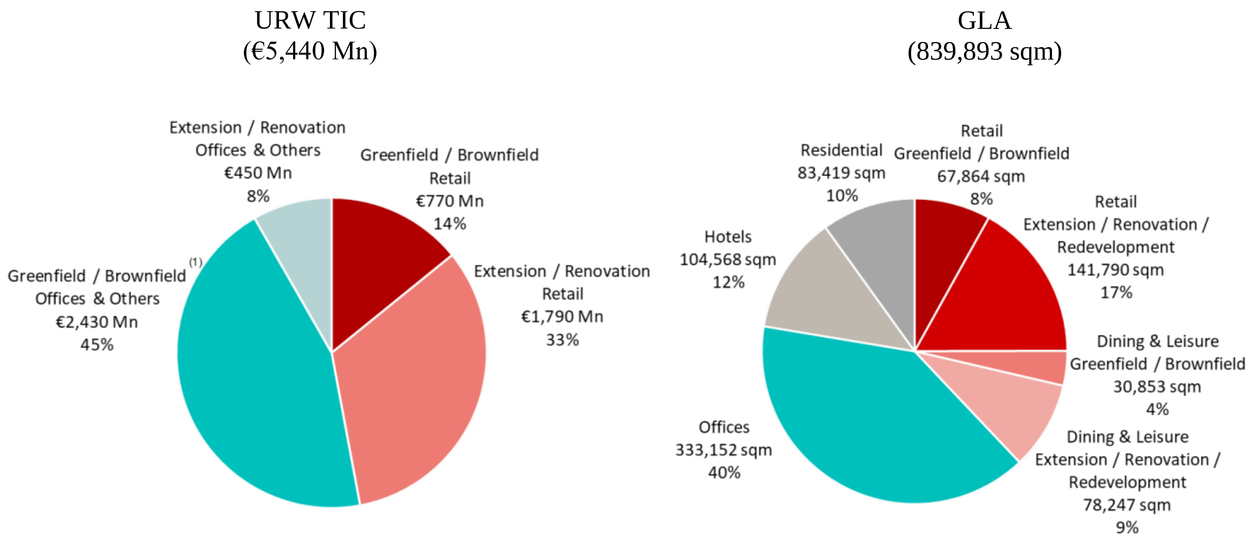
Removed Development Projects	Business	Country	City	Type	URW Ownership	100% GLA (sqm)	100% TIC (€Mn)	URW TIC (€Mn)
ALTAMAR	Shopping Centres	Spain	Benidorm	Greenfield / Brownfield	100%(1)	58,551 sqm	220	
WESTFIELD VALENCIA RESTRUCTURING	Shopping Centres	US	Valencia	Extension / Renovation	50%	20,718 sqm	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.

55 100% 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) tenants' lease incentives and opening marketing expenses. It excludes: (i) capitalized financial interest; (ii) overhead costs; (iii) early or lost Net Rental Income; and (iv) IFRS adjustments.
56 URW TIC: 100% TIC multiplied by URW's percentage stake in the project, plus specific own costs, if any.
57 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.
58 GLA equals Gross Lettable Area of projects at 100%.

The pipeline categories are as follows:

URW Development pipeline by category[59]



(1) Including Residential and Hotel units.

The Group's retail development priorities remain extensions and restructuring and refurbishment works on select standing assets: 70% of the €2.6 Bn retail pipeline consists of extension and renovation projects. 34% of the approximately 319,000 sqm retail pipeline consists of Dining and Leisure areas. €2.4 Bn (95%) of the Retail pipeline is committed, of which €1.5 Bn has already been spent. 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.

Development projects in the Offices & Others sector amount to €2.9 Bn. Greenfield and brownfield projects represent 84% and correspond to approximately 389,000 sqm of new GLA, of which 14% are hotels and 21% residential projects. 69% are expected to be completed in 2024 or later. The remainder will be invested in the redevelopment or refurbishment of 132,000 sqm GLA of existing assets. €1.3 Bn (44%) of the Offices & Others pipeline is committed, of which €0.4 Bn for the Trinity tower due to be delivered in Q4-2020.

2. A secured and flexible development pipeline

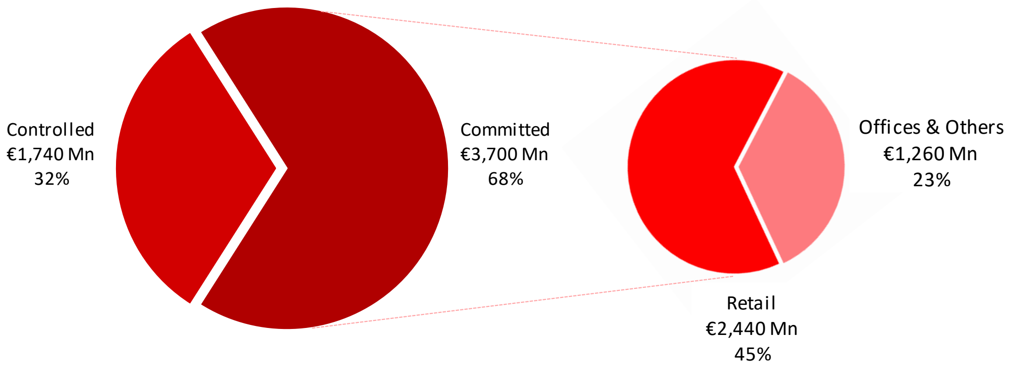
Since December 31, 2019, the Group's pipeline consists of two distinct groupings:

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. In the context of the pandemic, the Group has postponed or is reconsidering a number of projects.

[59] Figures may not add up due to rounding.

URW Development pipeline by grouping



The €3.7 Bn "Committed" development Pipeline (URW TIC) now includes the Westfield Topanga restructuring project, having obtained the building permit and started construction works in Q3-2020. The projects listed below have been moved to the "Committed" grouping since December 31, 2019:

- Westfield Les 4 Temps Dôme;
- Westfield Les 4 Temps Porte de Paris;
- Westfield Annapolis restructuring;
- Westfield Garden State Plaza restructuring;
- Westfield Hamburg-Überseequartier;
- Westfield Topanga restructuring.

The "Controlled" development Pipeline includes the Michelet-Galilée and 7 Adenauer refurbishment projects.

€2.2 Bn has already been spent on Committed projects and €0.1 Bn on Controlled projects. For Committed projects, €1.5 Bn is still to be invested, of which €0.6 Bn has been contracted.

3. Variances in development pipeline projects since December 31, 2019

Following the onset of the COVID-19 pandemic, 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. The most important ones include:

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

4. Investments through Q3-2020

See section *"Investments and divestments".*

5. Deliveries expected through December 31, 2021

Eight projects representing a URW TIC of ca. €1.9 Bn (of which €1.5 Bn has been spent already) are scheduled to be delivered in Q4-2020 or in 2021:

- The Trinity project;
- Two major extensions: La Part-Dieu and Westfield Mall of The Netherlands;
- Four retail restructuring projects: the La Maquinista Fashion Pavilion, the Westfield Les 4 Temps Clairière and Dôme, and the Westfield Annapolis restructuring;
- The Gaîté Montparnasse mixed-use project.

The average pre-letting[60] stands at 78% for the retail deliveries and at 66% for the offices and others.

[60] GLA signed, all agreed to be signed and financials agreed.

6. Projects overview

DEVELOPMENT PROJECTS – September 30, 2020

Development Projects (1)	Business	Country	City	Type	URW Ownership	100% GLA (sqm)	100% TIC (€Mn)	URW TIC (€Mn)	Yield on cost (2)	Opening date (3)	Project Valuation
TRINITY	Offices & Others	France	Paris	Greenfield / Brownfield	100%	49,479 sqm	350			Q4 2020	Fair Value
LA PART - DIEU EXTENSION	Shopping Centres	France	Lyon	Extension / Renovation	100%	32,888 sqm	440			Q4 2020	Fair Value
WESTFIELD MALL OF THE NETHERLANDS(*)	Shopping Centres	The Netherlands	Leidschendam	Extension / Renovation	100%	86,545 sqm	630			H1 2021	Fair Value
GAITE MONTPARNASSE RETAIL(*)	Shopping Centres	France	Paris	Redevelopment / Extension	100%	29,371 sqm	200			H2 2021	Fair Value
GAITE MONTPARNASSE OTHERS(*)	Offices & Others	France	Paris	Redevelopment / Extension	100%	64,422 sqm	260			H2 2021	Fair Value
GARBERA EXTENSION	Shopping Centres	Spain	San Sebastián	Extension / Renovation	100%	10,882 sqm	90			H1 2022	At Cost
WESTFIELD GARDEN STATE PLAZA RESTRUCTURING(*)	Shopping Centres	US	New York Region	Extension / Renovation	50%	13,487 sqm	110			H1 2022	Fair Value
WESTFIELD TOPANGA RESTRUCTURING(*)	Shopping Centres	US	Los Angeles Region	Extension / Renovation	55%	15,972 sqm	230			H1 2022	Fair Value
WESTFIELD HAMBURG - ÜBERSEEQUARTIER RETAIL	Shopping Centres	Germany	Hamburg	Greenfield / Brownfield	100%	95,187 sqm	770			2023 (4)	At Cost
WESTFIELD HAMBURG - ÜBERSEEQUARTIER OTHERS	Offices & Others	Germany	Hamburg	Greenfield / Brownfield	100%	75,840 sqm	470			2023 (4)	At Cost
CHERRY PARK RESIDENTIAL	Offices & Others	UK	London	Greenfield / Brownfield	25%	87,440 sqm	740			H2 2024	Fair Value
Others						19,482 sqm	190				
Total Committed								**3,700**	**5.7%**		
MICHELET- GALILEE	Offices & Others	France	Paris	Redevelopment / Extension	100%	34,789 sqm	140			H1 2023	Fair Value
TRIANGLE	Offices & Others	France	Paris	Greenfield / Brownfield	100%	89,051 sqm	670			Post 2024	At Cost
SISTERS	Offices & Others	France	Paris	Greenfield / Brownfield	100%	90,434 sqm	750			Post 2024	At Cost
Others						44,624 sqm	180				
Total Controlled								**1,740**	**7-8% target**		
URW TOTAL PIPELINE								**5,440**			

(1) Figures subject to change according to the maturity of projects.
(2) Stabilized expected net rental income divided by the URW TIC.
(3) In the case of staged phases in a project, the date corresponds to the opening date of the main phase.
(4) Phased opening in 2023.

