

Amsterdam, February 26, 2024

Press Release

UNIBAIL-RODAMCO-WESTFIELD N.V. REPORTS FULL-YEAR RESULTS 2023

Unibail-Rodamco-Westfield N.V. (“URW NV” or the “Company”) today reported its unaudited financial results for the fiscal year ended December 31, 2023. The Company’s 2023 annual report, including the management board report and the audited financial statements, will be published on March 19, 2024, on: <https://www.urw-nv.com/en/investors>.

URW NV’s portfolio consists of assets in the United States and The Netherlands. URW NV and its consolidated entities, together with Unibail-Rodamco-Westfield SE (“URW SE”) and its consolidated entities, form the Unibail-Rodamco-Westfield Group (“URW Group”).

URW SE consolidates URW NV and its controlled undertakings: its 2023 full-year results including the accounts provides with a comprehensive overview of URW and are available on: <https://www.urw.com/en/investors/financial-information/financial-results>.

This announcement has been authorised by the Chief Executive Officer.

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UNIBAIL-RODAMCO-WESTFIELD N.V.



UNIBAIL-RODAMCO-WESTFIELD

UNIBAIL-RODAMCO-WESTFIELD N.V.

FULL-YEAR RESULTS

DECEMBER 31, 2023

UNAUDITED



CONTENTS FULL-YEAR 2023 FINANCIAL RESULTS

I. Management Board report	4	NOTE 3. NET RECURRING RESULT AND	24
II. Consolidated financial results as at December 31, 2023	14	SEGMENT REPORTING	24
CONSOLIDATED FINANCIAL RESULTS	14	3.1. Consolidated statement of comprehensive income by segment	24
Consolidated statement of comprehensive income	15	NOTE 4. INVESTMENT PROPERTIES, TANGIBLE AND INTANGIBLE ASSETS	25
Consolidated statement of financial position	17	4.1. Investment properties	25
Consolidated statement of cash flows	18	4.2. Intangible assets	28
Consolidated statement of changes in equity	19	NOTE 5. FINANCING AND FINANCIAL INSTRUMENTS	29
NOTES TO THE CONSOLIDATED FINANCIAL RESULTS	20	5.2. Financial assets and liabilities	30
NOTE 1. SIGNIFICANT EVENTS FOR THE YEAR ENDED DECEMBER 31, 2023	20	5.3. Derivatives	31
1.1. Disposals for the year ended December 31, 2023	20	NOTE 6. RISK MANAGEMENT POLICY	32
1.2. Foreclosure of US assets	20	NOTE 7. SHARE CAPITAL	32
1.3. €500 Mn loan conversion	20	7.1. Share capital	32
1.4. Euronext listing	21	NOTE 8. SUBSEQUENT EVENTS	32
1.5. Exchange offer on the Perp-NC 2023 hybrid	21		
1.6. Unwinding of Macro Swaps in 2023	21		
1.7. New financing for Westfield Century City	21		
1.8. Changes in related party transaction	21		
NOTE 2. BASIS OF PREPARATION	23		
2.1. Basis of accounting	23		
2.2. IFRS basis adopted	23		
2.3. Significant accounting judgements, estimates and assumptions	23		
2.4. Going Concern	23		



I. MANAGEMENT BOARD REPORT

1. General information

Management of Unibail-Rodamco-Westfield N.V. (“URW NV” or “the Company”) hereby presents its management board report and the unaudited consolidated financial statements of URW NV for the period ending December 31, 2023.

URW NV is a public limited liability company under the laws of The Netherlands. The Company was incorporated as Unibail-Rodamco B.V., a private company with limited liability on February 14, 2018, and converted its legal form to a public limited liability company on March 22, 2018. On the same date, the Company changed its name to WFD Unibail-Rodamco N.V. At the Annual General Meeting held on June 9, 2020, the shareholders adopted the name change to Unibail-Rodamco-Westfield N.V..

The Company and its subsidiaries’ (together referred to as “the Group”) main business objectives are to invest in assets, primarily through the direct or indirect acquisition of real estate and to enter into cash pooling arrangements with, to provide financing to and to provide guarantees for the benefit of Unibail-Rodamco-Westfield SE (“URW SE”) and other affiliated bodies of the Company. Together with URW SE, the Group forms Unibail-Rodamco-Westfield (“URW Group”).

Accounting principles

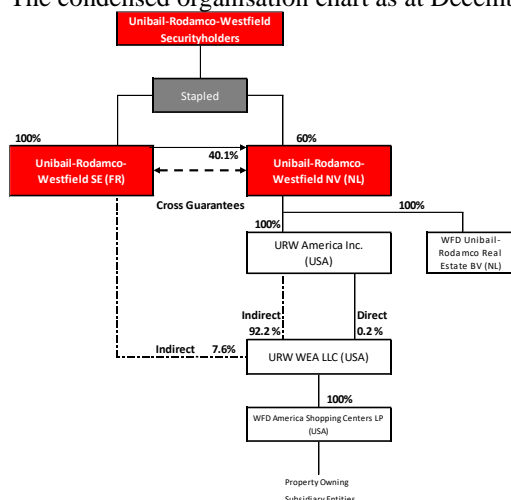
The Group’s consolidated financial statements as at December 31, 2023, were prepared in accordance with International Financial Reporting Standards (“IFRS”) as applicable in the European Union as at such date.

The Group also prepares financial information for internal management purposes 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 information on a proportionate basis unless otherwise indicated, with no impact on the net results. The proportionate part of the underlying amount is based on the percentage of ownership in the respective companies jointly controlled, associates are accounted for at the equity value.

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 condensed financial statements.

Scope of consolidation¹

The condensed organisation chart as at December 31, 2023, is as follows:



The principal changes in the scope of consolidation since December 31, 2022, are:

- The disposal of Westfield North County in February 2023;
- The disposal of Westfield Brandon in May 2023;
- The disposal of Westfield Mission Valley in July 2023;
- The disposal of Westfield Valencia Town Center in September 2023; and
- The foreclosure of San Francisco Centre and Emporium (offices included) in October 2023.

The above assets are not longer accounted for in the consolidated financial overviews. Some of them were held with Joint Venture partners and some directly. As a result the number of entities included in the consolidation are changed.

Operational reporting

URW NV operates in two regions, the US and The Netherlands and in 2 segments, shopping centres and offices. Since activities in The Netherlands are minor compared to the US, they are reported under other region.

2. Operating Performance

Over the period, the economic situation continued to be impacted by high inflation and further increase in interest rates by Central Banks but a resilient employment market. In this context, URW NV's assets showed strong activity which goes beyond the post-COVID recovery. Sales and footfall data in the US relate to Flagship assets as these are the core of URW NV's activities in the US and as Regional assets are being streamlined.

The Group uses 2019 in some cases as a comparable year to 2023, URW NV is of the opinion that this is the last full year of business without many disruptions.

Footfall² and tenant sales³

US footfall

In the US, 2023 footfall⁴ increased compared to 2022, up +3.1%, exceeding 2019 levels.

¹ The total scope of consolidation consist of more than 300 entities.

² In the US excluding the centres for which no comparable data of the previous year is available. In addition, footfall has been restated from the disposals which occurred during the period.

³ Tenant sales for all US centres in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishmen and excludes Auto and Department Stores in the US. In addition, sales have been restated from the disposals which occurred during the period.

⁴ US Flagships only. US Regionals at -0.9%.

US tenant sales

In the US, 2023 tenant sales⁵ increased by +3.0%, or +4.8% excluding Luxury. Overall, 2023 sales came to +19.2% above 2019 levels⁶.

This performance compares with an average core inflation of 4.8% in 2023 and national sales index of +4.0%⁷.

The performances in 2023 were driven by the experiential sectors with +26.7%⁷ for Entertainment, +13.5% for F&B, +13.4% for Fitness and +8.9% for Health & Beauty, while Fashion was stable (+0.2%), but +16.8% above 2019. Luxury saw a -6.5% decline but remained significantly (+62.3%) above 2019 levels.

Footfall and tenant sales summary

The table below summarises the US tenant sales growth during 2023:

Region	Footfall (%)	Tenant Sales (%)	
	2023 vs. 2022	2023 vs. 2022	National Sales Index ⁸
US Flagships	+3.1%	+3.0%	+4.0%

Rent collection⁹

As at February 16, 2024, 98% of invoiced 2023 rents and service charges¹⁰ in the US were collected.

Overall rent collection by quarter in 2023 is shown below¹¹:

Region	Rent collection (%)				
	Q1-2023	Q2-2023	Q3-2023	Q4-2023	2023
US	98%	98%	98%	97%	98%

3. Business Review 2023

Leasing activity

In 2023, 758 leases were signed on standing assets, representing 2,582,895 sq. ft. and \$175.7 Mn of MGR up compared to \$137.3 Mn of MGR signed in 2022¹² (up +28%) on 671 leases (up +13%), representing 2,319,670 sq. ft. (up +11%), illustrating the strong dynamic of the activity. As market conditions improved, the number of long-term deals signed also increased from 343 to 489 (up +43%), representing 65% of 2023 deals, compared to 51% in 2022. MGR signed on leases above 3 years increased by +47% and amounted to 72% vs. 63% in 2022.

