Annual financial report

13

WDP

WAREHOUSES WITH BRAINS

This registration document is a translation of the registration document in Dutch. In the event of any discrepancy the Dutch version shall prevail, the English version being a free translation. Warehouses De Pauw Comm. VA is responsible for ensuring consistency between the Dutch and English versions. The Dutch version of this document can be consulted at www.wdp.eu.

Table of contents

the answers for an accelerating world

1 Risk factors

Since investing in property means investing in stability, WDP's strategy is aimed at ensuring this stability for investors, both in terms of dividend and in terms of long-term income. The management and Board of Directors of WDP are aware of the specific risks associated with managing a property portfolio, and attempt to manage these risks as effectively as possible and eliminate them as much as possible.

Here is an overview of the main risks facing the company, including their potential impact and the strategy used to reduce this potential impact.[1]

The steps taken and the financial impact of these risks are described in detail in separate chapters.

1 In the table, the numbering used for *Potential impact* refers to notes in *Limiting factors and control.*

Risk Management

MARKET RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Economic situation Substantial deterioration of the economic situation.	1. Fall in the demand for storage and distribution facilities and possible tenant bankruptcies. 2. Higher vacancy and / or lower rents when re-let. 3. Fall in the fair value of the property and consequently of the Net Asset Value (NAV).	Long lease: terms averaging 7.3 years[2], sectoral diversification of clients and a low average contractual rent.	1/2/3
		Quality of the tenant portfolio, comprising mainly large national and international companies and a limited annual provision for dubious debts (averaging less than 0.25% of the rent per year for the past five years).	1
		Excellent location of WDP properties, mainly in the strategic Amsterdam-Rotterdam-Breda-Antwerp-Brussels-Lille logistics axis, offering easy accessibility, consumers in the vicinity, and a high activity level among logistics players due to the importance in the hinterland of the ports, which serve as an import and export gateway for Europe.	2/3
Rental market for logistics and semi-industrial property Lower demand for logistics and semi-industrial property, oversupply, and deterioration of tenants' financial situation.	1. Rental income and cash flow affected by a rise in vacancy rates and costs related to re-letting. 2. Reduced solvency among tenants and rise in the number of doubtful debts, leading to a decline in the rental income collection rate. 3. Fall in the fair value of the property and consequently the NAV. 4. Impossibility of pre-letting properties to further develop the potential of land in the portfolio and improve its profitability.	Diversified client base with a limitation on the maximum exposure to a single tenant and a good spread of tenants across the industries (as well as of tenants' clients, particularly when these are third-party logistics services providers).	1/2
		Thorough integration in the market thanks to years of experience and in-house sales teams.	1/4
		Only sites in strategic logistics hubs or in secondary locations with growth potential.	1/3/4
		High degree of structural quality and durability in accordance with statutory norms and standards, which entails versatility and mixed use.	1/3
		Flexible property player that aims to meet changing client needs.	1
		The land reserves account for only approximately 40 million euros on a balance sheet total of 1.3 billion euros. This is long-term potential to respond flexibly to client requirements (speculative development is generally not practised).	4

2 Including solar panels.

MARKET RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Investment market for logistics and semi-industrial property Reduced investor demand for property.	1. Fall in the fair value of property. 2. As a result, decline in the NAV and increase in gearing.	Investment strategy aimed at high-quality buildings that generate stable long-term income based on sustainable low rental levels.	1/2
		Prudent management of the capital structure, making it possible to offset any potential decreases in the fair value of the property.	2
		Geographic diversification of the portfolio with more than 95% of the portfolio (according to fair value) located in stable, mature Western European markets.	1
		Large share of land in the valuation of the property portfolio (36%), which has in the past been able to withstand decreases in value.	1
Interest rate volatility Sharp future fluctuations in the main short-term and/or long-term interest rates in the international financial markets.	1. Negative impact on expenses and consequently on cash flow in the event of a rise in the interest rate. 2. Sharp fluctuations in the value of the financial instruments that serve to hedge the debt. 3. Potentially negative impact on the NAV.	High degree of hedging against interest rate fluctuations through derivative financial instruments (e.g. Interest Rate Swaps).	1
		Day-to-day monitoring of interest rate movements and of their impact on the effectiveness of the hedges.	1
		Fluctuations in the fair value of the hedging instruments represent a non-realised non-cash item (if these products are held until maturity and are not settled prematurely).	2/3
Deflation A reduction in economic activity, resulting in an overall drop in price levels.	1. Fall in rental income, due among other things to downward pressure on market rent levels and lower or negative indexation.	Clause in the leases that sets a lower limit at the level of the basic rent.	1
Financial markets Extreme volatility and uncertainty in international markets.	1. More difficult access to equity markets in order to retrieve new capital / shareholders' equity and a reduction in the number of options for debt financing. 2. Sharp fluctuations in the share price. 3. Less liquidity available in debt capital markets with regard to the refinancing of outstanding commercial paper and/or outstanding bond loans.	Extensive, frequent dialogue with the capital markets and financial counterparties and transparent communications with clear targets.	1/2/3
		Strict monitoring and control of any risks that could negatively affect investor and financier perceptions of the company.	1/3
		Aim to build long-term relationships with financial partners and investors.	1/3
		Available unused credit facilities to cover the commercial paper programme.	3

OPERATIONAL RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Strategy Ill-advised policy decisions.	1. Failure to achieve projected returns. 2. Threat to the stability of revenue flow (as a result of visibility due to long lease terms and interest rate hedges). 3. Property portfolio not adjusted to the demand for logistics and semi-industrial property.	Defining a clear investment strategy with a long-term vision and consistent management of the capital structure.	1/2/3
		Continuous monitoring of changes in economic, property-related and regulatory trends (e.g. with regard to tax law, company law, regulations regarding property *Vastgoedbevaks/Sicafis*, etc.).	2/3
		Experience of the management and supervision by the Board of Directors.	3
Investments Economic, tax and legal aspects relating to acquisitions.	1. Transfer of specific hidden liabilities in acquisitions and / or inaccurate assessment of tax consequences of complex transactions. 2. Acquisition of buildings that inadequately meet the quality requirements of the company. 3. Failure to achieve projected returns.	Extensive economic, strategic and property analysis of each acquisition proposal by the Investment Committee of the Board of Directors.	2/3
		Extensive due diligence process covering property, economic, tax, legal, accounting and administration as part of all acquisitions - combined with the use of specialised external consultants.	1/2/3
		Valuation of properties by an independent property expert prior to acquisition.	3
Investment properties under development for own account with the purpose of being rented out Risk specifically related to developments, such as contractor solvency, securing the required permits, etc.	1. Inability to secure the required permits. 2. Major delays resulting in the loss of potential income. 3. Substantial overrun of investment budgets. 4. In the event of speculative developments on risk: long periods of vacancy. 5. Failure to achieve the projected (higher) returns on developments.	Specialised in-house property development team and use of external consultants in order to hedge all risks.	1/2/3/5
		Strict monitoring of construction sites, including the implementation of penalty clauses in the event of non-compliance with contracts by third parties.	2/3/5
		Use of well-established contractors with good solvency, who submit the required guarantees.	3/5
		Community engagement as to maintain a constructive dialogue with local decision makers.	1
		Typically, no speculative developments are initiated, which means projects are launched only if they are pre-let, fully financed and the required permits have been obtained.	4/5
Non-renewal or early termination of leases Termination of leases earlier than initially expected.	1. Higher vacancy rates, assumption of costs typically passed on to the tenant (such as real estate withholding tax, management costs, etc.) and commercial costs related to re-letting and / or downward adjustment of the rents. 2. Decline in revenues and cash flows.	Specialised in-house teams responsible for commercial management and facility management.	1
		Very extensive network in the logistics property market.	1
		Contractually required indemnity in the event of early termination of the lease.	1/2
		Preference for realistic rent levels and long-term contracts with tenants.	1

OPERATIONAL RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Vacancies Unexpected circumstances, such as bankruptcies, relocations, etc. that result in vacancy.	1. Higher vacancy rates, assumption of costs typically passed on to the tenant (such as real estate withholding tax, management costs, etc.) and commercial costs related to re-letting. 2. Decline in the fair value of the property, resulting in a lower NAV.	Proactive internal property management and marketing.	1
		High quality and versatility of the buildings, which increases reletting potential.	1/2
		Preference for realistic rent levels and long-term contracts with tenants.	1
Negative variations in the fair value of buildings Negative revaluation of the property portfolio.	1. Negative influence of the net result and NAV. 2. Negative evolution of gearing ratio.	The property portfolio is valued on a quarterly basis by independent experts to ensure developing trends can be quickly identified and proactive measures can be taken.	1/2
		Investment policy oriented to high-quality property at strategic logistics hubs or secondary locations with growth potential.	1
		Good portfolio diversity with a maximum risk per building of 5%.	1
		Prudent, clearly defined management of capital structures.	2
Industry-specific risks Concentration of the activities of the tenant portfolio.	1. Loss of income if a specific industry is affected by an economic downturn.	Strong sectoral diversification of the tenant base.	1
Maintenance and repair Unexpected volatility in maintenance costs.	1. Decline in the results and cash flows. 2. Unexpected fluctuations in results.	Continuous inspection of the buildings by the facility managers and commercial teams in their day-to-day interaction with clients.	1/2
		Stringent periodic maintenance policy that is managed within the company.	1
Obsolescence and building quality Risk of structural and technical deterioration in the buildings' life cycle.	1. Obsolescence of the buildings, reducing their commercial appeal. 2. Loss of income and long period during which the invested capital does not generate a profit.	Regular update of investment plans for the portfolio, with the objective of maintaining the highest quality levels.	1/2
		Ad hoc redevelopment and renovation of obsolete properties in addition to regular investment in quality and sustainability.	1
Destruction of buildings Destruction by fire, natural disasters, accidents, terrorism, etc.	1. Discontinuity in the use of the building. 2. Loss of rental income and possible client turnover.	The insured value of the portfolio is based on the new value, i.e. the cost of restoring the building to its original state, including architects' fees and value-added tax.	1
		Loss of rental income due to temporary full or partial vacancy is also insured (loss of rent for a maximum period of two years).	2

OPERATIONAL RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Concentration risk Risk of concentration of tenants or concentration of investments in one or more buildings.	1. Sharp decline in income and cash flows due to the departure of a tenant. 2. Increased effect of a decline in the fair value of the property and consequently the NAV if investments are concentrated in one or more buildings.	Highly diversified tenant base, where the largest tenant accounts for no more than 10% of rental income.[3]	1
		Furthermore, the largest tenants are spread over several buildings, various countries and different activities.	1
		Good property portfolio spread over approximately a hundred sites, with the largest property representing 5% of the fair value of the portfolio.	2
Tenant solvency Risk of partial default or bankruptcy of clients.	1. Sudden unexpected decline in rental income due to a lower rent collection rate or a decline in occupancy. 2. Commercial costs of reletting if tenant insolvency results in vacancies.	Extensive tenant solvency check by external rating agency prior to inclusion in portfolio.	1
		Target for portfolio development through long-term contracts with first-rate stable, solvent tenants.	1
		Rent is payable in advance on a monthly, quarterly or (in exceptional cases) annual basis.	1
		Standard rent deposit covering at least three months, which is at the disposal of WDP (as owner).	1/2

FINANCIAL RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Counterparty risks Insolvency / credit risk affecting financial partners.	1. Loss of deposits. 2. Cancellation of existing lines of credit, costs related to restructuring facilities if these are taken over by another financial party and risk of higher charges for new credit.	Diversification of financing sources among different instruments and counterparties.	1/2
		Tight management of treasury position, with any cash surplus used to reduce financial liabilities.	1
Liquidity risk Non-availability of financing or term of financing options.	3. Impossibility of financing acquisitions or developments (with equity or debt) or higher costs that reduce profitability. 4. Non-availability of financing to repay interest, capital or operating costs. 5. Higher cost of debt due to higher bank margins, impacting the result and cash flows.	Conservative and prudent financing strategy with a balanced spread of debt maturity profile, diversification of sources of financing and a large pool of banking partners.	1/3
		Maintenance of sufficient available lines of credit to finance operating costs and planned investments.	1
		Continuous dialogue with investors and banking partners in order to build solid long-term relationships.	1/2/3

3 Including solar panels.

FINANCIAL RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Cost of capital Combination of unfavourable interest rate movements, higher risk premium in equity markets and / or rise in the cost of debt.	1. Material rise in the company's weighted average cost of capital (i.e. equity and debt). 2. Impact on the profitability of the company as a whole and on new investments.	Protection from interest rate rises with hedging instruments[4]. If the rise in interest rates is the result of higher inflation, the indexation of rental income is also a mitigating factor.	1/2
		Continuous dialogue with investors and banking partners in order to build solid long-term relationships.	1/2
Budget Risk that financial results will deviate from the budget and statutory requirements.	1. Impact of the company's performance and non-compliance with specific obligations.	Quarterly update of the financial model, including testing of the assumptions and preparation methods, and daily monitoring of (economic, property and other) parameters that could affect the result.	1
Use of derivatives Risks of using derivatives to hedge the interest rate risk.	1. Complexity and volatility of the fair value of the hedging instruments and by extension the NAV as published in accordance with IFRS. 2. Counterparty risk with regard to partners with whom derivatives contracts have been signed.	Fluctuations in the fair value of the hedging instruments relate to a non-realised non-cash item (if the products are held until the maturity date and are not terminated prematurely) and are displayed separately in the analytical profit and loss account in order to improve readability.	1
		All derivatives are used solely for hedging purposes. No instruments are held for speculative use.	1
		Cooperation with leading financial institutions.	2
Covenants and statutory financial parameters Risk of non-compliance with requirements to meet specific financial parameters under credit agreements and the statutory regimes to which the company is subject.	1. Sanctions and / or stricter supervision by the regulator if specific statutory financial parameters are not met (e.g. compliance with the gearing ratio as laid down in the *Vastgoedbevak/Sicafi* Royal Decree). 2. Possible cancellation of credit facilities and diminished confidence among investors and bankers in the event of non-compliance with contractual covenants.	Prudent financial policy, including continuous monitoring in order to meet financial parameters.	1/2
		Pursuant to Article 54 of the *Vastgoedbevak/Sicafi* Royal Decree, WDP draws up a financial plan (in which gearing at 31 December 2013 was approximately 55%).[5]	1
Foreign currency risks Risk of currency fluctuations relating to operations conducted outside the euro zone.	1. Decline in revenues and cash flows. 2. Decline in the value of the investments.	WDP operates primarily in the euro zone.	1/2
		The euro is the functional currency for the company's limited operations outside the euro zone (Romania), and impact of exchange rate fluctuations (either realised or through conversion effects) is not substantial.	1/2

4 For the description of the hedging policy in general and during the relevant period, please see *5.4. Management of the financial resources* on page 50 as well as Note *XIV. Financial instruments* on page 204.
5 For more details on the expected development of gearing and the financial plan, see Note *XXI. Calculation of the gearing and notes regarding changes in gearing* on page 214.

REGULATORY AND OTHER RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Regulatory framework for Vastgoedbevaks/ Sicafis Non-compliance or amendment of the rules required by the tax-transparent regime used for the Belgian operations.	1. Loss of tax status and compulsory repayment of specific credit facilities in the event of non-compliance with the rules. 2. Negative impact on the results or NAV in the event of any changes in the regime.	Continuous monitoring of the statutory requirements and compliance with those requirements, assisted by specialised external consultants.	1/2
		Intensive dialogue with the regulator as part of the prudential regulation of *Vastgoedbevaks/Sicafis*.	1/2
		Representation of the company in organisations that represent the *Vastgoedbevak/Sicafi* industry.	1/2
Regulatory framework for FBIs Non-compliance or amendment of the rules required by the fiscally transparent regime used for the Dutch operations.	3. Loss of tax status and compulsory repayment of specific credit facilities in the event of non-compliance with the rules. 4. Negative impact on the results or NAV in the event of any changes in the regime.	Continuous monitoring of the statutory requirements and compliance with those requirements, assisted by specialised external consultants.	1/2
Regulatory framework for SIIC Non-compliance or amendment of the rules required by the tax-transparent regime used for the French operations.	5. Loss of tax status in the event of non-compliance with the rules. 6. Negative impact on the results or NAV in the event of any changes in the regime.	Continuous monitoring of the statutory requirements and compliance with those requirements, assisted by specialised external consultants.	1/2
Changes in the regulatory framework the company is operating in Possible negative impact of the transposition into Belgian law of new EU regulations, including the Alternative Investment Fund Managers Directive (AIFMD) and the EU Regulation on OTC (Over the Counter) Derivatives, centralisation of counterparties and Trade Repositories, known as the European Market Infrastructure Regulation (EMIR).	7. Negative impact of business, result, profitability, financial well-being and prospects. 8. Negative impact on the current operating model (due among other things to the reintroduction of the position of custodian). 9. Negative impact of European regulations in the event of potential classification as Alternative Investment Fund (AIF), such as EMIR (leading to the company being exposed to heavy margin calls on its hedging tools), Basel III and Financial Transaction Tax.	Continuous monitoring of the statutory requirements and compliance with those requirements, assisted by specialised external consultants.	1/2/3
		Maintenance of a strong liquidity position and buffer of unused credit facilities.	3

REGULATORY AND OTHER RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Changes to international accounting rules Changes to international financial reporting standards (IFRS).	1. Potential impact on reporting, capital requirements, use of derivatives and organisation of the company. 2. Resulting impact on transparency, returns and possibly the valuation.	Continuous assessment of changes to statutory requirements and compliance, assisted by specialised external consultants, and gathering of advice from industrial organisations.	1/2
Urban planning legislation Regulatory changes implemented by public and/or administrative authorities.	1. Negative impact on opportunities to lease the buildings, having an impact on rental income and ability to re-let the properties, along with the increased costs of maintaining the leasing condition. 2. Fall in the fair value of the property and consequently the NAV. 3. Delay in new-build and/or renovation projects.	Continuous assessment and possibly anticipation of changes to statutory requirements and compliance, assisted by specialised external consultants, and gathering of advice from industrial organisations.	1/2/3
Environmental law Regulatory changes implemented by public and/or administrative authorities.	1. Negative impact on opportunities to lease the buildings, having an impact on rental income and ability to re-let the properties, along with the increased costs of maintaining the leasing condition. 2. Fall in the fair value of the property and consequently the NAV. 3. Delay in new-build and/or renovation projects.	Continuous assessment and possibly anticipation of changes to statutory requirements and compliance, assisted by specialised external consultants, and gathering of advice from industrial organisations.	1/2/3
Expropriation risk Expropriation as part of public expropriations by competent government agencies.	1. Loss of investment value and forced sale at a loss. 2. Loss of income due to lack of reinvestment opportunities.	Continuous dialogue with the government in order to develop a constructive solution in the interest of all stakeholders.	1/2
Transactions Complexity of acquisitions and divestments.	1. Assumption of specific, inaccurately assessed risks the materialisation of which affects the company's profitability or financial situation.	Extensive due diligence process covering property, economic, tax, legal, accounting and administration as part of all acquisitions - combined with the use of specialised external consultants.	1
Human resources Turnover of key employees.	1. Negative impact on existing business relations. 2. Reputational damage in relation to stakeholders. 3. Loss of decisiveness and efficiency during the management decision process.	Competitive pay package for employees.	1
		Clear and consistent procedures in order to ensure continuity.	1/2/3
		Working with teams to ensure that individuals are not responsible for important and strategic tasks.	3

REGULATORY AND OTHER RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Politics Various decisions made by regional, national or European political governments, for example with regard to taxation or subsidy laws.	1. Depending on the domain in which the decisions are made, they can have an impact on the financial results of the *Vastgoedbevaks/Sicafis* (e.g. taxation) and on the planned investments, strategy and objectives (e.g. scaling back subsidies and / or imposing new levies with regard to renewable energy).	Continuous monitoring of the political decisions made at the various regulatory levels, making it possible to anticipate, reduce or avoid a possible impact.	1
Potential changes to regulations New legislation and regulations could come into force or changes could be made to existing legislation and regulations [6] or their reinterpretation and application by agencies (including the tax administration) or courts.	1. Negative impact of business, result, profitability, financial wellbeing and prospects.	Constant monitoring of existing and future new legislation, regulations and requirements and related compliance, assisted by specialised external advisors.	1

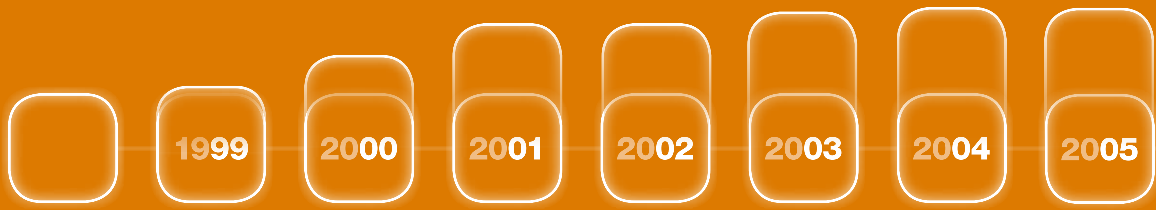
6 Such as existing practices within the tax administration, as mentioned in the Belgian Finance Ministry's circular Ci.RH.423/567.729 of 23 December 2004 setting out how the exit tax is calculated, which among other things stipulates that the actual/fair value of the immovable property used to calculate the exit tax base is determined by taking account of the registration fees or the VAT that would be applied if the immovable property in question was sold, which can be different (including lower) than the fair value of these assets as determined for IFRS purposes in the financial statements.

Readers should note that these risks are constantly reassessed and that new risks may be identified. Consequently, this is a non-exhaustive list based on information known when this report was published.

Please also note that risk management is not performed with a specific frequency, but rather constitutes an integral part of the company's business operations. This ranges from day-to-day financial and operational management, the analysis of new investment cases and the formulation of the strategy and objectives to the implementation of tight decision-making procedures. Understanding and hedging risks ensuing from internal and external factors is vital in order to achieve stable long-term returns.

2 History and

PORTFOLIO VALUE



UP TO AND INCLUDING 1977-1998

Formation of Rederij De Pauw NV to which the property assets of the Jos De Pauw family group were transferred. // Start of development into specialised semi-industrial property company.

1999

Foundation Warehousing & Distribution De Pauw Comm. VA // Company form: *Vastgoedbevak/ Sicafi.* // IPO with capital increase to support growth. // Formation of WDP Italia SRL and WDP CZ SRO.

2000

Formation of WDP France SARL.

2001

Name changed into Warehouses De Pauw. // Formation of WDP Nederland BV.

2003

Successful capital increase.

2004

Free float to 70% after the sale of a 20% stake of main shareholder the Jos De Pauw family.

2005

Sale of WDP Italia SRL. // Focus on two main regions: the Breda-Antwerp-Brussels-Lille axis and the Czech Republic.

2006

Strategic plan for 2006-09: doubling of portfolio value to 700 million euros over four years. // Capital increase after partial acquisition of the property of Massive NV through sale and rent back transaction.

milestones

2007

Acquisition of the shares of Royvelden NV. // Acquisition of Univeg's property portfolio. // Formation of WDP Development RO.

2008

Launch of the solar energy project, which is expected to lead to a total installed power of 30 MWp and a carbon-neutral property portfolio.

2009

Acquisition through payment in shares of DHL premises in Meer, Willebroek and Mechelen. // Successful capital increase.

2010

First BREEAM certificate for logistics premises in the Netherlands. // Warehouses De Pauw Nederland NV changes company form to an FBI (*Fiscale Beleggingsinstelling*). // Financing package agreed with the European Investment Bank (EIB) to develop the portfolio in Romania.

2011

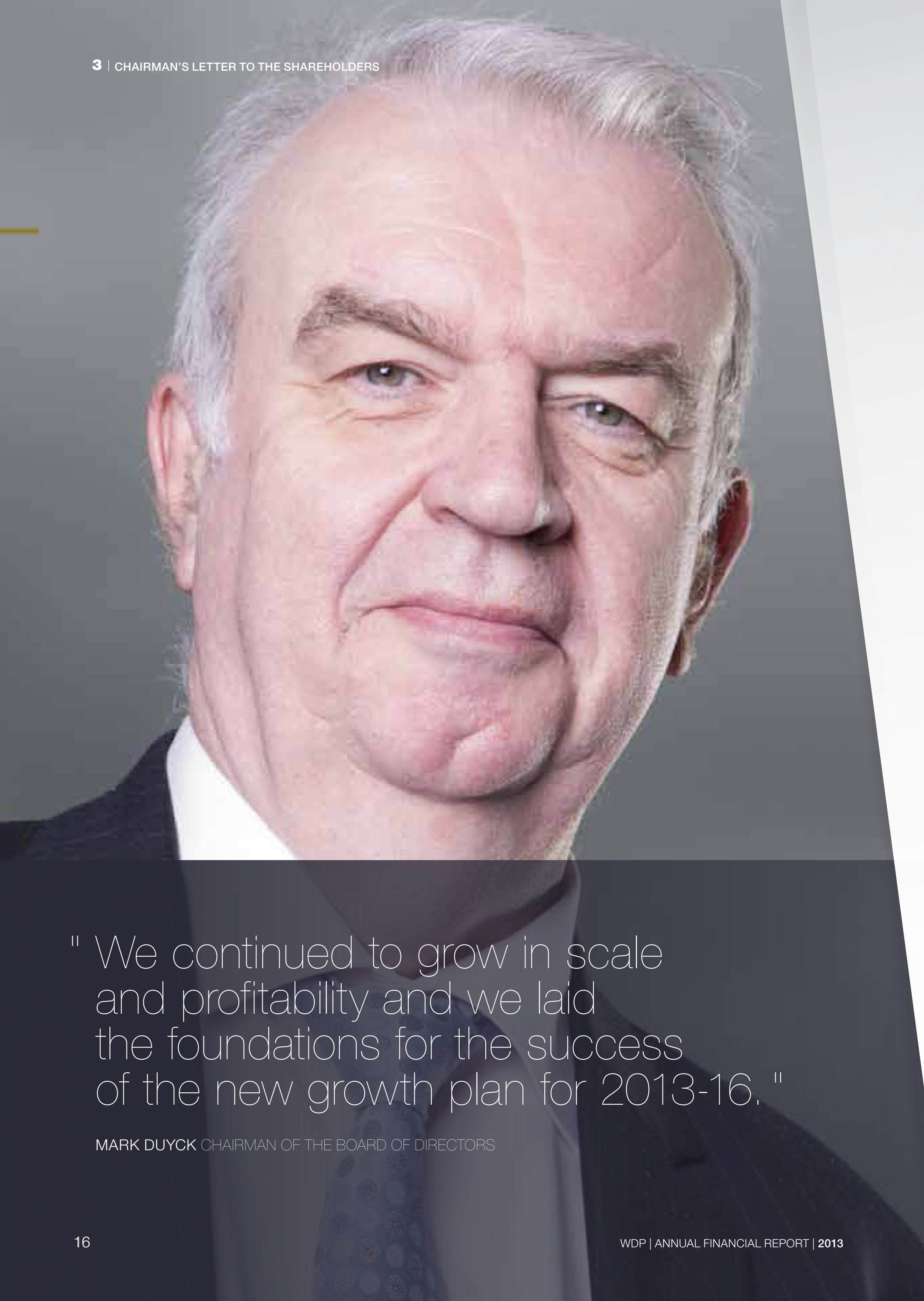
Acquisition of the portfolio of Wereldhave NL. // WDP is the first *Vastgoedbevak/Sicafi* to offer an optional dividend.

2012

Strategic expansion in the Netherlands with the acquisition of the Lake Side Portfolio. // Completion of new-build project at a top location at Schiphol Airport. // Sale of WDP CZ SRO.

2013

Strategic plan for 2013-16: ambition to grow the portfolio by 50% to 1.8 billion euros over four years and achieve a cumulative growth in net current result per share of 20-25% to 4.40-4.60 euros per share. // Innovative optimisation in Londerzeel for four clients. // First private placement of bonds. // Logistics of tomorrow: multimodal locations in Vilvoorde, Port of Ghent and Meerhout. // Diversification of the portfolio: two sites in Geel on the Antwerp-Limburg logistics axis. // Completion of two solar farms in Romania.