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

4. PROPERTY PORTFOLIO AND NET ASSET VALUE AS AT SEPTEMBER 30, 2020

In October 2019, EPRA introduced new asset value metrics[61] 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 are 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 not 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 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 (€1,406 Mn as at September 30, 2020, for the fee businesses) which are an integral part of its business model and hence is not a meaningful KPI for URW. The Group intends to focus on two main metrics: the NRV and the NDV, and notes that, in accordance with IFRS, all its tax liabilities are reflected in the Group's balance sheet.

URW's NRV amounted to €180.90 per share as at September 30, 2020, a decrease of -€47.90 per share (-20.9%) compared to the NRV as at December 31, 2019 (€228.80 per share). This decrease is the result of: (i) -€41.89 per share representing the sum of: (a) -€40.65 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 +€6.83, (c) -€2.20 per share due to transfer taxes; (d) -€2.18 per share due to intangible assets; and (e) other effects of -€3.69 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 -€0.61 per share.

The NRV does not include the Group's Hybrid Securities, which are not part of the Equity attributable to the holders of the Stapled Shares, but include €6.82 per share of goodwill not justified by the fee business or tax optimizations and which is mainly related to Westfield. Net of this goodwill, the NRV per share would be €174.08 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 September 30, 2020, this statement was withdrawn from the appraisal reports, except for the hotels which represent €0.5 Bn of the Group's GMV. However, according to the appraisers, this material valuation uncertainty does not mean their hotel valuations cannot be relied upon.

[61] 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[62] basis and as at September 30, 2020, and comparisons are with values as at December 31, 2019.

The total GMV of the URW asset portfolio[63] amounted to €58.3 Bn (€65.3 Bn), a decrease of -10.7%, of which -7.6% in H1-2020 (-5.1% excluding the net impact of the disposal of five French assets to the Entity) and -3.3% in Q3-2020. On a like-for-like basis, the GMV decreased by -7.6% (or -€4,168 Mn), of which -5.1% (or -€2,768 Mn) in H1-2020 and -2.7% (or -€1,400 Mn) in Q3-2020.

Continental Europe – Shopping Centres

As a result of the COVID-19 pandemic, commercial real estate transaction volumes across Continental Europe[64] were down -20% to €135.3 Bn from the same period a year ago. Transaction volume remained above the ten and 15-year averages.

There is a clear bifurcation with investment in industrial and logistics remaining strong with year-to-date volumes of €16.9 Bn, a +3% rise compared to the same period in 2019. Investment in both office and retail saw a double-digit decline. Senior housing increased by +11% to €3.5 Bn driven by the underlying dynamics of a longer life expectancy and an ageing population. Other residential categories saw activity slow.

Retail investment remained subdued with €18.2 Bn of assets traded through September 30, 2020, below the ten-year average of €25 Bn. Retail investment suffered from weaker demand as investors took a more cautious attitude towards the sector, on the back of increased online sales and concerns about the impact of COVID-19 on retailers' financial stability. High street investment was down by -30% to €4.2 Bn, while retail parks and warehousing investments were -9% at €2.7 Bn. In contrast, shopping centre investment volumes totalled €7 Bn in the first nine months of 2020, broadly in line with the €6.9 Bn reported in the same period a year ago. Sales of single asset supermarkets were also lower, though this is likely to be due to lack of stock as investors seek to retain supermarkets given income certainty, especially in the current environment.

Institutions were the main buyers of shopping centres with €2.9 Bn invested through Q3-2020, more than double the €1.2 Bn in the same period of 2019. At €2.3 Bn, unlisted funds were the next largest buyers of shopping centres.

URW's Shopping Centre GMV decreased by -6.2% on a like-for-like basis, of which -4.2% in H1-2020 and -2.1% in Q3-2020. This decrease was driven by the yield impact (-6.2%) as appraisers increased Exit Cap Rates (ECR) and Discount Rates (DR) for most assets in the portfolio due to the COVID-19 crisis.

United Kingdom

Investment volumes in UK real estate[65] amounted to €32.3 Bn through September 30, 2020, a decrease of -28% vs. the same period last year with all asset types trending lower, albeit industrial and logistics by just -2% lower at €5.1 Bn. Retail saw a -33% fall to €3.2 Bn, with shopping centres down by -47% to €450 Mn. Office investment was down by -46% to €8.2 Bn.

The retail and hospitality sectors have been the worst hit by government-enforced closures across the UK, and for much of Q2-2020 this stopped most retail trading. Social distancing and further local restrictions are hampering the recovery on the high street with quarterly collection rates reported to be the worst in the retail and leisure sectors, according to a survey by REMIT consulting[66]. Many tenants have actively engaged with landlords to agree revised rent payments or extensions of leases in exchange for rent holidays.

Investors are returning to the Retail sector in a sign of cautious optimism, albeit activity is nuanced and interest varies by geography and potential change of use for some assets. €900 Mn of supermarkets have traded to date across the UK making it the most traded retail sub-type, just ahead of retail parks at €870 Mn. Whilst income for supermarkets remains resilient, trading is lower as few investors are willing to sell. Evidence from Cushman & Wakefield's research shows retail assets continue to trade on average at double-digit discounts to pre-COVID-19 values versus stable or marginal premium for office and logistics assets.

[62] 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).
[63] 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.
[64] Source: Cushman & Wakefield, estimates as at October 1, 2020.
[65] Source: Cushman & Wakefield, estimates as at October 1, 2020.
[66] Source: REMIT Consulting, https://www.remitconsulting.com/blog.

Although there was little transactional evidence, appraisers reduced the like-for-like GMV of the Group's UK shopping centres by -18.2%, of which -13.9% in H1-2020 and a further -5.4% in Q3-2020. This is explained by -14.0% of yield impact and -4.3% of rent impact. This decrease is due to the appraisers' concerns about the COVID-19 crisis and the retail market in the UK.

United States

US retail investment volumes in the year to August 2020 saw a -45.2% year-on-year decline, with total sales reported by Real Capital Analytics of $21.4 Bn. For shopping centres, the decrease in deal volume was -48.5%.

Regional mall transaction activity remained very subdued, with less than $300 Mn of assets changing hands following the onset of the COVID-19 pandemic in March. In addition to increased levels of uncertainty facing investors, access to finance continued to be difficult, with a high number of existing mortgage loans in default or having entered special servicing arrangements.

In the absence of transactional data and given continued uncertainty about the trajectory of the pandemic, appraisers are focused on the impact of short to medium-term cash-flow effects of store closures and negotiations with tenants for rent relief, while holding valuation parameters mostly stable. The bifurcation of the retail real estate market has likely been exacerbated by the crisis, with prime assets perceived to be in better position to weather the storm than lower grade centres that were already struggling to maintain occupancy.

The value of the Group's US shopping centres decreased by -8.4% on a like-for-like basis, of which -5.0% in H1-2020 and -3.6% in Q3-2020. This decrease is mainly driven by the negative rent impact (-9.6%). The decrease is mainly due to the Group's US Regional shopping centres (-14.8%), while the Group's US Flagship shopping centres decreased by -7.3%.

Offices & Others

The value of URW's Offices & Others portfolio decreased by -0.2% on a like-for-like basis, of which +0.2% in H1-2020 and -0.4% in Q3-2020, because of a negative yield impact (-1.2%), partly offset by a positive rent impact (+1.0%).

Convention & Exhibition

The Convention & Exhibition portfolio value decreased by -8.1% on a like-for-like basis, of which -4.8% in H1-2020 and -3.5% in Q3-2020. This decrease is driven by the review of the business plan to take into account the impact of COVID-19.

1.1. URW's portfolio

Asset portfolio valuation (including transfer taxes) (a)	Proportionate					
	Sept. 30, 2020		Like-for-like change net of investment - Jan. - Sept. 2020 (b)		Dec. 31, 2019	
	€ Mn	%	€ Mn	%	€ Mn	%
Shopping Centres	49,951	86%	- 3,718	-7.8%	56,495	86%
Offices & Others	4,236	7%	- 4	-0.2%	4,186	6%
Convention & Exhibition	2,741	5%	- 238	-8.1%	2,984	5%
Services	1,406	2%	- 208	-12.4%	1,676	3%
Total URW	**58,334**	**100%**	**- 4,168**	**-7.6%**	**65,341**	**100%**

Figures may not add up due to rounding.

(a) On a proportionate basis, including transfer taxes and transaction costs (see §1.5 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 €1,265 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 does not include €1.2 Bn of goodwill not justified by the fee business, nor financial assets such as the €3,168 Mn of cash and cash equivalents on the Group's consolidated statement of financial position as at September 30, 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 September 30, 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;
- Disposal of five French assets to the Entity;
- Disposal of two retail assets: Bobigny 2 in France and Westfield Meriden in the US;
- Disposal of retail units in Westfield Vélizy 2 and La Part-Dieu; and
- Delivery of the extension of Westfield Valley Fair.