The overall uplift on relettings and renewals was +16.8% for the US Shopping Centres (+8.1%) and +20.6% for Flagships¹³. In 2023, the Group focused on long-term lettings and relettings, while relying on short-term deals in a more selective and limited way mainly on renewals. Deals longer than 36 months had an MGR uplift of +32.7%, including +36.2% for the US Flagships, while for leases between 12 and 36 months, MGR uplifts were slightly negative (-3.4% compared to -19.8% in 2022). The strong uplift signed on long-term deals compensated for the downlift on short-term deals signed during the Covid-19 pandemic. This allowed the Group to increase the revenues secured through MGR and reduce the portion of SBR attached to the short-term leases previously in place.

In total, the Shopping Centres SBR increased from \$20.5 Mn in 2019 (3.1% of NRI) to \$81.4 Mn in 2022 (13.8% of NRI) and amounted to \$54.0 Mn in 2023 (10.3% of NRI). The decrease of -\$27.4 Mn in 2023 compared to last year and -\$16.6 Mn on a like-for-like basis, is mainly due to high SBR settlement in 2022 based on 2021 sales and conversion of SBR to MGR.

⁵ US Flagships only. US Regionals and US CBD asset (Westfield World Trade Center) at +3.0%.

⁶ US Flagships only. US Regionals and US CBD asset at +4.1%.

⁷ On a same scope. +90.2% including new openings.

⁸ Based on latest national indices available (year-on-year evolution) as at November 2023: US: U.S. Bureau of Labor Statistics.

⁹ MGR + CAM in the US, excluding 2023 settlement.

¹⁰ MGR + CAM in the US.

¹¹ Based on cash collection as at February 16, 2024 and assets at 100%.

¹² Restated for disposed assets.

¹³ Excluding CBD centres.

The tenant mix continued to evolve with the introduction of new retailers (Gorjana at Westfield Old Orchard, Westfield UTC and Westfield Valley Fair, Swatch at Westfield UTC, Faherty at Westfield UTC, The North Face and Jo Malone London at Westfield Galleria at Roseville) and DNVBs (Vuori at Westfield Century City, Rothys at Westfield Galleria at Roseville and Alo at Westfield Topanga).

The Luxury sector has also seen strong progress with a number of important openings such as Celine and Dior at Westfield Topanga, Chanel Beauty at Westfield Century City, Chloé, Valentino and Fendi at Westfield Valley Fair as well as Saint Laurent Paris at Westfield UTC and Westfield Valley Fair.

Retail Media & other income

Retail Media & other income revenue in 2023 amounted to \$62.4 Mn, a decrease of -\$1.2 Mn (-1.9%) compared to 2022, impacted by disposals. On a like-for-like basis, it increased by +\$6.2 Mn, i.e. +12.2%.

Retail Media continued to perform strongly. In 2023, a number of product launches were organised by prime brands in the automotive and luxury sectors, including BMW and Jaeger LeCoultre at Westfield Century City.

URW also launched creative campaigns with Disney, Emirates, Dior, Cartier, Chanel, Lucid and L'Oréal.

Net Rental Income and Vacancy

The total net change in NRI for URW NV amounted to -\$63.4 Mn and breaks down as follows:

- -\$63.4 Mn related to shopping centres impacted by disposals partly offset by an increase in Flagships NRI;
- -\$0.9 Mn related to offices and residential.

US shopping centre NRI has been impacted by 2022 and 2023 disposals and foreclosure for -\$74.7 Mn (Westfield Santa Anita, The Village at Topanga, Westfield Trumbull, Westfield South Shore, Westfield North County, Westfield Brandon, Westfield Mission Valley, Westfield Valencia Town Center and San Francisco Centre and Emporium (offices included)).

Overall, US like-for-like shopping centre NRI increased by +\$8.7 Mn i.e. +1.9% mainly driven by Flagship assets. Like-for-like NRI growth for Flagship assets was +\$22.2 Mn i.e. +6.2% driven by net leasing revenue¹⁴ of +5.9%, increase in variable income and recovered property taxes¹⁵, partly offset by lower SBR and negative impact of doubtful debtors (release in 2022 of moratorium provision booked in 2021). Like-for-like NRI performance for Regionals was -12.3% and -5.2% for CBD assets.

As at December 31, 2023, the EPRA vacancy was 8.4% (\$86.9 Mn), down by -190 bps from December 31, 2022. The decrease in vacancy was driven by the proactive leasing approach of the Group and change in scope¹⁶. The vacancy decreased by -90 bps to 7.3% in the Flagships, below its pre-Covid level of 2019 (7.7%). It decreased by -160 bps to 10.1% in the Regionals, along with the vacancy of the CBD assets that decreased by -290 bps to 20.1%.

Occupancy on a GLA¹⁷ basis was 93.5% as at December 31, 2023.

The OCR on a rolling 12 month basis stood at 10.7% as at December 31, 2023, compared to 10.5%¹⁸ as at December 31, 2022 and 11.8% as at December 31, 2019, reflecting a combination of rental uplifts and strong sales performance. OCR for Flagships stood at 11.4% as at December 31, 2023, below 2019 level of 11.7%.

¹⁴ Net MGR and CAM.

¹⁵ Based on Capex spent.

¹⁶ Disposals/foreclosures in the US.

¹⁷ GLA occupancy taking into account all areas, consistent with financial vacancy.

¹⁸ Based on all stores operating for more than 12 months (excluding atypical activities) and not only Specialty stores.



4. Financial Results for the year ended December 31, 2023

The Group's consolidated financial results (on IFRS basis) reflect and includes the activities of URW America Inc, URW WEA LLC ("WEA") and WFD Unibail-Rodamco Real Estate B.V. The table below shows the result of the Group in recurring and non-recurring activities. This definition is utilized by URW NV's management to distinguish between operational (recurring) and other (non-recurring, including fair value valuations of Investment Properties and loans) activities and does not intend to reflect IFRS nor EPRA definitions:

Consolidated Income Statement by segment (€Mn)			2023			2022		
			Recurring activities	Non-recurring activities ⁽¹⁾	Result	Recurring activities	Non-recurring activities ⁽¹⁾	Result
SHOPPING CENTERS	UNITED STATES	Gross rental income	340.8	-	340.8	379.3	-	379.3
		Operating expenses and net service charges	(122.6)	-	(122.6)	(140.4)	-	(140.4)
		Net rental income	218.2	-	218.2	238.9	-	238.9
		Contribution of companies accounted for using the equity method	215.4	(487.6)	(272.2)	257.1	(469.0)	(211.9)
		Gains/losses on sales of properties	-	28.0	28.0	-	0.1	0.1
	OTHER COUNTRIES	Valuation movements on assets	-	(165.5)	(165.5)	-	(395.6)	(395.6)
		Result Shopping Centres United States	433.6	(625.1)	(191.6)	496.0	(864.5)	(368.5)
		Gross rental income	2.0	-	2.0	2.2	-	2.2
		Operating expenses and net service charges	(0.4)	-	(0.4)	(0.3)	-	(0.3)
		Net rental income	1.6	-	1.6	1.9	-	1.9
OFFICES & OTHERS	UNITED STATES	Gains/losses on sales of properties	-	0.1	0.1	-	(3.1)	(3.1)
		Valuation movements on assets	-	0.8	0.8	-	(0.3)	(0.3)
		Result Shopping Centres The Netherlands	1.6	0.9	2.6	1.9	(3.4)	(1.5)
		TOTAL RESULT SHOPPING CENTRES	435.2	(624.2)	(189.0)	497.9	(867.9)	(370.0)
		Gross rental income	3.7	-	3.7	5.3	-	5.3
	OTHER COUNTRIES	Operating expenses and net service charges	(2.3)	-	(2.3)	(2.9)	-	(2.9)
		Net rental income	1.4	-	1.4	2.4	-	2.4
		Contribution of companies accounted for using the equity method	1.4	(4.9)	(3.5)	1.1	(12.7)	(11.6)
		Valuation movements on assets	-	(19.8)	(19.8)	-	(2.2)	(2.2)
		Result Offices other countries	2.8	(24.6)	(21.8)	3.5	(14.8)	(11.3)
TOTAL RESULT OFFICES & OTHERS		2.8	(24.6)	(21.8)	3.5	(14.8)	(11.3)	
Other property services net income			0.2	-	0.2	0.5	-	0.5
Result on disposal of investment properties - Share deals			-	(0.0)	(0.0)	-	-	-
Corporate expenses			(18.3)	-	(18.3)	(20.7)	-	(20.7)
Acquisition and related costs			-	(5.1)	(5.1)	-	(5.9)	(5.9)
NET OPERATING RESULT			419.8	(653.9)	(234.1)	481.2	(888.6)	(407.4)
Financing result			(448.3)	(45.2)	(493.4)	(361.9)	523.8	162.0
RESULT BEFORE TAX			(28.4)	(699.1)	(727.5)	119.3	(364.8)	(245.4)
Income tax expenses			(2.9)	38.0	35.1	(1.2)	12.9	11.7
NET RESULT FOR THE PERIOD			(31.3)	(661.0)	(692.4)	118.2	(351.8)	(233.7)
External non-controlling interests			(16.4)	(66.4)	(82.8)	3.7	(85.1)	(81.5)
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE HOLDERS OF THE STAPLED SHARES			(14.9)	(594.6)	(609.6)	114.5	(266.8)	(152.2)

(1) Non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, amortisation 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.