" We continued to grow in scale and profitability and we laid the foundations for the success of the new growth plan for 2013-16. "

MARK DUYCK CHAIRMAN OF THE BOARD OF DIRECTORS

3

Chairman's letter to the shareholders

WDP can look back on 2013 with satisfaction. Success was achieved in various areas: the development of a new strategic growth plan for 2013-16 started well, characterised by a sustained earning per share, continued good operating and financial performance and stronger financial clout.

Under this newly announced growth plan for 2013-16 the ambition was expressed to grow the portfolio by 50% or 600 million euros to 1.8 billion euros over four years, with the creation of shareholder value as a priority. The aim of the new growth plan is cumulative growth of the net current result per share of 20-25%.

In the course of 2013 WDP announced a total package of new investments in acquisitions and projects of approximately 250 million euros, as a consequence of which over 40% of the targeted portfolio growth has now been identified in accordance with the new growth plan. This investment volume provides a good blend of investments in the core markets with an immediate and medium-term impact on the result. The available potential of warehouses of the future was also strengthened.

First of all, a 75,000 m² site was acquired in Belgium in the strategically located Cargovil industrial zone in Vilvoorde. Various brand-new sites were also purchased in the Netherlands and five new-build projects were launched, enabling WDP to strengthen its leading position in the Benelux as specialised and fully integrated logistics property company. For instance, together with tenant wehkamp.nl WDP is building the world's biggest automated online retail distribution centre. In addition, the commercialisation of a new European logistics platform was launched in partnership with the Port of Ghent. The WDPort of Ghent Logistic Park comprises the phased development of approximately 180,000 m², depending on pre-letting, at a unique multimodal location tailored to the needs of tomorrow.

WDP also continues to make great strides in sustainability. For example, the projects currently in progress will increase the number of properties in our portfolio holding the internationally renowned BREEAM certificate. The installed power of alternative energy projects rose to 30 MWp, mainly due to the completion of two solar farms in Romania. In relation to the existing portfolio, the contract for the purchase of energy for the existing sites was renewed, with a considered decision to buy green energy.

The occupancy of approximately 97% at the end of 2013 was a result of the continued active management of the existing portfolio. 90% of expiring leases were renewed for the second consecutive year, which is a sign of the loyalty and stability of our tenants. Incidentally, developing a long-term partnership with clients is one of the cornerstones of our strategy.

We expect to continue at the same rhythm along the path we have set out, which is characterised by realistic and controlled growth.

The dynamism of the real estate activities was also reflected in the results. Net current result was approximately 60 million euros in 2013. Net current result per share – based on the weighted average number of shares – rose by approximately 5% to 3.85 euros versus 3.67 euros in 2012, which is in line with the growth rate targeted in the plan for 2013-16.

Also from a financial perspective, we continued to implement our philosophy of matching property investments with a synchronous issue of capital (debt and equity), a cornerstone of the strategy to proactively manage the capital structure and continue the per share profit growth. At the beginning of 2013 the first bond issue was launched for 50 million euros to finance the acquisitions. It is also important as a further diversification of the sources of financing. The gearing ratio remained at approximately 55%, with a net investment volume in 2013 of around 115 million euros, due to the strengthening of the equity base, the optional dividend and the direct merger of two sites in Geel.

Thus, 2013 was an outstanding year for WDP. We continued to grow in scale and profitability and we laid the foundations for the success of the new growth plan for 2013-16. In addition, growing the property portfolio has improved the diversity of the company which is now better protected against economic cycles in combination with improved access to the capital markets for financing.

In 2014 WDP will continue to concretize its growth plan, keeping into account that the various new-build projects will not make a full contribution to the result until 2015-16. That means that 2014 will be a *year of construction* for WDP, which is confident of the future and will not tone down the existing growth plans. On the contrary, we expect to continue at the same rhythm along the path we have set out, which is characterised by realistic, controlled growth.

Specifically, the Board of Directors expects profits to rise further in 2014 to 4.00 euros per share. This would allow the gross dividend to increase again from 3.25 euros to 3.40 euros per share, the third successive +5% increase, a sign of confidence in future profit generation.

The confidence that shareholders and clients show in WDP would not be possible without the unfailing efforts of the members of the management team, the workforce and the external service providers. I would like to thank them for that. I am also obliged to my colleagues on the Board of Directors for their valued work.

MARK DUYCK
Chairman of the Board of Directors

the last mile
pull society
mobility blue economy
online 24/7/365
warehouses pooling instant
total cost of ownership
sustainability
m-commerce
lean and green
high bay cross docks unboxing
fragmentation instant delivery
acceleration 3D printing
driverless transport smart mobility

4

Strategy

Investment segments

The cornerstone of WDP is a *pure player* strategy that has been consistently pursued for decades, with a clear focus on investments in, development and long-term leasing of high-grade sustainable logistics and semi-industrial property.

WDP is market leader in the Benelux[1] and a respected European player, with activities in France and Romania, too.

WDP has been steadily enlarging its property portfolio by developing storage and distribution facilities for own account, based on client demand and requirements and with due consideration for the highest industry standards. The *Vastgoedbevak/Sicafi* also invests directly in high-quality existing sites with a view to long-term leasing.

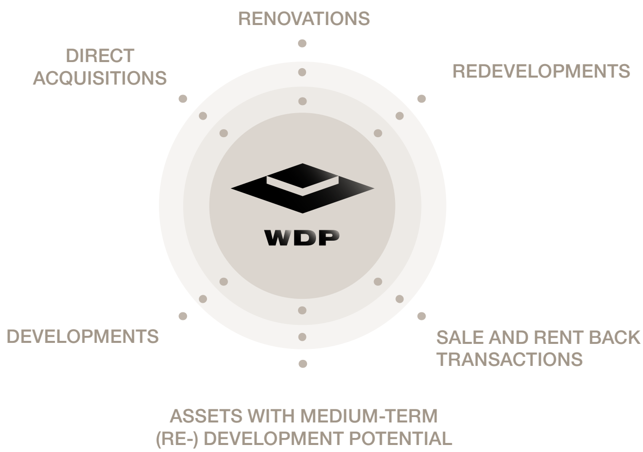
1 This statement is based on a comparative calculation of the number of square metres of lettable surface area in the portfolio.

WDP
warehouses with brains

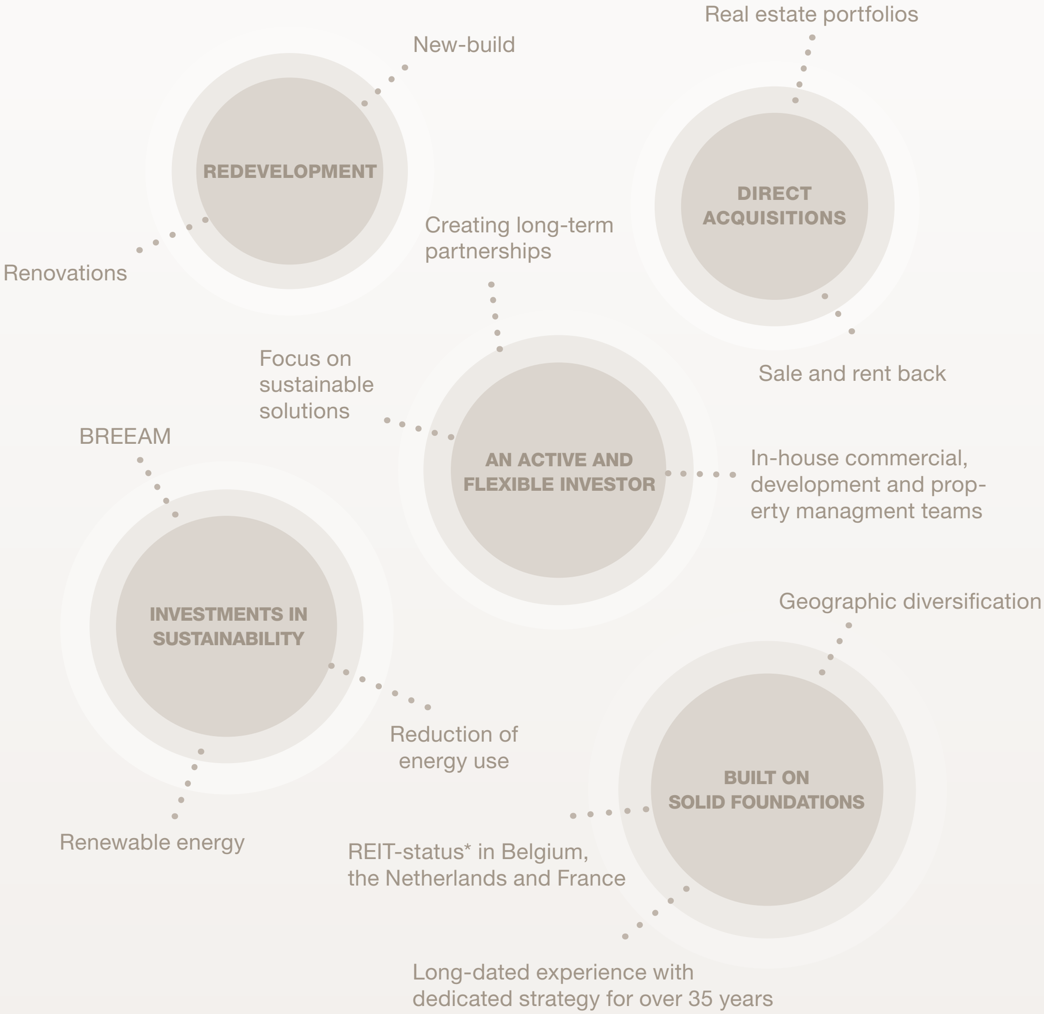
The backbone of WDP's policy is the high occupancy, which is the result of long-term leases with tenants, who are first and foremost regarded as partners. At WDP, we want to be a property partner that helps clients meet their challenges. That's the root of our slogan: WDP - Warehouses with Brains.

WDP is not a passive fund but a commercial business offering tailor-made premises and property solutions. WDP operates as a self-managed company, so it is completely at the service of its shareholders and other stakeholders. By maintaining projects in the portfolio following completion or acquisition, any surplus value generated at WDP is kept within the company.

As the market leader in logistics and semi-industrial property, WDP closely monitors trends in the industry so we can always offer tenants state-of-the-art properties and solutions. By developing and managing projects through in-house teams with many years' experience, WDP can guarantee high-quality solutions every time.



A *pure player* focused on the logistics sector



* REIT status means *Vastgoedbevak/Sicafi* in Belgium, *FBI* in the Netherlands and *SIIC* in France.

The answers for an accelerating world

WDP keeps a close eye on ongoing developments to identify social trends and so anticipate the consequences for the logistics industry. Recent phenomena like e-commerce and 3D printing certainly have an impact and WDP will clearly respond to these trends with specially adapted buildings and sites.

Last autumn, WDP organised the future-oriented seminar *2020 - Logistic Trends: Opportunity or Threat?* - within the context of the Transport & Logistics trade fair. [2]

2 The paper authored after this event is published at www.wdp.be.

Another key concept in WDP's strategy is *flexibility*. Through its detailed knowledge of its tenants and their operating areas, combined with a diversified portfolio, WDP is able to quickly respond to changing client needs. By working with a relatively small but dedicated team, WDP can also guarantee tenants fast, flexible solutions, while the high operating margin benefits our shareholders.

WDP

DYNAMIC PURE PLAY PROPERTY COMPANY OFFERING CREATIVE LONG-TERM SOLUTIONS TO CLIENTS

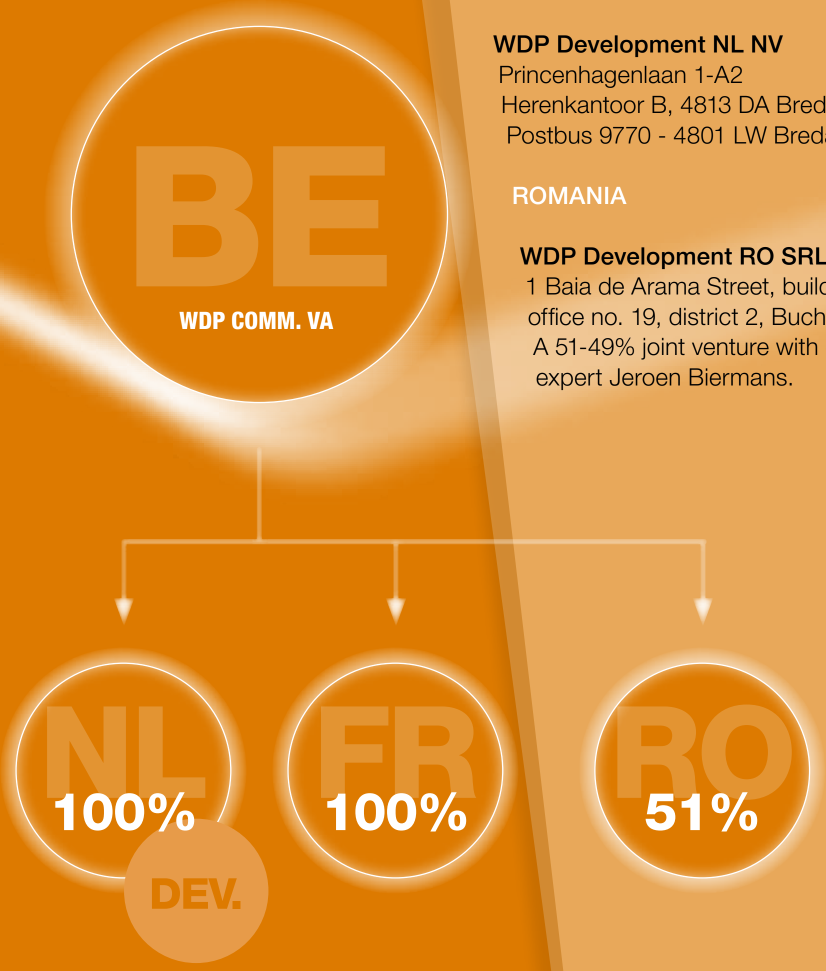
CREATING A SUSTAINABLE AND GROWING INCOME STREAM AND FOCUS ON ASSETS WITH STRONG RESIDUAL VALUE

BUILDING SCALE AND FINANCIAL STRENGTH TO DIVERSIFY RISKS AND DRIVE PERFORMANCE

LEAN & MEAN POSITIONING WITHIN ITS CORE MARKETS AS TO MAINTAIN FLEXIBILITY

That brings us to another key concept in WDP's strategy: *in-house knowhow*.
At WDP, we not only have our own commercial team focused on achieving the highest possible occupancy. At the same time, property in the portfolio is developed and managed under the care of our own project and facility managers. We also maintain tight control of financial, accounting and legal aspects. It is important to manage all critical property functions in-house so that any problems can be dealt with in a timely manner and efficiently and the company's long-term wellbeing can be protected.

PARTICIPATION WDP BELGIUM IN FOREIGN SUBSIDIARIES



FRANCE

WDP France SARL
rue Cantrelle 28
36000 Châteauroux

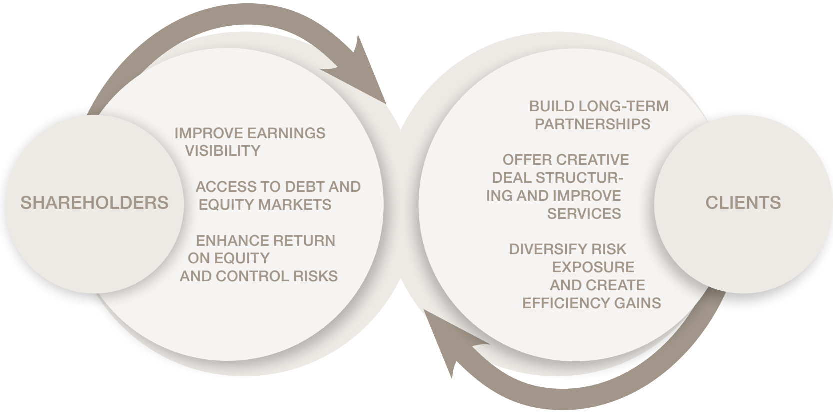
THE NETHERLANDS

WDP Nederland NV
Princenhagelaan 1-A2
Herenkantoor B, 4813 DA Breda
Postbus 9770 - 4801 LW Breda

WDP Development NL NV
Princenhagenlaan 1-A2
Herenkantoor B, 4813 DA Breda
Postbus 9770 - 4801 LW Breda

ROMANIA

WDP Development RO SRL
1 Baia de Arama Street, building C1, 1st floor,
office no. 19, district 2, Bucharest
A 51-49% joint venture with entrepreneur and Romania expert Jeroen Biermans.



WIN-WIN FOR ALL STAKEHOLDERS | GENERATING SUSTAINABLE GROWTH IN PROFIT PER SHARE

This operational model has no impact on the cost structure, which remains competitive.

Lastly, WDP pursues a strategy in which the growth achieved by the company is clearly defined and generates added value for clients and shareholders alike, so that growth is controlled and sustainable.

Market leader in the Benelux

WDP is the market leader in the Benelux logistics and semi-industrial property market.

Priority markets are Belgium, the Netherlands and France, supplemented by the growing logistics market of Romania[3].

Site selection is based on proximity to strategic storage and distribution hubs. More than 95% of the WDP portfolio is situated in prime locations on the Amsterdam-Rotterdam-Breda-Antwerp-Brussels-Lille logistics axis.

The properties in the portfolio are located in the economic heart of Western Europe, which is home to a large concentration of consumers with disposable income. They are also situated in the strategic hinterland of the ports of Antwerp and Rotterdam, which serve as import and export gateways for Europe.

3 The sale of 100% of the shares of Czech subsidiary WDP CZ was closed at the end of June 2013. This transaction fits in with WDP's strategy of strengthening its position in its core markets in Western Europe, supplemented by the growing logistics market of Romania. See also the press release of 13 November 2012 at www.wdp.be.


Brasov
Pitesti
Ploiesti
Fundulea
Corbii Mari
BUCHAREST
Constanta
Amsterdam
Zwolle
Utrecht
ROTTERDAM
Nijmegen
Breda
Tilburg
Venlo
ANTWERP
Genk
Ghent
Brussels
Lille
Charleroi
Liege

Investment criteria

In launching new projects and acquiring new properties, we always apply a number of strict criteria. The basic requirements include an adjusted market return and positive outcome of a thorough screening process to check for all potential technical, financial, commercial, and property-related risks.

In addition, with regard to financing, efforts are made to match property investments to synchronous issue of new equity and debt. This enables a healthy mix of equity and debt to be maintained. Furthermore, the basic philosophy of the company – sustainable earnings per share – can be put into practice through capital increases backed by immediately yielding assets.

WDP invests in a new or existing property only when it is convinced of the re-letting potential after the current tenant has left. The buildings must also have high residual value – that is a lasting high value of the sites even at the end of the commercial lifespan of the buildings.

Any buildings or land in which the company invests, must contribute to the total portfolio value and to the earnings per share. They must be in line with the modern, efficient portfolio and consequently also the network WDP wishes to build in the logistics market.

Sustainability

As a long-term investor in logistics property, WDP is aware of the important role it plays with regard to the environment and community life, and accordingly feels it is critical to enlarge its portfolio in a sustainable and responsible way. For instance, WDP focuses on the energy efficiency of its buildings, always with the intention of comfortably fulfilling all legal obligations and innovative projects are implemented to reduce the client's energy bill.

This is always based on a win-win approach so that all stakeholders are able to benefit. Furthermore, WDP has also made investments in green energy, installing solar panels on the roof of some of its portfolio properties. In Romania solar farms have been set up at a number of available sites.

Financial policy

Our financial policy is also based on a number of fixed conditions. The first is a high occupancy based on long-term leases with tenants who are also partners. Secondly, all stakeholders (shareholders, clients, financiers, employees and suppliers) must benefit from strict cost control together with a sound debt structure and interest rate hedges.

Appropriate financing is an essential condition for a solid, profitable business model, given the capital-intensive nature of the property sector. The target is maintaining a gearing ratio of between 55% and 60%, with a high debt coverage ratio. By continuously upscaling, WDP aims to achieve competitive cost of capital.

Our sustainable prudent but attractive dividend policy generates a consistently high, steadily increasing dividend per share. A financial buffer can also be built in by retaining part of the profit.

Benefits of the Vastgoedbevak/Sicafi structure

Over the years, WDP has positioned itself as a leading listed property expert that sets the benchmark in logistics and semi-industrial property.

In Belgium WDP is structured as a property investment company with fixed capital (*Vastgoedbevak/Sicafi*), subject to the prudential supervision of the FSMA. In the Netherlands and France the company has the form of a *Fiscale Beleggingsinstelling (FBI)* and a *Société d'Investissement Immobilier Cotée (SIIC)*, respectively. That enables WDP to adopt the defensive REIT model for operations in its core markets[4]. As a consequence, WDP reaps the benefits of a number of attractive features of this form of investment.

As defensive investment vehicles, *Vastgoedbevaks/Sicafis* are subject to strict regulations designed to protect the shareholders and financiers. The *Vastgoedbevak/Sicafi* gives financiers and investors alike the opportunity to access a diversified property portfolio in a balanced, cost-effective and tax-transparent way.

By emphasising the creation of long-term cash flows, in conjunction with the high earnings distribution obligation, a *Vastgoedbevak/Sicafi* like WDP provides a full-fledged, profitable, liquid alternative to direct property. Due to the scale of the portfolio, WDP provides investors with immediate important economies of scale in specific regions as well as healthy diversification.

Operating as a *Vastgoedbevak/Sicafi, FBI* and *SIIC* in Belgium, the Netherlands and France respectively, internationally WDP can position itself consistently vis-à-vis its clients, suppliers, banks and investors.

4 Real Estate Investment Trust.

5

Management Report

1. Consolidated key figures

KEY FIGURES	2004	2005
OPERATIONAL		
Fair value of the investment property (including solar panels) (in million euros)	340.4	342.9
Total surface area (in m²) (including land in concession)	1,445,600	1,440,000
Gross lettable area (in m²)	718,901	701,483
Gross rental yield (including vacancies) [1] (in %)	9.1	8.9
Average lease term (until first break) [2] (in y)	N/B	N/B
Occupancy rate [3] (in %)	94.8	94.5
Operating margin [4] (in %)	90.4	90.8
RESULT (IN MILLION EUROS)		
Property result	26.6	26.8
Operating result (before result on the portfolio)	24.0	24.4
Financial result (excluding IAS 39 result)	-3.9	-4.2
Net current result	20.2	20.2
Result on the portfolio	2.8	8.2
IAS 39 result	0.0	0.6
Net result	23.0	28.9
FINANCIAL		
Balance sheet total (in million euros)	349.4	354.0
Shareholders' equity (including IAS 39 result) (in million euros)	226.8	227.8
Net financial debt (in million euros)	106.4	108.4
Debt and liabilities included in gearing (in million euros)	116.2	123.7
Gearing ratio [5] (in %)	33.3	34.9
Average cost of debt (in %)	N/B	N/B
Interest Coverage Ratio [6] (in x)	5.9	5.8
FIGURES PER SHARE (IN EUROS)		
Gross dividend	2.47	2.47
Net current result	2.56	2.56
Result on the portfolio	0.36	1.04
IAS 39 result	0.00	0.07
Net result	2.91	3.67
NAV (IFRS) [7]	27.8	28.8
NAV (EPRA)	28.8	26.4

1 Calculated by dividing the annualised gross (cash) rents by fair value. The fair value is the value of the property investments after deduction of transaction costs (mainly transfer tax).

2 Including the solar panels, which are included in the remaining weighted average term of the Green Energy Certificates.

3 Calculation based on the rental values for the leased properties and the non-leased surfaces, including the income from solar panels. Ongoing projects and / or renovations are not considered.

4 Operating margin is calculated by dividing the operating result (before result on the portfolio) by the property result.

Some figures are rounded up or down, so totals in some tables may not represent exact arithmetical totals of the figures preceding them.

	2006	2007	2008	2009	2010	2011	2012	2013
	429.6	616.6	777.8	883.7	889.2	989.4	1,163.1	**1,273.1**
	1,954,000	2,799,000	3,767,000	3,975,000	3,969,000	4,281,504	4,793,766	**4,849,454**
	804,768	952,819	1,123,754	1,302,670	1,356,407	1,659,621	2,018,150	**2,137,602**
	8.2	7.2	7.8	8.3	8.3	8.3	8.2	**8.2**
	N/B	N/B	N/B	N/B	6.1	7.2	7.2	**7.3**
	96.6	98.5	98.7	91.7	95.7	96.7	97.3	**97.4**
	88.9	91.8	90.1	92.4	91.8	91.7	91.3	**91.6**
	29.9	37.3	46.9	57.8	62.7	69.1	81.3	**89.7**
	26.6	34.2	42.2	53.4	57.5	63.3	74.3	**82.1**
	-4.3	-7.7	-12.8	-18.1	-18.5	-18.9	-21.3	**-22.2**
	22.3	26.2	28.7	34.0	39.0	44.3	52.1	**59.6**
	16.3	26.1	-15.7	-22.7	-4.2	2.7	1.7	**-0.7**
	3.5	0.8	-28.8	-10.9	-2.3	-17.3	-18.5	**20.8**
	42.0	53.2	-15.8	0.4	32.6	29.7	35.3	**79.7**
	457.2	663.5	802.7	916.1	922.4	1,018.9	1,196.4	**1,308.0**
	271.9	304.2	282.8	399.3	406.0	453.3	520.6	**576.7**
	159.9	313.5	475.8	492.8	499.2	547.0	658.1	**708.9**
	177.0	334.8	506.1	506.1	509.1	561.3	670.7	**725.9**
	38.7	50.5	63.0	55.3	55.2	55.1	56.1	**55.5**
	N/B	N/B	N/B	N/B	4.3	4.0	3.6	**3.6**
	5.9	4.5	3.0	2.5	2.9	3.1	3.4	**3.6**
	2.47	2.72	2.94	2.94	2.94	2.94	3.11	**3.25**
	2.75	3.05	3.34	3.14	3.11	3.42	3.67	**3.85**
	2.01	3.04	-1.83	-2.29	-0.33	0.21	0.12	**-0.05**
	0.43	0.10	-3.35	-1.01	-0.18	-1.34	-1.30	**1.35**
	5.18	6.19	-1.84	-0.21	2.60	2.29	2.49	**5.15**
	32.0	36.1	30.4	29.3	29.6	29.4	29.9	**32.8**
	31.5	35.5	33.2	32.0	32.5	33.4	34.6	**35.9**

5 For the calculation method used for the gearing, please refer to the *Vastgoedbevak/Sicafi* Royal Decree of 7 December 2010.

6 Defined as operating result (before result on the portfolio) divided by interest charges minus interest and dividends collection minus compensation for financial leasing and others.