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	- 4,168	
Revaluation of non like-for-like assets	- 853	(a)
Revaluation of shares	- 166	(b)
Capex/ Acquisitions / Tranfers	1,321	(c)
Disposals	- 2,195	(d)
Constant Currency Effect	- 947	(e)
URW Valuation as at Sept. 30, 2020 (€ Mn)	**58,334**	

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 and Trinity offices, the hotel project at Gaîté Montparnasse, the La Part-Dieu extension, Les Ateliers Gaîté, Westfield Milano and Westfield Mall of the Netherlands) and assets delivered in the first nine months of 2020 such as the extension of Westfield Valley Fair.
(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) Includes URW's investments in the Entity.
(d) Value of assets disposed of, including those sold to the Entity, as at December 31, 2019.
(e) Currency impact of -€947 Mn, including -€587 Mn in the US, -€327 Mn in the UK and -€33 Mn in the Nordics, before offsets from foreign currency loans 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 services companies, which are externally appraised once a year. However, in connection with the capital increase as part of the RESET plan, URW has exceptionally run an external valuation process as at September 30, 2020. URW has also done an internal appraisal of the services business to reflect the expected impact of the pandemic and consequently reduced the value of the services business by -12.4% on a like-for-like basis, of which -9.0% in H1-2020 and -3.9% in Q3-2020.

Proportionate		
Appraiser	**Property location**	**% of total portfolio**
Cushman & Wakefield	France / The Netherlands / Central Europe / UK[(a)] / US	50%
Jones Lang Lasalle	France / Germany / Nordics / Spain / Austria / Italy	29%
Duff & Phelps	US	9%
PwC[(b)]	France	5%
Other appraisers	Central Europe / US	1%
At cost, under sale agreement, no valuation or internal[(c)]		7%
		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.
(c) The Group's services activities, the trademark and the airport activities have been valued internally by URW as at September 30, 2020. The assets at fair value with a value including transfer taxes below €20 Mn were not appraised as at September 30, 2020 (0.3% of the portfolio) and the value as at June 30, 2020 has been kept.

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

93% of URW’s portfolio was appraised by independent appraisers as at September 30, 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.

The La Part-Dieu extension, 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 September 30, 2020.

Refer to the table in the Section *“Development projects as at September 30, 2020”* for the valuation method used for each development project in the Group’s pipeline.

The remaining assets of the portfolio (7%) 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”* for more details);
- Internal valuations have been performed by URW as at September 30, 2020, for the services activities, the trademark and the airport activities to reflect the impact of COVID-19 on these activities;
- The Group has kept the same values as at June 30, 2020, for assets at fair value with a value including transfer taxes below €20 Mn as at that date (0.3% of the portfolio).

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**	**Sept. 30, 2020**	**June 30, 2020**	**Dec. 31, 2019**
Cushman & Wakefield	Shopping Centres/Offices & Others	21,379	21,893	24,363
Jones Lang Lasalle	Shopping Centres/Offices & Others	16,659	17,086	18,462
PricewaterhouseCoopers	Shopping Centres/C&E	2,655	2,930	3,169
Other appraisers	Shopping Centres	3,662	3,864	4,504
Internal valuation	Shopping Centres/C&E	247	-	-
Impact of the assets valued by two appraisers	Shopping Centres	- 2,761	- 2,912	- 3,615
Assets valued at cost and/or not appraised	Shopping Centres/Offices & Others	1,485	1,289	1,223
Total Europe		**43,327**	**44,149**	**48,105**
Cushman & Wakefield	Shopping Centres/Offices & Others	7,561	8,240	8,618
Duff & Phelps	Shopping Centres/Offices & Others	5,156	5,565	5,908
PricewaterhouseCoopers	Shopping Centres	-	413	752
Other appraisers	Shopping Centres	97	123	203
Internal valuation	Shopping Centres	595	219	-
Assets valued at cost and/or not appraised	Shopping Centres/Offices & Others	192	160	78
Total US		**13,601**	**14,720**	**15,560**
Services		**1,406**	**1,480**	**1,676**
Total URW		**58,334**	**60,350**	**65,341**

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[67] amounted to €49,951 Mn (€56,495 Mn).

	Proportionate	
URW Valuation as at Dec. 31, 2019 (€ Mn)	**56,495**	
Like-for-like revaluation	- 3,718	
Revaluation of non like-for-like assets	- 794	(a)
Revaluation of shares	- 166	(b)
Capex/ Acquisitions / Transfers	1,136	(c)
Disposals	- 2,161	(d)
Constant Currency Effect	- 842	(e)
URW Valuation as at Sept. 30, 2020 (€ Mn)	**49,951**	

The value evolution breaks down as follows:

	Proportionate	
URW Valuation as at Dec. 31, 2019 (€ Mn)	**56,495**	
Like-for-like revaluation	- 2,483	
Revaluation of non like-for-like assets	- 643	(a)
Revaluation of shares	- 123	(b)
Capex/ Acquisitions / Transfers	893	(c)
Disposals	- 2,154	(d)
Constant Currency Effect	- 211	(f)
URW Valuation as at June 30, 2020 (€ Mn)	**51,775**	
Like-for-like revaluation	- 1,235	
Revaluation of non like-for-like assets	- 151	(a)
Revaluation of shares	- 44	(b)
Capex/ Acquisitions / Transfers	244	
Disposals	- 7	(d)
Constant Currency Effect	- 631	(g)
URW Valuation as at Sept. 30, 2020 (€ Mn)	**49,951**	

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 La Part-Dieu extension, Les Ateliers Gaîté, Westfield Milano and Westfield Mall of the Netherlands) and assets delivered in the first nine months of 2020 such as the extension of Westfield Valley Fair.
(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) Includes URW's investments in the Entity.
(d) Value of assets disposed of, including those sold to the Entity, as at December 31, 2019.
(e) Currency impact of -€842 Mn, including the US (-€559 Mn), the UK (-€252 Mn) and the Nordics (-€31 Mn) before offsets from foreign currency loans and hedging programs.
(f) Currency impact of -€211 Mn, including the UK (-€258 Mn), and the Nordics (-€13 Mn), partly offset by the US (+€61 Mn) before offsets from foreign currency loans and hedging programs.
(g) Currency impact of -€631 Mn, including the US (-€620 Mn) and the Nordics (-€18 Mn), partly offset by the UK (+€6 Mn), before offsets from foreign currency loans and hedging programs.

[67] Including airport activities and the Westfield trademark.

Based on an asset value excluding estimated transfer taxes and transaction costs, the Shopping Centre division's NIY increased by +8 bps to 4.4%.

Shopping Centre portfolio by region	Proportionate					
	Sept. 30, 2020			Dec. 31, 2019		
	Valuation including transfer taxes	Valuation excluding estimated transfer taxes	Net Inital Yield (a)	Valuation including transfer taxes	Valuation excluding estimated transfer taxes	Net Inital Yield (a)
	€ Mn	€ Mn		€ Mn	€ Mn	
France (b)	13,945	13,440	4.3%	16,517	15,882	4.2%
Central Europe	5,145	5,100	5.1%	5,408	5,360	4.9%
Spain	3,645	3,562	4.6%	3,827	3,740	4.4%
Nordics	3,084	3,022	4.1%	3,282	3,215	4.1%
Germany	3,504	3,321	4.8%	3,591	3,398	4.6%
Austria	2,347	2,335	4.5%	2,510	2,497	4.4%
The Netherlands	1,658	1,561	5.2%	1,703	1,603	4.9%
Subtotal Continental Europe	**33,328**	**32,342**	**4.5%**	**36,837**	**35,696**	**4.4%**
UK & Italy	3,327	3,165	5.0%	4,454	4,239	4.3%
Subtotal Europe	**36,655**	**35,507**	**4.6%**	**41,291**	**39,935**	**4.4%**
US	13,295	13,190	3.9%	15,204	15,082	4.1%
Total URW	**49,951**	**48,697**	**4.4%**	**56,495**	**55,016**	**4.3%**

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 this calculation.
(b) The effect of including key money in the French region's NRI would increase the NIY of French shopping centres from 4.3% to 4.4%.

The following table shows the further breakdown for the US:

US Shopping Centre portfolio by category	Proportionate					
	Sept. 30, 2020			Dec. 31, 2019		
	Valuation including transfer taxes	Valuation excluding estimated transfer taxes	Net Initial Yield (a)	Valuation including transfer taxes	Valuation excluding estimated transfer taxes	Net Initial Yield (a)
	€ Mn	€ Mn		€ Mn	€ Mn	
US Flagships (b)	11,634	11,532	3.7%	13,101	12,983	3.8%
US Regionals	1,661	1,658	5.9%	2,103	2,099	6.0%
Total US	**13,295**	**13,190**	**3.9%**	**15,204**	**15,082**	**4.1%**

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. As the value of the assets is based on cash-flows and ECR, the 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.
(b) The airport activities and the trademark are included in the valuation of the US Flagships.

As the vacancy as at September 30, 2020, was higher (11.2%) than as at December 31, 2019 (9.9%), the NIY of the US standing portfolio decreased by -19 bps.

Sensitivity

A change of +25 bps in NIY, the main output of the appraisal models, would result in a downward adjustment of -€2,536 Mn (or -5.4%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark and the airport activities).
A change of +130 bps in NIY (total NIY widening between 2007 and 2009 was +130 bps), would have a negative impact of -€10,764 Mn (or -22.8%) 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 -€782 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 -€678 Mn (or -1.5%) 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 -€1,576 Mn (or -3.5%) 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 -€3,718 Mn (-7.8%), of which -€2,483 Mn (-5.2%) in H1-2020 and -€1,235 Mn (-2.7%) in Q3-2020. This decrease was the result of a yield impact of -4.9% and a rent impact of -2.8%.