Financial results

URW NV reported negative net operating results of -€234.1 Mn (2022: -€407.4 Mn) for the period ended December 31, 2023. The recurring net operating result decreased to €419.8 Mn (2022: €481.2 Mn) mainly due to the disposal or foreclosure of properties in the US in 2023 (Westfield North County, Westfield Brandon; Westfield Mission Valley Shopping Centres, Westfield Valencia Town Center and San Francisco Centre and Emporium (offices included)). The negative net operating result of the non-recurring activities for the period ending December 31, 2023, decreased from -€888.6 Mn to -€653.9 Mn, mainly due to the decrease of -€213.7 Mn in the negative valuation movement on assets compared to December 31, 2022.

The net result for the year ended December 31, 2023 is -€692.4 Mn (2022: -€233.7 Mn) of which -€609.6 Mn (2022: -€152.2 Mn) attributable to the shareholders of URW NV with a net result per share (owners of URW NV shares) for the period of -€2.63 (2022: -€0.66).

Non-recurring financing result decreased by -€569.0 Mn to -€45.2 Mn (2022: €523.8 Mn). The decrease is predominantly caused by the unwinding of macro SWAP's, this resulted in a decrease of -€450.6 Mn to €14.7 Mn (2022: €465.3 Mn) in the fair value of derivatives. Non-recurring financing result is further affected by a decrease in fair value adjustment of preference shares from €64.2 Mn in 2022 to €9.8 Mn for the period ended December 31, 2023, as well as an impairment on Rouse of -€61.7 Mn (2022: -€7.5 Mn) for the year ended December 31, 2023.



The recurring net result for the period decreased by -€ 149.5 Mn from €118.2 Mn as at December 31, 2022, to -€31.3 Mn for the period ended December 31, 2023. The decrease in the net recurring result for the period ended December 31, 2022 can mainly be attributed to the increase in the interest rate in 2023, this resulted in a further decrease of -€86.4 Mn in financing result from -€361.9 Mn in 2022 to -€448.3 Mn for the year ended December 31, 2023. The contribution of companies accounted for using the equity method decrease by -€41.4 Mn to €216.8 Mn (2022: €258.2 Mn) for the year ended December 31, 2023, mainly due to the disposals that took place in 2023.

Preservation of strong liquidity position

URW NV has cross guarantees with URW SE and the liquidity needs are covered by the available undrawn credit lines at URW Group level. As at December 31, 2023, the URW Group had €13.6 Bn of cash on hand and undrawn credit lines (€13.7 Bn on a proportionate basis) including €5.5 Bn of cash on hand (€5.6 Bn on a proportionate basis).

5. Investments and divestment

Investments

In 2023, URW NV invested €166.2 Mn in capital expenditures in investment properties, compared to €110.3 Mn in 2022.

The total investments breakdown⁽¹⁾ is as follows:

(€Mn)	FY-2023	FY-2022
Shopping Centres	166.2	106.5
Offices	-	3.8
Total capital expenditures	166.2	110.3

(1) The figures are disclosed on proportionate basis.

Disposals

Disposal of Westfield North County

On February 1, 2023, the Group completed the sale of the Westfield North County ground lease located in Escondido, California, to Bridge Group Investments and Steerpoint Capital, transferring ownership and management of the asset. The sale price of \$57 Mn (at 100%, URW share 55%) for the asset, which has 30 years left on its ground lease, reflects the property's book value as at December 31, 2022.

Disposal of Westfield Brandon

On May 25, 2023, URW disposed of Westfield Brandon Shopping Centre in the US. The sale price of \$220 Mn (URW share 100%) reflects a 10.0% net initial yield and a 4.4% discount to the latest unaffected appraisal.

Disposal of Westfield Mission Valley

On July 21, 2023, the Group completed the sale of Westfield Mission Valley Shopping Centres in San Diego, California, for a total amount of \$290 Mn (at 100%, URW share 42%), including the sale of Westfield Mission Valley "East" to Lowe Enterprises and Real Capital Solutions, and Westfield Mission Valley "West" to Sunbelt Investment Holdings Inc. The transaction value reflects a combined initial yield of 8.5% on the in-place net operating income ("NOI") and a 12% discount to the last unaffected appraisal.

Disposal of Westfield Valencia

On September 4, 2023, the Group completed the sale of Westfield Valencia Town Center, in Santa Clarita, California, to Centennial Real Estate at a total value of \$199 Mn (at 100%, URW share 50%), above the \$195 Mn debt amount (at 100%, URW share 50%) on the asset. The transaction value reflects less than 3% discount to its last unaffected appraisal.

Foreclosure of San Francisco Centre

On October 26, 2023, San Francisco Centre and Emporium (offices included) was put on foreclosure. The Group lost control of the asset (asset value of \$301 Mn as at June 30, 2023) and the companies holding it were thus deconsolidated together with the debt allocated to it (\$340 Mn).

Investment property classified as held for sale

In H2-2023, URW signed a Sale, Purchase and Escrow Agreement with a \$30 Mn non-refundable cash deposit for the disposal of Westfield Oakridge. The transaction is expected to be completed in Q2-2024.

6. Property portfolio

98% of the value of URW NV's portfolio was appraised by independent appraisers as at December 31, 2023.

Unless otherwise indicated, the data presented in the property portfolio are on a proportionate basis as at December 31, 2023, and comparisons are with values as at December 31, 2022.

The following table shows the breakdown for the US Shopping Centre portfolio:

Shopping Centre portfolio by category	Dec. 31, 2023				Dec. 31, 2022			
	Valuation including transfer taxes	Valuation excluding estimated transfer taxes (a)	Net Initial Yield (b)	Potential Yield (c)	Valuation including transfer taxes	Valuation excluding estimated transfer taxes	Net Initial Yield(a)	Potential Yield(b)
	€ Mn	€ Mn			€ Mn	€ Mn		
US Flagships (d)	9,026	8,845	4.6%	5.2%	9,944	9,851	4.2%	4.7%
US Regionals	512	512	9.4%	11.2%	1,004	1,004	8.6%	9.5%
US SC Total	9,538	9,357	4.9%	5.5%	10,947	10,854	4.6%	5.2%

Figures may not add up due to rounding.

(a) The sum of the Gross Marked Value ("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. Valuation excluding estimated transfer taxes represents the GMV minus transfer taxes and transaction costs which are estimated after taking into account the likely disposal scenario: sale of the asset or of the company that owns it.

(b) Annualised 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 Westfield trademark are not included in the calculation of NIY.

(c) Annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses + the ERV of vacant space, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under development or not controlled by URW and the Westfield trademark activities are not included in the calculation of Potential Yield.

(d) The Westfield trademark is included in the valuation of the US Flagships.

Additional Valuation parameters - IFRS 13

URW NV complies with the IFRS 13 fair value measurement and the position paper¹⁹ 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 the non-public rent rolls of the Group's assets in their valuations, 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 quantitative data in order to assess the fair valuation of the Group's assets.

¹⁹ EPRA Position Paper on IFRS 13 - Fair value measurement and illustrative disclosures, February 2013.



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 – Dec. 31, 2023		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalisation Rate (c)	CAGR of NRI (d)
US	Max	12.2%	1,438	14.0%	12.0%	9.5%
	Min	3.2%	345	6.8%	5.0%	1.9%
	Weighted average	4.9%	767	7.4%	5.5%	4.8%

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 NV and the Westfield trademark 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) Compound Annual Growth Rate (CAGR) of NRI determined by the appraiser (10 years).

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

Shopping Centres – December 31, 2023		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalisation Rate (c)	CAGR of NRI (d)
US Flagships incl. CBD assets	Max	6.1%	1,438	7.8%	6.0%	9.5%
	Min	3.2%	476	6.8%	5.0%	2.5%
	Weighted average	4.6%	842	7.2%	5.3%	5.0%
US Regionals	Max	12.2%	593	14.0%	12.0%	4.5%
	Min	7.8%	345	10.0%	8.3%	1.9%
	Weighted average	9.4%	421	10.9%	9.2%	2.9%

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 NV and the Westfield trademark 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) Compound Annual Growth Rate (CAGR) of NRI determined by the appraiser (10 years).

The Compound Annual Growth Rate (“CAGR”) of NRI are as follows:

Shopping Centres – Dec. 31, 2023	CAGR of NRI determined by the appraiser in the DCF	CAGR of NRI – Starting from Dec. 31, 2022	
	Valuations as at Dec. 31, 2023	Valuations as at Dec. 31, 2023	Valuations as at Dec. 31, 2022
US Flagships incl. CBD	5.0%	4.7%	5.0%
US Regionals	2.9%	1.7%	2.3%

7. Dividends

Given the statutory results and cumulated negative retained earnings of URW NV in 2023 as well as in 2022, URW NV had no obligation to pay a dividend neither in 2024 for the fiscal year 2023, nor in 2023 for the fiscal year 2022, under the FII regime and other REIT regimes it benefits from.