7 NAV = Net asset value before profit distribution for the current financial year.

BUILT ON STRONG FUNDAMENTALS

> 95% Historical average occupancy rate

> 8% Consistently high portfolio yield (based on a long lease term)

< 10% Operating expenses as a % of revenues

< 4% Controlled cost of debt

55-60% Constant capital structure synchronizing debt and equity insurance

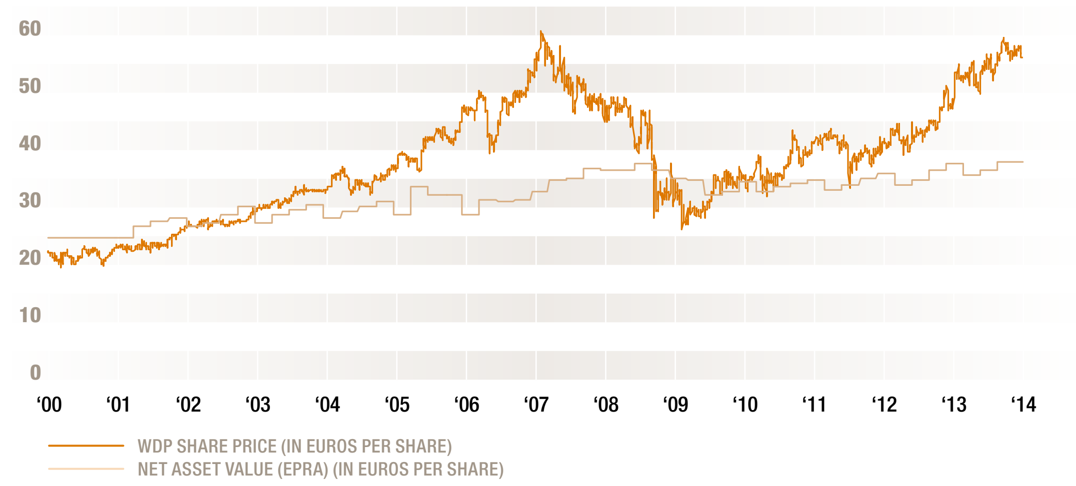
 # 35 Headcount – combining SME Spirit & *large cap* sophistication

EPRA KEY PERFORMANCE MEASURES *

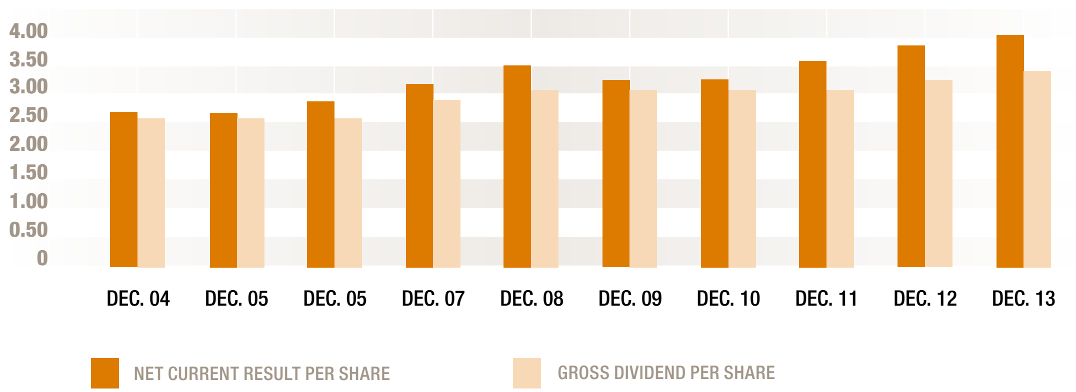
	2013	2012
EPRA result (in euros per share)	3.85	3.67
EPRA NAV (in euros per share)	35.9	34.6
EPRA NNNAV (in euros per share)	32.8	29.9
EPRA Net Initial Yield (in %)	7.5	7.4
EPRA Topped-up Net Initial Yield (in %)	7.5	7.4
EPRA vacancy rate (in %)	2.8	2.9
EPRA cost ratio (including direct vacancy costs) (in %)	9.2	9.3
EPRA cost ratio (excluding direct vacancy costs) (in %)	8.9	8.8

* Financial performance indicators calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. See also www.epra.com.

SHARE PRICE VERSUS NET ASSET VALUE (NAV)



HISTORICAL NET CURRENT RESULT AND GROSS DIVIDEND PER SHARE



2. Notes to the consolidated results for 2013

1. Summary

- The net current result per share[1] for 2013 rose by 5.0% to 3.85 euros compared with 3.67 euros in 2012. The net current result for 2013 was 59.6 million euros, a 14.4% increase compared with 2012 (52.1 million euros). This is in line with the expectations for 2013[2]. It also follows the pace in the growth plan for 2013-16.

- Proposed 4.6% increase in dividend to 3.25 euros gross or 2.44 euros net per share[3] with a repeat of the possibility of an optional dividend.

- Occupancy[4] at 31 December 2013 remained stable at 97.4%, compared with 97.3% at the end of 2012. The average term (until the first break option) of the leases in the WDP portfolio was 7.3 years (including solar panels).

- At 31 December 2013 the gearing ratio was 55.5% compared with 56.1% at 31 December 2012. The fair value of the portfolio[5] was 1,273.1 million euros, compared with 1,163.1 million euros at the end of 2012.

- NAV (EPRA)[6] of the WDP share at 31 December 2013 was 35.9 euros, compared with 34.6 euros at 31 December 2012.

- Investment volume of approximately 250 million euros[7] in accordance with the growth plan for 2013-16, through a combination of direct acquisitions, projects in progress and new projects. Over 40% of the targeted port-

1 Based on the weighted average number of outstanding shares of 15,460,354 during 2013.
2 See the press release of 13 February 2013, as well as the *2012 Annual financial report*.
3 After deduction of the withholding tax of 25%.
4 Calculation based on the rental values of leased properties and non-leased premises, including income from solar panels. Ongoing projects and / or renovations are not considered.
5 Portfolio value consists of investment property, investment properties under development with the prupose of being rented out, assets held for sale and the fair value of the solar panels. If the solar panels are not taken into account, the portfolio value is 1,196.2 million euros compared with 1,095.2 million euros at the end of 2012.
6 Financial performance indicators calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. See also www.epra.com.
7 In addition, WDP also has investment projects in various stages of negotiation to the value of approximately 25 million euros.

folio growth has already been identified after one year with this investment package.

→ For the 2014 financial year, WDP expects a further increase in net current result to 4.00 euros per share. With that in mind, the company expects to pay a dividend of 3.40 euros gross per share for the financial year 2014 (payable in 2015), another 5% increase compared with 2013.

2. Note to the consolidated profit and loss account 2013 (analytical schedule)

Property result

In 2013 the property result was 89.7 million euros – up 10.2% compared with the previous year (81.3 million euros). The rise is due in part to the continued growth of the portfolio in the Benelux and in part it is the consequence of internal growth due to consistently high occupancy and the indexation of the rental income. Based on an unchanged portfolio, the rental income increased by 1.5% over the past twelve months. A provision of 0.5 million euros was also set up in the fourth quarter of 2013 for bad debts. This result also includes 6.6 million euros in income from solar panels (compared with 6.3 million euros in the same period the previous year).

Operating results (before result on the portfolio)

In 2013 the operating result (before result on the portfolio) was 82.1 million euros – up 10.6% compared with the previous year (74.3 million euros). Property charges and other general expenses totalled 7.5 million euros for the full financial year – a rise of 0.5 million euros compared with 2012. WDP has otherwise managed to keep the costs under control, which means that the operating margin[8] for 2013 was 91.6% – comparable with 2012 (91.3%).

Financial result (excluding IAS 39 result)

The financial result (excluding IAS 39 result) was -22.2 million euros for 2013, an increase compared with the previous year (-21.3 million euros) including income from the assets in the Czech Republic, which were recognised as financial income in 2013 up to and including the effective sale on 20 June 2013. The total financial liabilities were 711 million euros at 31 December 2013, compared with 660 million euros at the beginning of the year. The average cost of debt remained stable in 2013 at 3.6%, compared with 3.6% in 2012.

Result on the portfolio

The result on the portfolio for the full financial year was -0.7 million euros or -0.05 euro per share[9]. For the same period in the previous year, this result was +1.7 million euros or +0.12 euros per share. The result by country for 2013 is as follows: Belgium (-1.6 million euros), the Netherlands (+2.5 million euros), France (-1.2 million euros), Czech Republic (+0.7 million euros) and Romania (-1.1 million euros).

8 The operating margin is calculated by dividing the operating result (before result on the portfolio) by the property result.
9 Based on the weighted average number of outstanding shares of 15,460,354 during 2013.

CONSOLIDATED RESULTS (IN EUROS X 1,000)	31 DEC. 13	31 DEC. 12
Rental income, net of rental-related expenses	83,032	75,384
Income from solar energy	6,561	6,275
Other operating income/costs	78	-324
PROPERTY RESULT	**89,669**	**81,335**
Property charges	-2,579	-2,149
General company expenses	-4,951	-4,914
OPERATING RESULT (BEFORE RESULT ON THE PORTFOLIO)	**82,139**	**74,273**
Financial result (excluding IAS 39 result)	-22,214	-21,312
Taxes on net current result	-40	-534
Deferred taxation on net current result	-330	-355
NET CURRENT RESULT	**59,554**	**52,072**
RESULT ON THE PORTFOLIO [1]		
Movement in the fair value of investment property (+/-)	-1,620	1,757
Result from sale of investment property (+/-)	651	101
Deferred taxation on portfolio result	252	-115
RESULT ON THE PORTFOLIO	**-717**	**1,742**
IAS 39 RESULT		
Revaluation of financial instruments (IAS 39 impact)	20,837	-18,488
IAS 39 RESULT	**20,837**	**-18,488**
NET RESULT	**79,674**	**35,326**

1 Result on the portfolio excludes the movement in the fair value of solar panels.
These are valued in accordance with IAS 16, under which such movement is directly recognised in shareholders' value

KEY RATIOS (IN EUROS)	31 DEC. 13	31 DEC. 12
Net current result (EPRA)/share [1]	3.85	3.67
Result on the portfolio/share [1]	-0.05	0.12
IAS 39 result/share [1]	1.35	-1.30
Net result (IFRS)/share [1]	5.15	2.49
Net current result/share [2]	3.70	3.45
PROPOSED DIVIDEND PAYOUT	**52,257,553**	**46,853,790**
Dividend payout ratio (versus net current result) [3]	87.7%	90.0%
Gross dividend/share	3.25	3.11
Net dividend/share	2.44	2.33
Number of shares outstanding at end of period	16,079,247	15,081,692
Weighted average number of shares	15,460,354	14,194,272

1 Calculation based on the weighted average number of shares.
2 Calculation based on the number of shares entitled to dividend.
3 The dividend payout ratio is calculated based on the consolidated result. Dividend is distributed on a statutory basis by WDP Comm. VA.

IAS 39 result[10]

The impact of the IAS 39 result was +20.8 million euros or +1.35 euros per share in the course of 2013 (versus -18.5 million euros or -1.30 euros per share in 2012). This positive impact is caused by movements in the fair value of the interest rate hedges (primarily Interest Rate Swaps) at 31 December 2013 as a result of the rise in the long-term interest rate in the course of 2013.

Movements in the fair value of these interest rate hedges are fully recognised in profit and loss rather than directly in shareholders' equity. Since this impact represents a non-cash, non-realised item, it is removed from the analytical representation of the results from the financial result and displayed separately in the profit and loss account.

Net result

Net current result combined with the result on the portfolio and the IAS 39 result add up to a net result for 2013 of 79.7 million euros (compared with 2012, when this was 35.3 million euros).

The difference between the net result of 79.7 million euros and the net current result of 59.6 million euros is attributable to the higher fair value of the interest rate hedging instruments (IAS 39 result).

3. Note to the consolidated balance sheet 2013

Property portfolio

According to independent property experts Stadim, Cushman & Wakefield, DTZ Zadelhoff and BNP Paribas Real Estate, the fair value[11] of WDP's property portfolio in accordance with IAS 40 was 1,196.2 million euros at 31 December 2013, compared with 1,095.2 million euros at the beginning of the financial year (including *Assets held for sale*). Along with the valuation at fair value of the investments in solar panels[12], the total portfolio value increased to 1,273.1 million euros, compared with 1,163.1 million euros at year-end 2012.

This 1,273.1 million euros includes 1,127.5 million euros in completed properties (standing portfolio). This rise is largely attributable to acquisitions, as well as the completion of the (100% pre-let) projects. The ongoing projects represent a value of 29.3 million euros with projects in Londerzeel (2) in Belgium on the one hand and Eindhoven, Schiphol Logistics Parc, Bleiswijk and Zwolle (2) in the Netherlands on the other. In addition, there are the land reserves, among other places, in Sint-Niklaas, Courcelles, Heppignies, Libercourt and the land bank in Romania at a fair value of 39.5 million euros.

10 The impact of IAS 39 is calculated based on the mark-to-market (M-t-M) value of the interest rate hedges contracted. Fluctuations in the fair value of the hedging instruments are a non-realised, non-cash item (if these products are held until maturity and are not settled prematurely).

11 For the exact valuation method, please see the BEAMA press release of 6 February 2006 at www.beama.be.

12 The solar panel investments are valued in accordance with IAS 16, in compliance with the revaluation model.

BALANCE SHEET (IN EUROS X 1,000)	31 DEC. 13	31 DEC. 12
FIXED ASSETS	**1,290,049**	**1,146,822**
Intangible assets	114	213
Investment properties	1,194,061	1,060,615
Other tangible fixed assets (including solar panels)	77,605	69,018
Financial fixed assets	11,466	11,396
Trade receivables and other non-current assets	6,802	5,580
CURRENT ASSETS	**17,973**	**49,604**
Assets held for sale	2,179	34,564
Trade debtors	3,613	5,550
Tax benefits and other current assets	6,990	5,300
Cash and cash equivalents	1,911	1,801
Other current liabilities	3,280	2,388
TOTAL ASSETS	**1,308,022**	**1,196,425**
SHAREHOLDERS' EQUITY	**527,080**	**450,181**
Capital	124,898	117,349
Premiums on issues	177,057	138,428
Reserves	145,451	159,078
Net result for the financial year	79,674	35,326
LIABILITIES	**780,942**	**746,244**
Non-current liabilities	587,616	554,473
Non-current financial liabilities	537,377	481,446
Other non-current financial liabilities	50,238	73,027
Current liabilities	193,327	191,771
Current financial liabilities	173,477	178,418
Other short-term commitments	19,849	13,353
TOTAL LIABILITIES	**1,308,022**	**1,196,425**

KEY RATIOS (IN EUROS)	31 DEC. 13	31 DEC. 12
NAV (IFRS)/share [1]	32.8	29.9
NAV (EPRA)/share [1,2]	35.9	34.6
NNNAV (EPRA) [2]	29.8	29.9
Share price	52.7	47.2
Premium/discount with regard to NAV (EPRA) [1,2]	46.7%	36.8%
Gearing ratio [3]	55.5%	56.1%

1 NAV: Net asset value before profit distribution for the current financial year
2 Financial performance indicators calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. See also www.epra.com. These data are not required by the *Vastgoedbevak/Sicafi* regulations and are not subject to auditing by government agencies.
3 For the calculation method used for the gearing, please see the *Vastgoedbevak/Sicafi* Royal Decree of 7 December 2010.

The investments in solar panels were valued at a fair value of 76.8 million euros at 31 December 2013. The solar panels are included on the balance sheet under *Other tangible fixed assets*.

Overall, the portfolio is now valued at the gross yield of 8.0% [13]. The gross yield after addition of the estimated market rental value for the non-leased parts was 8.2%.

Shareholders' equity

As at 31 December 2013, the company's shareholders' equity (IFRS) was 527.1 million euros compared with 450.2 million euros at year-end 2012. The shareholders' equity excluding the cumulated IAS 39 result (which is incorporated in shareholders' equity under IFRS) was 577.6 million euros at 31 December 2013 versus 520.7 million euros at the end of 2012. This increase is the result of the growth through profit generation during 2013, the distribution of dividend for the 2012 financial year, and the realised capital increases in 2013 following the optional dividend and the direct merger of two sites in Geel.

NAV per share

NAV (EPRA) per share was 35.9 euros at 31 December 2013. This is a rise of 1.3 euros compared with the net asset value of 34.6 euros at 31 December 2012. NAV (IFRS) per share was 32.8 euros at 31 December 2013 compared with 29.9 euros at 31 December 2012.

Debts

Total long-term and short-term financial liabilities in 2013 rose from 659.9 million euros at 31 December 2012 to 710.9 million at the end of December 2013. The debts and liabilities as included in the calculation of the gearing ratio in accordance with the *Vastgoedbevak/Sicafi* Royal Decree of 7 December 2010 rose from 670.7 million euros to 725.9 million euros. At the same time, the balance sheet total rose from 1,196.4 million euros to 1,308.0 million euros. As a result, the gearing ratio remained practically stable in 2013, at 55.5% at the end of December 2013 versus 56.1% at the end of December 2012.

13 Calculated by dividing annualised contractual gross (cash) rents by fair value. The fair value is the value of the investment property after deduction of transaction costs (mainly transfer tax).

3. Transactions and realisations

1. Introduction

In 2013 WDP was able to further consolidate its leading position on the Benelux market as specialised and fully integrated logistics property company.

A total package of new investments of approximately 250 million euros was announced, with a blend of acquisitions with immediate growth impact and new projects with medium-term impact. The core Benelux market is the location of the majority of these new investments, although the portfolio was also developed in Romania with the completion of a new building and two solar farms.

Compared with recent years the share of pre-let new-build projects increased, with the total volume of development projects in progress of approximately 120 million euros. The impact these projects will have on the result will be phased as the projects are handed over in 2014-15.

In autumn 2012, the strategic decision was taken in the autumn of 2012 to sell 100% of the shares in WDP's Czech subsidiary WDP CZ with closing at the end of June 2013. This transaction fits in with WDP's strategy of strengthening its position in the core markets in Western Europe, supplemented by the growing logistics market of Romania.

2. New acquisitions

Belgium

→ **Vilvoorde, Havendoklaan 18:**
in early June 2013 an existing logistics site of approximately 75,000 m² was acquired on the strategically located Cargovil industrial zone in Vilvoorde for a total investment value of approximately 46 million euros[1]. Annual rental income is approximately 3.7 million euros, which generates an initial gross yield of 8.0%. This site, which consists of thirteen halls on approximately 145,000 m² of land, is fully leased to Carrefour, for the logistics of its non-food activities. The contract is valid until the end of 2018 (with a break option for the tenant at the end of 2015). The Cargovil industrial zone is in an excellent location with good access. The neighbouring container terminal, canal, motorways and Brussels Airport strengthen the multimodal character of this location.

1 As part of the need for operational and administrative simplification, and pursuit of synergy within the WDP group, WDP merged with its fully owned subsidiary Eurologistic 1 Leasehold in early October 2013. The shares of this company were acquired in early June 2013 when the rights to this logistics site were acquired.

→ **Asse (Kobbegem), Breker 41:** in early September 2013 WDP acquired 100% of the shares of Breker Immo NV, which owns a property of over 12,000 m², which is fully rented out to Axus (ALD Automotive) until the end of 2020 (with break option in 2017). This site was acquired for 4.6 million euros and generates an initial gross yield of 9.0%.

→ **Geel, Hagelberg 12-14:** in early December 2013 WDP acquired two sites in Geel-ENA23[2], one of which is equipped with a PV system[3], with a total lettable area of 30,000 m² for a total price of 24.4 million euros. The two sites and the PV system were acquired by means of a direct merger with three companies, with payment by issue of new WDP shares. This transaction led to a capital increase of approximately 21 million euros. Both sites are located on Belgium's second strategic industrial axis, Antwerp-Limburg, which means that they offer further diversification of the existing WDP portfolio. The acquired assets generate a total annualised revenue flow of 2.1 million euros (including revenue from solar energy). The sites are fully leased for an average remaining contractual term (until the first cancellation possibility) of at least six years. The 10,000 m² warehouse is leased to Distri-Log, which has been a WDP partner at several sites for some time already. The 20,000 m² premises with PV system are used by Flamingo, an international company in the pet sector.

→ **Vilvoorde, Havendoklaan:** land potential of approximately 15,000 m², with an investment value of approximately 1 million euros. At this site, WDP can develop a project offering approximately 7,000 m² on the basis of the pre-lettings.

2 Albert Canal Economic Network (ENA).
3 Photovoltaic or solar panel installation.

Netherlands

→ **Alphen aan den Rijn, Onnesweg 3:** in late May 2013 WDP acquired a small available property of approximately 3,700 m² on the industrial zone in Alphen aan den Rijn (where WDP already owns two premises) for 1.6 million euros. WDP is currently working on commercialising the property.

→ **Zaltbommel, Heksekamp 7-9:** a new distribution centre of more than 10,300 m², fully leased out (for a fixed term of nine years) to Oriental Merchant, market leader in the import and distribution of Asian food. The premises were acquired in early July 2013 from Certitudo which, together with WDP is looking into developing the adjacent site. 7.6 million euros was invested, while the expected yield is approximately 8%.

→ **Barneveld, Nijverheidsweg 50:** after completion of the turnkey new-build project, WDP added this site to its portfolio in early July 2013 at an investment value of 3.6 million euros. The first phase of this new-build project was handed over at the end of 2012. The site covers an area of more than 34,000 m². A Pon subsidiary leases these properties for a fixed term of fifteen years. The total surface area of the premises is over 30,000 m². The whole site generates a gross yield of approximately 8%.

→ **Venray, Newtonstraat 8:** in early August 2013 WDP acquired a completely new BREEAM-certified logistics site of more than 19,000 m² in Venray, leased for a fixed term of fifteen years, from a property company in the Netherlands for 9.1 million euros, which corresponds to an initial gross yield of approximately 8%. The site is fully leased out to Sligro Food Group, a company listed on Euronext Amsterdam.

All these acquisitions were made at prices in line with the fair value as determined in the appraisal reports issued by independent property experts.

3. Projects completed in 2013

As announced, WDP was able to complete a number of pre-let projects in Belgium, along with a new-build warehouse in Romania. The gross yield of these completed projects is at least 8% for a total investment by WDP of approximately 15 million euros.

Belgium

→ **Londerzeel, Nijverheidsstraat 15:**
a light renovation into an industrial complex suited to the needs of Crown-Baele was completed at the end of the first quarter of 2013. Crown-Baele has signed a nine-year lease.

→ **Bornem, Rijksweg 19:**
the vacant office space together with a cooled warehouse space on the ground floor was completed for Davigel at the end of June 2013.

→ **Aalst, Tragel 47:**
an additional 3,000 m^2 was added to the existing Tech Data site in the third quarter of 2013, facilitating the continued activities and growth of the group at this site. The lease was also renewed for nine years (break possible after three years), confirming a long and successful partnership.

→ **Nivelles, rue Buisson aux Loups 8-10:**
a 4,000 m^2 cross-dock warehouse specially designed for tenant GLS was completed in the fourth quarter of 2013. GLS signed a fixed nine-year lease on the premises.

→ **Zwijndrecht, Vitshoekstraat 12:**
an expansion potential of 20,000 m^2 was completed in the fourth quarter of 2013 for Van Moer Group in the port of Antwerp between Kennedy tunnel and Liefkenshoek tunnel. Van Moer Group signed a fixed fifteen-year lease on the site.

Romania

→ **Brasov:**
after WDP, through WDP Development RO[4], had signed a ten-year lease with Inter Cars SA, part of a Polish group and a major player in the distribution of car and truck parts in eastern Europe, a 5,000 m^2 warehouse was built on the available land in Brasov (completed at the end of Q4 2013), the roof of which is fitted with solar panels.

4. Investment properties under development for own account with the purpose of being rented out

Belgium

→ **Londerzeel, Weversstraat 2:**
after the demolition and remediation of the site, the development was started on a tailor-made TAPA[5]-certified warehouse of 14,500 m^2, in a high-visibility location along the A12 motorway, for Colfridis. Completion is scheduled for the first quarter of 2014, at which time a lease of six to nine years will come into effect. The investment is estimated at approximately 6 million euros.

4 WDP Development RO, a 51-49 joint venture with entrepreneur and Romania expert Jeroen Biermans.
5 TAPA stands for Technology Asset Protection Association. The TAPA certificate is a recognised standard for freight protection that gives an organisation peace of mind that fixed requirements are fulfilled to ensure a secure network and secure storage of valuable goods.

→ **Londerzeel, Nijverheidsstraat 13:** redevelopment to create a state-of-the-art deep-freeze warehouse of approximately 14,500 m² with space for 20,000 pallets for Lantmännen Unibake, an international bakery group, based on a 20-year lease with completion scheduled for the third quarter of 2015. The investment is estimated at approximately 18 million euros.

Netherlands

→ **Zwolle, Lippestraat 15:** expansion project worth 1.8 million euros at an existing site for tenant Kuehne + Nagel, which has also extended the lease for the whole site of over 20,000 m² by five years until 2019. Completion is expected in the first quarter of 2014.

→ **Eindhoven, Park Forum 1029**: WDP will complete a turnkey project at Park Forum West in Eindhoven for tenant Brocacef comprising a hall with offices of over 8,000 m² in total. Completion is expected in the third quarter of 2014. The total investment value of the project is 10 million euros.

→ **Bleiswijk, Spectrumlaan 7-9**: a warehouse with offices of over 10,000 m² for MRC Transmark, a supplier to the oil and gas industry, based on a ten-year lease commencing in the fourth quarter of 2014. The investment value is approximately 8 million euros.

→ **Zwolle, Pommerenstraat 4A:** a new BREEAM-certified e-commerce warehouse (expected score: Very Good) with a surface area of approximately 35,000 m², fully tailored to the needs of wehkamp.nl, the biggest online store in the Netherlands. The partnership is based on a 15-year fixed lease, commencing as soon as the entire distribution centre is operational (from autumn 2015). The project demands an investment by WDP of approximately 30 million euros for phase I of the project. Tenant wehkamp.nl will also invest 70 million euros in the design of the building. [6]

→ a new project will also be launched in the Netherlands with an investment budget of approximately 30 million euros. WDP will provide further details when this project has been finalised.

WDP expects these ongoing projects to generate an initial gross yield of approximately 8%.

5. Future potential

WDP has also applied for building permits for a number of projects within its own portfolio so that work can start as soon as the economic conditions are right or the site in question is pre-let.

Belgium

→ **Ghent, Vasco Da Gamalaan:** WDP plans the development of a European logistics platform at Kluizendok in partnership with the Port of Ghent. As well as it location, WDPort of Ghent Logistic Park boasts a number of exceptional and unique multimodal assets in Flanders, bearing in mind the combination of sea and inland shipping, rail connections, container terminal and road links. WDP provides for phased development up to approximately 180,000 m² on a 30-ha site commencing in mid 2014, based on pre-lettings.

6 See the press release of 4 November 2013.

- **Heppignies (Fleurus), rue de Capilône 1:** WDP acquired 16 ha of land close to Charleroi airport for 2.3 million euros at the end of 2011. The site is very strategically located, in the heart of the economic activity around the airport, near a junction of motorways. Once the remediation work has been completed, work can start on building a logistics park of over 80,000 m² based on the leasing opportunities.

- **Liège, Trilogiport:** WDP holds a concession at Trilogiport Liège, a trimodal logistics hub in Liège where 50,000 m² of land can be developed once the infrastructure has been completed.

- **Meerhout, Nikelaan 1:** WDP is working on the further development of the trimodal terminal in Meerhout together with BCTN. The strategic site, which is visible from the E313, is in the immediate vicinity of Belgium's biggest inland container terminal, with an excellent rail connection and water access through the Albert Canal. WDP plans the development of a warehouse of approximately 23,000 m² tailored to the needs of the client, based on pre-letting.

- **Sint-Niklaas, Prins Boudewijnlaan:** a 16,000 m² project on a site of approximately 28,000 m² at a prime location by the E17.

- **Courcelles, rue de Liège 6 (phase II):** available plot for a third phase, i.e. a building of an additional 10,000 m² of storage space.

- **Nivelles, rue Buisson aux Loups 8-10:** available plot for a final phase, i.e. a building of an additional 6,000 m² of storage space.

France

- **Lille (Libercourt), Zone Industrielle – Le Parc à Stock (phase II)**: construction of 24,000 m² of additional storage space, which would bring the total area of the project to 60,000 m².

Romania

There is still a great deal of potential in Romania besides the two completed pre-let projects in Oarja and Brasov. WDP will continue to focus on building pre-let properties through WDP Development RO, a 51-49% joint venture with entrepreneur and Romania expert Jeroen Biermans.

6. Leases

In 2013 the following leases were signed at market rates.

Belgium

- **Boom, Langelei 114-120, Industrieweg 1:** arcese, which already leased approximately 7,000 m² at this location, expanded its activities to the full available space, around 11,000 m².

- **Boortmeerbeek, Industrieweg 16:** since July 2013 VAB has leased a car park of over 10,000 m² together with a warehouse with offices with a surface area of approximately 3,800 m² based on a 3-6-9 lease.

- **Vilvoorde, Havendoklaan 13:** in October 2013 Mikropakket (part of post.nl) moved into the available 3,150 m² based on a 3-6-9 lease.

→ **Zele, Lindestraat 17:**
last summer, WDP welcomed tenant Brady. Brady leases over 9,000 m^2 on the basis of a growth scenario. Brady is working towards the consolidation of all its European distribution centres.