Proportionate				
Shopping Centres - Like-for-like (LfL) change (a)				
Jan. - Sept. 2020	**LfL change in € Mn**	**LfL change in %**	**LfL change - Rent impact**	**LfL change - Yield impact (b)**
France	- 910	-6.8%	-0.6%	-6.2%
Central Europe[(c)]	- 226	-4.9%	1.8%	-6.6%
Spain	- 217	-6.2%	1.0%	-7.1%
Nordics	- 172	-5.3%	-0.8%	-4.5%
Germany	- 169	-5.1%	0.6%	-5.7%
Austria	- 181	-7.2%	-0.4%	-6.8%
The Netherlands	- 101	-9.6%	-3.6%	-6.0%
Subtotal Continental Europe	**- 1,976**	**-6.2%**	**0.0%**	**-6.2%**
UK & Italy	- 702	-18.2%	-4.3%	-14.0%
Subtotal Europe	**- 2,678**	**-7.5%**	**-0.5%**	**-7.0%**
US	- 1,040	-8.4%	-9.6%	1.2%
Total URW	**- 3,718**	**-7.8%**	**-2.8%**	**-4.9%**

Proportionate				
Shopping Centres - Like-for-like (LfL) change (d)				
July - Sept. 2020	**LfL change in € Mn**	**LfL change in %**	**LfL change - Rent impact**	**LfL change - Yield impact (b)**
France	- 329	-2.6%	-1.3%	-1.2%
Central Europe[(c)]	- 53	-1.2%	0.5%	-1.7%
Spain	- 72	-2.1%	-0.1%	-2.0%
Nordics	- 48	-1.5%	0.5%	-2.0%
Germany	- 54	-1.7%	-1.6%	-0.1%
Austria	- 58	-2.4%	-0.4%	-2.0%
The Netherlands	- 28	-2.8%	-0.9%	-2.0%
Subtotal Continental Europe	**- 642**	**-2.1%**	**-0.6%**	**-1.5%**
UK & Italy	- 167	-5.4%	3.3%	-8.7%
Subtotal Europe	**- 809**	**-2.4%**	**-0.2%**	**-2.2%**
US	- 426	-3.6%	-5.1%	1.5%
Total URW	**- 1,235**	**-2.7%**	**-1.5%**	**-1.3%**

Figures may not add up due to rounding.

(a) Like-for-like change net of investments from December 31, 2019, to September 30, 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%).
(d) Like-for-like change net of investments from June 30, 2020, to September 30, 2020, excluding assets not controlled by URW.

The 55 Flagship shopping centres represent 91% 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)				
Jan. - Sept. 2020	**LfL change in € Mn**	**LfL change in %**	**LfL change - Rent impact**	**LfL change - Yield impact (b)**
Flagships Continental Europe	- 1,794	-6.2%	0.1%	-6.3%
Flagships UK	- 676	-17.8%	-3.6%	-14.2%
Subtotal Flagships Europe	**- 2,471**	**-7.5%**	**-0.4%**	**-7.1%**
Flagships US	- 766	-7.3%	-8.7%	1.4%
Subtotal Flagships	**- 3,237**	**-7.5%**	**-2.3%**	**-5.2%**
Regionals	- 481	-10.4%	-6.1%	-4.4%
Total URW	**- 3,718**	**-7.8%**	**-2.8%**	**-4.9%**

Figures may not add up due to rounding.

(a) Like-for-like change net of investments from December 31, 2019, to September 30, 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.

1.3. Offices & Others portfolio

Evolution of URW's Offices & Others portfolio valuation

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 €4,236 Mn (€4,186 Mn).

	Proportionate	
URW Valuation as at Dec. 31, 2019 (€ Mn)	**4,186**	
Like-for-like revaluation	- 4	
Revaluation of non like-for-like assets	- 28	(a)
Capex/ Acquisitions / Transfers	160	
Disposals	- 34	(b)
Constant Currency Effect	- 44	(c)
URW Valuation as at Sept. 30, 2020 (€ Mn)	**4,236**	

The value evolution breaks down as follows:

	Proportionate	
URW Valuation as at Dec. 31, 2019 (€ Mn)	**4,186**	
Like-for-like revaluation	5	
Revaluation of non like-for-like assets	- 4	(a)
Capex/ Acquisitions / Transfers	123	
Disposals	- 34	(b)
Constant Currency Effect	- 28	(d)
URW Valuation as at June 30, 2020 (€ Mn)	**4,247**	
Like-for-like revaluation	- 9	
Revaluation of non like-for-like assets	- 23	(a)
Capex/ Acquisitions / Transfers	37	
Disposals	-	(b)
Constant Currency Effect	- 15	(e)
URW Valuation as at Sept. 30, 2020 (€ Mn)	**4,236**	

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 and Trinity offices, the hotel project at Gaîté Montparnasse.
(b) Value as at December 31, 2019.
(c) Currency impact of -€44 Mn in total, including the UK (-€29 Mn), the US (-€13 Mn) and the Nordics (-€2 Mn), before offsets from foreign currency loans and hedging programs.
(d) Currency impact of -€28 Mn in total, including the UK (-€29 Mn) and the Nordics (-€1 Mn), partly offset by the US (+€1 Mn), before offsets from foreign currency loans and hedging programs.
(e) Currency impact of -€15 Mn in total, including the US (-€14 Mn) and the Nordics (-€1 Mn), before offsets from foreign currency loans and hedging programs.

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

Valuation of Offices & Others portfolio (including transfer taxes)	Proportionate			
	Sept. 30, 2020		Dec. 31, 2019	
	€ Mn	%	€ Mn	%
France	2,897	68%	2,830	68%
Nordics	174	4%	171	4%
Other countries	448	11%	411	10%
Subtotal Continental Europe	**3,519**	**83%**	**3,412**	**82%**
UK & Italy	412	10%	419	10%
Subtotal Europe	**3,931**	**93%**	**3,830**	**92%**
US	306	7%	356	8%
Total URW	**4,236**	**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 -25 bps to 5.2%.

Valuation of occupied office space	Proportionate					
	Sept. 30, 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	1,648	1,590	4.9%	1,597	1,538	5.1%
Nordics	139	135	7.8%	144	140	7.6%
Other countries	132	129	6.5%	132	129	6.5%
Subtotal Continental Europe	**1,919**	**1,854**	**5.3%**	**1,873**	**1,807**	**5.4%**
UK & Italy	73	70	n.m.	80	76	n.m.
Subtotal Europe	**1,992**	**1,924**	**5.2%**	**1,953**	**1,883**	**5.3%**
US	193	189	4.9%	228	221	6.5%
Total URW	**2,185**	**2,112**	**5.2%**	**2,181**	**2,105**	**5.5%**

Figures may not add up due to rounding.

(a) Valuation of occupied office space as at September 30, 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.

<u>Sensitivity</u>

A change of +25 bps in NIY, the main output of the appraisal models, would result in a downward adjustment of -€120 Mn (-5.0%) to 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 -€4 Mn (-0.2%) on a like-for-like basis, of which +€5 Mn (+0.2%) in H1-2020 and -€9 Mn (-0.4%) in Q3-2020, due to a yield impact of -1.2%, partly offset by a positive rent impact of +1.0%.

Proportionate					Proportionate				
Offices & Others - Like-for-like (LfL) change (a)					Offices & Others - Like-for-like (LfL) change (c)				
Jan. - Sept. 2020	**LfL change in € Mn**	**LfL change in %**	**LfL change - Rent impact**	**LfL change - Yield impact (b)**	**July - Sept. 2020**	**LfL change in € Mn**	**LfL change in %**	**LfL change - Rent impact**	**LfL change - Yield impact (b)**
France	25	1.5%	0.1%	1.4%	France	8	0.4%	-0.7%	1.1%
Nordics	2	1.3%	2.0%	-0.7%	Nordics	1	0.8%	0.9%	0.0%
Other countries	0	-2.0%	0.7%	-2.7%	Other countries	-2	-1.0%	-0.1%	-0.9%
Subtotal Continental Europe	**27**	**1.4%**	**0.3%**	**1.0%**	**Subtotal Continental Europe**	**7**	**0.4%**	**-0.4%**	**0.8%**
UK & Italy	-2	-2.1%	13.2%	-15.3%	UK & Italy	0	-0.3%	6.7%	-7.1%
Subtotal Europe	**25**	**1.2%**	**-0.2%**	**1.4%**	**Subtotal Europe**	**7**	**0.3%**	**-0.2%**	**0.6%**
US	-29	-12.5%	2.7%	-15.2%	US	-16	-7.2%	-2.1%	-5.1%
Total URW	**-4**	**-0.2%**	**1.0%**	**-1.2%**	**Total URW**	**-9**	**-0.4%**	**-0.4%**	**0.0%**

Figures may not add up due to rounding.

(a) Like-for-like change net of investments from December 31, 2019, to September 30, 2020.
(b) Yield impact calculated using the change in potential yields (to neutralize changes in vacancy rates).
(c) Like-for-like change net of investments from June 30, 2020, to September 30, 2020.

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 (€206 Mn).

Evolution of the Convention & Exhibition valuation

The value of URW's Convention & Exhibition venues, including transfer taxes and transaction costs, amounted to €2,741 Mn (€2,984 Mn).

	Proportionate	
URW Valuation as at Dec. 31, 2019 (€ Mn)	**2,984**	(a)
Like-for-like revaluation	- 238	
Revaluation of non like-for-like assets	- 31	
Capex / Acquisitions / Transfers	25	
URW Valuation as at Sept. 30, 2020 (€ Mn)	**2,741**	(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 €2,627 Mn.