URW Group however, will propose to the URW SE annual general meeting (“AGM”²⁰) a cash distribution of €2.50/share to be paid on May 16, 2024. This cash distribution will be made out of premium and will qualify as an equity repayment²¹ for French tax purposes (article 112, 1 of the French tax code).

This proposal is based on 2023 URW Group achievements, the improved visibility of the URW Group’s operating performance, the delivery of its main committed projects in 2024, the limited forecasted Capex beyond 2024, its credit metrics and its liquidity position.

S&P and Moody’s confirmed the proposed cash distribution would have no impact on the current rating of the URW Group.

8. Business Model

URW NV owns a portfolio of prime commercial properties, located in some of the largest and most prosperous cities across the United States.

URW NV’s operations are focused on Flagship destinations (“Flagships”) in the wealthiest and most attractive catchment areas in the United States.

URW NV’s strategy is to vertically integrate the entire chain of value creation in real estate. The combination of its four activities of redevelopment, renovation, investment and management, provides URW NV with unique market knowledge and expertise. This knowledge and expertise assist URW NV in dealing with markets that are cyclical in nature and its strategy is designed to allow the Group to continue its investment programs even during economic downturns.

Finally, URW NV is, by nature, a long-term player committed to sustainable redevelopment and social responsibility across all of its activities. Whether it be architecture, city planning, design, energy efficiency, or social responsibility, the URW Group is recognized as a leader in the industry.

9. Environmental, Social and Corporate Governance (“ESG”)

In October 2023, the URW Group announced a comprehensive evolution of its Better Places roadmap, including new SBTi-approved net-zero targets in terms of carbon emissions reduction and reinforcing its environmental performance objectives, with the aim to develop and operate places that provide sustainable experiences and contribute to thriving communities. These targets are expected to be delivered with limited additional Capex requirements. The URW Group also expects to generate new revenues through PV panels and EV chargers.

2023 marks another exceptional year in terms of sustainability performance for the URW Group. The URW Group has achieved a -43% reduction in carbon emission from Scopes 1, 2 & 3 and reduced its energy intensity by -30% since 2015²².

In addition, the URW Group rolled out its innovative Sustainable Retail Index built in cooperation with Good on You. More than 2,500 stores were assessed, and 800 brands rated during the roll-out in the Fashion sector²³. 82% of the URW Group’s fashion sector eligible revenues are already engaged in sustainability initiatives with 52% rated “Leader”, “Advanced” or “Active”. Health & Beauty retailers will be rated in 2024.

²⁰ To be held on April 30, 2024

²¹ For the tax treatment please refer to relevant financial advisors.

²² As at year-end 2023.

²³ Fashion sector: Fashion Apparel, Sport Apparel, Jewellery, Bags & Footwear & Accessories.



The URW Group's inclusion in the main ESG indices was confirmed and the URW Group's sustainability achievements were registered in ratings and awards. In January 2024, the URW Group was ranked by Corporate Knights among the 100 most sustainable corporations in the world.

For more information on Better Places and the detailed 2023 sustainability performance, please refer to the 2023 Unibail-Rodamco-Westfield SE Universal Registration Document to be released in March 2024 as well as the Sustainability section of the URW Group's website.

10. Related Party Transactions

The Board of Management, the Supervisory Board, URW Group and subsidiaries of URW NV are considered to be related parties. The members of the Supervisory Board and of the Board of Management had no personal interest in any of the Company's investments during the year. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions if such terms can be substantiated.

11. Subsequent events

There have been no material subsequent events that management are aware about at February 26, 2024, that require adjustment to, or disclosure in, the financial statements.

Approved by the Management Board

Schiphol, February 26, 2024



II. CONSOLIDATED FINANCIAL RESULTS AS AT DECEMBER 31, 2023

CONSOLIDATED FINANCIAL RESULTS

On February 26, 2024, the Supervisory Board approved the consolidated financial results of Unibail-Rodamco-Westfield N.V. for the year ended December 31, 2023, and authorised the publication thereof.

The consolidated financial results are presented in millions of euros, rounded to the nearest hundred thousand and, as a result, slight differences between rounded figures may exist. These statements are not yet audited by the external auditor.



Consolidated statement of comprehensive income

(€Mn)	Notes	2023	2022
Gross rental income	3.1	346.5	386.8
Service charge income		30.5	47.4
Service charge expenses		(42.2)	(65.0)
Property operating expenses		(113.6)	(126.0)
Operating expenses and net service charges		(125.3)	(143.6)
Net rental income		221.3	243.2
Net property services and other activities income		0.2	0.5
Share of result of companies accounted for using the equity method		(275.7)	(223.5)
Corporate expenses		(12.0)	(15.8)
Depreciation of tangible assets		(6.5)	(4.8)
Administrative expenses		(18.5)	(20.7)
Acquisition and related costs		(5.1)	(5.9)
Result on disposal of investment properties and loss of control	1.1	28.1	(2.9)
Valuation gains on assets		114.0	41.8
Valuation losses on assets		(298.4)	(439.9)
Valuation movements on assets		(184.4)	(398.1)
Net operating result		(234.1)	(407.4)
Financial income		68.9	52.3
Financial expenses		(517.3)	(414.2)
Net financing costs	5.1.1	(448.3)	(361.9)
Fair value adjustments of derivatives, debt and currency effect	5.1.2	(45.2)	523.8
Result before tax		(727.5)	(245.4)
Income tax (expenses)		35.1	11.7
Net result for the period		(692.4)	(233.7)
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO:			
Owners of Unibail-Rodamco-Westfield N.V. shares		(609.6)	(152.2)
External non-controlling interests		(82.8)	(81.5)
NET RESULT FOR THE PERIOD		(692.4)	(233.7)

Figures may not add up due to rounding.

Average numbers of shares (undiluted)	7.1.2	232,213,679	231,965,297
Net result of the period (Owners of Unibail-Rodamco-Westfield N.V.)		(609.6)	(152.2)
Net result for the period per share (Owners of Unibail-Rodamco-Westfield N.V.) (€)		(2.63)	(0.66)

Average numbers of shares (diluted)	7.1.2	233,134,024	232,698,629
Net result of the period (Owners of Unibail-Rodamco-Westfield N.V.)		(609.6)	(152.2)
Diluted net result per share (Owners of Unibail-Rodamco-Westfield N.V.) (€) ⁽¹⁾		(2.63)	(0.66)

(1) In case of a negative net result for the period, the diluted net result per share is equal to the net result for the period per share. For 2023 the EPS are antidilutive.



UNIBAIL-RODAMCO-WESTFIELD N.V.

Net Comprehensive Income (€Mn)	Notes	2023	2022
NET RESULT FOR THE PERIOD		(692.4)	(233.7)
Foreign currency differences on translation of financial statements of subsidiaries and net investments in these subsidiaries ⁽²⁾		(35.6)	133.6
Other comprehensive income that may be subsequently recycled to profit and loss		(35.6)	133.6
OTHER COMPREHENSIVE INCOME		(35.6)	133.6
TOTAL COMPREHENSIVE INCOME		(728.0)	(100.0)
Total Comprehensive Income for the period attributable to:			
Owners of Unibail-Rodamco-Westfield N.V. shares		(655.4)	(10.0)
External non-controlling interests		(72.6)	(90.0)
TOTAL COMPREHENSIVE INCOME		(728.0)	(100.0)

(2) The amount is presented net of related tax effects.



Consolidated statement of financial position

(€Mn)	Notes	Dec. 31, 2023	Dec. 31, 2022
NON-CURRENT ASSETS		8,643.8	10,290.0
Investment properties	4.1	4,219.7	4,902.5
<i>Investment properties at fair value</i>		4,217.4	4,893.5
<i>Investment properties at cost</i>		2.3	9.0
Shares and investments in companies accounted for using the equity method		4,078.3	4,901.7
Tangible assets		9.6	13.2
Intangible assets	4.2	248.4	211.2
Financial assets		55.0	118.2
Deferred tax assets		-	0.6
Derivatives at fair value	5.3	32.8	142.6
CURRENT ASSETS		1,241.0	277.2
Properties or shares held for sale ¹		131.5	-
Inventories		29.3	34.3
Trade receivables from activity		73.8	86.3
Tax receivables		5.3	3.7
Other receivables		963.0	76.9
Cash and cash equivalents		38.1	76.0
TOTAL ASSETS		9,884.8	10,567.2
SHAREHOLDERS' EQUITY (OWNERS OF UNIBAIL-RODAMCO-WESTFIELD N.V. SHARES)		861.3	1,017.2
Share capital	7.1	116.1	116.0
Additional paid-in capital		2,243.1	2,243.3
Consolidated reserves		(3,100.7)	(2,948.3)
Foreign currency translation reserves		211.3	257.0
Consolidated result		(609.6)	(152.2)
Capital securities		2,001.1	1,501.4
<i>Equity attributable to the owners of Unibail-Rodamco-Westfield N.V.</i>		861.3	1,017.2
Non-controlling interests		(319.8)	(250.5)
TOTAL SHAREHOLDERS' EQUITY		541.4	766.5
NON-CURRENT LIABILITIES		7,926.6	8,557.6
Long-term commitment to non-controlling interests		427.7	460.4
Long-term bonds and borrowings	5.2.3	7,303.5	7,773.3
Long-term lease liabilities	5.2.3	4.9	36.7
Derivatives at fair value	5.3	31.9	45.4
Deferred tax liabilities		113.1	111.5
Non-current provisions		11.1	35.0
Guarantee deposits		5.1	5.2
Amounts due on investments		2.0	6.3
Other non-current liabilities		27.3	83.8
CURRENT LIABILITIES		1,416.8	1,243.1
Current commitment to non-controlling interests		111.5	91.5
Amounts due to suppliers and other creditors		136.8	154.3
<i>Amounts due to suppliers</i>		60.2	86.4
<i>Amounts due on investments</i>		41.3	38.0
<i>Sundry creditors</i>		35.3	29.9
Other current liabilities		174.7	236.7
Current borrowings and amounts due to credit institutions	5.2.3	991.3	752.3
Current lease liabilities	5.2.3	1.2	6.9
Current provisions		1.3	1.4
TOTAL LIABILITIES AND EQUITY		9,884.8	10,567.2

(1) In H2-2023, URW signed a Sale, Purchase and Escrow Agreement with a \$30 Mn non-refundable cash deposit for the disposal of Westfield Oakridge.