In 2013 WDP was again able to provide temporary flexible premises to a number of tenants. Temporary leases were signed by Eurobrokers and Ceges in Londerzeel (Nijverheidsstraat 13), Colfridis and DHL in Willebroek (Victor Dumonlaan 4) and Promat in Puurs (Lichterstraat 31). These flexible quick-fix solutions are possible because of the variety of properties at various strategic locations WDP is able to offer.

France

→ **Roncq, avenue de l'Europe 17:**
DB Schenker signed a 3-6-9 lease in December 2013 on more than 6,100 m^2, half the available floor space at this location.

WDP was able to maintain the high occupancy rate (97.3% at the end of 2012). On 31 December 2013 portfolio occupancy was 97.4%.

7. Disposals

→ **Nivelles, rue Buisson aux Loups 8-10**:
a 22,000 m^2 site was sold to GLS for approximately 2 million euros within the framework of a combination project (see also *5.3.3. Projects completed in 2013*).

→ **WDP CZ**:
the sale of 100% of the shares of Czech subsidiary WDP CZ was closed at the end of June 2013. The transaction covered the full value of the Czech property portfolio of approximately 25 million euros.

→ **Aalst, Tragel/Denderstraat/ Dendermondsesteenweg:**
as announced, WDP sold three sites in Aalst to the City of Aalst in early December 2013 within the framework of an urban redevelopment project, for a total amount of 8.5 million euros.

WDP does not have an active disposal programme. Small, non-strategic properties are occasionally sold if there is a demand from property investors and if it helps to optimise the portfolio. However, the sale of WDP CZ, initiated in 2012, fits in with WDP's strategy of strengthening its position in its core markets in Western Europe, supplemented by the growing logistics market of Romania.

Consequently, an amount of 2.2 million euros is recognised on the balance sheet as *Assets held for sale*. This concerns a piece of land in Wieze and a site in Boom. These will be sold in 2014.

All these properties were or will be sold at prices that reflect the fair value as determined in the appraisal reports issued by independent property experts.

Win-win for all stakeholders

Within the framework of its sustainable property management activities, it is important to WDP that all parties win, meaning - evidently - the environment, the customer and WDP as the owner of the property. Within the current economic situation, where saving costs is an important goal, sustainable measures can help reduce the tenant's energy bill in the current economic situation, where saving costs is an important goal. The reduced energy consumption by a low-energy lighting system, for instance, results in a reduced carbon footprint for the customer and within the WDP property portfolio. WDP is currently working on replacing the existing mercury lamps with lower-energy T5 lighting in Libercourt, France for tenant ID Logistics, an investment of 190,000 euros for WDP that adds value to the building as it lowers the total cost of ownership. For ID Logistics, tenant of the warehouse, the operation generates an immediately tangible reduction in the energy bill of approximately 33%, which translates as an annual saving of around two euros per square metre. That means the investment will be earned back in three years.

8. Renewable energy projects and sustainable warehouses

WDP's ambition to evolve towards carbon neutrality was reinforced in 2013 with the completion of two solar farms at existing WDP sites in Sarulesti and Fundulea in Romania. The installed power is 6.0 MWp[7] and 7.4 MWp respectively.

After the first solar panel project on the roofs of the recent new-build projects in Oarja and Brasov, these two new green energy projects are the next step in the continued expansion of WDP Development RO's portfolio.

After delivery of the two solar farms in Romania, WDP reached a total installed power of approximately 30 MWp of green energy through solar panels installed at more than thirty sites in Belgium[8] and Romania[9]. This includes the acquired PV system with a total installed power of 0.9 MWp in Gee (see also *2. New acquisitions*).

WDP is committed to extending its lead in sustainable construction of logistics property and continues to pursue carbon neutrality within the portfolio in the medium term. The company is exploring various opportunities for expanding this sustainable project, considering wind and other renewable energy sources in addition to solar.

Such sustainable measures are not only implemented in the new-build warehouses. It remains important to invest in existing portfolio properties too. With this in mind, at the sites at Libercourt (Zone Industrielle –

7 The power rating of a solar panel system is expressed in Megawatt peak (MWp).
8 Subsidies for newly installed solar panels were ended on 1 February 2014. Nothing has changed with regard to existing PV systems.
9 Based on 100% of the investment.

SITE	BUILT SURFACE (IN M²)	QUALIFICATION
Willebroek (B), Koningin Astridlaan 14	26,872	Good [1]
Willebroek (B), Koningin Astridlaan 16	26,778	Very Good [1]
Nieuwegein (NL), Inundatiedok 14	43,486	Good
Nijmegen (NL), Bijsterhuizen 2404	14,396	Very Good [2]
Tilburg (NL), Siriusstraat 7-9	17,271	Good
Helmond (NL), Sojadijk 2	13,270	Good
Haarlemmermeer (NL), Incheonweg 7	12,409	Very Good
Venray (NL), Newtonstraat 8	30,141	Good [3]
TOTAL	**184,623**	

1 *BREAAM In-Use*, applicable to existing operational buildings
2 The first logistics building to earn the *Very Good* qualification in Western Europe.
3 Provisional BREEAM based on building plans.

Le Parc à Stock 59, part-leased to ID Logistics), Nivelles (rue de l'Industrie 30), Zaltbommel (Heksekamp 7-9), Venray (Newtonstraat 8) and Bornem (Rijksweg 19), the existing light fittings have been replaced by a more sustainable variant, which reduces the cost of use for the tenant.

However, WDP's goals reach far beyond the energy and environmental performance of the buildings. A number of properties have earned the international BREEAM sustainability certificate in recent years. WDP has also targeted a BREEAM certificate for two new projects in progress in the Netherlands, including Zwolle (Pommerenstraat 4A) and Schiphol Logistics Parc (Incheonweg 7). (see also *4. Investment properties under development for own account with the purpose of being rented out* and *9. Significant events after the balance sheet date*).

9. Significant events after the balance sheet date

The Netherlands

An agreement was signed for the purchase of a 18,000 m² warehouse with expansion possibilities in Zwolle (Mindestraat 7), the Netherlands in the autumn of 2013. The property is leased to the current tenant Altrex for ten years. The investment of approximately 14 million euros generates an initial gross yield of approximately 9%. This transaction was completed in early January 2014.

WDP will complete a second project in the Schiphol Logistics Park (Incheonweg 7) at the strategic niche location of Schiphol. With over 14,000 m², the project is expected to be completed in the fourth quarter of 2014. The project will be BREEAM-certified with an expected Very Good score. WDP is currently finalising a lease with a company that wishes to centralise various activities there as well as setting up its main office on the site. The total investment in the first phase is approximately 16 million euros.

In mid-February 2014, a nine-year lease was signed by WDP and Montea with Caterpillar Distribution Services Europe, commencing on 1 January 2015, for the jointly held site in Grimbergen. This enables the proactive re-letting of the site before the current tenant DHL vacates the site (scheduled for the end of March 2014). WDP and Montea will partially redevelop and expand the site in Grimbergen [10] in consultation with Caterpillar Distribution Services Europe, to create a strategic logistics hub with approximately 60,000 m² of warehouse space and offices.

10 The site in Grimbergen is jointly held with another *Vastgoedbevak/Sicafi*, Montea Comm.VA, based on a 50-50 split. As a result, WDP Comm. VA is co-owner of the site.

4. Management of financial resources

1. Financing policy

WDP group's financing policy is designed to ensure that the company is well funded with a balanced mix of debt and equity, and that there are sufficient resources available to complete current projects and seize any potential opportunities that may arise.

The main objectives in this context are as follows:

- proactive management of the capital structure;
- a good balance between equity and debt;
- Good diversification of the various financing sources;
- a good spread of the maturity dates of the liabilities;

KEY FINANCIAL DATA

	31 DEC. 13	31 DEC. 12
Net financial debt (in million euros)	708.9	658.1
Debt and liabilities included in the gearing ratio (in million euros)	725.9	670.7
Balance sheet total (in million euros)	1,308	1,196
Gearing ratio [1] (in %)	55.5	56.1
Interest Coverage Ratio [2] (in x)	3.6	3.4
Average cost of debt (in %)	3.64	3.63
Average remaining term of outstanding debts (in y)	3.0	2.7
Average remaining term of long-term credit facilities (in y)	3.4	3.6
Hedge ratio [3] (in %)	78	78
Average remaining term of interest rate hedges [4] (in y)	5.7	5.8

1 See the *Vastgoedbevak/Sicafi* Royal Decree of 7 December 2010 for the calculation method used for the gearing.
2 Defined as operating result (before result on the portfolio) divided by interest charges minus interest and dividends collected minus compensation for financial leasing and other. This ratio indicates the extent to which the company is able to meet its annual interest payments.
3 Percentage of the debt at fixed rate or hedged against interest rate fluctuations by means of derivative financial instruments.
4 Remaining term of interest rate hedges entered into to hedge the debt against interest rate fluctuations.

- maintenance of a satisfactory liquidity position;
- maintenance of sustainable long-term relationships with all financing partners;
- active management of financial risks, including interest rate risks, liquidity risks and counterparty risks.

WDP has a competitive edge when looking for appropriate sources of financing due to the scale at which it manages its business operations, the stringent regulations with which *Vastgoedbevaks/Sicafis* must comply and the high level of rent flow transparency. This is exceptionally important in the ever-evolving financing environment, in which high creditworthiness and diversification are key.

2. Debt structure

Gearing ratio

The use of debt is restricted by law under the *Vastgoedbevak/Sicafi* Royal Decree of 7 December 2010. For example, the maximum gearing ratio is set at 65% (at both consolidated and statutory level) and distribution to shareholders is not possible if this exceeds the legal limit, as the resources must be used to reduce the gearing ratio below 65% in that case. Debts are used to maximise shareholder return, but must be used prudently, taking into account a set of factors, such as access to refinancing capital, the capacity to bear interest charges, the quality of the portfolio, the term of the leases and the share of self-financed investment property under development for leasing. WDP prefers a financial policy based on a gearing ratio between 55% and 60%. At year-end 2013, the consolidated gearing was 55.5%, which was practically stable compared with 56.1% at year-end 2012.[1]

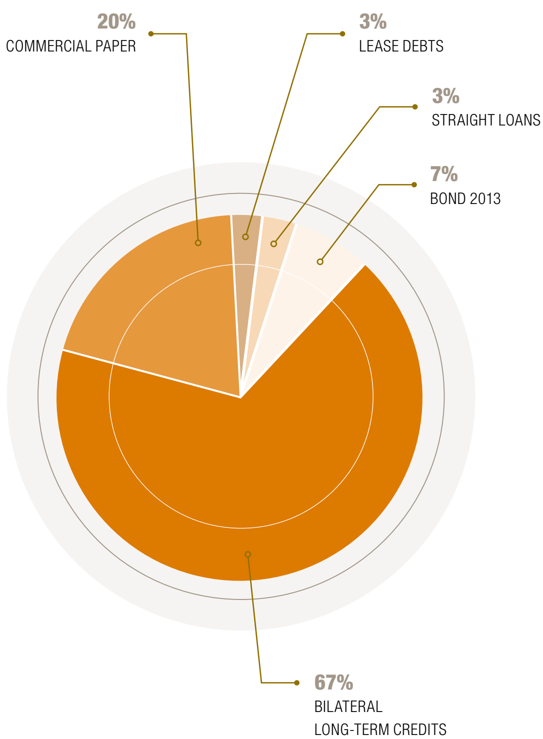
1 See also Note *XXI. Calculation of the gearing and notes regarding changes in gearing* on page 214 for the application of Article 54 of the *Vastgoedbevak/Sicafi* Royal Decree.

Breakdown

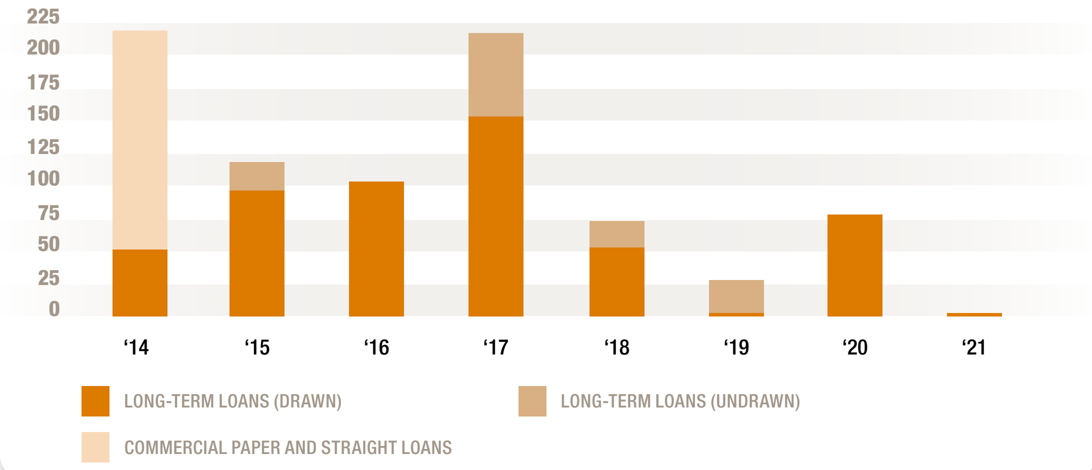
At 31 December 2013 the total consolidated financial debt was 710.9 million euros. This amount is broken down as follows:

- 474.0 million euros in traditional bilateral medium and long-term bank loans, spread over nine banks;
- 145.3 million euros in commercial paper;
- 49.6 million euros in a bond loan;
- 22.4 million euros in straight loans;
- 19.6 million euros in lease debts.

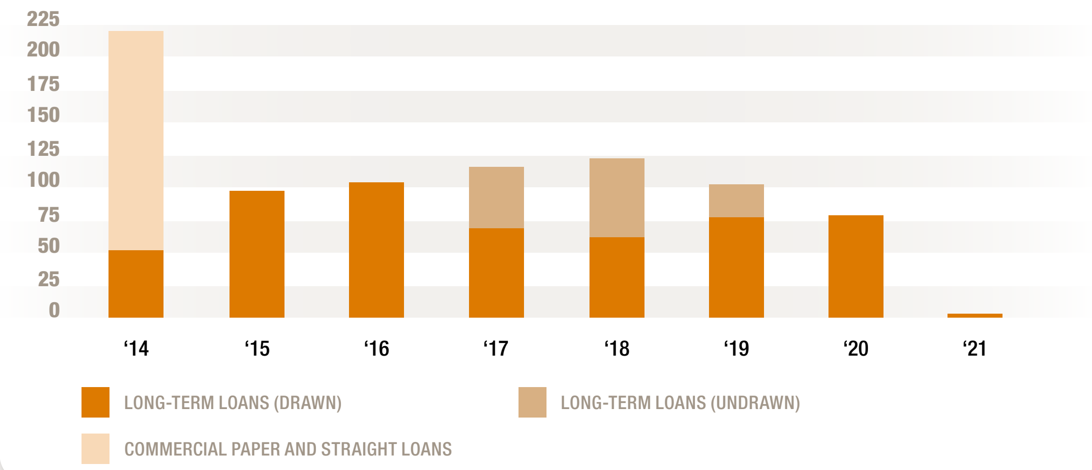
As part of its bank debt policy, WDP aims to work mainly with local bankers in those countries in which it operates.



DEBT MATURITY DATES (MINIMUM TERM) [1]



DEBT MATURITY DATES (MAXIMUM TERM) [1]



1 For some loans, the lender may decide to extend the loan through an extension option. For the minimum term, it is assumed that this extension option would not be exercised; for the maximum term, the assumption is that it would be exercised each time.

The basic financing is provided mainly by traditional big Belgian banks (BNP Paribas Fortis, ING Bank, Belfius Bank and KBC Bank), in addition to financing provided by Banque LBLux, Triodos Bank and Monte Paschi. In the Netherlands, WDP works with ABN AMRO. In Romania, the company has access to a financing package provided by the EIB (European Investment Bank).

The commercial paper is fully covered by the backup lines and unused credit facilities that serve as a guarantee for refinancing if the full placement or extension of the commercial paper proves impossible.

Maturity dates

The bulk of debt instruments applied are bullet instruments, which means that interest charges are payable on the principal drawn down during the term and the capital must be fully repaid on the final maturity date. 24% of debts are short-term debts (mainly straight loans and commercial paper), while 61% have a term of more than one year and 14% expire after more than five years. With regard to the maturity dates of the long-term debts in 2014, half of these respective credit facilities have already been extended proactively. The other half is covered by the available unused credit facilities.

The weighted average term of WDP's outstanding debts at 31 December 2013 was 3.0 years[2]. If only total drawn and undrawn long-term credit facilities are included, the weighted average term is 3.4 years[3]. At year-end 2013, this was 2.7 years and 3.6 years respectively.

At 31 December 2013, the total amount in undrawn and confirmed long-term credit facilities was 130 million euros[4]. In addition, there are available short-term credit facilities to finance the dividend, the working capital, the prefinancing of projects and to cover the commercial paper programme.

The graphs above show the maturity dates of the loans. WDP intends to spread debt as evenly as possible over time, which also involves finding a balance between term, cost, and diversification of the debt instruments used. As the lender for some loans can exercise an extension option, the graphs above take into account the minimum and maximum term of the loans. With regard to the maximum term, it was assumed that extension options were always exercised by the bank. A total of 217,5 million euros in debt will reach maturity in 2014, 145,3 million euros of which is related to the commercial paper, which by definition has a term up until one year. As noted before, this commercial paper is fully covered by available, unused credit facilities if they cannot be placed with investors in whole or in part.

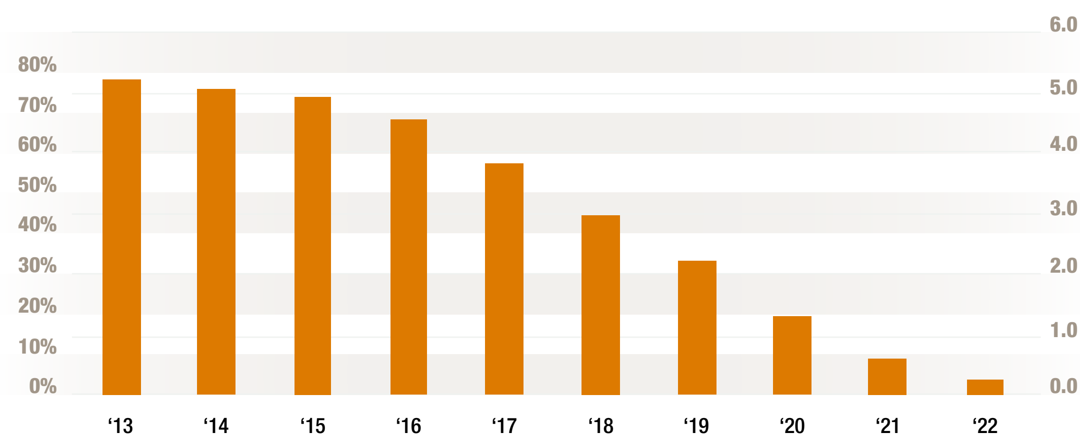
---

2 Including short-term debts: these mainly consist of the commercial paper programme, which is fully covered by backup facilities that are renewed annually.

3 This includes the new financing transactions completed after the balance sheet date and prior to the publication of the 2013 financial statements. For some loans, the lender may decide to extend the loan through an extension option. If this option was to be exercised each time, the weighted average term of the long-term loans would be 4.2 years.

4 Excluding the credit facility at the European Investment Bank to finance pre-let projects in Romania and including the new credits at ING and LBLux (see *4. Implementation of the financing strategy during 2013*).

EVOLUTION IN HEDGE RATIO



Hedges

The goal of WDP’s risk policy with regard to interest rates is to offset fluctuations in interest rates as much as possible and optimise the cost of the debts. This occurs on the basis of a centralised macro hedging policy in which interest rate derivatives are only used to hedge financial debts. On 31 December 2013 the financial debt at fixed and floating interest rates hedged primarily with Interest Rate Swaps (IRSs) was 555 million euros, with a weighted average term of 5.7 years, which entails a hedging ratio of 78% [5]. Based on a constant debt level, this hedging ratio will drop to 68% in 2016 and to 45% in 2018. However, WDP’s result continues to be subject to fluctuations (see page 214 for a detailed list of financial derivatives and page 75 for a sensitivity analysis of short-term interest rates).

WDP's weighted average cost of debt for the financial year 2013 was 3.6%, including credit margins, the reservation commission on unused credit facilities and the cost of hedging instruments. The average cost of debt in 2012 was 3.6% as well.

WDP endeavours to guarantee asset-liability matching as far as possible. From that perspective its portfolio generates a gross return of around 8%, based on very high visibility with an average lease term of 7.3 years. 55-60% of this is financed by debts, the current cost of which is less than 4% with a very high hedge ratio with long-term hedging instruments (on average 5.7 years). This high margin between return and cost creates a satisfactory basis for meeting the financial charges, which is expressed in an Interest Coverage Ratio of 3.6x. The transparency of revenues and charges also results in a more robust income stream.

5 For its hedging strategy, WDP implicitly assumed, for the long term of the existing interest rate hedges, that the absolute level of the outstanding liabilities would be maintained. See also *1. Risk factors* on page 3 and Note *XIV. Financial instruments* on page 204.

3. Covenants and securities

The contractual provisions of the credit facilities generally stipulate that WDP remains qualified as a *Vastgoedbevak/Sicafi* in Belgium and as a *Fiscale Beleggingsinstelling (FBI)* in the Netherlands for the financing of WDP Nederland NV, that there is a minimum Interest Coverage Ratio of 1.5x[6] and that the value of speculative development projects must not exceed 15% of the book value of the portfolio. WDP confirms that all these conditions were satisfied during the whole of the 2013 financial year. The Interest Coverage Ratio was 3.6x, while the percentage for speculative developments at year-end 2013 was 0%.

6 For three minor loans there is a minimal Interest Coverage Ratio of 2.0x. See also Note *XXV. Rights and obligations not included in the balance sheet* on page 218.

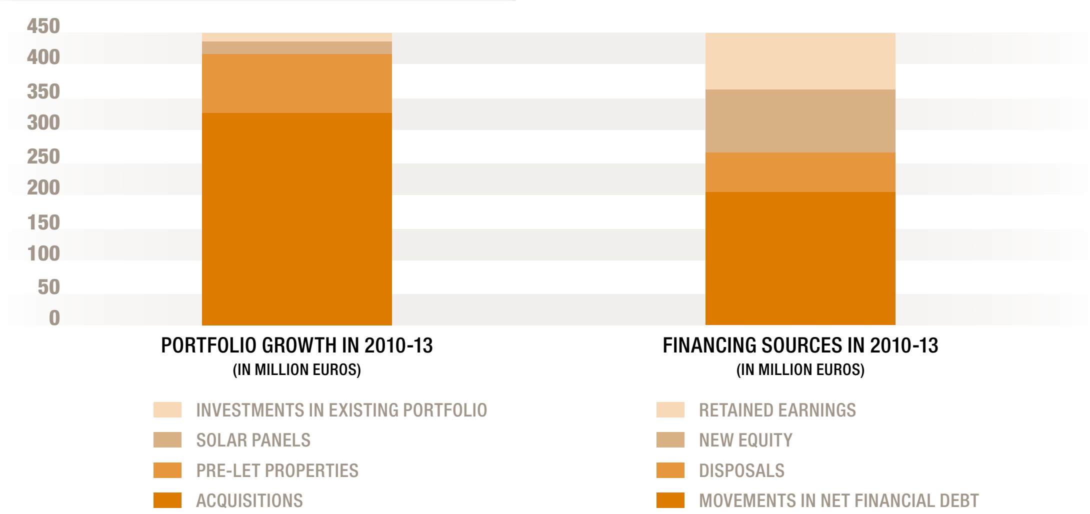
WDP's financing policy is also aimed at not providing any mortgages or any other securities to creditors, with the exception of those stated on page 218.

4. Implementation of the financing strategy during 2013

Financing policy in 2013

In 2013 a significant investment volume was realized of approximately 115 million euros (approximately 150 million euros in gross investments less approximately 35 million euros in completed sales). An appropriate financing strategy was developed in advance in order to be able to comply with the investment obligations and to maintain the company's solid capital structure.

FINANCING SOURCES DURING 2010-13



Approximately 60 million euros of the approximately 115 million euros net capital expenditure was financed through new equity (through the optional dividend, the capital increase resulting from the direct mergers for the acquisition of the sites in Geel and the retained earnings) and the balance through new debts.

As such, as in previous years WDP was able to apply a balanced mix of financing sources and maintain growth, while retaining a solid balance sheet structure. For example, in the period 2010-13 approximately 450 million euros gross was invested and the gearing ratio remained at around 55%.

The maturity dates of the loans in 2014 were also anticipated, where possible, and a buffer of unused credit facilities was maintained.

In 2013 the company boosted its financial resources as follows (in chronological order):

- **Private placement of bonds.**
  In mid March 2013 WDP completed a successful private placement of bonds totalling 50 million euros maturing in 2020 with an annual gross yield of 3.82%. The net revenues of this issue support WDP in the implementation of its recently announced growth plan for 2013-16 and the diversification of its financing sources. They also extend the average term of the debts.

- **Optional dividend of 25 million euros.**
  Shareholders representing approximately 72% of WDP's shares opted to contribute their dividend rights in exchange for new shares in lieu of a cash dividend. This resulted in a capital increase of 25.4 million euros through the creation of 573,596 new shares at an issue price of 44.27 euros.

- **Increase of the Belfius loan package.**
  The partnership with Belfius was reinforced by 10 million euros to support the company's further growth.

- **Granting of a new loan of 15 million euros by Triodos Bank.**
  To finance the sustainable project in Zwolle , WDP reinforced the partnership with Triodos Bank, which specifically provides financing for sustainable projects. The bilateral bullet investment loan with a remaining term of five years was increased to 15 million euros.

- **Purchase of two sites in Geel-ENA23.**
  In early December 2013 the Extraordinary General Meeting of Shareholders approved the acquisition through a direct merger of three companies at two sites in Geel, one of which is equipped with a PV system, with a total lettable surface area of 30,000 m² for a total of 24.4 million euros. This transaction has led to a capital increase for WDP of approximately 21 million euros and the issue of 423,959 new WDP shares at an issue price (rounded off) of 50.09 euros per share.

---

7 See also *5.3.4. Management report - Transactions and realisations - Investment properties under development for own account with the purpose of being rented out* on page 44.

Additionally, in late January 2014, after the financial year 2013 was closed, the company was able to complete the following key financing transaction:

→ **Extension of credit lines at ING Bank totalling 60 million euros.**
WDP was able to agree the extension and amalgamation of two credit lines at ING. Two existing loans, a bullet loan of 25 million euros maturing in August 2014 and a fixed-rate loan of 15 million euros maturing at the end of 2020, amalgamated and were enlarged by 20 million euros to produce a total package of 60 million euros, comprising two bullet loans of 40 million euros and 20 million euros with respective terms of four and six years.

→ **Extension of credit line at ABN AMRO totalling 25 million euros.**
An existing bullet loan of 25 million euros from ABN AMRO, maturing in April 2014, was extended by 2+2 years. The two-year extension was also implemented for the other bullet loan of 75 million euros maturing in April 2015.

→ **Partnership with LBLux reinforced by 25 million euros.**
The partnership with LBLux was increased to 50 million euros by the granting of a new credit facility of 25 million euros with a term of five years to support WDP's continued growth.

Financial risks

WDP continued to closely monitor the potential impact of the financial risks in 2013 and implemented the necessary measures to manage these risks. These risks include counterparty risk (insolvency or credit risk affecting financial partners), liquidity risk (non-availability of funding or very expensive funding options) and risks related to interest, budget, covenants and exchange rates.

For a detailed overview of financial and other risks, their mitigating factors and management, see *1. Risk Factors* on page 3.

5. EPRA stats

EPRA key performance indicators

The rules pertaining to *Vastgoedbevaks/Sicafis* do not impose any obligation to publish these data, which are not verified by public authorities.

The Auditor has checked whether the *EPRA Earnings, EPRA NAV and EPRA NNAV ratios* have been calculated in accordance with the definitions in the *EPRA Best Practices Recommendations* of August 2011 and / or whether the financial data used to calculate those ratios tally with the accounting data in the consolidated financial statements.