On a like-for-like basis, net of investments, the value of Convention & Exhibition venues decreased by -€238 Mn (-8.1%), of which -€140 Mn (-4.8%) in H1-2020 and -€98 Mn (-3.5%) in Q3-2020. 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. 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 - Sept. 30, 2020	€ Mn	%	€ Mn	%	€ Mn	%
Shopping Centres	49,951	86%	47,841	85%	43,576	86%
Offices & Others	4,236	7%	4,109	7%	4,091	8%
Convention & Exhibition	2,741	5%	2,742	5%	1,428	3%
Services	1,406	2%	1,406	3%	1,323	3%
Total URW	**58,334**	**100%**	**56,098**	**100%**	**50,418**	**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 - Jan. - Sept. 2020	€ Mn	%	€ Mn	%	€ Mn	%
Shopping Centres	- 3,718	-7.8%	- 2,742	-7.2%	- 2,489	-7.3%
Offices & Others	- 4	-0.2%	11	0.5%	11	0.5%
Convention & Exhibition	- 238	-8.1%	- 237	-8.1%	- 129	-8.4%
Services	- 208	-12.4%	- 208	-12.4%	- 203	-12.8%
Total URW	**- 4,168**	**-7.6%**	**- 3,176**	**-7.1%**	**- 2,810**	**-7.2%**

URW Like-for-like change - net of Investments - Jan. - Sept. 2020 - Split rent/yield impact	Rent impact %	Yield impact %	Rent impact %	Yield impact %	Rent impact %	Yield impact %
Shopping Centres	-2.8%	-4.9%	-1.2%	-5.9%	-1.4%	-5.9%
Offices & Others	1.0%	-1.2%	0.4%	0.1%	0.4%	0.1%

URW Net Initial Yield	Sept. 30, 2020	Dec. 31, 2019	Sept. 30, 2020	Dec. 31, 2019	Sept. 30, 2020	Dec. 31, 2019
Shopping Centres (a)	4.4%	4.3%	4.4%	4.3%	4.4%	4.3%
Offices & Others - occupied space (b)	5.2%	5.5%	5.3%	5.4%	5.3%	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, 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	**58,334**
(-) Assets joint-controlled on a proportionate basis	- 10,430
(+) Share investments in assets joint-controlled	8,195
Total URW under IFRS	**56,098**

Figures may not add up due to rounding.

1.6. Additional Valuation parameters - IFRS 13

URW complies with the IFRS 13 fair value measurement and the position paper[68] 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.

Shopping Centres

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 - Sept. 30, 2020		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalization Rate (c)	CAGR of NRI (d)
France	Max	7.0%	839	9.1%	7.6%	11.7%
	Min	1.9%	145	5.6%	3.7%	1.9%
	Weighted average	4.3%	566	5.9%	4.2%	3.6%
Central Europe	Max	7.2%	607	8.8%	8.1%	2.8%
	Min	4.6%	133	6.6%	4.9%	2.0%
	Weighted average	5.1%	387	7.1%	5.2%	2.4%
Spain	Max	7.9%	562	9.8%	7.5%	4.9%
	Min	4.2%	127	6.9%	4.5%	3.4%
	Weighted average	4.6%	346	7.2%	4.7%	4.3%
Nordics	Max	5.4%	422	8.5%	5.3%	5.4%
	Min	3.7%	175	6.4%	4.0%	3.8%
	Weighted average	4.1%	344	6.8%	4.3%	4.5%
Germany	Max	8.0%	478	8.4%	7.1%	5.4%
	Min	4.2%	155	6.1%	4.0%	3.0%
	Weighted average	4.8%	297	6.5%	4.6%	3.9%
Austria	Max	4.6%	401	6.3%	4.3%	3.2%
	Min	4.5%	333	6.3%	4.3%	2.5%
	Weighted average	4.5%	366	6.3%	4.3%	2.8%
The Netherlands	Max	7.2%	356	8.0%	7.1%	3.1%
	Min	4.4%	139	6.1%	4.4%	2.0%
	Weighted average	5.2%	238	6.8%	5.3%	2.6%
US	Max	17.5%	1,832	10.5%	9.5%	10.5%
	Min	3.0%	164	5.8%	4.3%	-10.8%
	Weighted average	3.9%	556	6.6%	5.0%	4.8%
UK & Italy	Max	5.3%	626	7.2%	5.7%	4.1%
	Min	4.7%	585	6.9%	5.5%	3.4%
	Weighted average	5.0%	603	7.0%	5.7%	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 (between 6 and 10 years depending on duration of DCF model used).

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

The CAGR of NRI increased in most regions compared to December 31, 2019, due to the fact the NRI in year one in the appraisers' DCF is lower than in year one in the December 2019 valuation due to the impact of the COVID-19 pandemic.

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

Shopping Centres - Sept. 30, 2020		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalization Rate (c)	CAGR of NRI (d)
US Flagships	Max	5.5%	1,832	7.8%	6.3%	8.2%
	Min	3.0%	373	5.8%	4.3%	1.5%
	Weighted average	3.7%	732	6.3%	4.8%	5.0%
US Regionals	Max	17.5%	438	10.5%	9.5%	10.5%
	Min	3.8%	164	6.8%	5.8%	-10.8%
	Weighted average	5.9%	294	8.4%	6.9%	4.0%

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).

Offices & Others

Offices & Others are valued using the discounted cash-flow and yield methodologies.

Offices & Others - Sept. 30, 2020		Net Initial Yield on occupied space	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalization Rate (c)	CAGR of NRI (d)
France	Max	9.6%	505	8.5%	8.0%	19.5%
	Min	4.1%	106	4.5%	3.8%	-0.5%
	Weighted average	4.9%	406	5.5%	4.4%	2.8%
Nordics	Max	10.7%	221	9.4%	7.8%	3.0%
	Min	6.2%	175	7.0%	5.2%	1.9%
	Weighted average	7.8%	192	8.0%	6.4%	2.7%
Other countries	Max	10.5%	182	8.8%	8.9%	23.4%
	Min	4.6%	40	4.0%	3.1%	-0.7%
	Weighted average	6.5%	128	7.4%	5.9%	2.0%
US	Max	8.8%	610	9.3%	8.5%	23.3%
	Min	3.8%	233	7.1%	5.9%	3.8%
	Weighted average	4.9%	333	7.4%	6.0%	12.3%

NIY, DR and ECR weighted by GMV. Vacant assets and assets under restructuring are not included in Min and Max calculation. Assets under development are not included in this table, as well as the UK assets.
(a) Average annual rent (MGR) per asset per sqm. The computation takes into account the areas allocated to company restaurants.
(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 3 and 10 years, depending on duration of DCF model used).

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[69].

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 September 30, 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 September 30, 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 €19,566 Mn.

The Equity attributable to the holders of the Stapled Shares incorporated the net recurring profit in the period of €945.4 Mn and the net negative impact in the period of -€6,102.3 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 +€52 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.

[69] 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 September 30, 2020.
As a result, and consistent with the methodology described above, for the purpose of the EPRA NRV calculation, deferred taxes (€2,090 Mn) were added back for the calculation of EPRA NRV, and for the calculation of the EPRA NTA. For the EPRA NTA calculation, -€1,045 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 €1,103 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 September 30, 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 -€1,198 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 -€912 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 -€254 Mn as at September 30, 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) 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 +€653 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 September 30, 2020, the transfer taxes and costs deducted from asset values in the statement of financial position (in accordance with IFRS) amounted to €1,850 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 September 30, 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 +€524 Mn.

2.11. Fully diluted number of shares

Dilution from securities giving access to share capital as at September 30, 2020, was computed for such instruments "in the money" and having fulfilled the performance conditions.

In accordance with IFRS, financial instruments and the ORNANEs[70] 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 September 30, 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 September 30, 2020, would have led to a rise in the number of shares by +387,359, without any impact on the equity attributable to the holders of the Stapled Shares as they relate only to performance shares.

As at September 30, 2020, the fully-diluted number of shares taken into account for the EPRA measures calculations was 138,859,744.

2.12. URW's EPRA NRV

URW's EPRA NRV stood at €25,115 Mn or €180.90 per share (fully-diluted) as at September 30, 2020. The EPRA NRV per share decreased by -€47.90 (or -20.9%) compared to December 31, 2019.

The decrease of -€47.90 compared to December 31, 2019, was the sum of: (i) -€-41.89 per share representing the sum of: (a) -€40.65 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 +€6.83, (c) -€2.20 per share due to transfer taxes; (d) -€2.18 per share due to intangible assets; and (e) other effects of -€3.69 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 -€0.61 per share.

2.13. URW's EPRA NTA

URW's EPRA NTA stood at €19,980 Mn or €143.90 per share (fully-diluted) as at September 30, 2020. The EPRA NTA per share decreased by -€33.70 (or -19.0%) compared to December 31, 2019.

2.14. URW's EPRA NDV

UWR's EPRA NDV stood at €17,965 Mn or €129.40 per share (fully-diluted) as at September 30, 2020. The EPRA NDV per share decreased by -€30.10 (or -18.9%) compared to December 31, 2019.

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

3. EPRA NET ASSET VALUE METRICS TABLES

	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 amortised 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.