Consolidated statement of cash flows

(€Mn)	Notes	2023	2022
Operating activities			
Net result		(692.4)	(233.7)
Depreciation & provisions ⁽¹⁾		(0.5)	(5.7)
Changes in value of property assets		184.4	398.1
Changes in fair value of derivatives, debt and currency effect	5.1.2	45.2	(523.8)
Result on disposal of investment properties and loss of control ⁽²⁾		(28.1)	2.9
Share of the result of companies accounted for using the equity method		277.0	223.5
Net financing costs	5.1.1	448.3	361.9
Income tax expenses (income)		(35.1)	(11.7)
Dividend received from companies accounted for using the equity method or non-consolidated ⁽³⁾		269.8	554.0
Income tax paid (received)		(2.3)	(1.3)
Change in working capital requirement		(5.2)	20.0
Total cash flow from operating activities		461.1	784.2
Investment activities			
Property activities		106.4	(80.7)
Amounts paid for works and acquisition of property assets		(64.1)	(61.4)
Repayment of property financing		2.1	0.2
Increase of property financing ⁽⁴⁾		(32.8)	(60.2)
Disposal of investment properties and loss of control		201.2	40.7
Financial activities		(919.5)	(0.2)
Acquisition / issuing of financial assets		(920.4)	(0.2)
Repayment of financial assets		0.9	-
Total cash flow from investment activities		(813.1)	(80.9)
Financing activities			
Increase in capital		0.1	0.1
New borrowings and financial liabilities		1,617.2	327.8
Repayment of borrowings and financial liabilities		(1,029.7)	(684.5)
Cash flows from derivatives		68.8	55.0
Interest paid		(448.8)	(378.8)
Other financing activities		110.7	-
Total cash flow from financing activities		318.3	(680.4)
Change in cash and cash equivalents during the period		(33.6)	22.9
Net cash and cash equivalents at the beginning of the year		76.0	50.5
Effect of exchange rate fluctuations on cash held		(4.3)	2.6
Net Cash and cash equivalents at period-end		38.1	76.0

(1) Includes straight lining of key money and lease incentives.

(2) Includes capital gains/losses on property sales, disposals of short-term investment properties and disposals of operating assets.

(3) In 2023, includes €80.5 Mn (2022: €343.2 Mn) of distributions made by US companies accounted for using the equity method, following the disposal of their assets.

(4) Capital contributions from/to Joint Ventures



UNIBAIL-RODAMCO-WESTFIELD N.V.

Consolidated statement of changes in equity

(€Mn)	Share capital	Additional paid-in capital	Consolidated reserves	Consolidated net result	Foreign currency translation reserve ⁽¹⁾	Capital securities	Equity attributable to the owners of URW NV shares	Non-controlling interests	Total Shareholders' equity
EQUITY AS AT DECEMBER 31, 2021	115.9	2,243.3	(2,159.9)	(788.2)	114.8	1,251.4	777.2	(160.5)	616.7
Net result for the period	-	-	-	(152.2)	-	-	(152.2)	(81.5)	(233.7)
Other comprehensive income	-	-	-	-	142.3	-	142.3	(8.6)	133.6
Net comprehensive income	-	-	-	(152.2)	142.3	-	(10.0)	(90.0)	(100.0)
Earnings appropriation	-	-	(788.2)	788.2	-	-	-	-	-
Increase in capital	0.1	-	-	-	-	-	0.1	-	0.1
Amendment related party liabilities	-	-	-	-	-	249.9	249.9	-	249.9
Restatement of hybrid securities	-	-	(0.2)	-	-	-	(0.2)	-	(0.2)
EQUITY AS AT DECEMBER 31, 2022	116.0	2,243.3	(2,948.3)	(152.2)	257.0	1,501.4	1,017.2	(250.5)	766.5
Net result for the period	-	-	-	(609.6)	-	-	(609.6)	(82.8)	(692.4)
Other comprehensive income	-	-	-	-	(45.8)	-	(45.8)	10.2	(35.6)
Net comprehensive income	-	-	-	(609.6)	(45.8)	-	(655.4)	(72.6)	(728.0)
Earnings appropriation	-	-	(152.2)	152.2	-	-	-	-	-
Increase in capital	0.1	(0.2)	-	-	-	-	(0.1)	-	(0.1)
Amendment related party liabilities	-	-	-	-	-	499.7	499.7	-	499.7
Restatement of hybrid securities	-	-	(0.2)	-	-	-	(0.2)	-	(0.2)
Changes in scope of consolidation and other movements	-	-	0.1	-	-	-	0.1	3.4	3.4
EQUITY AS AT DECEMBER 31, 2023	116.1	2,243.1	(3,100.7)	(609.6)	211.3	2,001.1	861.3	(319.8)	541.4

(1) The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial results of foreign subsidiaries.

Figures may not add up due to rounding.

**NOTES TO THE CONSOLIDATED FINANCIAL RESULTS****NOTE 1. SIGNIFICANT EVENTS FOR THE YEAR ENDED DECEMBER 31, 2023**

The activity of the Group is not significantly affected by seasonality.

1.1. Disposals for the year ended December 31, 2023***Disposal of Westfield North County***

On February 1, 2023, the Group completed the sale of the Westfield North County ground lease located in Escondido, California, to Bridge Group Investments and Steerpoint Capital, transferring ownership and management of the asset. The sale price of \$57 Mn (at 100%, URW share 55%) for the asset, which has 30 years left on its ground lease, reflects the property's book value as at December 31, 2022.

Disposal of Westfield Brandon

On May 25, 2023, URW disposed Westfield of Brandon Shopping Centre in the US. The sale price of \$220 Mn (URW share 100%) reflects a 10.0% net initial yield and a 4.4% discount to the latest unaffected appraisal.

Disposal of Westfield Mission Valley

On July 21, 2023, the Group completed the sale of Westfield Mission Valley Shopping Centres in San Diego, California, for a total amount of \$290 Mn (at 100%, URW share 42%), including the sale of Westfield Mission Valley "East" to Lowe Enterprises and Real Capital Solutions, and Westfield Mission Valley "West" to Sunbelt Investment Holdings Inc. The transaction value reflects a combined initial yield of 8.5% on the in-place net operating income ("NOI") and a 12% discount to the last unaffected appraisal.

Disposal of Westfield Valencia

On September 4, 2023, the Group completed the sale of Westfield Valencia Town Center, in Santa Clarita, California, to Centennial Real Estate at a total value of \$199 Mn (at 100%, URW share 50%), above the \$195 Mn debt amount (at 100%, URW share 50%) on the asset. The transaction value reflects less than 3% discount to its last unaffected appraisal.

Investment property classified as held for sale

In H2-2023, URW signed a Sale, Purchase and Escrow Agreement with a \$30 Mn non-refundable cash deposit for the disposal of Westfield Oakridge. The transaction is expected to be completed in Q2-2024.

The disposal results on the above-mentioned transactions are recorded in the Consolidated statement of comprehensive income:

- For the fully consolidated assets, the Result on disposal of investment properties and loss of control amounts to €28.1 Mn, including €43.5 Mn of asset deals, and -€15.4 Mn of share deals;
- For the assets accounted for using the equity method, URW's stake in the net disposal result of -€8.8 Mn is recorded within Share of the result of companies accounted for using the equity method.

1.2. Foreclosure of US assets

On October 26, 2023, San Francisco Centre and Emporium (offices included) was put on foreclosure. The Group lost control of the asset (asset value of \$301 Mn as at June 30, 2023) and the companies holding it were thus deconsolidated together with the debt allocated to it (\$340 Mn).

1.3. €500 Mn loan conversion

€500 Mn of the loan with an original nominal value of €1,250 Mn, of which already €750 Mn has been converted earlier, has been converted into a capital security with a 99-year maturity as per December 31, 2023. The remaining part of the loan is €55.4 Mn.