TABLE	EPRA PERFORMANCE MEASURE	DEFINITION	PURPOSE	IN EUROS (X 1,000)	IN EUROS PER SHARE
I.	EPRA EARNINGS	Recurrent earnings from core operational activities.	A key measure of a company's underlying operating results from its property rental business and an indicator of the extent to which current dividend payments are supported by earnings.	59,553	3.85
II.	EPRA NAV [1]	NAV adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystalise in a long-term investment property business model.	Makes adjustments to IFRS NAV to provide stakeholders with the most relevant information on the fair value of the assets and liabilities within a true real estate investment company with a long-term investment strategy.	577,595	35.9
II.	EPRA NNNAV [2]	EPRA-NAV adjusted to include the fair value of (i) financial instruments, (ii) debts and (iii) deferred tax.	Makes adjustments to EPRA NAV to provide stakeholders with the most relevant information on the current fair value of all assets and liabilities within a real estate entity.	527,155	32.8
III.	EPRA NIY [3]	Annualised rental income based on the cash rent passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.	A comparable measure around Europe for portfolio valuations. There have been debates about portfolio valuations in Europe in the past. This measure should make it easier for investors to judge themselves, how the valuation of portfolio X compares with the portfolio Y.	N/R	N/R
III.	ADJUSTED EPRA NIY [3]	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).	The provision of the calculation that reconciles the difference between EPRA NIY and the adjusted EPRA NIY.	N/R	N/R
IV.	EPRA VACANCY RATE	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	A pure (in %) measurement of the vacant property investment based on the estimated rental value (ERV).	N/R	N/R

1 NAV = Net Asset Value.
2 NNNAV = Triple Net Asset Value.
3 EPRA NY = EPRA net initial yield.

I. EPRA EARNINGS

(IN EUROS X 1,000)	31 DEC. 13	31 DEC. 12
EARNINGS PER IFRS INCOME STATEMENT	**79,674**	**35,326**
These adjustments to calculate the EPRA earnings do not include:		
I. Changes in value of investment properties, development properties held for investment and other interests	1,620	-1,757
II. Profit or loss on disposal of investment properties, development properties held for investment and other interests	-651	-101
VI. Changes in fair value of financial instruments and associated close-out costs	-20,838	18,488
VIII. Deferred tax in respect of EPRA adjustments	-252	115
X. Minority interests in respect of the above	0	0
EPRA PROFIT	**59,553**	**52,071**
Weighted average number of shares	15,460,354	14,194,272
EPRA PROFIT PER SHARE (WPA) (IN EUROS)	**3.85**	**3.67**

II. EPRA NET ASSET VALUE

(IN EUROS X 1,000)	31 DEC. 13	31 DEC. 12
NAV (IFRS)	**527,080**	**450,181**
NAV (IFRS)/share (in euros)	32.78	29.85
DILUTED NAV, AFTER EXERCISE OF OPTION RIGHTS, CONVERTIBLE DEBTS AND OTHER SHARE PARTICIPATIONS	**527,080**	**450,181**
INCLUDES (DOES NOT INCLUDE):		
(iv) Fair value of financial instruments	49,629	70,467
(v.a) Deferred tax	886	1,715

(IN EUROS X 1,000)	31 DEC. 13	31 DEC. 12
EPRA-NAV	**577,595**	**522,363**
Number of shares	16,079,247	15,081,692
EPRA-NAV PER SHARE (IN EUROS)	**35.9**	**34.6**
EPRA NAV		
INCLUDES:	**577,595**	**522,363**
(iv) Fair value of financial instruments	-49,629	-70,467
(ii) Revaluation of the fair value of financing with fixed interest rate	75	0
(iii) Deferred tax	-886	-1,715
EPRA NNNAV	**527,155**	**450,181**
Number of shares	16,079,247	15,081,692
EPRA NNNAV PER SHARE (IN EUROS)	**32.8**	**29.9**

III. EPRA NIY AND ADJUSTED EPRA-NIY

(IN EUROS X 1,000)		31 DEC. 13	31 DEC. 12
Investment property - fully owned		1,194,061	1,060,615
Assets held for sale		2,179	34,564
Less developments and land reserves		-70,347	-47,168
Standing property portfolio		1,125,893	1,048,011
Allowance for estimated purchasers' costs		42,012	39,819
INVESTMENT VALUE OF THE STANDING PROPERTY PORTFOLIO	**B**	**1,167,905**	**1,087,830**
Annualised collected rental income		89,482	83,151
Property charges		-2,314	-2,473
ANNUALISED NET RENT	**A**	**87,168**	**80,678**
Add: notional rent expiration of rent free period or other lease incentives		0	0
ADJUSTED ANNUALISED NET RENT	**C**	**87,168**	**80,678**
EPRA-NIY	**A/B**	**7.5%**	**7.4%**
ADJUSTED EPRA-NIY	**C/B**	**7.5%**	**7.4%**

IV. PROPERTY INVESTMENT – RENT DATA AND VACANCY RATE (EPRA)

SEGMENT	GROSS RENTAL INCOME 2013 (IN EUROS X 1,000)	NET RENTAL INCOME 2013 (IN EUROS X 1,000)
Belgium	44,219	41,553
Netherlands	32,812	32,058
France	5,726	5,521
Romania	447	332
TOTAL PROPERTIES AVAILABLE FOR LEASE	**83,204**	**79,464**
RECONCILIATION TO THE CONSOLIDATED IFRS INCOME STATEMENT		
Rental income related to:		
- Investment properties held for sale	62	50
- Previously sold investment property	753	754
- Investment properties under development for own account with the purpose of being rented out	220	261
- Other adjustments		
TOTAL	**84,239**	**80,529**

V. EPRA COST RATIO

(IN EUROS X 1,000)		31 DEC. 13	31 DEC. 12
INCLUDE:			
I. Administrative/operating expense line as per IFRS income statement		8,487	8,296
III. Management fees less actual / estimated profit element		-716	-663
IV. Other operation income / recharges, intended to cover overhead expenses less any related profits		556	43
EXCLUDE (IF PART OF THE ABOVE):			
VI. Investment Property Depreciations		-671	-667
EPRA COSTS (INCLUDING DIRECT VACANCY COSTS)	**A**	**7,655**	**7,009**
IX. Direct vacancy costs		-237	-426
ANNUALISED NET RENTAL INCOME	**B**	**7,419**	**6,583**
X. Gross rental income less ground rent costs		83,263	75,137
GROSS RENTAL INCOME	**C**	**83,263**	**75,137**
EPRA COST RATIO (INCLUDING DIRECT VACANCY COSTS)	**A/C**	**9.2%**	**9.3%**
EPRA COST RATIO (EXCLUDING DIRECT VACANCY COSTS)	**B/C**	**8.9%**	**8.8%**

LETTABLE SPACE AT 31 DEC. 13 (IN M²)	ANNUALISED GROSS RENTAL INCOME (IN EUROS X 1,000)	EXPECTED RENTAL VALUE FOR VACANT SPACES AT 31 DEC. 13	TOTAL EXPECTED RENTAL VALUE (IN EUROS X 1,000)	VACANCY RATE (IN %)
1,281,445	48,835	1,617	49,593	3.3%
693,670	33,589	540	31,607	1.7%
150,113	6,506	286	6,330	4.5%
10,122	489	0	1,024	0.0%
2,135,350	**89,482**	**2,443**	**88,555**	**2.8%**
2,252	62	55	117	46.8%
2,137,602	**89,482**	**2,498**	**88,672**	**2.8%**

VI. INVESTMENT PROPERTY - MOVEMENTS IN NET RENTAL INCOME ON A STABLE COMPARISON BASIS

(IN EUROS X 1,000)	31 DEC. 13	
	PROPERTIES OWNED THROUGHOUT TWO YEARS	PURCHASES
Belgium	33,199	2,556
Netherlands	18,740	9,573
France	5,502	0
Romania	346	0
PROPERTIES AVAILABLE FOR LEASE	**57,787**	**12,129**
RECONCILIATION TO THE CONSOLIDATED IFRS INCOME STATEMENT		
Net rental income property investments acquired at an earlier date		
Unassigned		
Income from solar energy		
PROPERTY OPERATING RESULT IN THE CONSOLIDATED IFRS INCOME STATEMENT		

VII. INVESTMENT PROPERTY - VALUATION DATA

(IN EUROS X 1,000)	FAIR VALUE	CHANGES TO FAIR VALUE DURING THE YEAR	EPRA NET INITIAL YIELD (IN %)
Belgium	654,342	-1,618	7.1
Netherlands	390,690	2,538	7.9
France	76,647	-1,197	8.1
Romania	7,018	-1,343	9.3
TOTAL PROPERTY AVAILABLE FOR LEASE	**1,128,697**	**-1,620**	**7.5**
RECONCILIATION TO THE CONSOLIDATED IFRS INCOME STATEMENT			
- Property under construction or under development for own account for lease	29,287		
- Land reserves	38,256		
- Investment properties held for sale	-2,179		
INVESTMENT PROPERTIES IN THE CONSOLIDATED IFRS BALANCE SHEET	**1,194,061**		

31 DEC. 13			31 DEC. 12	
DISPOSALS	PROJECTS	TOTAL NET RENTAL INCOME	PROPERTIES OWNED THROUGHOUT TWO YEARS	LIKE-FOR-LIKE GROWTH IN NET RENTAL INCOME 2013 (IN %)
694	6,376	42,825	32,861	1.0
0	3,258	31,571	17,750	5.6
0	0	5,502	6,009	-8.4
0	15	361	321	7.8
694	**9,649**	**80,259**	**56,939**	**1.5**
		66		
		204		
		6,561		
		87,090		

VIII. INVESTMENT PROPERTY – DETAILS REGARDING LEASES

SEGMENT	AVERAGE TERM	
	TO FIRST BREAK (IN Y)	TO EXPIRY (IN Y)
Belgium	5.4	8.1
Netherlands	8.6	10.4
France	3.6	7.0
Romania	7.4	8.5
TOTAL	**6.5**	**8.9**

DETAILS ON NEXT EXPIRY DATE OF LEASES CURRENT RENT OF LEASES APPROACHING THE NEXT EXPIRY DATE (IN EUROS X 1,000)			DETAILS ON FINAL EXPIRY DATE OF LEASES CURRENT RENT OF LEASES APPROACHING FINAL EXPIRY DATE (IN EUROS X 1,000)		
YR 1	YR 2	YR 3-5	YR 1	YR 2	YR 3-5
8,746	7,842	13,427	5,256	1,307	10,880
4,292	1,723	4,554	4,287	0	5,123
940	1,132	3,234	250	0	2,877
0	0	0	0	0	0
13,978	**10,697**	**21,215**	**9,793**	**1,307**	**18,880**

6. Outlook

The outlook as described below includes expectations for the financial year 2014 with regard to the consolidated net current result[1] and the consolidated balance sheet of WDP Comm. VA.

This outlook was prepared based on information available at 31 December 2013 and takes account of events after the balance sheet date[2].

The projections with regard to the consolidated balance sheet and the net current result represent a forecast, the actual realisation of which specifically depends on changes in the economy, the financial markets and the property markets.

These forward-looking statements, forecasts, opinions and estimates made by WDP with regard to the expected future performance as of now of WDP and the market in which WDP is active do not constitute a commitment for the company. By their very nature, forward-looking statements entail inherent risks, uncertainties and assumptions, both general and specific, and there are risks that forward-looking statements will not prove correct.

1. Assumptions

Used accounting methods

→ The accounting method used for this outlook complies with the accounting methods used by WDP, as part of the preparation of its consolidated financial statements as at 31 December 2013 in accordance with IFRS as applied by the European Union and implemented by the *Vastgoedbevaks/Sicafi* Royal Decree of 7 December 2010.

→ As a consequence of the entry into force of the IFRS 11 *Joint Arrangements*, the results and balance sheet impact of the joint venture WDP Development RO, in which WDP holds a 51% stake, will be recognised in accordance with the equity method as of 1 January 2014. In this outlook, the proportionate consolidation method is applied in accordance with the consolidated accounts ending on 31 December 2013.

Assumptions regarding elements that are beyond WDP's direct control

→ For changes in rental income, an average inflation level of 1.0% is taken into account for the indexation of leases in 2014, based on the economic consensus expectations as of 31 December 2013.

→ Interest rates are calculated based on one-month and three-month average Euribor interest rates of 0.2% and 0.3% respectively at 31 December 2013 and then stable during the year as shown by the position of the forward curve at 31 December 2013.

→ The financial result does not take into account any exchange rate fluctuations in Romania (RON). However, the potential impact of these fluctuations is likely to remain limited, as the functional currency for this country is the euro

1 The net current result is the result excluding the result on the portfolio in accordance with IAS 40 and excluding the result relating to revaluation of financial instruments in accordance with IAS 39.

2 See also *5.3. Management report - Transactions and realisations* on page 42 and *5.3. Management report - Management of the financial resources* on page 50.

(EUR), being the determining factor in the economic reality of the underlying transactions for this foreign entity.

- The financial hedging instruments (mainly IRSs) are valued in accordance with IFRS (IAS 39) at market value in the consolidated financial statements. Due to the volatility in the international financial markets, movements in these market values were not taken into account. These variations are also irrelevant for the outlook with regard to the net current result on which the dividend payment is based.

- In line with IFRS (IAS 40), the property portfolio is stated at fair value. However, no forecast is made regarding movements in the fair value of the property portfolio, as this would be unreliable and subject to a variety of external factors that are beyond the company's control. WDP's property portfolio is measured by independent property experts on a quarterly basis. These variations are also irrelevant for the outlook with regard to the net current result on which the dividend payment is based.

- The outlook can also be impacted by market, operational, financial and regulatory risks as described in *1. Risk Factors*, page 3.

Assumptions regarding elements that are within WDP's direct control

Net rental result

- This result is estimated on the basis of current contracts, with due consideration for the assumptions used for the indexation of the leases (see above), where indexation is applied to individual leases based on the expiry date of the contract.

- In 2014, 13% of the leases will reach their next expiry date, and more than 60% of these had already been renewed by the time of publication of the 2013 results, which means the actual rent is known. Lease extension/renewal is taken into account for the 40% that have not yet been renewed: an analysis is made on an individual basis of period of vacancy, increased charges and taxes that are normally charged to tenants, any renovation costs, marketing costs, and a new rental level if the property is re-let. Based on the currently available information and the existing lease market situation, WDP assumes an average occupancy of 95% for 2014.

- In addition, the 100% pre-let development projects currently under construction, will partly start to contribute in 2014, especially from the fourth quarter of 2014[3]. It should be noted that some projects in progress will not contribute to the result until 2015.

- Another factor taken into account was a specific expected investment volume to be realised. The investment potential created (through the intended optional dividend and confirmed unused credit facilities) will be used for new acquisitions – taking account of an unchanged capital structure with a debt ratio of 56%.

3 See also *5.3.4. Management report - Transactions and realisations – Investment properties under development for own account with the purpose of being rented out* on page 44 and Section *7.1.5. Property report - Review of the consolidated property portfolio - Overview of Investment properties under development for own account with the purpose of being rented out* on page 121.

Other operating income / operating expenses

- This item mainly contains results from the production of solar energy, which are estimated at 8.1 million euros[4]. Only existing PV systems owned at 31 December 2013 are taken into account.
- In addition, this item also includes the net effect of the costs charged on to tenants, including the management fee for the property, which WDP charges to tenants.

Property charges

- These charges mainly include net costs (i.e. after any costs recharged to the tenants) for maintenance and repair, utilities, taxes, insurance contracts and commissions. For 2014, the charges were estimated based on the current portfolio, expected investments and changes in the results for previous financial years.

General company expenses

- In general, the growth in general company expenses is in line with the growth of the portfolio, with further work on the operating platform in a cost-efficient way that does not affect the high operating margin (which is maintained at around 92%).
- These costs include WDP's internal operating costs, i.e. the remuneration paid to WDP's manager (at cost price) and the costs of administrative staff. This also includes the contractual rents payable for WDP's offices in Wolvertem and Breda, along with administrative costs.
- Fixed costs also include an item consisting of estimated fees payable to external consultants and experts, including property experts, lawyers, tax experts, accounting and IT costs, consultancy projects and fees paid to the statutory auditor for statutory audits.
- As WDP is a listed company, its overhead costs also include the annual tax on collective investment schemes, fees payable to the financial agent and the liquidity providers, fees related to the Euronext listing, the cost of prudential supervision and the company's budget for financial and marketing communication.

Interest charges

- Interest charges are estimated based on changes in financial debts, starting from the situation at 31 December 2013, and include an estimate of additional debt for the financing of the investment programme being implemented in 2014 and the assumption regarding continued portfolio growth.

4 See also Note *IV. Significant accounting estimates and key uncertainties affecting estimates* to forecast the cash flows of the PV systems.

Here, account is taken of the investment potential created by the optional dividend (based on parameters comparable with previous years, where the take-up in shares was around 70%) and the available unused credit facilities, resulting in a gearing ratio of 56%.

- Taking into account changes in short-term interest rates (see above) and a hedge ratio of 78% based on the situation at 31 December 2013, overall financing charges are estimated at 3.7% for 2014. These latter charges include an average weighted credit spread, along with the reservation commission for unused credit facilities and charges related to interest rate hedging instruments.

- Total financial costs were subsequently decreased by an estimated amount in capitalised interest based on existing property developments and the possibility to capitalise interest[5]. This implies that the capitalised borrowing costs are neutralised in the profit and loss account and included in the investment costs of the projects (until they are completed and so start to generate income). The interest rate used for capitalising borrowing costs is equivalent to the estimated overall cost of debt.

Taxes

- These include the annual corporate tax. WDP's tax base in Belgium, the Netherlands and France is virtually nil due to the company's tax transparency in these countries (not including the effect on disallowed expenses and unusual benefits).

- For the other companies forming part of the WDP group, an estimate was made based on projected local results.

5 See footnote 3.

2. Projected consolidated profit and loss account (analytical schedule)

Based on the current outlook and the assumptions above, WDP expects net current profit to increase to 4.00 euros per share (around 66 million euros, based on current conditions)[6].

3. Expected dividend and growth plan for 2013-16

The dividend policy is set by the Board of Directors of WDP's manager and proposed to the Annual General Meeting of Shareholders at the end of each financial year. For 2014, WDP expects a further increase in net current result (based on current conditions) to 4.00 euros per share. Based on this outlook and barring any unforeseen circumstances, WDP expects to pay a dividend per share of 3.40 euros gross, which again corresponds to a 5% rise compared to 3.25 euros in 2013.

This confirms WDP's ambition, put forward at the launch of the strategic growth plan for 2013-16, to achieve a cumulative growth of the net current result per share of 20-25% to 4.40-4.60 euros over this four-year period[7].

6 This expected profit is based on the current situation and barring any currently unforeseen circumstances (such as a material deterioration of the economic and financial climate) and a standard level of solar irradiation.

7 This expected profit is based on the current situation and barring any currently unforeseen circumstances (such as a material deterioration of the economic and financial climate) and a standard level of solar irradiation. WDP is of the opinion that it can achieve this growth through the company's current strong fundamentals – such as high occupancy, long leases, sustainable average rent levels, an experienced and motivated team of employees, a cost of debt that remains under control and a capital structure that remains in balance due to the strategy of pairing investment property with a synchronous issue of new equity and borrowed capital.

CONSOLIDATED PROFIT AND LOSS ACCOUNT - ANALYTICAL SCHEDULE (IN EUROS X 1,000)	2013 ACTUAL	2014 BUDGET
Rental income, net of rental-related expenses	83,032	91,024
Income from solar energy	6,561	8,082
Other operating income / costs	78	870
PROPERTY RESULT	**89,670**	**99,976**
Property charges	-2,579	-2,618
General company expenses	-4,951	-5,495
OPERATING RESULT (BEFORE RESULT ON THE PORTFOLIO)	**82,140**	**91,863**
Financial result (excluding IAS 39 result)	-22,215	-25,588
Taxes on net current result	-40	-75
Deferred taxation on net current result	-330	-500
NET CURRENT RESULT	**59,554**	**65,700**
NET CURRENT RESULT (EPRA) (IN EUROS PER SHARE)	**3.85**	**4.00**

CONSOLIDATED BALANCE SHEET (IN EUROS X 1,000)	2013 ACTUAL	2014 BUDGET
FIXED ASSETS	**1,290,049**	**1,400,446**
Investment properties	1,194,061	1,310,991
Other tangible fixed assets (including solar panels)	77,605	73,605
Other fixed assets	18,382	15,850
CURRENT ASSETS	**17,973**	**16,454**
Assets held for sale	2,179	0
Cash and cash equivalents	1,911	1,911
Other current assets	13,883	14,543
TOTAL ASSETS	**1,308,022**	**1,416,900**
SHAREHOLDERS' EQUITY	**527,080**	**563,957**
NON-CURRENT LIABILITIES	**587,616**	**662,714**
Non-current financial liabilities	537,377	612,476
Other non-current liabilities	50,238	50,238
CURRENT LIABILITIES	**193,327**	**190,228**
Current financial liabilities	173,477	169,719
Other current liabilities	19,849	20,509
TOTAL LIABILITIES	**1,308,022**	**1,416,900**
Gearing ratio	55.5%	56.3%

4. Projected consolidated balance sheet

The projected balance sheet was prepared, taking into account any factors that could reasonably be estimated. Due consideration was given to the following assumptions:

- For the development of the property portfolio, account was taken of the investments mentioned above, comprising mainly work on new-build projects in progress plus selected direct property acquisitions.
- The solar panels are reflected at fair value using the same assumptions as at 31 December 2013, except that the valuation model is rolled over by one year[8]. This adjustment is directly recognised in shareholders' equity in accordance with IAS 16.
- For the development of shareholders' equity account is taken of the dividend payment in the form of an optional dividend (see above), the profit development during the financial year 2014 and the revaluation of the solar panels. With regard to profit generation, account is only taken of the net current result and, as stated above, an abstraction has been made of the revaluation of financial instruments in accordance with IAS 39 as well as the impact of market fluctuations on the portfolio in accordance with IAS 40.
- The forecast for the financial debts was drawn up on the basis of the expected investment volume and the part expected to be financed with shareholders' equity (through retained earnings and the optional dividend). At 31 December 2013 WDP has a buffer of 130 million euros in unused long-term credit lines that can be used to cover all committed investments.

8 See also Note *XIII. Other tangible fixed assets* on page 201.

5. Sensitivity

The table below provides a non-exhaustive list of external and internal factors that affect the main parameters of the company, i.e. net current result, gearing ratio, and shareholders' equity.

SENSITIVITY ANALYSIS BASED ON THE CONSOLIDATED RESULTS AS AT 31 DEC. 2013					
Δ Inflation (in %)	-1.0%	-0.5%	0.0%	+0.5%	+1.0%
Δ Net current result (in million euros)	-0.9	-0.4	0.0	+0.4	+0.9
Δ Occupancy (in %)	-1.0%	-0.5%	0.0%	+0.5%	+1.0%
Δ Net current result (in million euros)	-1.0	-0.5	-	+0.5	+1.0
Δ Euribor (in %)	-1.0%	-0.5%	0.0%	+0.5%	+1.0%
Δ Net current result (in million euros)	N/A	N/A	-	-0.8	-1.6
Δ Fair value of the investment property (in %)	-5.0%	-2.5%	0.0%	+2.5%	+5.0%
Δ Gearing ratio (in %)	+2.7%	+1.3%	0.0%	-1.2%	-2.4%
Δ Investments (in million euros)	-50.0	-25.0	-	+25.0	+50.0
Δ Gearing ratio (in %)	-1.8%	-0.8%	0.0%	+0.8%	+1.6%
Δ Fair value of the investment property (in %)	-5.0%	-2.5%	0.0%	+2.5%	+5.0%
Δ Fair value of the investment property and shareholders' equity (in million euros)	-59.8	-29.9	-	+29.9	+59.8
Δ Interest rates (in %)	-1.0%	-0.5%	0.0%	+0.5%	+1.0%
Δ Fair value of hedging instruments and shareholders's equity (in million euros)	-26.6	-13.9	-	+13.6	+26.6

6. Auditor's report

The Board of Directors on behalf of Warehouses De Pauw Comm. VA

Blakebergen 15
B-1861 Wolvertem
26 March 2014

Dear Sirs,

We report on the forecasted consolidated profit and loss account and the forecasted consolidated balance sheet of Warehouses De Pauw Comm. VA (the company) and its subsidiaries (together the group) for the 12 months period ending 31 December 2014 (the Profit and Balance Sheet Forecast). The Profit and Balance Sheet Forecast, and the material assumptions upon which it is based are set out in *5.6.1*, *5.6.2* and *5.6.4* of the Annual Financial Report 2013 (the *2013 Annual Report of the Group*, the *Reference Document*) issued by the Company dated 26 March 2014. We do not report on the growth plan 2013-16 and the projected dividend as mentioned in *5.6.3* of the 2013 Annual Financial Report of the group.

This report is prepared in accordance with the principles as defined under Annex XV of the European Commission's Regulation on Prospectuses No. 809/2004 (the Prospectus Directive Regulation) making reference to Annex I item 13.2 and is solely issued to meet this requirement and cannot serve for any other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the *Directors*) to prepare the Profit and Balance Sheet Forecast in accordance with Annex XV of the Prospectus Directive Regulation making reference to Annex 1 item 13.

It is our responsibility to form an opinion, as required by the Prospectus Directive Regulation, as to the proper compilation of the Profit and Balance Sheet Forecast and to report that opinion to you.

Save for any responsibility arising under art. 61 of the Law of 16 June 2006 (Act on the public offering of investment instruments and the authorisation to trade investment instruments on a regulated market) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this report or our statement, required by and given solely for the purposes of complying with Annex XV of the Prospectus Directive Regulation making reference to Annex I item 13.2, consenting to its inclusion in the Reference Document.

Basis of Preparation of the Profit and Balance Sheet Forecast

The Profit and Balance Sheet Forecast has been prepared on the basis stated in *5.6.1*, *5.6.2* and *5.6.4* of the Reference Document and is based on a forecast for the 12 months periods ending 31 December 2014. The Profit and Balance Sheet Forecast is required to be presented on a basis consistent with the accounting policies of the Group as they were applied in the Financial Statements per 31 December 2013.

Basis of opinion

We conducted our work in accordance with the International Standard on Assurance Engagement 3400 *The Examination of Prospective Financial Information* (ISAE 3400) issued by the International Auditing and Assurance Standards Board (IAASB). Our work included evaluating the basis on which the historical financial information included in the Profit and Balance Sheet Forecast has been prepared and considering whether the Profit and Balance Sheet Forecast has been accurately computed based upon the disclosed assumptions and the accounting policies of the Group as applied in the Financial Statements per 31 December 2013.

Whilst the assumptions upon which the Profit and Balance Sheet Forecast are based are solely the responsibility of the Directors, we considered whether anything came to our attention to indicate that any of the assumptions adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Profit and Balance Sheet Forecast have not been disclosed or if any material assumption made by the Directors appears to us to be unrealistic.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Profit and Balance Sheet Forecast has been properly compiled on the basis stated.

Since the Profit and the Balance Sheet Forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Profit and Balance Sheet Forecast and differences may be material.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside Belgium, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the Profit and Balance Sheet Forecast has been properly compiled on the basis stated and the basis of accounting used is consistent with the accounting policies of the Group as applied in the Financial Statements on the period ended per 31 December 2013.

Declaration

For the purposes of art. 61 of the Law of 16 June 2006, we are responsible for this report as part of the Reference Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Reference Document in compliance with Annex XV of the Prospectus Directive Regulation making reference to Annex I item 13.2 of the Prospectus Directive Regulation.

Yours faithfully,

Deloitte Bedrijfsrevisoren /
Reviseurs d’Entreprises

BV o.v.v.e. CVBA / SC s.f.d. SCRL

Represented by Kathleen De Brabander

7. Corporate Governance

1. Corporate governance report

Pursuant to Section 96, §2 (1) of the Companies Code (amended by the Act of 6 April 2010 to strengthen good governance at listed companies) and the Royal Decree of 6 June 2010 designating the good governance to be complied with by listed companies, WDP Comm. VA is required to comply with the 2009 Belgian Corporate Governance Code. The Belgian Corporate Governance Code is available on the website www. corporategovernancecommittee.be.