	Sept. 30, 2020		
	EPRA NRV	**EPRA NTA**	**EPRA NDV**
Equity attributable to the holders of the Stapled Shares (IFRS)	**19,566**	**19,566**	**19,566**
Include / Exclude:*			
i) Hybrid instruments	-	-	-
Diluted NAV	**19,566**	**19,566**	**19,566**
Include:*			
ii.a) Revaluation of IP (if IAS 40 cost option is used)	52	52	52
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	**19,618**	**19,618**	**19,618**
Exclude:*			
v) Deferred tax in relation to fair value gains of IP(5) detailled below:			
v.a) Reversal of deferred taxes on Balance sheet	2,090	2,090	-
v.b) Effective deferred taxes on capital gains	-	- 1,045	-
vi) Fair value of financial instruments	1,103	1,103	-
vii) Goodwill as a result of deferred tax	- 200	- 200	- 200
viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	- 1,198	- 1,198
viii.b) Intangibles as per the IFRS balance sheet	-	- 912	-
Include:*			
ix) Fair value of fixed interest rate debt	-	-	- 254
x) Revaluation of intangibles to fair value	653	-	-
xi) Real estate transfer tax(6)	1,850	524	-
NAV	**25,115**	**19,980**	**17,965**
Fully diluted number of shares	138,859,744	138,859,744	138,859,744
NAV per share	**€180.90**	**€143.90**	**€129.40**

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 amortised 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		
	Sept. 30, 2020	**June 30, 2020**	**Dec. 31, 2019**
Equity attributable to the holders of the Stapled Shares (IFRS)	**19,566**	**21,539**	**25,951**
Include / Exclude:*			
i) Hybrid instruments	-	-	-
Diluted NAV	**19,566**	**21,539**	**25,951**
Include:*			
ii.a) Revaluation of IP (if IAS 40 cost option is used)	52	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	**19,618**	**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	2,090	2,156	2,295
v.b) Effective deferred taxes on capital gains	-	-	-
vi) Fair value of financial instruments	1,103	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	653	703	952
xi) Real estate transfer tax[6]	1,850	1,962	2,156
EPRA NRV	**25,115**	**27,362**	**31,712**
Fully diluted number of shares	138,859,744	138,882,932	138,577,341
EPRA NRV per share	**€180.90**	**€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 amortised 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		**6.83**	**6.83**	**6.83**
Revaluation of Investment Properties *		-29.82	-29.82	-29.82
Shopping Centres	-28.62			
Offices & Others	-0.35			
Convention & Exhibition	-0.85			
Depreciation or impairment of intangibles		-0.20	-0.20	-0.20
Impairment of goodwill		-10.24	-10.24	-10.24
Capital gain on disposals		-0.39	-0.39	-0.39
Subtotal revaluations, impairments and capital gain on disposals		**-40.65**	**-40.65**	**-40.65**
Mark-to-market of debt and financial instruments		-4.61	-4.61	-4.61
Taxes on non-recurring result		1.47	1.47	1.47
Other non-recurring result		-0.16	-0.16	-0.16
Subtotal non-recurring financial expenses, taxes and other		**-3.30**	**-3.30**	**-3.30**
Distribution		**-5.40**	**-5.40**	**-5.40**
Other changes in Equity attributable to the holders of the Stapled Shares		**-3.85**	**-3.85**	**-3.85**
Total changes in Equity attributable to the holders of the Stapled Shares		**-46.36**	**-46.36**	**-46.36**
Revaluation of Investment Properties (operating assets)		-0.01	-0.01	-0.01
Impact of deferred taxes on Balance sheet and effective deferred taxes		-1.47	-1.77	-
Impact of fair value of financial instruments adjustment		4.01	4.01	-
Impact of impairment or changes in goodwill as per the IFRS balance sheet		0.29	10.66	10.66
Impact of real estate transfer tax		-2.20	-0.74	-
Impact from intangibles assets		-2.18	0.49	-
Impact of fair value adjustment of fixed interest rate debt		-	-	5.58
Total changes due to NAV adjustments		**-1.56**	**12.63**	**16.23**
As at Sept. 30, 2020, per share (fully diluted)		**€180.90**	**€143.90**	**€129.40**

Figures may not add up due to rounding.

(*) Revaluation of property assets is -€23.57 per share on a like-for-like basis, of which -€9.49 due to the rental effect and -€14.08 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 ensured access to liquidity for issuers.

Against this backdrop, URW raised €2,250 Mn of medium to long-term funds in the bond and bank loan markets. As at September 30, the Group had €12.5 Bn of cash on hand and undrawn credit lines (€12.6 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.

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 September 30, 2020:[71]

- The Interest Coverage Ratio[72] ("ICR") was 4.0x[73] (5.7x[74]);
- The Loan-to-Value ("LTV") ratio[75] was 42.5%[76] (38.6%).

The increase in LTV is due to lower valuations, partly offset by the impact of the disposal of the five French assets.
Pro-forma for the receipt of the proceeds from the disposal of the SHiFT office building, the LTV would have been 41.9%.

Pro-forma for the €3.5 Bn capital increase of the RESET plan, the LTV would be 36.5%, and 31.6% after taking into account the €4 Bn disposal programme in the plan.

The average cost of debt for the period was 1.8% (1.6%), representing the blended average cost of 1.2% for Euro and SEK denominated debt and 3.7% for USD and GBP denominated debt.

1. Debt structure as at September 30, 2020

URW's gross financial debt[77] was €26,896 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.

Net financial debt was €23,849 Mn (€24,239 Mn), excluding partners' current accounts and taking into account cash on hand of €3,047 Mn[78] (€489 Mn) following the additional funds raised.

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[71] 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

[72] 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.

[73] 3.5x on a proportionate basis.

[74] 4.9x on a proportionate basis.

[75] 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 (44.0% excluding transfer taxes). The proportionate LTV ratio as at September 30, was 44.5% (46.1% excluding transfer taxes).

[76] Excluding €1,147 Mn of goodwill not justified by fee business as per the Group's European leverage covenants.

[77] After impact of derivative instruments on debt raised in foreign currencies. Excluding financial leases accounted as debt under IFRS 16.

[78] €3,168 Mn on a proportionate basis.

1.1. Debt breakdown

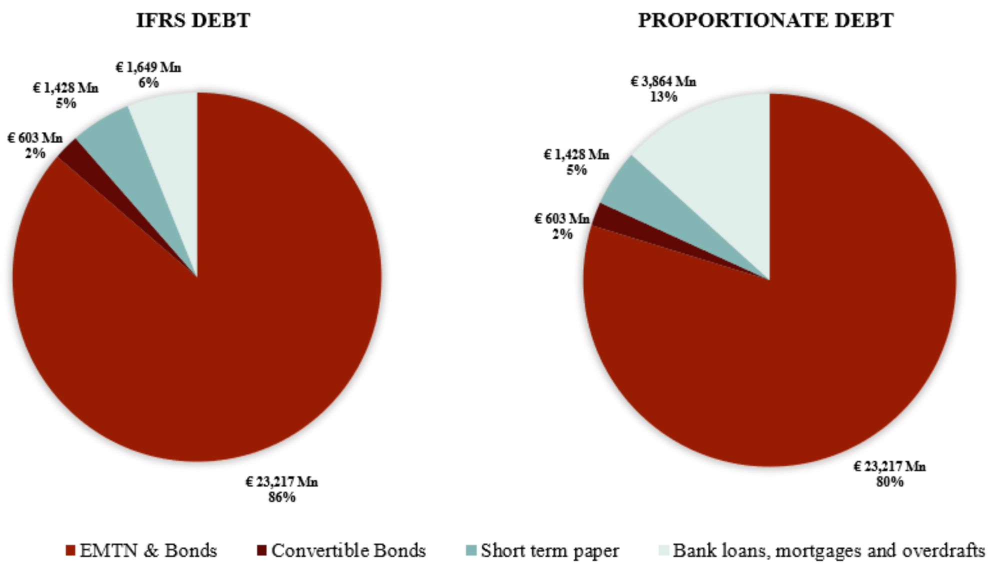
URW's gross financial debt as at September 30, 2020:[79]

	Total URW (€ Mn)
EMTN	17,890
Rule 144A and other Regulation S bonds	5,327
ORNANE	603
Short term paper	1,428
Bank loans, overdrafts	410
Mortgage loans	1,238
Total	**26,896**

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 ratings[80].

On a proportionate basis, the Group's gross financial debt stood at €29,112 Mn[81] and the net financial debt at €25,944 Mn, after taking into account the cash on hand.

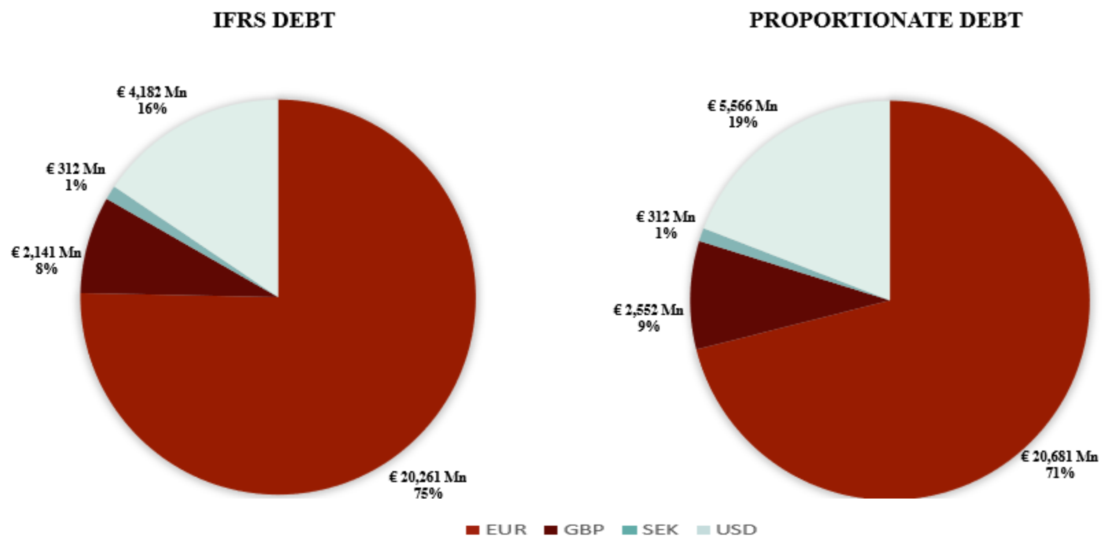
The Group's financing sources are as follows:



€26,896 Mn **€29,112 Mn**

[79] Figures may not add up due to rounding.
[80] Barring exceptional circumstances (change in control).
[81] 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:[82]



€26,896 Mn **€29,112 Mn**

1.2. Funds Raised

Despite the challenging market conditions, the Group secured additional liquidity and maintained[83] 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.