The converted part qualifies as equity with the exception of the amount due on this instrument, which is initially measured at fair value at balance sheet date (€0.2 Mn as at December 31, 2023) and subsequently at amortised cost using the effective interest method. The amendment fee paid to URW SE of €12.5 Mn has been recorded in 2023 under financial expenses.

1.4. Euronext listing

Following the request filed by Unibail-Rodamco-Westfield Group (URW Group) with Euronext as announced on February 9, 2023, the URW Group has obtained the approval of the Euronext Listing Board on February 28, 2023 to change its market of reference from Euronext Amsterdam to Euronext Paris and delist the URW Group stapled shares from Euronext Amsterdam, while maintaining their listing on Euronext Paris.

Pursuant to the timing validated by Euronext:

- The change of its market of reference from Euronext Amsterdam to Euronext Paris was effective on April 14, 2023;
- The last day of trading on Euronext Amsterdam was April 27, 2023; and
- The delisting from Euronext Amsterdam was effective on April 28, 2023.

1.5. Exchange offer on the Perp-NC 2023 hybrid

On June 20, 2023, the URW Group launched an any-and-all par-for-par Exchange Offer on its €1.25 Bn hybrid Perp-NC23 notes ("Old Notes") into a combination of (i) new Euro denominated Perp-NC28 hybrid notes with a coupon of 7.25% ("New Notes") and (ii) a cash amount when applicable. The term and conditions of the New Notes provide the issuer with a call option in 2028.

The Exchange Offer was completed on June 26, 2023²⁴ corresponding to:

- €1.15 Bn of Old Notes validly submitted for exchange and cancelled at the Settlement Date on July 3, 2023;
- €995 Mn of New Notes issued at the Settlement Date; and
- €155 Mn of cash paid out at the Settlement Date (the Cash Amount).

URW NV did act as guarantor for the €1.25 Bn hybrid Perp-NC23 notes ("Old Notes") and will act as guarantor for these Euro denominated Perp-NC28 hybrid notes ("New Notes").

1.6. Unwinding of Macro Swaps in 2023

In H1-2023 URW NV unwound the Macro Swaps in place with a amendment in the maturity date from 2048 to 2028, the net effect on the consolidated statement of comprehensive income was -€4.9 Mn. Reference to 5.1.2.

1.7. New financing for Westfield Century City

On August 18, 2023, URW Group announced that Westfield Century City in Los Angeles, California has successfully raised €837.1 Mn (\$925 Mn) of new financing as part of the URW Group's ongoing financial planning.

1.8. Changes in related party transaction

Loan to URW America Inc.

All USD interest bearing loans from URW SE to URW America Inc were amended in the year ended December 31, 2023. This results in all comparable loans for the year ended December 31, 2022 to be amended with a fixed SOFR interest rate of 5.6806% and a maturity date of July 3, 2028.

Loan to and from WALP

All USD interest bearing loans from URW SE to WALP were amended in the year ended December 31, 2023. This results in all comparable loans for the year ended December 31, 2022 to be amended with a fixed SOFR interest rate of 5.6806% and a maturity date of July 3, 2028.

For the year ended December 31, 2023 URW SE entered into a new loan with WALP where URW SE is the borrower. The balance of the loan as at December 31, 2023 is \$964.0 Mn (€872.4 Mn). The interest rate is SOFR fixed at 6.8251%. The maturity date of the loan is July 30, 2024.

²⁴ With a Settlement Date on July 3, 2023.



Loan to URW NV

During the period, URW NV has an interest-bearing loan from URW SE. The loan was amended in 2023, the new fixed interest rate is 5.1 % (December 31, 2022: 1.44%) and the new maturity date is May 31, 2028 compared to the original maturity date of May 31, 2023.

During the period, URW NV had a EUR and USD current account facility with URW SE. The credit facilities were amended with effective date December 31, 2023, the amended interest rate is EURIBOR 3 Months (December 31, 2022: EURIBOR+ 0.85%) for the EUR facility and SOFR +1.4% margin before April 1, 2024 and +1.58% on or after April 1, 2024 (December 31, 2022: LIBOR + 1.4%) for the USD facility. The amended maturity date for both contracts is April 1, 2028 (December 31, 2022: April 1, 2024).



NOTE 2. BASIS OF PREPARATION

2.1. Basis of accounting

In accordance with the regulation of the European Community (EC) no. 1606/2002 of July 19, 2002, on the application of international accounting standards, URW NV has prepared its consolidated financial results for the financial year ending December 31, 2023 under International Financial Reporting Standards (IFRS) as adopted in the European Union and applicable at this date.

These can be consulted on the website:

http://ec.europa.eu/finance/company-reporting/ifrs-financialstatements/index_en.htm.

The consolidated financial results have been prepared on a historical cost basis, except for investment properties, non-listed equity investment, derivative financial instruments and commitment to non-controlling interests which have been measured at fair value.

2.2. IFRS basis adopted

The accounting principles and methods used are the same as those applied for the preparation of the annual consolidated financial statements as at December 31, 2022, except for the application of the new obligatory standards and interpretations.

These standards, amendments and interpretations do not have a significant impact on URW NV's accounts as at December 31, 2023.

URW NV applied the exemption for the Amendments to IAS 12 Income Taxes: International Tax Reform – Pillar 2 Model Rules.

Pillar 2 is a set of rules entering into force in 2024 designed to ensure large multinational enterprises pay a minimum level of tax (15%) on the income arising in each jurisdiction where they operate. The new legislation provides for a general exemption for REITs subject to certain technicalities. Whereas some legislation clarifications are still expected, the Group reasonably expects the minimum global tax not to have a significant impact on both its REIT and non-REIT activities.

2.3. Significant accounting judgements, estimates and assumptions

Certain amounts recorded in the consolidated financial results reflect estimates and assumptions made by management in the current uncertain context regarding inflation, interest rates and energy cost from geopolitical and economic environment and difficulties in assessing their impacts and future prospects. In this context, management has taken into account these uncertainties on the basis of reliable information available at the date of the preparation of the consolidated financial results.

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 results.

2.4 Going Concern

No significant changes took place in URW NV's going concern conclusion for the year ended December 31, 2023 compared to the year ended December 31, 2022.



NOTE 3. NET RECURRING RESULT AND SEGMENT REPORTING

3.1. Consolidated statement of comprehensive income by segment

Consolidated Income Statement by segment (€Mn)			2023.12	2022.12
			Result	Result
SHOPPING CENTERS	UNITED STATES	Gross rental income	340.8	379.3
		Operating expenses and net service charges	(122.6)	(140.4)
		Net rental income	218.2	238.9
		Contribution of companies accounted for using the equity method	(272.2)	(211.9)
		Gains/losses on sales of properties	28.0	0.1
		Valuation movements on assets	(165.5)	(395.6)
		Result Shopping Centres United States	(191.6)	(368.5)
	OTHER COUNTRIES	Gross rental income	2.0	2.2
		Operating expenses and net service charges	(0.4)	(0.3)
		Net rental income	1.6	1.9
		Gains/losses on sales of properties	0.1	(3.1)
		Valuation movements on assets	0.8	(0.3)
Result Shopping Centres The Netherlands		2.6	(1.5)	
	TOTAL RESULT SHOPPING CENTRES	(189.0)	(370.0)	
OFFICES & OTHERS	UNITED STATES	Gross rental income	3.7	5.3
		Operating expenses and net service charges	(2.3)	(2.9)
		Net rental income	1.4	2.4
		Contribution of companies accounted for using the equity method	(3.5)	(11.6)
		Valuation movements on assets	(19.8)	(2.2)
		Result Offices other countries	(21.8)	(11.3)
		TOTAL RESULT OFFICES & OTHERS	(21.8)	(11.3)
Other property services net income		0.2	0.5	
Result on disposal of investment properties - Share deals		(0.0)	-	
Corporate expenses		(18.3)	(20.7)	
Acquisition and related costs		(5.1)	(5.9)	
NET OPERATING RESULT		(234.1)	(407.4)	
Financing result		(493.4)	162.0	
RESULT BEFORE TAX		(727.5)	(245.4)	
Income tax expenses		35.1	11.7	
NET RESULT FOR THE PERIOD		(692.4)	(233.7)	
External non-controlling interests		(82.8)	(81.5)	
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE HOLDERS OF THE STAPLED SHARES		(609.6)	(152.2)	

Figures may not add up due to rounding.

This segmentation is also applied in note 4.1.1 investment properties at fair value.



NOTE 4. INVESTMENT PROPERTIES, TANGIBLE AND INTANGIBLE ASSETS

4.1. Investment properties

4.1.1. Investment properties at fair value: IFRS basis

(€Mn)	Dec. 31, 2023	Dec. 31, 2022
Shopping Centres	4,185.5	4,841.1
United States	4,168.7	4,824.7
- Flagships centres	4,168.7	4,613.8
- Regionals centres	-	210.9
The Netherlands	16.8	16.4
Offices	31.9	52.3
United States	31.9	52.3
Total	4,217.4	4,893.5
Properties held for sale	-	-
Total investment properties at fair value	4,217.4	4,893.5

Figures may not add up due to rounding.