WDP does its utmost at all times to comply with the principles of good governance contained in the Belgian Corporate Governance Code of 12 March 2009, and uses this as its reference code. The corporate governance principles are primarily relevant to the specific management structure of WDP – which is discussed in more detail in *2. Some background information: the Commanditaire Vennootschap (partnership limited by shares) and its statutory manager*.

Integrity and correctness in business conduct have been a priority since formation. In addition, WDP is committed to creating a balance between the interests of its shareholders (and the holders of bonds) and other parties directly or indirectly involved in the company (the stakeholders).

The Corporate Governance Code mandates the *comply or explain* principle, whereby departures from the recommendations must be justified. The WDP Corporate governance report departs from the recommendations of the Corporate Governance Code only on a few points. The departures from these recommendations can be explained by the limited size of the Board of Directors of the manager of WDP:

→ the Corporate Governance Code recommends that the Board of Directors should be chaired by a non-executive director. WDP has departed from this rule, as the chairman of the Board of Directors, Mr Mark Duyck, holds the position of executive director without, however, being part of the executive management. WDP has chosen to assign a particularly active role to the chairman, who serves as a sounding board for the executive management and provides advice in this capacity. However, he does not participate in the management's decision-making process. His executive duties also include preparing strategic initiatives for discussion (and decision making) by the Board of Directors. WDP believes this role improves the communication between the Board of Directors and the executive management and, more generally, the company's operations. In order to be able to properly perform these duties, Mr Duyck is present at the company's offices an average of three days a week. Under the Corporate Governance Code, the chairman is permitted to be allocated specific responsibilities other than chairing the Board of Directors and its meetings;

- the Corporate Governance Code recommends that the nomination committee should include a majority of independent non-executive directors. Due to the limited size of the Board of Directors, WDP's nomination committee consists of the entire Board of Directors, and is chaired by the chairman of the Board of Directors. The nomination committee consequently consists of six members, half of whom - i.e. not the majority (as recommended by the Corporate Governance Code) - are independent non-executive directors. The chairman of the Board of Directors (who has certain management duties) chairs the nomination committee, even though the Corporate Governance Code recommends that this should be a non-executive director. Since the chairman of the Board of Directors, despite having certain executive duties, is not the CEO, the Board of Directors believes that one of the specific, typical duties of the chairman, such as chairing the nomination committee, can be assigned to the chairman of the Board of Directors.

The Board of Directors must devote a separate section of its annual financial report to corporate governance, detailing the company's practices in this area during the relevant financial year, including the specific information required under the applicable laws and the Corporate Governance Code.

This chapter of the 2013 Annual financial report includes the contents of the WDP Corporate governance report, which is also available on its website at www.wdp.be and describes the situation as at 31 December 2013.

2. Some background information: the Commanditaire Vennootschap (partnership limited by shares) and its statutory manager

WDP is a *Vastgoedbevak/Sicafi* that has assumed the legal form of a *Commanditaire Vennootschap op Aandelen* (Comm. VA: a type of partnership limited by shares). A *Commanditaire Vennootschap op Aandelen* has two types of partners. The first is the general partner, whose name appears in the company's commercial name and who has unlimited liability and is jointly and severally liable for the commitments the company makes. WDP Comm. VA's general partner is De Pauw NV, with registered office at Blakebergen 15, 1861 Meise (Wolvertem). There are also commanditaire or silent partners, who are shareholders and whose liability is limited to the sum of their investment.

Characteristic of a *Commanditaire Vennootschap op Aandelen* is that it is managed by a (statutory) manager, who must be a sleeping partner, who has the veto right against all major resolutions of the General Meeting and who it is virtually impossible to dismiss.

The manager is appointed by an Extraordinary General Meeting with due regard for the requirements for an amendment to the Articles of Association. The manager is free to resign at any time. However, the duties of the manager can only be withdrawn by a decision of the court called upon for this purpose by the General Meeting of Shareholders, based on valid reasons. The manager cannot vote on this resolution of the General Meeting.

The General Meeting can only deliberate and pass resolutions if the manager is in attendance. The manager must approve any amendment to the Articles of Association and the resolutions of the General Meeting with regard to actions concerning the company's interests vis-à-vis third parties, such as the distribution of dividends and any resolution that has an impact on the company's capital.

The company is represented for each act of disposition of its property within the meaning of the legislation applicable to *Vastgoedbevaks/ Sicafis* by its manager, De Pauw NV, represented by its permanent representative, acting in conjunction with at least one director.

The manager may grant a special power of attorney provided that it exercises effective control over the deeds or documents signed by the holder(s) of a special power of attorney and the applicable internal procedures are complied with; these procedures relate both to the nature and frequency of the controls. A power of attorney may be granted only for a specific transaction or a clearly defined series of transactions, and is valid only for the time necessary to complete the transaction. Finally, the relevant limits must be specified in the power of attorney itself. The manager takes advantage of this option, which is provided for in the Articles of Association for the granting of a special power of attorney exclusively for the signing per individual authentic or private document and, once the document has been approved by its Legal department.

The manager De Pauw NV was appointed for an indefinite period. On 1 September 2002, Mr Tony De Pauw was appointed as permanent representative of De Pauw NV as part of its appointment as statutory manager, without, however, infringing on Article 9, §2 of the *Vastgoedbevak/Sicafi* Royal Decree.

WDP's manager, De Pauw NV, complies with Article 40 of the Act of 3 August 2012 concerning specific forms of group management of investment portfolios (i.e. appropriate policy structure, appropriate administrative, accounting, financial and technical organisation, appropriate internal control and an appropriate integrity policy and risk management method).

3. The shareholders

The company will treat all WDP shareholders that are in the same circumstances equally. Shareholders have access to the Investors section of the website, where they are provided with all the information they need to act expertly. They can also download from the website any documents required to take part in the voting at the Annual General Meeting. This part of the website also includes the most recent version of the Articles of Association and the Corporate governance report.

WDP's total equity is 128,955,100.73 euros, represented by 16,079,247 fully paid-up ordinary shares. There are no preference shares. Each of these shares grants one voting right at the General Meeting, so these shares represent the denominator for purposes of notifications within the framework of transparency regulations (i.e. notifications in the event that the thresholds set down by the Articles of Association or by law are reached, exceeded or not reached).

In accordance with the conditions and terms stipulated in Articles 6 to 13 of the Act of 2 May 2007, any natural person or legal entity that, either directly or indirectly, purchases or transfers shares granting voting rights of the company, is obliged to inform the company and the FSMA of the number and the percentage of the existing voting rights they hold as a consequence of the purchase/transfer, if the voting rights associated with these shares granting voting rights is greater or less than the above thresholds. There is a threshold of 3% under the Articles of Association and thresholds by law for each increment of five percentage points of the total existing voting rights.

No special control rights are granted to any specific categories of shareholders. WDP currently has only one main shareholder, which has one representative on the Board of Directors (see *4.2. Current constitution of the Board of Directors* below).

The obligations of the company and the rights of the shareholders with regard to the General Meeting are published in the Investor relations section of WDP's website www.wdp.be from the notice until participation and voting in extenso.

The Extraordinary General Meeting can only adopt a resolution on an amendment to the Articles of Association in a legally valid manner if the proposed amendments are clearly stated in the notice and if those attending the meeting represent at least half of the company's authorised capital, and provided that the manager is attending. If this quorum for attendance is not met or if the manager is not present, a new meeting must be convened.

The second meeting deliberates and passes resolutions in a legally valid manner, irrespective of the portion of the capital that is absent or represented and irrespective of the absence of the manager.

Amendments to the Articles of Association will only be adopted if it has been approved by the FSMA and three-quarters of the votes associated with the present or represented shares are in favour of the amendment and the present or represented manager agrees.

4. The Board of Directors of the statutory manager De Pauw NV

4.1. Duties of the Board of Directors

The Board of Directors has various duties for the *Bevak/Sicafi*. The Board of Directors:

- defines the strategy and policy of the company;
- approves all major investments, divestments and other significant transactions with the aim of achieving the goals of WDP;
- monitors the quality of the management, among other things based on a thorough check and detailed discussion of the annual financial statements, as well as by an annual assessment of its operations;
- ensures that management is conducted in accordance with the strategy;
- handles the company's financial communications with the media and analysts.

4.2. Current constitution of the Board of Directors

Pursuant to Article 9 of the *Vastgoedbevak/Sicafi* Royal Decree of 7 December 2010, the Articles of Association of the manager De Pauw NV stipulate that its Board of Directors is constituted such that WDP can be managed independently and exclusively in the interest of its shareholders. Additionally, the Articles of Association stipulate that the Board of Directors must include at least three independent members, within the meaning of Section 526ter of the Companies Code. Furthermore, the Articles of Association of the manager De Pauw NV stipulate that compliance with the criteria referred to in Section 526ter of the Companies Code is also assessed as though the relevant independent member of the Board of Directors of De Pauw NV were a director of WDP.

The following provisions apply to the composition of the Board of Directors of the manager:

- the Board of Directors is constituted by no fewer than four members and no more than ten members;
- one or more directors, accounting for no more than half of the total number, can be executive directors. In other words they can exercise an operational function within WDP;
- the individual competences and experience of the Board members must be complementary;
- the individual contribution of each director guarantees that no individual or group of directors can influence the decision-making;
- directors should bear in mind the company's interests and forge an opinion and contribute to the decision-making process in an independent way;
- any independent director who ceases to comply with the independence requirements of Section 526ter of the Companies Code (supplemented by the Board of Directors as necessary) is obliged to inform the Board accordingly.

The directors of the manager De Pauw NV comply with Articles 38 and 39 of the Act of 3 August 2012 regarding specific forms of collective management of investment portfolios (a fit and proper test of the directors, advice of the FSMA for appointments and reappointments, and rules regarding disqualification from professional practice).

Only one representative of the reference shareholder currently has a seat on the Board of Directors.

The manager's Board of Directors currently comprises six directors, including three independent directors and three executive directors.

The Board comprises the following six members:

- **Mark Duyck**
  (Lindekensweg 73, 1652 Alsemberg)
  has been a director since 1999, chairman of the Board of Directors since 2003 and executive chairman since 2006. He is an economist and holds an MBA. After holding various positions at a number of European and American companies, he held various management positions during a fifteen-year period at Brussels Airport.

  His knowledge and expertise of transport operations contributes to the complementarity of the members of the Board of Directors.

  In the past five years, he has also been a director of SN Air Holding and managing director of Coconsult BVBA, companies where he is also a strategic adviser.

  His directorship ends on 29 April 2015 (attendance rate in 2013: 100%).

- MOST BVBA
  (Drielindenbaan 66, 1785 Merchtem), permanently represented by **Frank Meysman**, has been an independent director since 2006. Mr Meysman has broad knowledge and international experience in marketing and in this respect is able to reinforce WDP's client focus. He has been a director at several international companies including Procter & Gamble, Douwe Egberts and Sara Lee and is current chairman of the Board of Directors of Thomas Cook PLC. Mr Meysman has broad knowledge and international experience (not least in the Netherlands) in marketing and in this respect is able to reinforce WDP's client focus.

  In the past five years, he has also been a director of Picanol, Spadel, Palm Breweries*

* These directorships have now ended.

and Grontmij NV*. He is also chairman of the Board of Directors of Betafence and JBC.

His directorship ends on 27 April 2016 (attendance rate in 2013: 100%).

→ **Alex Van Breedam**
(Duffelshoek 5, 2550 Kontich)
has been an independent director since 2003. He holds a PhD in applied economic sciences and several master's degrees. After gaining experience with KPMG, since 2000 he has coordinated the launch of the Flanders Institute of Logistics, where he was general manager until 2008 and an independent expert in supply chain management, specialising in strategic support for logistics companies. His expertise in the logistics sector contributes to the strategic and geographical decisions within WDP. He is currently a director at Tri-Vizor NV, an innovative logistics company, a spin-off of the University of Antwerp. He is also a part-time lecturer and a guest professor at three Flemish universities.

In the past five years he has been a director at Tri-Vizor as managing director of Advisart and partner at Business Development Logistics.

His directorship ends on 29 April 2015 (attendance rate in 2013: 100%).

→ **Dirk Van den Broeck**
(Leo de Bethunelaan 79, 9300 Aalst)
has been an independent director since 2003. He was a partner of Petercam from 1988 to 2010 and a director from 1994 to 2010.

He represented Petercam on several Boards of Directors of property companies involved in the issuing of real estate certificate and is now an independent consultant in property among other areas. Dirk Van den Broeck graduated in law and economic sciences.

He has a seat on the Board of Directors of WDP as financial expert in property and corporate finance.

In the past five years he has also been director at 3P (L) sarl*, 3P Air Freighters Ltd*, 3P Air Freighters Belgium*, ASL Aviation Group Ltd*, Amil Singapore, AMP Ltd*, Beaulieulaan NV*, ALINSO NV*, Financière Sainte Gudule cvba*, Immobilière de la Place Sainte Gudule SA*, Meli NV, New Paragon Investments Ltd*, New Phoenix Investments Ltd*, Omega Preservation Fund Luxembourg, Petercam NV and subsidiaries*, Promotus, Reconstruction Capital II Ltd, Serviceflats Invest NV, Urselia NV*, Wilma Project Development NV*, Terra Capital plc, Radiomatrix NV and Patrimmonia Fund Europe NV and subsidiaries.

His directorship ends on 29 April 2015 (attendance rate in 2013: 92.3%). In view of the statutory rule that independent directors may not serve more than three successive terms as non-executive director in the Board of Directors or more than twelve years, whichever is shorter, Mr Van den Broeck will no longer be regarded as an independent director from 25 February 2015, i.e. prior to the expiry of his duties as director. In view of the statutory rule that a *Vastgoedbevak/Sicafi* (or its manager) must have three independent directors at all times, the manager will be required to appoint a new independent director in a timely manner.

* These directorships have now ended.

Tony De Pauw
(Ganzenbos 5, 1730 Asse),
executive director and CEO since 1999, represents the biggest shareholder RTKA[1] and constitutes the executive management of WDP together with Joost Uwents.

In the past five years, he has also been a director of Ensemble Leporello VZW and Concert Olympique.

His directorship ends on 29 April 2015 (attendance rate in 2013: 100%).

Joost Uwents
(Hillarestraat 4A, 9160 Lokeren),
director since 2002 and executive director and CEO since 2010, constitutes the executive management of WDP with Tony De Pauw. He is a commercial engineer and holds an MBA.

His directorship ends on 30 April 2014 (attendance rate in 2013: 100%).

For more details about the expertise of Tony De Pauw and Joost Uwents, see *6.1. Duty of the executive management*.

OVERVIEW OF THE TERMS OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE PROPOSED REAPPOINTMENTS (FOR A FOUR-YEAR PERIOD)

DIRECTORS	TERM STARTS	RENEWAL	TERMS ENDS
MOST BVBA, permanently represented by Frank Meysman	2006	2012	27 April 2016
Alex Van Breedam	2003	2009	29 April 2015
Dirk Van den Broeck	2003 (after cooptation)	2011	29 April 2015
Tony De Pauw	1999	2011	29 April 2015
Joost Uwents	2002	2008	30 April 2014
Mark Duyck	1999	2011	29 April 2015

4.3. Functioning of the Board of Directors

The Board of Directors of the manager meets four times a year, on the invitation of the chairman. One of these meetings is devoted to the discussion of the company's strategy. The dates of the meetings are established in advance for the entire year, in order to prevent absences as much as possible. Additional meetings must also be convened whenever so required in the interests of the *Bevak/Sicafi* or two directors so request it.

The chairman is responsible for chairing the Board meetings and ensuring they go smoothly, and sets the agenda of the meetings in consultation with the CEO. This agenda contains a fixed list of items to be discussed, which are thoroughly prepared and documented, so that all directors have the same information in good time. All Board members receive these documents no later than the Friday prior to the week in which the Board meets, so that they can prepare thoroughly.

1 For more information on the company structure, please see *6.3. Shares and bonds - Structure of the shareholding of the company* on page 110.

The same person cannot hold the position of chairman of the Board of Directors and CEO.

The Board of Directors appoints a company secretary. This person is responsible for monitoring and compliance with Board procedures and the relevant laws and regulations.

Only the members of the Board of Directors can take part in the deliberations and cast their votes. The Board's vote is only valid if the majority of its members are present or represented. Resolutions of the Board are passed by a simple majority of votes. If there is a tie no decision is taken.

On the chairman's invitation, members of the executive management who are not Board members or specialists in a particular field may attend Board meetings in order to inform or advise the Board. For matters concerning financial information or accounting procedures, the chairman can call upon the accounting department and/or statutory auditor directly.

4.4. Remit of the director

4.4.1. Appointment – term – end

Directors are appointed by the General Meeting of Shareholders of De Pauw NV, following a recommendation from the nomination committee of the Board of Directors, which assesses all the candidates. The selection of a new director is based on a professional, objective selection process. Care is taken with all appointments so that the complementarity of capacities and know-how within the Board of Directors are guaranteed. A new director is appointed as soon as a director's seat becomes vacant or as soon as this is required.

The General Meeting of the manager De Pauw NV can dismiss directors at any time.

Whereas in the past, directors were appointed for a term of six years, effective 2011 they are ap-pointed for a period of four years. Independent directors may not serve as non-executive directors on the Board of Directors for more than three successive terms or more than twelve years. The appointment of other, non-independent directors can be renewed indefinitely. The above rules apply subject to the age limit, which is set at sixty-five years, which is to say that a director loses his or her seat at the end of the annual meeting in the year in which he or she turns sixty-five years of age, unless the Board of Directors decides otherwise on the recommendation of the nomination committee.

Directors are permitted to hold additional directorships at other listed and unlisted companies. They must inform the chairman of the Board of Directors of any such directorship. Under the Corporate Governance Code, non-executive directors are not permitted to hold more than five directorships at listed companies without the consent of the Board of Directors (subject to the *comply or explain* principle). Any changes in their other relevant commitments and new commitments outside the company must be reported to the Board of Directors in a timely manner.

The directors must respect agreements relating to discretion and mutual confidentiality. They must also strictly comply with all the legal and applicable principles relating to conflicts of interest, insider information, etc. When a transaction is considered where a director has a potential conflict of interest, the corresponding provisions of the Company Code and the *Vastgoedbevak/Sicafi* Royal Decree apply. With regard to WDP share transactions conducted by directors on their own behalf, WDP's rules of procedure must be observed (see also *9. Code of conduct regarding financial transactions* on page 100).

NUMBER OF SHARES HELD AT 31 DECEMBER 2013

NON-EXECUTIVE DIRECTORS	NUMBER OF SHARES	% SHARES
MOST BVBA, permanently represented by Frank Meysman	2,180	0.01
Alex Van Breedam	0	0.00
Dirk Van den Broeck	0	0.00
EXECUTIVE DIRECTORS	**NUMBER OF SHARES**	**% SHARES**
Tony De Pauw	0*	0.00*
Joost Uwents	15,789	0.10
EXECUTIVE CHAIRMAN OF THE BOARD OF DIRECTORS	**NUMBER OF SHARES**	**% SHARES**
Mark Duyck	6,734	0.04

* The main shareholder, the Jos De Pauw family, transferred all of its shares (4,437,539 or 27.60% of the total number of WDP shares with voting rights), which were held by mutual agreement, in joint ownership to the family company structure RTKA, in which the existing mutual agreement was institutionalised.

The holders of voting rights are the members of the management body of RTKA, being Robert, Tony, Kathleen and Anne De Pauw, to the exclusion of any other holder of rights to the holding. The members of this management body act by mutual agreement with De Pauw NV, holder of 1,720 shares of WDP. De Pauw NV is fully controlled by the members of the management body of RTKA.

The 28 July 2011 Act imposes the obligation on listed companies to ensure that no more than two in every three members of their board of directors are of the same gender by 1 January 2017. WDP aims to meet the quorum for female members of the Board of Directors no later than the final date required by law. In future, when a directorship ends, WDP will make a selection based on clear, gender-neutral and unambiguous criteria and the understanding that the underrepresented gender should be given priority. This search will be accompanied by an analysis at the level of the Board of Directors to ensure that the constitution will, in the future, better reflect the international nature of its activities, for example in the Netherlands. The Board of Directors aims to maintain a good balance of knowledge and experience at all times, based on the requirements of efficient business conduct in our markets. The Board also strives to remain a flexible and practicable entity.

4.4.2. Evaluation

Directors are evaluated on a permanent basis (as members of the Board of Directors and as members of a committee), in particular by their colleagues.

If a director has any doubts concerning the contribution of one of his colleagues, he can propose that this is included as an agenda item of a meeting of the Board of Directors or the relevant committee, or notify the chairman, who may then take any necessary steps he sees fit.

In addition, all directors are individually evaluated by the Board of Directors on an annual basis and more frequently as the case may be, with due consideration for such aspects as attendance record, how often they speak at meetings, suggestions expressed outside of meetings, proposal of new ideas based on their experience on other Boards or Committees and their sense for identifying and controlling risks.

Given the limited constitution of the Board of Directors, continual interaction between the members is the most advisable way for WDP to efficiently and continually adjust and improve the administration process rather than the formal questionnaire or box-ticking method.

4.5. Declarations concerning directors

WDP's statutory manager, based on the information at its disposal, states that:

- at least in the past five years neither it nor its directors (including the executive management) – if companies act as a director, their permanent representatives:
  - have been convicted of fraud;
  - have been the object of officially and publicly expressed accusations and/or sanctions imposed by legal or regulatory authorities (including recognised professional organisations), or have ever been declared unfit to act as a member of the administrative or regulatory bodies of a company or to act in the capacity of a director or performing a company's activities;
  - have held a managerial position as a senior manager or member of a company's administrative, managerial or supervisory bodies at the time of its bankruptcy, curatorship or liquidation.
- at present, there are no ongoing employment contracts or service contracts with the directors, through the *Vastgoedbevak/Sicafi* or the statutory manager, that provide for special payments upon termination of employment;
- the employment contracts or service contracts concluded between the statutory manager and the members of the executive management provide for no special payments upon termination of employment.

4.6. Issue or purchase of shares

The manager is authorised, for the duration of three years as from the publication of the minutes of the Extraordinary General Meeting of 27 April 2011 (published in the Belgian Official Gazette of 4 May 2011), to account, dispose of or accept as security its own shares on behalf of the company, without any prior resolution by the General Meeting, if such acquisition or disposal is necessary in order to protect the company from any serious or imminent loss.

The manager is also authorised, for the period of five years after the Extraordinary General Meeting of 27 April 2011, to acquire at the company's expense, accept as security and dispose of (even outside the stock exchange) the company's own shares at a share price that may not be lower than 0.01 euros per share (acquisition and acceptance as security) or 75% of the closing price on the trading day preceding the date of the transaction (disposal) and that may not exceed 70 euros per share (acquisition and accept as security), or 125% of the closing price on the trading day preceding the date of the transaction (disposal) without the company being authorised to hold over 20% of the total amount of shares issued.

On 3 July 2009, WDP's manager, De Pauw NV, took advantage of this statutory authorisation and purchased 1,490 of the company's shares on Euronext Brussels. These shares were transferred on 6 July 2009 to the WDP employees as part of an incentive programme. These shares were purchased for 28.106 euros per share.

At 31 December 2013 WDP Comm. VA did not hold any shares of the company. The manager of De Pauw NV possessed 1,720 shares. The book value of these shares is 52,668.65 euros. These 1,720 shares are not part of the incentive programme.

5. Committees of the Board of Directors

With a view to the implementation of the Corporate Governance Code, WDP's Board of Directors set up four specialist committees in autumn 2004: a strategic committee, an audit committee, a nomination committee and a remuneration committee. The composition of these committees is in accordance with the Companies Code and the Corporate Governance Code, with the exception of the departures stated at the beginning of this section (see page 80).

All of these committees can invite people who are not committee members to attend their meetings. They can also request, on behalf of the company, external professional advice on subjects relating to the committee's specific competences. They are nevertheless required to inform the chairman of the Board of Directors beforehand.

After each committee meeting, all of the members of the Board of Directors receive a copy of the meeting's report and its conclusions.

5.1. Strategic committee

The strategic committee deals with subjects that could potentially affect the company's strategy. Given the limited number of directors and the importance of strategic discussions, this is undertaken permanently by the entire Board of Directors. The strategic committee is chaired by the chairman of the Board of Directors. The strategic committee met thirteen times in 2013.

THE STRATEGIC COMMITTEE

NAME	CAPACITY	ATTENDANCE COEFFICIENT
Mark Duyck	Executive chairman and chairman of the strategic committee	100%
MOST BVBA, permanently represented by Frank Meysman	Independent director	100%
Alex Van Breedam	Independent director	100%
Dirk Van den Broeck	Independent director	92%
Tony De Pauw	Executive director and CEO	100%
Joost Uwents	Executive director and CEO	100%

5.2. Audit committee

The Board of Directors has appointed an audit committee from among its members.
This committee is composed of the non-executive directors of the Board of Directors.

At least one member of the audit committee must possess the necessary expertise in the field of accountancy and audits and, as an independent director, must satisfy the criteria specified in Section 526ter of the Companies Code.
Mr Dirk van den Broeck currently satisfies the conditions with respect to expertise, as well as the required criteria.

The audit committee is chaired by an independent director, who organises the proceedings of the audit committee and can invite members of the executive management, the chairman of the Board of Directors or the statutory auditor to take part in the meetings.
Mr Dirk van den Broeck is the chairman of the audit committee.

The audit committee met four times in 2013.

The audit committee performs the following duties:

- monitoring the financial reporting process;
- monitoring the efficiency of the systems for WDP's internal control and risk management;
- monitoring the internal audit and its effective operation;
- monitoring the statutory audit of the financial statements and the consolidated financial statements, including following up questions and recommendations made by the auditor;
- assessing and monitoring the auditor's independence, in particular in relation to additional services provided to the company.

The audit committee reports to the Board of Directors on a regular basis on the performance of its duties, and in any case when the Board of Directors prepares the financial statements, the consolidated financial statements and the abridged financial overviews intended for publication. Prior to each half-yearly meeting of the Board of Directors, an interim report is drawn up that is presented to the audit committee by the statutory auditor.

THE AUDIT COMMITTEE		
NAME	CAPACITY	ATTENDANCE COEFFICIENT
Dirk Van den Broeck	Independent director and chairman of the audit committee	100%
MOST BVBA, permanently represented by Frank Meysman	Independent director	100%
Alex Van Breedam	Independent director	100%

5.3. Nomination committee

The nomination committee was established to advise the Board of Directors on appointments proposed to the General Meeting of the manager. It also gives its opinion on recruitment for key posts at the manager and the *bevak/sicafi*, even if this does not have to be approved by the General Meeting of the manager.

Given the limited size of the Board of Directors, the nomination committee is composed of the entire Board of Directors and is chaired by the chairman of the Board. The nomination committee consequently consists of six members, half of whom - i.e. not the majority (as recommended by the Corporate Governance Code) - are independent directors. The chairman of the Board (who has certain executive duties) chairs the nomination committee, although the Corporate Governance Code recommends that this be done by a non-executive director. Since the chairman of the Board of Directors, despite having certain executive duties, is not the CEO, the Board of Directors believes that one of the specific, typical duties of the chairman, such as chairing the nomination committee, can be assigned to the chairman of the Board of Directors.

THE NOMINATION COMMITTEE		
NAME	CAPACITY	ATTENDANCE COEFFICIENT
Mark Duyck	Executive chairman and chairman of the nomination committee	100%
MOST BVBA, permanently represented by Frank Meysman	Independent director	100%
Alex Van Breedam	Independent director	100%
Dirk Van den Broeck	Independent director	100%
Tony De Pauw	Executive director and CEO	100%
Joost Uwents	Executive director and CEO	100%

However, the chairman is not authorised to chair the nomination committee when his/her successor is to be selected or where it concerns his reappointment.

The nomination committee meets at least twice a year. It also meets at other times if circumstances so require. The nomination committee met on two occasions in 2013.