In total, €2,150 Mn of bonds were issued with a weighted average maturity of 9.3 years and a weighted average coupon of 2.27%.
On September 4, the Group partly prepaid a 144A USD bond for an amount of $300 Mn, financed with its available cash.

URW also accessed the money markets by issuing short-term paper (Neu CP, Neu MTN and ECP). The average amount of short-term paper outstanding year-to-date as at September 30, was €1,309 Mn (€1,061 Mn on average in 2019).

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

The Group took the following actions 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 September 2020.
- In April, a €100 Mn 1-year term loan was put in place with a yield of 0.49%.
- In September, URW signed two credit lines for a total amount of €300 Mn and with a 5-year maturity.

As at September 30, the total amount of undrawn credit lines came to €9,456 Mn (€9,195 Mn) and the cash on hand came to €3,047 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. €2,733 Mn) multi-currency revolving credit facility.

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%.

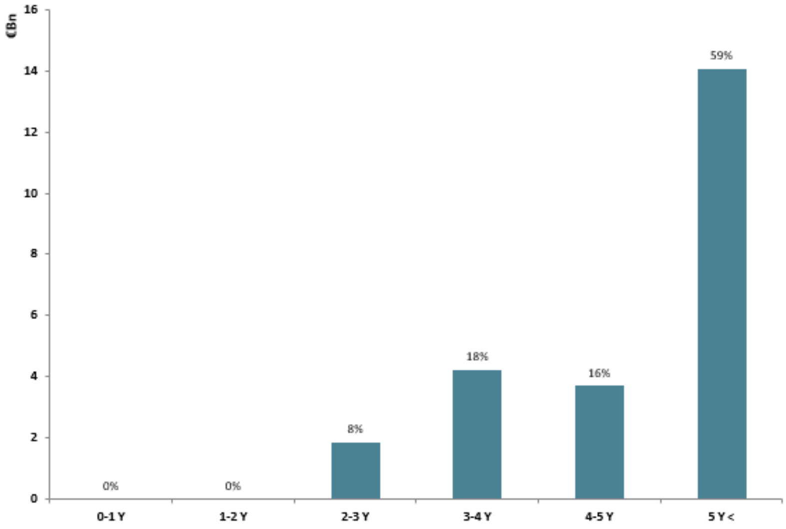
[82] Figures may not add up due to rounding.
[83] Taking into account the undrawn credit lines and cash on hand.

1.3. Debt maturity

The average maturity of the Group's debt as at September 30, taking into account the undrawn credit lines and cash on hand, stood at 8.2 years.

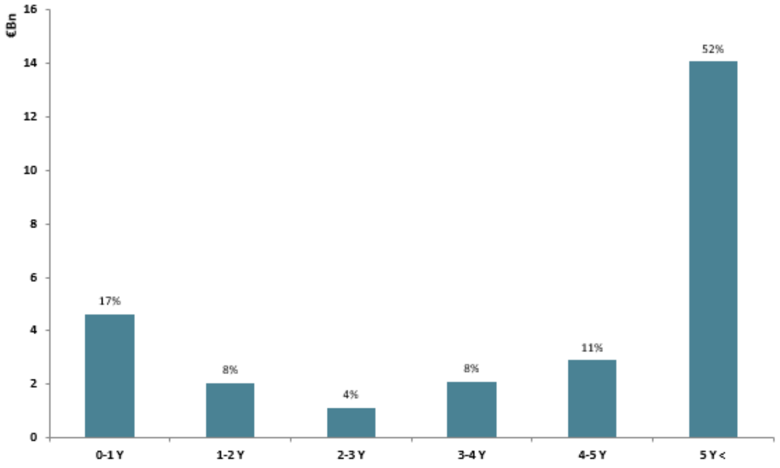
The following chart illustrates URW's net financial debt as at September 30, after the allocation of the undrawn part of the credit lines, by maturity date and based on the residual life of its facilities.

100% of the debt had a maturity of more than two years as at September 30 (after taking into account undrawn credit lines and cash on hand).



The average maturity of the Group's debt as at September 30, without taking into account the undrawn credit lines and cash on hand, stood at 7.0 years.

The following chart illustrates URW's gross financial debt as at September 30, by maturity date without taking into account cash on hand and available credit lines.



These charts do not take into account any use of proceeds from the RESET plan.

Liquidity needs

URW's debt repayment needs for the next 12-months (€4,616 Mn)[84] are covered by the available undrawn credit lines (€9,456 Mn) and cash on hand (€3,047 Mn). The amount of bonds and bank loans outstanding as at September 30, and maturing or amortizing within one year is €3,178 Mn (including €3,043 Mn of bonds and ORNANE).

The net proceeds from the capital increase are expected to be used to repay the Group's maturing debt as it comes due or prepaid in anticipation through liability management exercises.

1.4. Average cost of debt

The average cost of debt as at September 30 was 1.8% (1.6%), representing the blended average cost of 1.2% for Euro and SEK denominated debt and 3.7% 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.

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, 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 are subject to the completion of the RESET plan, including the €3.5 Bn capital increase.

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[85] currency by currency. Thus, the Group raises debt in local currency, uses derivatives and buys or sells foreign currencies at spot or forward rates.

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[84] Including Neu CP, Neu MTN and ECP maturing in 2020 and 2021 (€1,428 Mn) and overdrafts (€10 Mn).
[85] On a proportionate basis.

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**[86]	**USD**	**GBP**	**Total eq. EUR**
Assets[87]	**39,822**	**14,844**	**3,282**	**56,098**
Net Financial Debt	**18,269**	**4,840**	**1,319**	**23,849**
LTV [88]	**45.9%**	**32.6%**	**40.2%**	**42.5%**

**In local currencies*

On a proportionate basis, the Group's LTV was 44.5% and 43.9% pro-forma for the disposal of the SHiFT office building.

Pro-forma for the €3.5 Bn capital increase of the RESET plan, on a proportionate basis, the LTV would be 38.7%, and 34.1% after taking into account the €4 Bn disposal programme in the plan.

3.1. 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)[89]

Currency	Assets	Liabilities	Net exposure	Hedging Instruments	Exposure net of hedges
USD	12,641	-5,353	7,288	598	7,886
GBP	3,385	-1,514	1,872	-607	1,265
SEK	2,738	-567	2,171	-77	2,093
Others	709	-697	13	448	461
Total	19,473	-8,130	11,343	362	11,705

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 in Q4-2020) would have an impact on shareholders' equity as follows:

in € Mn	**Impact on Shareholder's Equity**
+10% in EUR/USD	-716.9
+10% in EUR/GBP	-115.0
+10% in EUR/SEK	-190.3

The impact on the 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 September 30, the SEK1,750 Mn credit line signed in December 2017 and the $3,200 Mn revolving credit facility signed in June 2018 are undrawn.

[86] Including SEK.
[87] Including transfer taxes and excluding €1,147 Mn of goodwill not justified by fee business.
[88] The LTV per currency, on a proportionate basis, is 46.3%, 39.1%, 45.1% in EUR, USD and GBP, respectively.
[89] Liabilities include, but are not limited to, the debt raised in the given currencies and deferred tax liabilities.

4. Financial structure

As at September 30, the GMV of the Group's assets was €56,098 Mn (€58,334 Mn on a proportionate basis).

Debt ratio

The LTV ratio was 42.5%[90] (38.6%) and 41.9% pro-forma for the disposal of the SHiFT office building.

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 office building disposal, the Group will have generated €5.3 Bn of net disposals proceeds since June 2018.

The Group has set itself a target LTV range of 30-40%. Pro-forma for the planned capital increase, the LTV would stand at 36.5%[91], or at 31.6%[92] following the RESET plan €4 Bn disposal programme.

Interest coverage ratio

The ICR for the period stood at 4.0x[93] (5.7x).

Financial ratios	September 30, 2020	December 31, 2019
LTV	**42.5%**	**38.6%**
ICR	**4.0x**	**5.7x**

These ratios show ample headroom vis-à-vis the unsecured credit facility covenants usually set at:

- In Europe:
  - a maximum LTV of 60%;
  - a minimum ICR of 2x;
  - a minimum FFO[94]/NFD[95] of 4%.
- In the US:
  - a maximum LTV of 65%;
  - a minimum ICR of 1.5x;
  - a maximum of 50% for the Secured debt ratio;[96]
  - a minimum of 1.5x for the Unencumbered leveraged ratio.[97]

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

As at September 30:

- 95% of the Group's credit facilities 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 require an ICR > 2x for the Group or the borrowing entity, as the case may be.
- Some of the Group's credit facilities include a FFO/NFD covenant. These require a FFO/NFD above 4% for the Group or the borrowing entity, as the case may be.
- 17% of the non-recourse mortgage debt raised by certain entities of the Group include Debt Yield[98] covenants. These typically require a Debt Yield above 7% for the mortgaged asset.
- 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.

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[90] Excluding €1,147 Mn of goodwill not justified by fee business as per the Group's European leverage covenants. The proportionate LTV ratio was 44.5%.

[91] 38.7% on a proportionate basis.

[92] 34.1% on a proportionate basis.

[93] Proportionate ICR: 3.5x.

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

[95] Net Financial Debt.

[96] The secured debt ratio (Secured debt/Total assets) was 2.1% as at September 30, 2020.

[97] The unencumbered leverage ratio (unencumbered assets/unsecured debt) was 1.8x as at September 30, 2020.

[98] 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.

The US dollar bond indentures (Rule 144A and Reg S bonds) contain financial covenants based on the Group's financial statements:

- a maximum LTV of 65%;
- a minimum ICR of 1.5x;
- a maximum of 45% for the Secured debt ratio;
- a minimum of 1.25x for the Unencumbered leveraged ratio.

As a result of the COVID-19 pandemic, debt service payments on certain mortgage loans ($271 Mn on a proportionate basis) on some regional US assets have not been made. The Group is in discussions with the servicers of these loans. Defaults under these loans are not expected to have a material adverse effect on the Group's finances.