(€Mn)	Shopping Centres	Offices	Total	Properties held for sale	Total investment properties
Dec. 31, 2022	4,841.1	52.3	4,893.5	-	4,893.5
Disposal/exits from scope of consolidation	(347.0)	-	(347.0)	-	(347.0)
Reclassification and transfer of category	(5.2)	-	(5.2)	-	(5.2)
Capitalised expenses	65.5	0.7	66.1	-	66.1
Valuation movements	(208.8)	(19.8)	(228.6)	-	(228.6)
Currency translation	(160.0)	(1.4)	(161.4)	-	(161.4)
Dec. 31, 2023	4,185.5	31.9	4,217.4	-	4,217.4

Figures may not add up due to rounding.

For the year ended December 31, 2023 lease incentives of €69.7 Mn (2022: €71.7 Mn) is included in trade receivables from activity in the consolidated statement of financial position.

Valuation assumptions and sensitivity

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, the Group believes it appropriate to classify its assets under Level 3 as per IFRS 13. In addition, unobservable inputs, including appraisers' assumptions on growth rates and exit yields, are used by appraisers to determine the fair values of the Group's assets.

As at December 31, 2023, 98% of URW NV's portfolio was appraised by independent appraisers. The fair value of the properties in the United States are based on the valuations performed by Cushman & Wakefield and Kroll and in The Netherlands by Jones Lang LaSalle.

The below overviews including most significant input and output parameters of the external valuations of the investment properties and the sensitivity overviews of the fair value of investment property are presented based on a proportional basis for the fully consolidated investment property as well as the investment property included in the joint ventures accounted using the equity method. The total value of investment property represents €9,015.6 Mn, this consists of the total €4,217.4 Mn presented investment property in the consolidated position excluding



UNIBAIL-RODAMCO-WESTFIELD N.V.

investment property under construction carried at cost and €4,798.2 Mn of the proportioned share of the investment property presented in the joint venture and associates. The Dutch assets are not significant and therefore the below table shows only the US 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 – Dec. 31, 2023		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalisation Rate (c)	CAGR of NRI (d)
US	Max	12.2%	1,438	14.0%	12.0%	9.5%
	Min	3.2%	345	6.8%	5.0%	1.9%
	Weighted average	4.9%	767	7.4%	5.5%	4.8%

Shopping Centres – Dec. 31, 2022		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalisation Rate (c)	CAGR of NRI (d)
US	Max	9.6%	1,438	10.3%	9.0%	11.4%
	Min	2.9%	321	6.5%	4.5%	0.6%
	Weighted average	4.6%	700	7.1%	5.2%	4.6%

Net Initial Yield, Discount Rate and Exit Capitalization Rate weighted by Gross Market Value. 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 and the Westfield trademark are not included in this table. Assets fully consolidated and in joint-control are included.

(a) Average annual rent (Minimum Guaranteed Rent + Sales Based Rent) per asset per sqm.

(b) Rate used to calculate the net present value of future cash flows.

(c) Rate used to capitalise the exit rent to determine the exit value of an asset.

(d) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (10 years).

For the US, the split between Flagship and Regional Shopping Centres as follows:

Shopping Centres – Dec. 31, 2023		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalisation Rate (c)	CAGR of NRI (d)
US Flagships incl. CBD assets	Max	6.1%	1,438	7.8%	6.0%	9.5%
	Min	3.2%	476	6.8%	5.0%	2.5%
	Weighted average	4.6%	842	7.2%	5.3%	5.0%
US Regionals	Max	12.2%	593	14.0%	12.0%	4.5%
	Min	7.8%	345	10.0%	8.3%	1.9%
	Weighted average	9.4%	421	10.9%	9.2%	2.9%

Shopping Centres – Dec. 31, 2022		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalisation Rate (c)	CAGR of NRI (d)
US Flagships incl. CBD assets	Max	7.5%	1,438	9.0%	7.3%	11.4%
	Min	2.9%	399	6.5%	4.5%	1.8%
	Weighted average	4.2%	820	6.8%	4.9%	5.0%
US Regionals	Max	9.6%	607	10.3%	9.0%	6.3%
	Min	6.4%	321	8.5%	7.0%	0.6%
	Weighted average	8.6%	411	9.8%	8.0%	2.3%

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 NV and the Westfield trademark 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) Compound Annual Growth Rate (CAGR) of NRI determined by the appraiser (10 years).



UNIBAIL-RODAMCO-WESTFIELD N.V.

Shopping Centres – Dec. 31, 2023		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalisation Rate (c)	CAGR of NRI (d)
US	Max	12.2%	1,438	14.0%	12.0%	9.5%
	Min	3.2%	345	6.8%	5.0%	1.9%
	Weighted average	4.9%	767	7.4%	5.5%	4.8%

Shopping Centres – Dec. 31, 2022		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalisation Rate (c)	CAGR of NRI (d)
US	Max	9.6%	1,438	10.3%	9.0%	11.4%
	Min	2.9%	321	6.5%	4.5%	0.6%
	Weighted average	4.6%	700	7.1%	5.2%	4.6%

Net Initial Yield, Discount Rate and Exit Capitalization Rate weighted by Gross Market Value. 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 and the Westfield trademark are not included in this table. Assets fully consolidated and in joint-control are included.

(a) Average annual rent (Minimum Guaranteed Rent + Sales Based Rent) per asset per sqm.

(b) Rate used to calculate the net present value of future cash flows.

(c) Rate used to capitalise the exit rent to determine the exit value of an asset.

(d) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (10 years).

For the US, the split between Flagship and Regional Shopping Centres as follows:

Shopping Centres – Dec. 31, 2023		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalisation Rate (c)	CAGR of NRI (d)
US Flagships incl. CBD assets	Max	6.1%	1,438	7.8%	6.0%	9.5%
	Min	3.2%	476	6.8%	5.0%	2.5%
	Weighted average	4.6%	842	7.2%	5.3%	5.0%
US Regionals	Max	12.2%	593	14.0%	12.0%	4.5%
	Min	7.8%	345	10.0%	8.3%	1.9%
	Weighted average	9.4%	421	10.9%	9.2%	2.9%

Shopping Centres – Dec. 31, 2022		Net Initial Yield	Rent in € per sqm (a)	Discount Rate (b)	Exit Capitalisation Rate (c)	CAGR of NRI (d)
US Flagships incl. CBD assets	Max	7.5%	1,438	9.0%	7.3%	11.4%
	Min	2.9%	399	6.5%	4.5%	1.8%
	Weighted average	4.2%	820	6.8%	4.9%	5.0%
US Regionals	Max	9.6%	607	10.3%	9.0%	6.3%
	Min	6.4%	321	8.5%	7.0%	0.6%
	Weighted average	8.6%	411	9.8%	8.0%	2.3%

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 NV and the Westfield trademark 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) Compound Annual Growth Rate (CAGR) of NRI determined by the appraiser (10 years).

Based on an asset value excluding estimated transfer taxes and transaction costs, the Shopping Centre division's Net Initial Yield is 4.9% as at December 31, 2023 (December 31, 2022: 4.6%).

A change of +25 basis points in Net Initial Yield, the main output of the appraisal models, would result in a downward adjustment of -€450 Mn (or -4.9%) (December 31, 2022: -€545 Mn (or -5.1%)) of the Shopping Centre portfolio value (excluding assets under development and the trademark), including transfer taxes.

A change of +25 bps in discount rate would have a negative impact of -€179 Mn (or -1.9%) (December 31, 2022: -€209 Mn (or -2.0%)) on the Shopping Centre portfolio value (excluding assets under development and the trademark), including transfer taxes.



A change of +10 bps in exit capitalization rate would have a negative impact of -€109 Mn (or -1.2%) (December 31, 2022: -€139 Mn (or -1.3%)) on the Shopping Centre portfolio value (excluding assets under development and the trademark), including transfer taxes.

A decrease of -5% in appraisers' estimated rental value assumptions for the leases to be signed during the model period would have a negative impact of -€247 Mn or (-2.7%) (December 31, 2022: -€299 Mn (or -2.8%)) on the Shopping Centre portfolio value (excluding assets under development and the trademark), including transfer taxes.

4.2. Intangible assets

(€Mn)	Software	Trademark	Total intangible assets
Cost			
Dec. 31, 2022	117.2	337.1	454.2
Acquisition	5.0	-	5.0
Disposal	(25.7)	-	(25.7)
Currency translation	(3.6)	(11.7)	(15.3)
Dec. 31, 2023	92.8	325.3	418.1
Accumulated amortisation and impairment			
Dec. 31, 2022	(111.7)	(131.3)	(243.0)
Amortisation	(5.3)	-	(5.3)
Disposal	25.6	-	25.6
Reclassification	1.8	-	1.8
Reversal of impairment	-	44.2	44.2
Currency translation	3.4	3.6	7.0
Dec. 31, 2023	(86.3)	(83.4)	(169.7)
Net book value			
Dec. 31, 2023	6.5	241.9	248.4

Figures may not add up due to rounding.

Intangible assets as at December 31, 2023, relate primarily to the trademark acquired as at June 7, 2018, the impairment test of the trademark performed was based on an independent external appraisal and a reversal of impairment of €44.2 Mn was recognised as at December 31, 2023.

The Relief from Royalty method is used to value the trademark, the recoverable amount at December 31, 2023 is €241.9 Mn. The assumptions are based on macro-economic trends, industry standard ratios, historical and business plan figures.