5.4. Remuneration committee

The remuneration committee comprises the non-executive members of the Board of Directors in accordance with Section 526ter of the Companies Code, and possesses the necessary expertise on remuneration policies. The chairman of the Board of Directors (if the latter is a non-executive director) or another non-executive director chairs the committee. MOST BVBA, permanently represented by Frank Meysman, is the chairman of the remuneration committee.

The chairman of the Board of Directors is invited to all the meetings of the remuneration committee, which he may attend without being a member of this committee and without having voting rights. However, if the remuneration committee is discussing the remuneration of the chairman of the Board, the latter is not invited to that particular meeting.

The remuneration committee performs the following duties:

- it submits proposals to the Board of Directors regarding the remuneration policy of directors and the members of the executive management, as well as, where applicable, any resulting proposals that the Board of Directors must submit to the shareholders;
- it submits proposals to the Board of Directors regarding the individual remuneration of the directors and the members of the executive management, including variable remuneration and long-term performance bonuses, linked to shares or otherwise, in the form of share options or other financial instruments, and of severance payments and, where applicable, the resulting proposals that must be submitted to the shareholders by the Board of Directors;
- it prepares the remuneration report that the Board of Directors subsequently incorporates into the Corporate governance report contained in the annual financial report;
- it clarifies the remuneration report at the ordinary General Meeting of shareholders.

The remuneration committee meets at least twice a year (which was also the case in 2013) and whenever it deems this necessary in order to properly perform its duties. The remuneration committee regularly reports on the performance of its duties to the Board of Directors.

THE REMUNERATION COMMITTEE

NAME	CAPACITY	ATTENDANCE COEFFICIENT
MOST BVBA, permanently represented by Frank Meysman	Independent director and chairman of the remuneration committee	100%
Dirk Van den Broeck	Independent director	100%
Alex Van Breedam	Independent director	100%

6. The executive management

WDP is a self-managed company. That means it does not delegate the management of its property assets to a third party, but manages them within the company in consultation with the manager. The management is therefore not involved in any other property activity, but works exclusively for all of WDP's stakeholders.

WDP's executive management is the effective leadership body within the sense of the *Vastgoedbevak/Sicafi* Royal Decree of 3 August 2012 regarding certain forms of collective management of investment portfolios.

6.1. Duties of the executive management

WDP's executive management is responsible for:

- preparing, proposing and implementing the strategic objectives and the group's general policy plan, as approved by the Board of Directors;
- defining the standards based on which the strategy must be implemented;
- implementing Board resolutions, monitoring performance and results;
- reporting to the Board.

6.2. Current constitution of the executive management

Tony De Pauw is an executive director and CEO. He bears executive responsibility for:

- general management (i.e. day-to-day management of the WDP team);
- investment policy (i.e. finding, studying and negotiating potential new acquisitions in the regions where WDP is active);
- management of the property portfolio, specifically, defining the policy for the management of existing properties (maintenance, renovation and improvement work) in consultation with the facility managers;
- project management, i.e. supervising current new-build sites in conjunction with the project managers.

Joost Uwents is an executive director and CEO. He has ultimate responsibility for:

- financial policy and internal reporting. This includes cash management, receivables and payables, management of loans and interest charges, and reporting to the various levels in consultation with the CFO Mr Mickaël Van den Hauwe;
- marketing, particularly preparing commercial campaigns aimed at current and potential clients, in conjunction with the marketing director;
- commercial policy, i.e. devising a strategy to increase long-term occupancy rates, focusing on both current and potential clients. Mr Uwents works in conjunction with the various commercial directors;
- investor relations, i.e. liaising with private and institutional investors through communications with financial analysts and journalists, as well as directly with the investors through road shows and other initiatives, as well as with the CFO.

The management team can also count on the support and professional experience of the chairman of the Board of Directors, who works on a part-time basis (three days a week) in his capacity as executive chairman.

6.3. Procedures of the executive management

The members of the executive management work together in constant consultation. Where the company's day-to-day operations are concerned, resolutions are adopted by a majority of votes. Major decisions regarding day-to-day management are taken unanimously in accordance with the relevant agreements made with the Board of Directors. If the executive management fails to reach an agreement regarding these major decisions, the decision is passed to the Board of Directors.

A weekly management meeting is held, attended by both the members of the management team and the chairman of the Board of Directors in his capacity as executive chairman. The Board of Directors is entitled to see the agenda and reports of these meetings. An agenda is drawn up before each meeting and is sent well in advance to all the management team members and the executive chairman so that they can prepare for the meeting appropriately. This agenda contains matters including operational decisions relating to day-to-day operations, the status of projects in progress and leases and the evaluation of new projects under consideration.

6.4. Accountability to the Board of Directors

The executive management submits all the relevant financial and business information to the Board of Directors of the manager every three months. Among other things, the following information is provided: key figures, an analytical presentation of the results compared to the budget, an overview of the changes in the property portfolio, and consolidated management accounts including notes.

The members of the executive management as well as the executive chairman are also accountable as directors to their colleagues on the Board of Directors.

6.5. Term of the executive management

6.5.1. Appointments

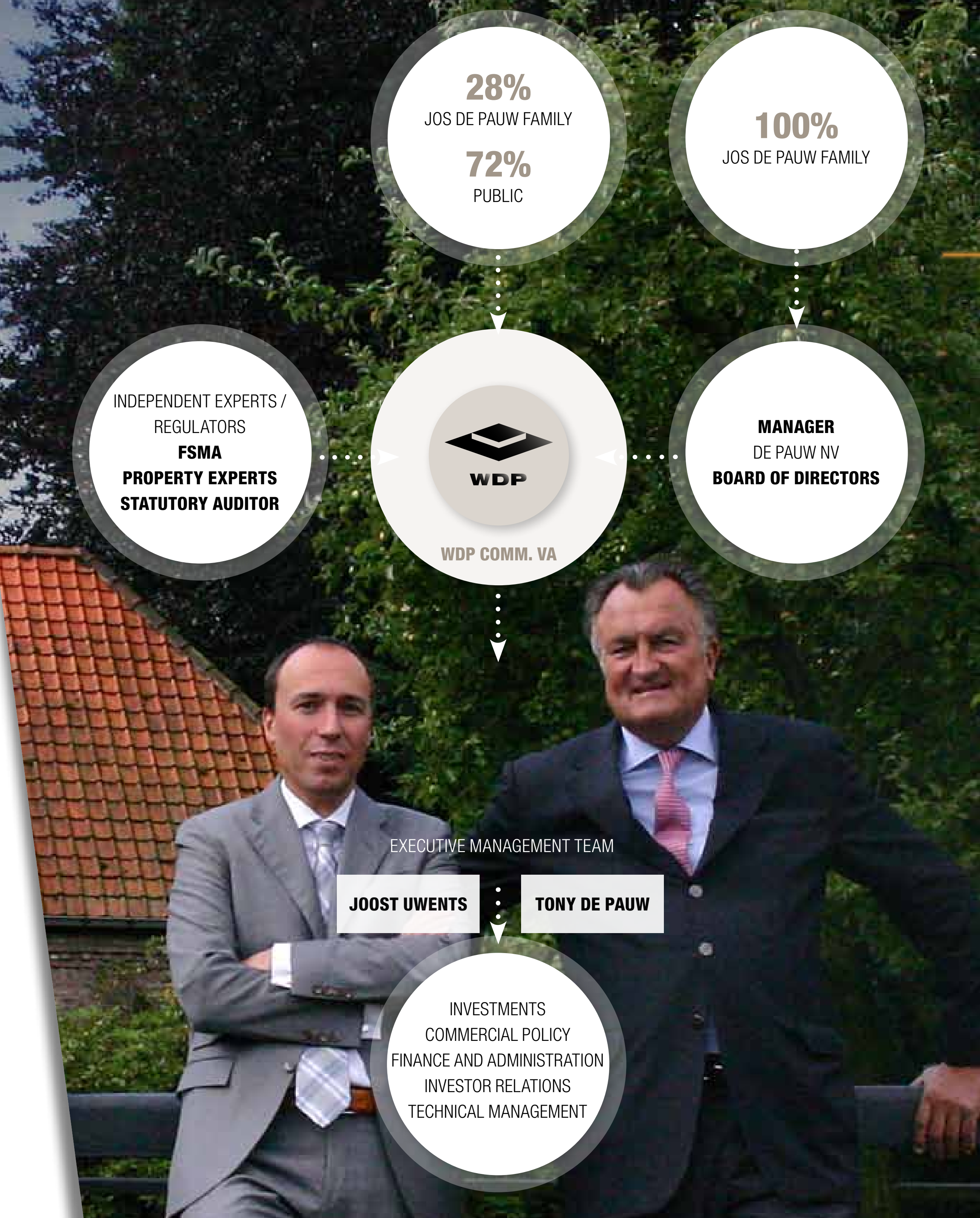
The CEO (or both CEOs, if two CEOs are nominated) is selected and nominated by the Board of Directors, also acting as a nomination committee.

The CEO (or both CEOs, if two CEOs are nominated) and the chairman of the Board of Directors jointly submit the selection and nomination of the executive management for approval to the Board of Directors, which also acts as a nomination committee.

6.5.2. Evaluation

The executive management is assessed by the Board of Directors and the remuneration committee on the basis of objectives and performance.

The objectives on which the evaluation is based are defined by the Board of Directors on the recommendation of the remuneration committee.


28%
JOS DE PAUW FAMILY
72%
PUBLIC
100%
JOS DE PAUW FAMILY
INDEPENDENT EXPERTS / REGULATORS
FSMA
PROPERTY EXPERTS
STATUTORY AUDITOR
WDP
WDP COMM. VA
MANAGER
DE PAUW NV
BOARD OF DIRECTORS
EXECUTIVE MANAGEMENT TEAM
JOOST UWENTS
TONY DE PAUW
INVESTMENTS
COMMERCIAL POLICY
FINANCE AND ADMINISTRATION
INVESTOR RELATIONS
TECHNICAL MANAGEMENT

7. Remuneration report

This remuneration report, which is governed by the provisions of the Corporate Governance Code 2009 and represents the implementation of Section 96, paragraph 3 (2) of the Companies Code, as implemented by the Act of 6 April 2010, presents:

→ the procedures followed during the financial year 2013 to (a) develop a remuneration policy on behalf of the directors and the executive management and to (b) set the remuneration of individual directors and of individual members of executive management;
→ a report regarding the remuneration policy pursued during the 2013 financial year for the directors and the executive management, containing the following information:
  - the principles on which the remuneration was based, specifying the relationship between remuneration and performance;
  - the relative significance of the various components of the remuneration;
  - characteristics of performance bonuses in shares, options or other rights to acquire shares;
  - information on the remuneration policy for the next two financial years;
→ the remuneration and any other benefits received by non-executive directors on an individual basis from the manager or from WDP;
→ if the executive directors or members of the executive management are eligible for compensation based on WDP's performance, the criteria for evaluating performance against the targets, specification of the evaluation period, and a description of the methods used to determine whether these performance criteria were complied with;
→ the amount of the remuneration and other benefits WDP awarded to the executive management. This information must be broken down into the following components:
  - basic salary;
  - variable remuneration: any additional compensation linked to the performance criteria, specifying the form in which this variable remuneration is paid;
  - pension: the amounts paid during the financial year 2013 or the costs of the services provided during the financial year 2013 depending on the type of pension scheme, including details on the applicable pension scheme;
  - the other components of the remuneration, e.g. the costs or value of the insurance policies and other benefits in kind, including details on the particulars of the main components;
→ the overall amount of the remuneration, broken down by category, of the executive directors and the members of executive management;
→ the potential or actual severance pay of the members of the executive management.

The remuneration committee regularly performs a benchmark against both the remuneration of non-executive directors and executive directors of comparable listed Belgian companies in order to make sure that the remuneration remains appropriate and complies with market practices, taking into account the company's size, financial situation and position in the Belgian economy, along with the directors' level of responsibility.

In addition, on an annual basis the remuneration committee analyses the remuneration policy that applies to the executive directors and determines whether any adjustments are needed to retain and motivate them, taking account of the size of the company. Overall remuneration levels, the spread of the various components of the remuneration and the conditions for obtaining the remuneration are all analysed. The remuneration committee also determines whether the process of setting the targets that specify the level of the variable remuneration in the short term is in line with the company's risk appetite.

The Board of Directors, on the proposal of the remuneration committee, does not intend to make any substantial changes to the remuneration policy applicable to directors and executive management for the 2013 and 2014 financial years.

In 2013, the manager received remuneration of 1,100,000 euros. This amount corresponds to the total cost for the Board of Directors in 2013, including the bonus scheme for the executive management and the management of *Vastgoedbevak/Sicafi*.

The total remuneration of the non-executive directors and the executive chairman during the financial year 2013 was 271,000 euros (100% fixed). The non-executive directors do not receive any performance-related pay.

The total remuneration of the executive management during the financial year 2013 was 800,000 euros (including 37.5% variable pay).

The criteria and targets on which basis the variable remuneration is allocated to the executive management are expressly set at the beginning of the financial year by the Board of Directors on the proposal of the remuneration committee. For the financial year 2013 the following criteria were used (in descending order of importance): the operating result of the group and the occupancy rate, for the one-year targets and the implementation of the solar energy project and the control of the gearing ratio for the multi-year targets. The extent to which the financial criteria were achieved will be assessed after the close of the financial year, based on accounting and financial data to be analysed by the audit committee. These and other criteria are subsequently further assessed by the remuneration committee. Based on the company's profit or loss, the Board of Directors then awards the variable remuneration to the executive directors Tony De Pauw and Joost Uwents. Under the *Vastgoedbevak/Sicafi* Royal Decree, these criteria for awarding the variable pay or the portion of the variable pay that is based on performance relate exclusively to WDP's consolidated net result, excluding any fluctuations in fair value and hedging instruments, and no compensation may be awarded based on a specific act or transaction on the part of WDP or any of its subsidiaries.

Variable remuneration may only be awarded if the criteria for payment determined by a member of executive management and WDP have been satisfied for the reference period. The following also applies: (a) at least 25% of the variable remuneration paid to a member of executive management must be based on performance criteria measured over a period of at least two years, while (another) 25% must be based on performance criteria measured over a period of at least three years. WDP complies with these statutory rules relating to the distribution over time of the variable pay, a portion of which is awarded upon expiry of the relevant financial year and another portion of which is awarded subsequent to this period (i.e. after three years).

Executive directors and the chairman may use their basic compensation to finance their group insurance in accordance with the *cafeteria principle*.

INDIVIDUAL REMUNERATION FOR THE 2013 FINANCIAL YEAR

NON-EXECUTIVE DIRECTORS	FIXED [1] (IN EUROS)		VARIABLE (IN EUROS)
	REMUNERATION	OTHER BENEFITS [2]	
MOST BVBA, permanently represented by Frank Meysman	23,000	-	-
Alex Van Breedam	23,000	-	-
Dirk Van den Broeck	23,000	-	-
EXECUTIVE DIRECTORS [3]			
Tony De Pauw	250,000	14,080	150,000 [4]
Joost Uwents	250,000	4,750	150,000 [4]
EXECUTIVE CHAIRMAN OF THE BOARD OF DIRECTORS [5]			
Mark Duyck	202,000	-	-

1 Fixed remuneration consists of basic remuneration, including an insurance allowance, pension contributions, and an annual expense allowance of 3,500 euros.
2 The Other benefits consist of a company car for the members of the executive management team.
3 The basic remuneration is established on the basis of the individual responsibilities and skills of each member of the executive management, is independent of any result, and is not indexed.
4 Remuneration relating to achieving all the targets, payable at 50% over a period of two or three years.
5 The Board of Directors has decided to grant extra remuneration to the chairman for supplementary work, such as part-time executive duties.

No shares, options or any other benefits are provided for, with the exception of a company vehicle for the members of executive management.

No prevailing employment contracts or contracts for the provision of services have been signed with the executive directors (being all persons in accordance with Section 96 of the Companies Code for whom information must be provided) that provide for severance pay. Similarly, the contracts contain no claw-back clauses.

The ordinary Annual General Meeting, which decides on the Board of Directors' annual financial report, will also decide on the remuneration report by means of a separate vote.

8. Conflicts of interest

8.1. Conflicts of interest involving directors

The statutory regulation relating to conflicts of interest for directors (Section 523 of the Companies Code) applies to decisions or actions covered by the competence of the Board of Directors when:

- a director has a direct or indirect property interest, i.e. an interest with financial implications;
- this interest is contrary to the company's interest in this decision or transaction.

In accordance with this regulation, directors are obliged to point out any potential conflicting property interest to the Board of Directors before the decision is taken.

They should leave the meeting during the discussion of the relevant agenda item and cannot take part in the debate or the decision taken on this agenda item.

To the company's knowledge, none of the directors currently have a conflict of interest within the meaning of Section 523 of the Companies Code. Other than possible conflicts relating to remuneration issues, the company does not foresee any other potential conflicts of interest in the immediate future.

8.2. Conflicts of interest involving transactions with affiliates

The *Vastgoedbevak/Sicafi* must comply with the procedure set out in Section 524 of the Companies Code if it takes a decision or performs an action that relates to: (a) the relations between the *Vastgoedbevak/Sicafi* and an affiliate, not including its subsidiaries, and (b) relations between a subsidiary of the *Vastgoedbevak/Sicafi* and its affiliate, with the exception of subsidiaries of that subsidiary.

There were no such conflicts of interest in 2013 or at the beginning of 2014. If such a conflict of interest arises, this will be communicated at the appropriate time.

8.3. Functional conflicts of interest

WDP is subject to the provisions of Articles 18 and 19 of the *Vastgoedbevak/Sicafi* Royal Decree. Article 18 contains a provision regarding functional conflicts of interest due to which *Vastgoedbevaks/Sicafis* must inform the FSMA if and when certain persons affiliated with the *Vastgoedbevak/Sicafi* (an exhaustive list of which is set out in the same Article, including the manager and its directors, the individuals responsible for supervising, affiliated with or holding a stake in the *Vastgoedbevak/Sicafi*, the promoter and the other shareholders of all the subsidiaries of the *Vastgoedbevak/Sicafi*) act directly or indirectly as a counterparty in, or gain any financial benefit from, a transaction with the *Vastgoedbevak/Sicafi* or any of its subsidiaries. In its statement to the FSMA, WDP must demonstrate its interest in the planned transaction and the fact that the transaction concerned is within the scope of the investment policy of the *Vastgoedbevak/Sicafi*. Article 19 describes situations in which the provisions of Article 18 do not apply.

Transactions that involve a functional conflict of interest must be completed at normal market conditions. If such a transaction concerns property, the valuation of the property expert is binding as a minimum price (in the event of a sale by the *Vastgoedbevak/Sicafi*) or a maximum price (in the event of acquisition by the *Vastgoedbevak/Sicafi*).

Such transactions, along with the data to be reported, are publicly disclosed without delay. They are explained in the annual financial report and in the report of the statutory auditor.

In addition to these stipulations of the *Vastgoedbevak/Sicafi* Royal Decree, WDP imposes the obligation on each member of the Board of Directors and of the executive management to wherever possible prevent conflicts of interest from arising and WDP also employs a stricter definition of functional conflict of interest with regard to a matter that falls under the powers of the Board of Directors or the executive management respectively.

Specifically, a member of the Board of Directors or the executive management has a functional conflict of interest if:

- the member or any of his or her close relations has an interest regarding proprietary rights that conflicts with a decision or transaction of the company;
- a company that does not form part of the group and in which the member or any of his or her close relations holds a director's or management position has an interest regarding proprietary rights that conflicts with a decision or transaction of the company.

If such a functional conflict of interest arises the director in question will notify his or her colleagues. They then decide whether the director in question is permitted to take part in the vote on the matter to which the conflict of interest relates and whether that colleague can be present during the debate on this matter. There were no such conflicts of interest in 2013 or at the beginning of 2014. If such a conflict of interest arises, this will be communicated at the appropriate time.

9. Code of conduct regarding financial transactions

9.1. Compliance Officer

The compliance officer is responsible for monitoring compliance with the code of conduct for financial transactions in the Corporate governance report (the *dealing code*).

He or she should have sufficient experience within the company. Legal counsel Ms Ilse Fruytier is the compliance officer at WDP.

9.2. Rules regarding transactions involving the company's shares

The following rules apply to all the members of the Board of Directors, members of the executive management, all members of staff of WDP and of the manager, as well as the employees of the independent property experts who have access to information they know, or should know, is insider information.

Insider information means any information not publicly disclosed that is accurate and directly or indirectly relates to one or more issuers of financial instruments or one or more financial instruments and that, if it were publicly disclosed, could significantly affect the price of those financial instruments (or financial instruments derived from them).

The statutory auditor is subject to the legal provisions and code of ethics of the *Instituut van de Bedrijfsrevisoren (IBR)*.

9.2.1. Duty of disclosure

For both the manager and the directors of the manager WDP applies the provisions of Article 25bis §2 of the Act of 2 August 2002 concerning the supervision of the financial sector and financial services (the *Act of 2 August 2002*), relating to the reporting of the transactions instructed by these persons. This means that the persons with leadership responsibilities of WDP (the manager and the manager's permanent representative), as well as the persons that are closely connected to them (within the sense of Article 2, 23° of the Act of 2 August 2002) and the directors of De Pauw NV must report any transaction on their own behalf in securities issued by WDP to the compliance officer (stating all information the compliance officer needs to be able to make the legally required report to the FSMA on behalf of these persons) in the course of the working day following the working day when the transaction was made.

In accordance with Article 13 of the Royal Decree of 5 March 2006, the compliance officer must report each notification to the FSMA as soon as possible but no later than five working days after the transaction is completed. However, the compliance officer can postpone such notifications until 31 January of the following calendar year at the latest if the total amount of transactions made by the same person during the current calendar year remains below the 5,000 euro limit. Should this limit be exceeded, the compliance officer shall report all transactions made by the same person up to that moment within five working days of completion of the last transaction of said person.

This system, in which the compliance officer reports on behalf of the person concerned, does not alter the fact that, from a legal perspective, the duty of disclosure exclusively exists for the individual persons obliged to make a disclosure, namely the persons with management responsibilities and those closely related to them, and that they remain responsible for this.

9.2.2. Disclosure of insider information

The Board of Directors is required to report any insider information (or postpone the notification of such information) in accordance with the statutory provisions. All of the members of the Board of Directors, the executive management and staff who obtain potentially price-sensitive information regarding WDP are obliged to inform the compliance officer accordingly.

The directors undertake to preserve the confidential nature of inside information and to not disclose it in any form whatsoever, nor enable anyone to gain access to it without the prior consent of the Chairman of the Board of Directors and in compliance with the relevant statutory provisions.

9.2.3. Prohibition on insider trading

In this respect, WDP complies with Article 25, §1, (1) of the Act of 2 August 2002.

9.2.4. Prohibition on market manipulation

WDP complies with the provisions of Article 25, §1, (2) of the Act of 2 August 2002.

9.2.5. Blackout periods

As from the sixteenth working day after the end of each quarter until the date of publication of the results for the past quarter (blackout periods), it is forbidden to sell or purchase the company's shares or other financial instruments. The partial sale of shares with a view to financing the exercise price of options or any capital gains tax payable is also forbidden during these periods.

However, the compliance officer can authorise departures to this principle in exceptional cases. The compliance officer is also entitled to impose occasional blackout periods on the basis of significant insider information known to the Board of Directors and the executive management, but the disclosure of which is postponed under Article 10 of the Act of 2 August 2002.

These occasional blackout periods begin at the moment when the information becomes known to the Board of Directors and the executive management. They last until the moment when the information is released to the public.
The fixed and occasional blackout periods apply to the members WDP's Board of Directors, executive management and all members of staff.

9.2.6. Transactions prohibited at all times

Short-term speculative transactions are always prohibited. This means that short-term option transactions, known as *short selling*, and the hedging of options granted under share option schemes are not allowed, as follows from Article 34, §3 *Vastgoedbevak* Royal Decree.

The following transactions are however permitted, also during blackout periods:

- → Purchases and disposals, provided the instruction was given outside the blackout periods (and obviously at a time the person concerned did not possess any insider information). Restricted purchase and sale orders must not be altered during blackout periods.
- → The exercise of options granted under a share option scheme, provided that the instruction for this transaction was given outside the blackout period (and obviously at a time the person concerned did not possess any inside knowledge). The sale of shares acquired through this exercise during a blackout period is nevertheless prohibited.
- → The acquisition of shares as part of dividend distribution (and obviously at a time the person concerned did not possess any insider information).
- → Transactions undertaken in the context of discretionary asset management outsourced to third parties, in which the party concerned does not exercise control over the management and the choice of the financial instruments by the asset management company, which should preferably not consult the parties concerned on the matter.

10. Abuse of company property and bribery

As stated in article 492bis of the Criminal Code, WDP directors, executive management and staff are prohibited from using WDP's property or credit facilities for private purposes, either directly or indirectly. They can only do so if they have been duly authorised for this purpose. They also undertake not to accept any benefits in the form of gifts or entertainment from clients or suppliers, except where this is compatible with customary, admissible commercial practices.

If a director, member of executive manager or member of staff is unsure whether a given act constitutes an abuse of company property or bribery, they must request prior authorisation from the chairman of the Board of Directors. However, such authorisation clearly never exempts this person from criminal liability.

11. Internal control and risk management systems

11.1. Company organisation

WDP's internal organisation has expanded significantly in recent years through the growth of WDP. The number of employees has increased significantly, as has the internal division of duties in order to ensure a clearer separation of functions.

For example, WDP is organised into various support departments. The various roles are held by the following departments: Commercial Management & Business Development, Finance, Legal, Human Resources, Facility Management and Project Management.

Notwithstanding this further professionalisation, the size of the team remains limited, as an excessively heavy structure and bureaucracy would have an undermining effect on the company. A certain flexibility, where some employees must sometimes serve as a backup for colleagues, remains vital. However, the responsibilities are clearly defined and daily meetings are held to discuss and follow up on current business.

11.2. Organisation of internal control

With regard to the organisation of internal control, the audit committee has a specific responsibility as regards WDP's internal control and risk management. The composition of the audit committee and its activities are described elsewhere in this annual report. (See *5.2. Audit committee* on page 90.)

11.3. Risk analysis and audits

Risk analysis is described in *1. Risk factors* on page 3 of this annual financial report. This section also describes the measures WDP is implementing and the strategy it pursues in order to limit and control the potential impact of these risks if they occur.

The audit committee and the Board of Directors regularly assess these risks and, based on these assessments, they make appropriate decisions (e.g. with regard to defining an interest rate-hedging strategy, assessing tenant risks, etc).

11.4. Financial information and communications

The process of preparing financial information is structured on the basis of predefined responsibilities and the time schedules to be adhered to.

WDP uses a checklist containing all the tasks to be performed as part of the annual, biannual and quarterly closing of the WDP accounts (at both the separate and consolidated levels). A person responsible within the financial department and a deadline are linked to each task. Based on this checklist, all employees in the financial department know exactly what tasks are to be performed, along with the deadline for completion.

Once all accounting tasks have been completed, the person responsible in the financial department verifies the figures.

This verification consists mainly of the following steps:

- → an analysis of the discrepancies between the actual figures and the budgeted figures (the budgeted figures are drawn up once a year and are updated each quarter based on a forecast);
- → an analysis of the discrepancies between actual figures and historical data;
- → an ad hoc analysis of all material amounts and entries.

Once these checks have been completed, the figures are submitted to WDP's executive management and set down by agreement with the CFO.

11.5. Parties involved in the assessment of internal control

During the course of the financial year, the quality of the internal control is also assessed by:

- → The statutory auditor as part of the audit of the biannual and annual figures, on the one hand, and as part of the annual check of the underlying processes and procedures, on the other.

- → As stated above, the audit committee has a special responsibility when it comes to WDP's internal control and risk management. (See *1. Risk factors* on page 3.) The Board of Directors of the manager is responsible for ensuring that the duties of the audit committee are performed, including through reports submitted by the audit committee to the Board of Directors.


370
309

6

Shares and bonds

1. The share

1. Share price

In the first few months of 2013 the WDP share price rose from 47 euros at 31 December 2012 to 52 euros in May, when the dividend was paid out, before slipping back again slightly, in line with the broad European market indexes.