Credit metrics pro forma for proposed €3.5 Bn capital increase[1] and €4.0 Bn disposals

	Q3-2020	Pro forma Capital increase	Pro forma Capital increase + Disposals					
GMV change (in %)				-5%	-10%	-15%	-20%	-25%
GMV impact[2] *Decline vs. 2019[3]*				-€3 Bn *-13%*	-€6 Bn *-17%*	-€8 Bn *-22%*	-€11 Bn *-26%*	-€14 Bn *-31%*
LTV	42.5%	36.5%	31.6%	33.4%	35.4%	37.7%	40.3%	43.2%
Remaining GMV headroom[4]	€16 Bn	€22 Bn	€25 Bn	€22 Bn	€19Bn	€16 Bn	€13 Bn	€11 Bn

› URW pro forma LTV remains within LTV covenants, even after considering downward pressure on valuations

(1) Assumes proceeds net of indicative issuance costs of 3.0% for illustrative purposes.
(2) Based on IFRS GMV Q3-2020.
(3) Based on IFRS GMV FY-2019, restated for disposals: €61.1 Bn; including decline of Q3-2020.
(4) Remaining GMV headroom before reaching an IFRS LTV of 60% (typical covenant level).

Net debt / EBITDA ratio

Although it is not part of URW's debt covenants, the Group has set itself a Net debt/EBITDA target of 9x[99].

Since December 2019 and as a result of the COVID-19 pandemic, the net debt/ EBITDA ratio of the Group evolved as follows:

Credit metrics pro forma for proposed €3.5 Bn capital raise[(1)] and €4.0 Bn disposals

In millions €	Q3-2020 [(4)]	HY-2020 [(4)]	FY-2019	Pro forma Capital increase	Pro forma Capital Increase + Disposals + Capex [(2)]					
EBITDA change (in %)						-5%	-10%	-15%	-20%	-25%
EBITDA [(3)]	2,040	2,192	2,454	2,454	2,224					
EBITDA impact						-111	-222	-334	-445	-556
Net Debt / EBITDA	11.7x	11.0x	9.9x	8.3x	7.6x	8.0x	8.4x	8.9x	9.5x	10.1x

(1) Assumes proceeds net of indicative issuance costs of 3.0% for illustrative purposes.
(2) Estimated debt pro forma for 2020/2021 cash flows (incl. disposals, capex and retained profit).
(3) Recurring EBITDA on an IFRS basis.
Estimated EBITDA based on 2020/2021 disposals and deliveries impact and 2019 EBITDA including sensitivity analysis.
(4) EBITDA over last 12-months period.

[99] On an IFRS basis.

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

a) Under IFRS:

€ Mn	Sept. 30, 2020 IFRS	June 30, 2020 IFRS	Dec. 31, 2019 IFRS
Amounts accounted for in B/S	**54,869.5**	**57,173.3**	**62,282.7**
Investment properties at fair value	40,901.5	42,591.0	44,589.9
Investment properties at cost	1,272.3	1,237.6	1,143.3
Shares and investments in companies accounted for using the equity method	9,459.7	9,907.4	10,194.6
Other tangible assets	294.2	330.5	344.5
Goodwill	1,398.4	2,119.4	2,878.4
Intangible assets	912.3	922.8	984.4
Properties or shares held for sale	631.1	64.6	2,147.6
Adjustments	**1,228.6**	**731.5**	**479.7**
Transfer taxes	1,857.7	1,956.5	2,189.9
Goodwill not justified by fee business (1)	-1,147.1	-1,364.8	-2,039.3
Revaluation intangible and operating assets	1,317.9	946.5	1,234.0
IFRS adjustments, including	-799.9	-806.7	-905.0
Financial leases	*-819.5*	*-848.4*	*-848.1*
Other	*19.6*	*41.7*	*-56.9*
Total assets, including Transfer Taxes (=A)	**56,098.2**	**57,904.8**	**62,762.4**
Total assets, excluding Transfer Taxes (=B)	**54,240.5**	**55,948.3**	**60,572.4**
Amounts accounted for in B/S			
Net share settled bonds convertible into new and/or existing shares (ORNANE)	493.5	488.1	602.1
Non current bonds and borrowings	23,128.8	23,354.4	22,931.6
Current borrowings and amounts due to credit institutions	4,639.4	4,956.5	2,557.4
Total financial liabilities	**28,261.7**	**28,799.0**	**26,091.0**
Adjustments			
Mark-to-market of debt	19.9	28.4	18.1
Current accounts with non-controlling interests	-1,333.7	-1,342.1	-1,307.9
Impact of derivative instruments on debt raised in foreign currency	-16.6	-59.8	-8.4
Accrued interest / issue fees	-35.2	19.6	-65.1
Total financial liabilities (nominal value)	**26,896.2**	**27,445.1**	**24,727.8**
Cash & cash equivalents	-3,047.1	-3,405.7	-488.8
Net financial debt (=C)	**23,849.1**	**24,039.4**	**24,239.0**

LTV ratio including Transfer Taxes (=C/A)	**42.5%**	**41.5%**	**38.6%**
LTV ratio excluding Transfer Taxes (=C/B)	**44.0%**	**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	Sept. 30, 2020 Proportionate	June 30, 2020 Proportionate	Dec. 31, 2019 Proportionate
Amounts accounted for in B/S	**56,900.8**	**59,401.0**	**64,619.1**
Investment properties at fair value	50,960.6	53,249.1	56,002.4
Investment properties at cost	1,347.9	1,314.7	1,222.3
Shares and investments in companies accounted for using the equity method	1,264.9	1,308.5	948.0
Other tangible assets	295.1	331.4	345.5
Goodwill	1,488.9	2,209.9	2,968.9
Intangible assets	912.3	922.8	984.4
Properties or shares held for sale	631.1	64.6	2,147.6
Adjustments	**1,433.2**	**949.3**	**722.3**
Transfer taxes	2,098.6	2,214.2	2,472.8
Goodwill not justified by fee business (1)	-1,237.6	-1,455.3	-2,129.8
Revaluation intangible and operating assets	1,317.0	945.6	1,233.0
IFRS adjustments, including	-744.8	-755.2	-853.7
Financial leases	*-828.6*	*-857.7*	*-857.4*
Other	*83.8*	*102.5*	*3.7*
Total assets, including Transfer Taxes (=A)	**58,334.0**	**60,350.3**	**65,341.4**
Total assets, excluding Transfer Taxes (=B)	**56,235.4**	**58,136.1**	**62,868.6**
Amounts accounted for in B/S			
Net share settled bonds convertible into new and/or existing shares (ORNANE)	493.5	488.1	602.1
Non current bonds and borrowings	25,084.5	25,337.7	25,159.5
Current borrowings and amounts due to credit institutions	4,882.6	5,241.4	2,620.0
Total financial liabilities	**30,460.6**	**31,067.2**	**28,381.7**
Adjustments			
Mark-to-market of debt	35.4	45.5	36.4
Current accounts with non-controlling interests	-1,333.7	-1,342.1	-1,307.9
Impact of derivative instruments on debt raised in foreign currency	-16.5	-59.8	-8.4
Accrued interest / issue fees	-34.3	15.1	-67.5
Total financial liabilities (nominal value)	**29,111.5**	**29,725.9**	**27,034.3**
Cash & cash equivalents	-3,167.6	-3,491.2	-594.3
Net financial debt (=C)	**25,943.9**	**26,234.7**	**26,440.0**

LTV ratio including Transfer Taxes (=C/A)	**44.5%**	**43.5%**	**40.5%**
LTV ratio excluding Transfer Taxes (=C/B)	**46.1%**	**45.1%**	**42.1%**

Figures may not add up due to rounding.

(1) Adjustment of goodwill according to bank covenants.

6. 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 surfaces.

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: 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.

Influencer Brand: unique retailer that create differentiation and experience in URW's shopping centres due to strong brand recognition and a differentiated product approach.

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 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: 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.

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.

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) tenants' lease incentives and opening marketing expenses. Does not include capitalized financial interests, overheads costs, early or lost NRI and IFRS adjustments.

Yield on cost: stabilized expected Net Rental Income divided by the URW Total Investment Cost.

APPENDIX TO THE PRESS RELEASE 2

SUMMARY OF THE RECOMMENDATIONS OF PROXY ADVISORS FOR THE GENERAL MEETING OF NOVEMBER 10, 2020

No.	Resolutions	Glass Lewis		ISS		Proxinvest		Ownership Matters	
		For	Against	For	Against	For	Against	For	Against
1.	Delegation of authority granted to the Management Board to issue ordinary shares of the Company with preferential subscription rights.	☒		☒		☒		☒	
2.	Delegation of authority granted to the Management Board to increase the share capital by issuing ordinary shares and/or securities giving access to the share capital of the Company reserved for participants in Company savings plan (Plan d'Épargne Entreprise), without preferential subscription rights, in accordance with Articles L. 3332-18 et seq. of the French Labour Code.	☒		☒		☒		☒	
3.	Powers for formalities.	☒		☒		☒		☒	
A.	Appointment of Mr. Léon Bressler as a member of the Supervisory Board of Unibail-Rodamco-Westfield SE (not approved by the Management Board and Supervisory Board).		☒	☒			☒	☒	
B.	Appointment of Mrs. Susana Gallardo as a member of the Supervisory Board of Unibail-Rodamco-Westfield SE (not approved by the Management Board and Supervisory Board).		☒	☒			☒		☒
C.	Appointment of Mr. Xavier Niel as a member of the Supervisory Board of Unibail-Rodamco-Westfield SE (not approved by the Management Board and Supervisory Board).		☒	☒		☒			☒

Note: This table is a summary. For full details please refer to the letter or report issued by each proxy advisor.