The reversal of impairment is mainly caused by an increase of the incremental growth rate expected on the US assets estimated by the external appraisers to 2.42% (December 31, 2022: 1.8%), the increase on the incremental growth rate is due to the exit of San Francisco Centre from the scope of URW NV. The reversal of impairment is partially set off by an increase in the discount rate to 9.75% (December 31, 2022: 9.25%).

The main assumptions used to test the Trademark for impairment are the discount rate which is 9.75% (December 31, 2022: 9.25%) and long term growth rate which is 1.8% (December 31, 2022: 1.78%) based on US parameters.

A change of +25 basis points on the discount rate of the trademark as determined at December 31, 2023, would lead to an impairment of -€16.8 Mn (-\$18.6 Mn) on the intangible assets.

A change of -10 basis points in the incremental growth rate of the trademark as determined at December 31, 2023, would lead to an impairment of -€14.1 Mn (-\$15.6 Mn) on the intangible assets.



NOTE 5. FINANCING AND FINANCIAL INSTRUMENTS

5.1. Financing result

5.1.1. Net financing costs

(€Mn)	2023	2022
Other financial interest ⁽¹⁾	26.2	7.1
Amount due from derivatives	42.7	45.2
Subtotal financial income	68.9	52.3
Interest on bonds and EMTNs	(143.5)	(147.4)
Interest and expenses on borrowings	(269.6)	(152.8)
Interest expense on lease liabilities	(2.6)	(3.2)
Interest on preference shares	(37.0)	(37.1)
Other financial interest ⁽²⁾	(24.4)	(15.7)
Amount due on derivatives	(40.6)	(58.5)
Financial expenses before capitalisation of financial expenses	(517.7)	(414.7)
Capitalised financial expenses	0.4	0.5
Subtotal net financial expenses	(517.3)	(414.2)
Total net financial costs	(448.3)	(361.9)

(1) The other financial interest is calculated using the effective interest method.

(2) The other financial interest expense includes the amendment fee of €12.5 Mn (December 31, 2023: €5.4 Mn) and an amortised upfront fee of €0 Mn (December 31, 2023: €0.3 Mn) for the conversion of the €500Mn (December 31, 2023: €250Mn) loan.

Figures may not add up due to rounding.

Cash flow from derivatives and interest paid from the consolidated statement of cash flows correspond to cash amounts of financial interest paid and received during the period. They do not include any non-cash items such as accrued interest and amortisation of issuance costs.

5.1.2. Fair value adjustment of derivatives, debts and currency effect

(€Mn)	2023	2022
Amortisation of debt	(4.7)	(9.2)
Currency result	(1.6)	(2.5)
Fair value of derivatives	14.7	465.3
Fair value of preference shares	9.8	64.2
Interest on default payments	(1.7)	-
ECL on financial guarantee contracts	-	13.5
Fair value of preferred interest	(61.7)	(7.5)
Total financial result	(45.2)	523.8

(1) Fair value of derivatives included an amount of -€4.9 Mn due to the unwinding of Macro Swaps, (see note "1.5 Unwinding of Macro swap in 2023").



5.2. Financial assets and liabilities

5.2.1. Main financing transactions in the year of 2023

Transaction with financial institutions

For the period ended December 31, 2023, URW NV borrowed €1,095.0 Mn from financial institutions, mainly consisting of Westfield Century City refinancing of €837.1 Mn, reference to 1.7.

Transaction with URW SE

For the period ended December 31, 2023, URW NV and its subsidiaries borrowed €518.4 Mn from URW SE and made repayments of €1,021.8 Mn to URW SE, these transactions are also considered as main financing transactions, for amendments in the loans we refer to 1.8.

5.2.2. Main financial investing transactions in the year of 2023

Transaction with URW SE

For the period ended December 31, 2023, URW SE borrowed €872.4 Mn from WALP, these transactions are considered as main financial investing transactions, reference to 1.8.

5.2.3. Financial debt breakdown and outstanding duration to maturity

Outstanding duration to maturity (€Mn)	Current	Non-current		Total	Total
	Less than 1 year	1 year to 5 years	More than 5 years	Dec. 31, 2023	Dec. 31, 2022
Bonds and notes	927.2	1,131.9	1,587.4	3,646.5	3,774.2
Principal debt ⁽¹⁾	905.0	1,131.2	1,583.7	3,619.9	3,750.2
Accrued interest	37.2	-	-	37.2	38.5
Issuance costs	(14.0)	-	-	(14.0)	(16.7)
Amortisation of debt	(1.0)	0.7	3.7	3.4	2.2
Bank borrowings	(6.3)	1,086.0	-	1,079.7	105.0
Principal debt ⁽¹⁾	-	1,086.0	-	1,086.0	113.4
Accrued interest	6.4	-	-	6.4	0.3
Borrowings issue fees	(12.7)	-	-	(12.7)	(5.4)
Amortisation of debt	-	-	-	-	(3.3)
Other financial liabilities	70.4	3,441.7	56.5	3,568.6	4,646.4
Borrowing with URW SE	-	3,441.7	56.5	3,498.2	4,623.9
Accrued interests on borrowings with URW SE	70.4	-	-	70.4	23.1
Charges and premiums on issues of borrowings with URW SE	-	-	-	-	(0.6)
Lease liabilities	1.2	4.9	-	6.1	43.6
Total	992.5	5,664.5	1,643.9	8,300.9	8,569.2
Liabilities directly associated with properties held for sale	-	-	-	-	-
Total financial debt	992.5	5,664.5	1,643.9	8,300.9	8,569.2

(1) These notes are subject to negative pledge arrangements which require the Group to comply with certain minimum financial requirements.



5.2.4. Net financial debt

Net financial debt is determined as below:

Net financial debt

(€Mn)	Dec. 31, 2023	Dec. 31, 2022
Amounts accounted for in B/S		
Long-term bonds and borrowings	7,303.5	7,773.3
Current borrowings and amounts due to credit institutions	991.3	752.3
Total financial liabilities	8,294.8	8,525.6
Adjustments		
Amortisation of debt	(3.4)	1.1
Accrued interest / issuance fees	(87.3)	(39.2)
Total financial liabilities (nominal value)	8,204.1	8,487.5
Cash & cash equivalents	(38.1)	(76.0)
Net financial debt	8,166.0	8,411.5

5.3. Derivatives

(€Mn)	Dec. 31, 2022	Amounts recognised in the Statement of Comprehensive Income		Acquisitions/ Disposals	Dec. 31, 2023
		Fair value adjustments of derivatives	Other comprehensive income		
Assets					
Derivatives at fair value Non-Current⁽¹⁾	142.6	6.1	(0.3)	(115.6)	32.8
- Fair value	142.6	6.1	(0.3)	(115.6)	32.8
Liabilities					
Derivatives at fair value Non-Current	(45.4)	13.5	-	-	(31.9)
- Fair value	(45.4)	13.5	-	-	(31.9)
Net	97.2	19.6	(0.3)	(115.6)	0.9

(1) All derivatives in place are with URW SE except for an amount of €2.1 Mn currently included under assets.

**NOTE 6. RISK MANAGEMENT POLICY**

The Group's principal financial instruments comprise cash, receivables, payable, interest-bearing liabilities, other financial liabilities, other investments and derivative financial instruments. The Group manages its exposure to key financial risks in accordance with the URW Group treasury risk management policies.

URW NV continually evaluates the risk it is exposed to in the normal course of business, as well as the corresponding policies and processes that are in place for managing these risks. Those risks, policies and processes remain valid and should be read in conjunction with these financial statements.

NOTE 7. SHARE CAPITAL**7.1. Share capital**

The following table reflects the share capital and average number of shares diluted and undiluted of the Group:

7.1.1. Change in share capital

	Total number of issued and paid shares
As at Dec. 31, 2022	232,015,403
Capital increase reserved for URW Company Savings Plan	128,408
Shares granted	145,895
As at Dec. 31, 2023	232,289,706

The authorised share capital as at December 31, 2023, amounts to €550 Mn divided over 660 million ordinary class A shares and 440 million class B shares of €0.5 per share.

The issued and paid-up share capital amounts to €116.1 Mn, formed by 139,041,391 ordinary A shares and 93,248,315 ordinary B shares as at December 31, 2023. All class B shares are held by URW SE. Class A and B shares are shares carrying one vote per share and ordinary dividend rights.

The Class A shares are stapled with the shares in URW SE (stapled shares). As a consequence the stock options plans and performance shares of URW SE will have a dilutive impact on the shares of URW NV (with a share issuance at that time).

7.1.2. Average number of shares diluted and undiluted

	2023	2022
Average number of shares (undiluted)	232,213,679	231,965,297
Dilutive impact		
Attributed performance shares and Retention shares (unvested) ⁽¹⁾	920,345	733,332
Average number of shares (diluted)	233,134,024	232,698,629

(1) Correspond only to shares or stock options and attributed performance shares which are in the money and for which the performance conditions are fulfilled.

NOTE 8. SUBSEQUENT EVENTS

There have been no material subsequent events that management are aware about at February 26, 2024, that require adjustment to, or disclosure in, the financial statements.