

Consortium of leading URW investors calls for REFOCUS, not RESET

Oppose the severely dilutive and unnecessary €3.5bn rights issue

Refocus the business on its exceptional portfolio of prime European shopping centres

Strengthen supervisory board to ensure future success in a changing retail landscape

Thursday 15th October 2020 // A consortium of leading European real estate and technology investors with a combined 4.1% stake in Unibail-Rodamco-Westfield SE (“**URW**”) today issued a call to oppose the proposed €3.5 billion rights issue underpinning the company’s RESET plan, while instead suggesting the business refocus on its core strength: its exceptional portfolio of prime European shopping centres.

The group, led by the former Chairman and CEO of Unibail (predecessor of URW) Léon Bressler and leading French technology entrepreneur Xavier Niel, today declared its intention to vote against the proposed capital increase resolution at URW’s General Meeting on 10th November 2020, encouraging all shareholders to do the same.

The consortium has also submitted resolutions to the General Meeting for the admission of three new members to the Supervisory Board, aimed at strengthening the required oversight over management and expertise to deliver a strategy in the best interest of URW and its shareholders.

Full details of the consortium’s concerns and vision to REFOCUS URW, including a detailed letter sent to the Supervisory Board and a presentation, are provided as an exhibit to this press release and can also be found at www.refocusnotreset.com.

Commenting on the news, Léon Bressler, said: *“URW’s RESET plan, underpinned by a severely dilutive rights issue, is a misguided act by a management team that remains prisoner of its failed strategy that started with the acquisition of Westfield. This acquisition polluted URW’s dominant position in Europe with a more marginal position in the US, a less attractive market. Moreover, it burdened the company with debt, distracted management and was a gross misallocation of resources.*

“The high level of debt generated by the Westfield transaction must be addressed, but does not present a near-term liquidity issue. While we support the other debt reduction initiatives in the plan, the situation does not warrant a capital raise with devastating consequences for shareholders.

“It is time to re-establish URW as Europe’s leading pure-play prime shopping centre business by selling the US portfolio and using proceeds to solve the company’s debt issues. The solid liquidity profile and continued access to the bond markets which URW currently enjoys affords time to execute that strategy in a disciplined manner and at realistic prices once liquidity returns to the US market.”

Xavier Niel, said: *“Enhanced oversight at a supervisory board level is urgently needed to deliver a strategy that will generate sustainable shareholder value and create a stronger URW for all. A successful refocus will propel URW into a superior competitive position as the sector’s leading European business with a strong French footprint, drawing on strategic capabilities and balance sheet strength to invest in the assets, technology and people that will ensure it thrives in a changing retail landscape.”*

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NOTES TO EDITORS

Supervisory Board Nominees

The consortium proposes to add three new board nominees to strengthen URW's Supervisory Board and help deliver shareholder value:

Mr Léon Bressler - Representative of Aermont Capital

A proven investor, currently Managing Partner of Aermont Capital, one of Europe's leading real estate investment businesses

- Léon served as Chairman & CEO of Unibail, the precursor to URW, for 14 years to 2006
- Began his career at Chase Manhattan Bank in Paris, New York, Stuttgart, Frankfurt and London
- In 1978, he joined Midland Bank Group to participate in the bank's establishment in France, acting as Chairman of the Executive Board of Midland Bank SA from 1984 to 1989
- In 1989, Léon joined the Lanvin Group where he was Chairman and Chief Executive of Jeanne Lanvin and Lanvin Parfums
- In 1991, Léon joined Worms & Cie where he remained a Managing Partner until 1996
- Advisor emeritus to GIC, Singapore's sovereign wealth fund

Mrs Susana Gallardo - Independent Candidate

A member of the third generation of the Gallardo Family, majority owners of pharmaceutical company Almirall, founded in 1943 (€2bn market cap)

- Chair-elect of the Gallardo family office (Grupo Corporativo Landon) a long-term real estate, public and private equity fund investor
- Former board director of listed European companies Abertis, CaixaBank and Criteria Caixa
- Former board director of Saba Infraestructuras, a subsidiary of CriteriaCaixa
- Active philanthropic role via the Gallardo family's Áurea Foundation, delivering diverse projects including humanitarian emergency response

Mr Xavier Niel - Representative of NJJ Holding

A recognised entrepreneur, the founder and 71% shareholder in telecommunication services provider iliad (€10bn market cap)

- Through iliad, Xavier has a proven track record in executing strategy focused on growth, cash generation and realisation of shareholder value - since its 2004 IPO, iliad has delivered TSR1> 900%, outperforming all relevant benchmarks
- Focused on shareholder value creation through high return on equity and avoiding dilution
- Proven venture capital investor through Kima Ventures, which invests in 100 start-ups p.a. across the world
- Co-founded 42, a non-profit organisation which delivers free coding training across the world

- Founded Station F, the world's largest start-up campus, which hosts one thousand start-ups in a former railway station in Paris
- Selected directorships: Chairman of Iliad and independent director of KKR & Co

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The purpose of this document is to provide information about the Consortium's views on Unibail-Rodamco-Westfield ("**URW**"), its opposition to the €3.5 billion rights issue at the 10 November 2020 general meeting, the possible alternate strategy that could be implemented to deliver long-term shareholder value and its proposal to strengthen URW's Supervisory Board through the appointment of new members.

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