The share benefited from increasing investor confidence in the stock markets in the second half of the year, driven by signs of an economic recovery and a continuing low interest rate.

Within this context, WDP was again able to build on its reputation and traditional advantages. First and foremost, it is important that potential investors and shareholders appreciate the added value that WDP offers. In addition, there is the company's position as the market leader in logistics and semi-industrial property in the Benelux market and the transparent tax regime within which the company operates in Belgium as well as France and the Netherlands. Furthermore, WDP operates as a self-managed company, which is managed exclusively for the benefit of its shareholders and other stakeholders. In addition, the property portfolio instantly provides investors with key economies of scale in specific areas. Lastly, the company pays a stable dividend.

This strong interest of investors and their confidence in the new strategic growth plan for 2011-13 were confirmed during the successful capital increases in 2013, which created room for new investments. The closing price on 31 December 2013 was 52.70 euros.

2. Velocity and liquidity

Market capitalisation rose to approximately 850 million euros, as a consequence of the capital increases resulting from the optional dividend and the direct mergers resulting from the Geel transaction, as well as the share's strong return in 2013.

The liquidity of WDP shares continued to rise too. In 2013 the average daily volume was 629,536 euros (in 2012: 506,943 euros). As a result, velocity – the number of shares traded per year divided by the total number of shares at year end – was 20.2%. WDP continues to make efforts to regularly participate in road shows and events for both institutional and private investors so that it is able to keep investors permanently informed in a transparent way and continue to broaden the investor base.

FIGURES PER SHARE	31 DEC. 13	31 DEC. 12	31 DEC. 11
Number of shares in circulation on closing date	16,079,247	15,081,692	13,638,521
Free float	72%	71%	69%
Market capitalisation (in euros)	847,376,317	712,459,130	505,443,588
Traded volume in shares	3,244,920	3,198,319	3,249,196
Average daily volume (in euros)	629,536	506,943	474,468
Velocity [1]	20.2%	21.2%	23.8%
Stock exchange price			
- high	55.69	47.25	41.95
- low	43.77	37.02	31.51
- closing	52.70	47.24	37.06
NAV (IFRS) [2] (in euros)	32.78	29.85	29.43
NAV (EPRA) [2] (in euros)	35.92	34.64	33.35
Dividend payout ratio	88%	90%	90%
Net current result [3] (in euros)	3.85	3.45	3.25
Net current result/share [4] (in euros)	3.70	3.67	3.42
Gross dividend/share (in euros)	3.25	3.11	2.94
Net dividend/share (in euros)	2.44	2.33	2.32

1 The number of shares traded annually divided by the total number of shares at the end of the year.
2 NAV: net asset value, i.e. shareholders' equity before profit distribution for the current financial year.
3 Calculation based on the number of shares entitled to dividend.
4 Calculation based on the weighted average number of shares.

3. Long-term price and return

Total return [1] on the WDP share in 2013 was 18.7%.

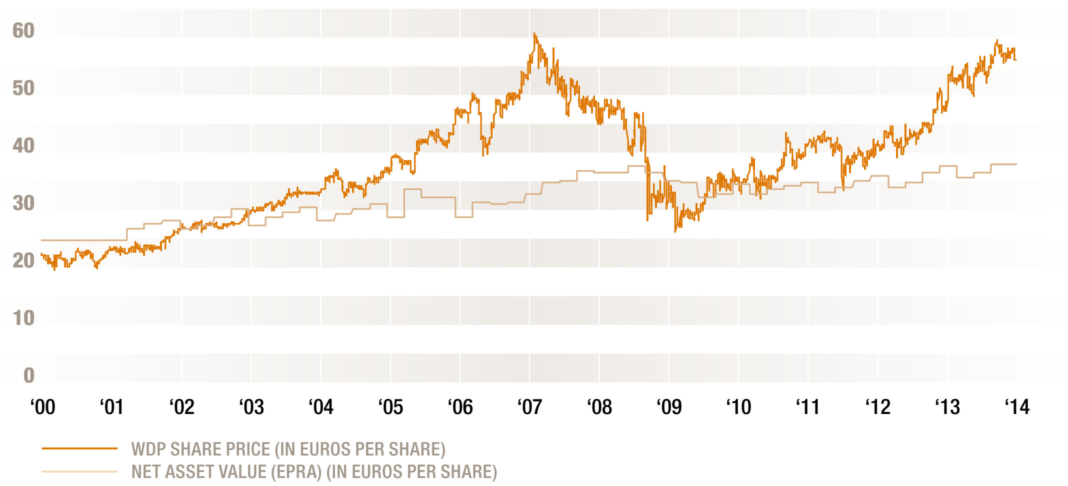
The EPRA figures also show that WDP continues to significantly outperform the indexes of European property shares (+7.2%), property shares in the euro zone (+8.8%) and Belgian property shares (6.1%) over the past fifteen years – since the IPO at the end of June 1999 – with a total annualised return of +13.2%.

In other words, WDP again offered a good return in 2013 in a general climate of low interest rates.

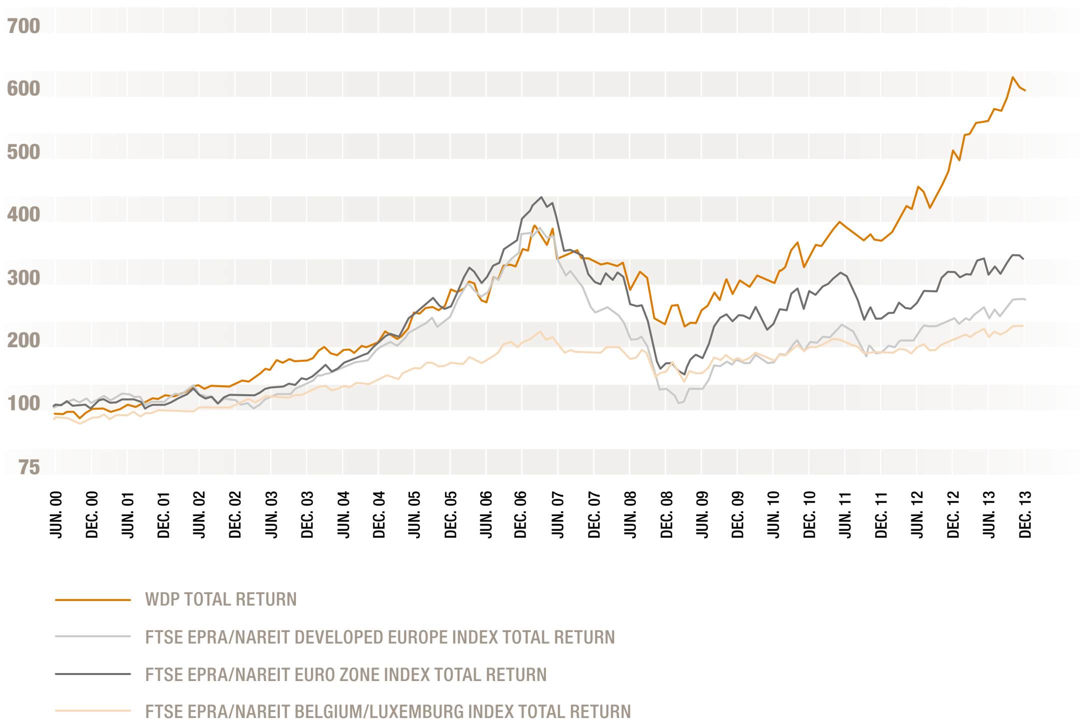
WDP remains committed to generating strong cash flow in order to create a basis for a high dividend. The company also firmly believes that the quality of the property portfolio and the tenants, plus the fact that a high dividend is paid every year, continues to point towards a strong future.

1 The return on a share in a given period is equal to the gross return. This gross return is the sum of the following components:
- the difference between the share price at the end of the period and the beginning of the period;
- gross dividend (dividend before deduction of withholding tax);
- gross return on the dividend received when reinvested in the same share.

COMPARISON BETWEEN SHARE PRICE AND NET ASSET VALUE



COMPARISON OF TOTAL RETURN OF WDP SHARES WITH EPRA INDEXES



2. Bonds

On Monday 11 March 2013 WDP completed a successful private placement of seven-year bonds totalling 50 million euros and maturing on 18 March 2020.

The bonds were issued at 99.861%, which corresponds to a fixed annual gross yield of 3.82%. The indicative bond price at 31 December 2013 was 99.40%. The bonds are freely tradable on Euronext Brussels. [2]

2 There are 500 outstanding bonds with ISIN code BE0002192582.

3. Structure of the shareholding of the company[3]

On 26 October 2012 the main shareholder, the Jos De Pauw family, transferred all of its shares, which were held by mutual agreement, in joint ownership to the family company structure RTKA, in which the existing mutual agreement was institutionalised. The Jos De Pauw family currently holds 4,437,539 WDP shares of the total number of WDP shares granting voting shares. De Pauw NV holds 1,720 shares. Together they hold 27.61% of the capital of WDP.

The holders of voting rights are the members of the management body of RTKA, being Robert, Tony, Kathleen and Anne De Pauw, to the exclusion of any other holder of rights to the holding.

The members of this management body act by mutual agreement with De Pauw NV, which is fully owned by the members of the management body of RTKA.

At 31 December 2013 the stake of the Federal Holding and Investment Company[4] was still more than 3%.

WDP also received a report from BNP Paribas Investment Partners NV that it held a 3.73% stake in WDP on 14 June 2013.

WDP also received a report from AXA Investment Managers NV that it held a 3.03% stake in WDP on 10 December 2013.

3 Any changes announced are also published at www.wdp.be.
4 The Federal Holding and Investment Company (26 October 2011) is the parent of Belfius NV, which in turn is the parent of Dexia Insurance Belgium. Dexia Insurance Belgium is the parent of DELP Invest and Dexia Life and Pensions.

Financial calendar

16|04|2014	Final date for registering shares for participation in the General Meeting of Shareholders of 30 April 2014
24/04/2014	Final date for confirming participation in the General Meeting of Shareholders of 30 April 2014 (bank certificate/proxy)
30|04|2014	General Meeting of Shareholders
06|05|2014	Ex-dividend date 2013
07|05|2014	Publication of Q1 2014 results
08|05|2014	Dividend record date 2013
08|08|2014	Publication of 2014 interim results and publication of 2014 Interim financial report
05|11|2014	Publication of Q3 2014 results
Week 7|2015	Publication of 2014 annual results

Dates for registration period, Payment Date and date of listing of new shares were set at the Board of Directors meeting of 30 April 2013.

For any changes, please refer to the financial calendar on our website www.wdp.be.

WDP LISTED NYSE EURONEXT

NYSE Euronext
IPO: 28|06|1999
listing: continuous
ISIN-code: BE0003763779
liquidity provider: Petercam NV and Kempen & Co

7

Property Report

1. Review of the consolidated property portfolio

1. Description of the portfolio at 31 December 2013

The independent surveyors Stadim, Cushman & Wakefield, DTZ Zadelhoff and BNP Paribas Real Estate have estimated the fair value[1] of the WDP property portfolio (including *Assets held for sale* and excluding solar panels) in accordance with IAS 40 at 1,196.2 million euros as at 31 December 2013.

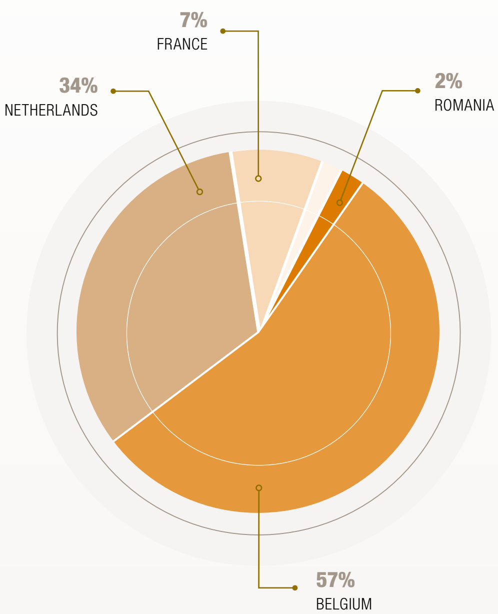
The comparable value at year-end 2012 was 1,095.2 million euros.

The portfolio breaks down as follows:

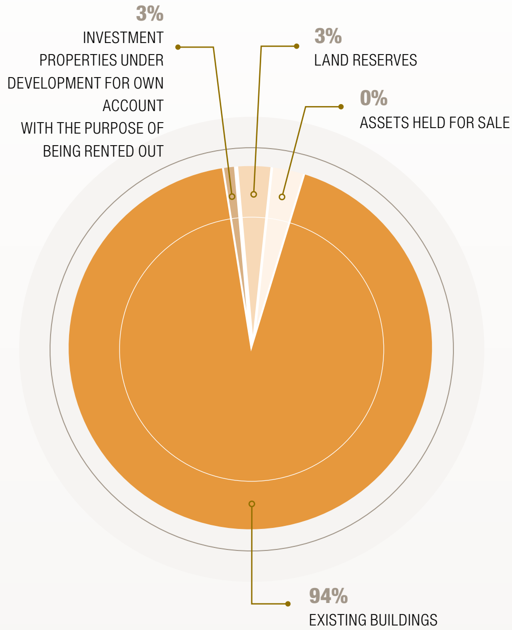
FAIR VALUE (IN EUROS X 1,000)	BELGIUM	THE NETHERLANDS	FRANCE	CZECH REPUBLIC	ROMANIA	TOTAL
Existing buildings	652.2	390.7	76.6	7.0	4.1	**1,126.5**
Investment properties under development for own account with the purpose of being rented out	15.0	14.3	0.0	0.0	0.0	**29.3**
Land reserves	15.9	0.0	3.0	19.3	21.1	**38.3**
Assets held for sale	2.2	0.0	0.0	0.0	0.0	**2.2**
TOTAL	**685.3**	**405.0**	**79.7**	**26.3**	**25.2**	**1,196.2**

1 Impact on the fair value of estimated transfer duties and transfer fees for the hypothetical sale of investment property (-): these are the transfer costs that must be paid on the hypothetical sale of investment property. The fair value at which the investment property is valued consists of the investment value less transaction fees. The average theoretical local registration costs that are deducted from the investment value are as follows: Belgium: 2.5%, the Netherlands: 5.8%, France: 3.5%, Czech Republic: 2.0%, Romania: 3.0%.

GEOGRAPHIC BREAKDOWN OF THE FAIR VALUE OF THE PORTFOLIO



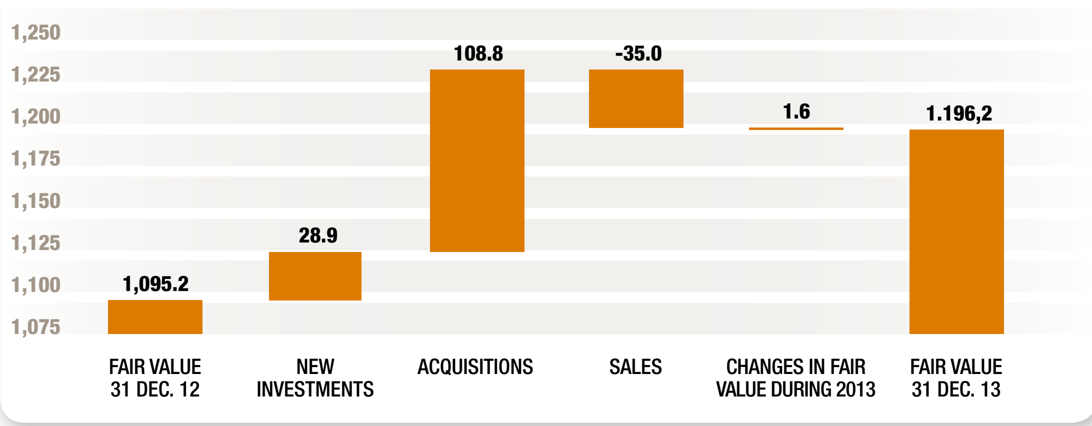
BREAKDOWN OF THE FAIR VALUE OF THE PORTFOLIO BASED ON USE



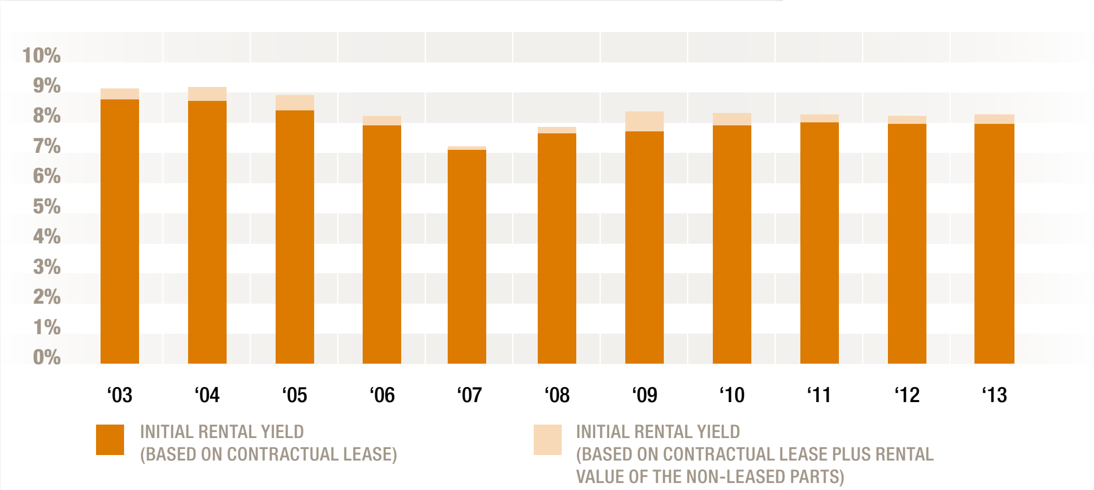
PORTFOLIO STATISTICS PER COUNTRY	BELGIUM	THE NETHERLANDS	FRANCE	ROMANIA	TOTAL
Number of lettable sites (#)	64	30	8	2	**104**
Gross lettable area (in m²)	1.283.697	693.670	150.113	10.122	**2.137.602**
Land (in m²)	2.475.556	1.136.747	376.174	860.977	**4.849.454**
Fair value (in million euros)	685.3	405.0	79.7	26.3	**1,196**
% of total fair value	57%	34%	7%	2%	**100%**
% change in fair value over 2013	-0.2%	0.6%	-1.5%	-5.1%	**-0.1%**
Vacancy rate (EPRA)[1,2]	3.3%	1.7%	4.5%	0.0%	**2.8%**
Average lease length till first break (in y)[2]	5.3	8.6	3.6	7.9	**6.5**
WDP gross initial yield[3]	7.7%	8.9%	9.1%	9.5%	**8.2%**
Effect of vacancies	-0.2%	-0.3%	-0.4%	0.0%	**-0.2%**
Adjustment gross to net rental income (EPRA)	-0.2%	-0.2%	-0.1%	0.0%	**-0.2%**
Adjustments for transfer taxes	-0.2%	-0.5%	-0.3%	-0.3%	**-0.3%**
EPRA net initial yield[1]	7.1%	7.9%	8.3%	9.3%	**7.5%**

1 Financial performance indicators calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. Please see www.epra.com.
2 Excluding solar panels.
3 Calculated by dividing the annualised contractual gross (cash) rents by fair value. The fair value is the value of the property investments after deduction of transaction costs (mainly transfer tax).

CHANGES IN THE PROPERTY PORTFOLIO DURING 2013
(IN MILLION EUROS)



HISTORICAL GROSS RENTAL YIELD OF THE WDP PORTFOLIO



2. Changes in fair value during 2013

In 2013, WDP invested a total amount of 108.8 million euros in new acquisitions. An additional 28.9 million euros was also invested in finishing pre-let projects, while a select number of smaller non-strategic sites were sold for a net amount of 35.0 million euros.

The variation in the valuation of investment property was -1.6 million euros in 2013 for a portfolio of approximately 1.2 billion euros. The gross rental yield based on contractual rents after the addition of the estimated market rental value for the non-leased parts remained stable at 8.2% at 31 December 2013, versus 8.2% at year-end 2012.

3. Value and composition of the rental portfolio

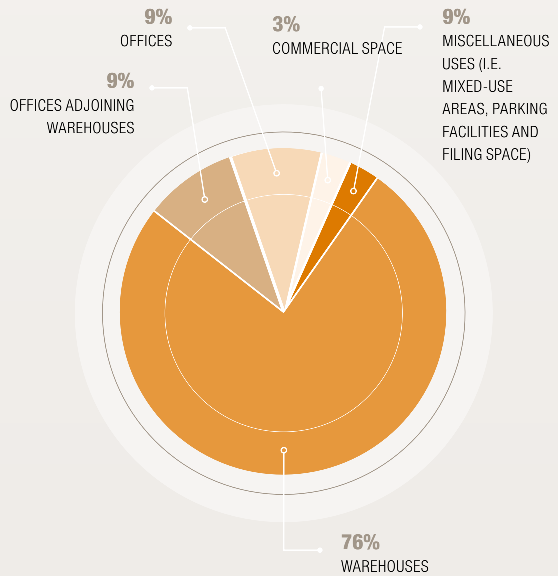
Total surface area comprises 484.9 hectares, including 25.6 hectares granted in concession. The remaining 459.5 hectares have an estimated sale value of 409.4 million euros or 36% of the total fair value. This produces an average land value of 94.9 euros per square metre, excluding transaction fees. This surface area also includes the land reserves, predominantly in Belgium and Romania.

The total lettable surface area of the buildings is 2.1 million m², with a total estimated rental value of 87.2 million euros. Warehouses account for the bulk (80.1%) of this volume, with 1,717,598 m² and a total rental value of 69.8 million euros. This brings their average rental value per square metre to 40.6 euros.

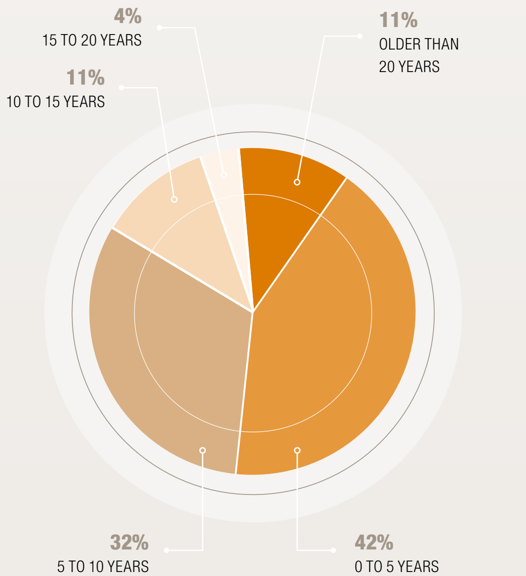
The offices, some of which are separate and some of which are adjacent to warehouses, account for 154,578 m² or a rental value of 13.7 million euros. Average rental value per square metre is 88.6 million euros. Commercial space accounts for 66.425 m² and represents 1.3 million euros in rent, with an average price per square metre of 19.6 euros. Miscellaneous uses account for 158,925 m² (2.4 million euros), with an average rent of 12.8 euros per square metre.

DESIGNATED USE AT 31 DEC. 13	BUILT SURFACE (IN M²)	ESTIMATED RENTAL VALUE (IN MILLION EUROS)	ESTIMATED AVERAGE RENTAL VALUE PER M² (IN MILLION EUROS)	% OF TOTAL RENTAL VALUE
Warehouses	1,717,598	69.8	40.6	**80.1%**
Offices adjoining warehouses	94,289	7.7	81.8	**8.9%**
Offices	60,289	6.0	99.2	**6.9%**
Commercial space	66,425	1.3	19.6	**1.5%**
Various uses (mixed-use areas, parking facilities and filing space)	185,925	2.4	12.8	**2.7%**
TOTAL	**2,124,527**	**87.1**	**41.0**	**100.0%**

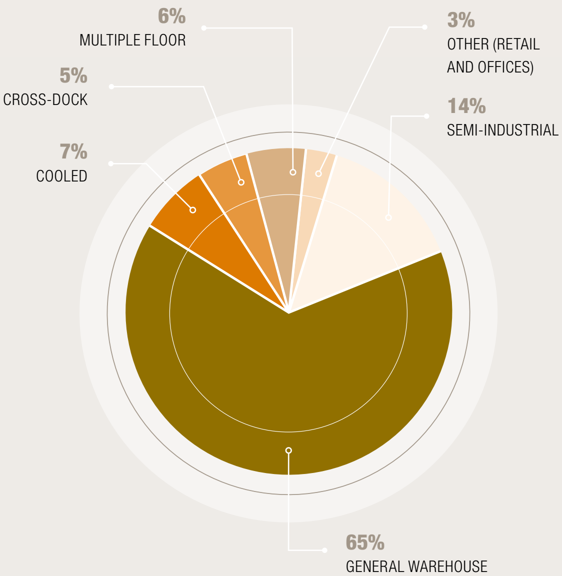
DIVERSIFICATION TOTAL RENTAL VALUE BY DESIGNATED USE



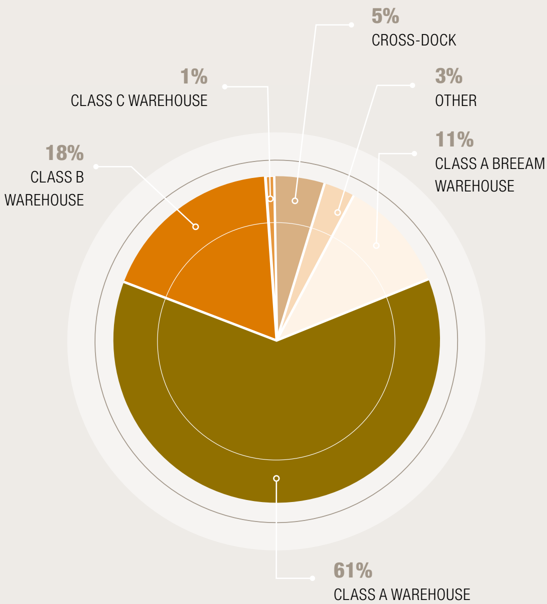
BREAKDOWN OF FAIR VALUE BASED ON AGE



DIVERSIFICATION OF PROPERTY PORTFOLIO (BASED ON RENTAL INCOME) BY PROPERTY TYPE



DIVERSIFICATION OF PROPERTY PORTFOLIO (BASED ON RENTAL INCOME) BY PROPERTY QUALITY CLASSIFICATION



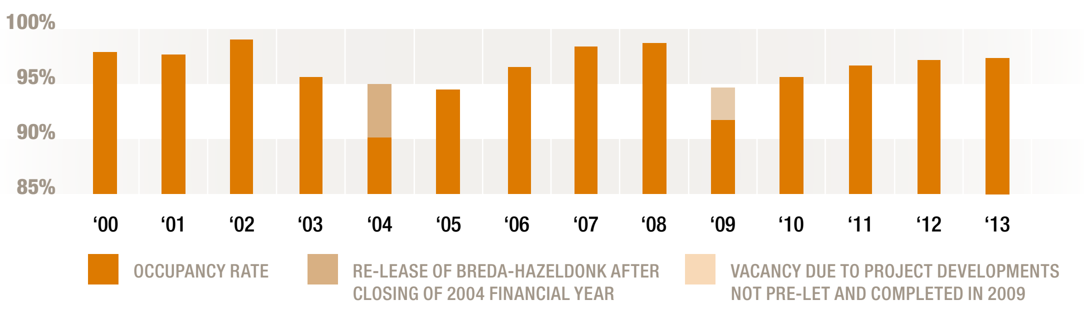
4. Rental situation of the available buildings

The occupancy rate of the WDP portfolio at year-end 2013 was 97.4% (including solar panels)[2]. This represents an implementation of WDP's commercial strategy, which is aimed at building long-term relationships with its clients and supports the company's performance through a high operating margin.

2 The occupancy rate excluding solar panels is 97.2%.

WDP's practice of building partnerships together with its clients is also reflected by the fact that the average remaining term until the expiry date of the leases is 8.9 years. Taking into account the first cancel opportunity, the average remaining term is 6.5 years.

HISTORICAL OCCUPANCY RATE OF THE WDP PORTFOLIO (INCLUDING SOLAR PANELS)



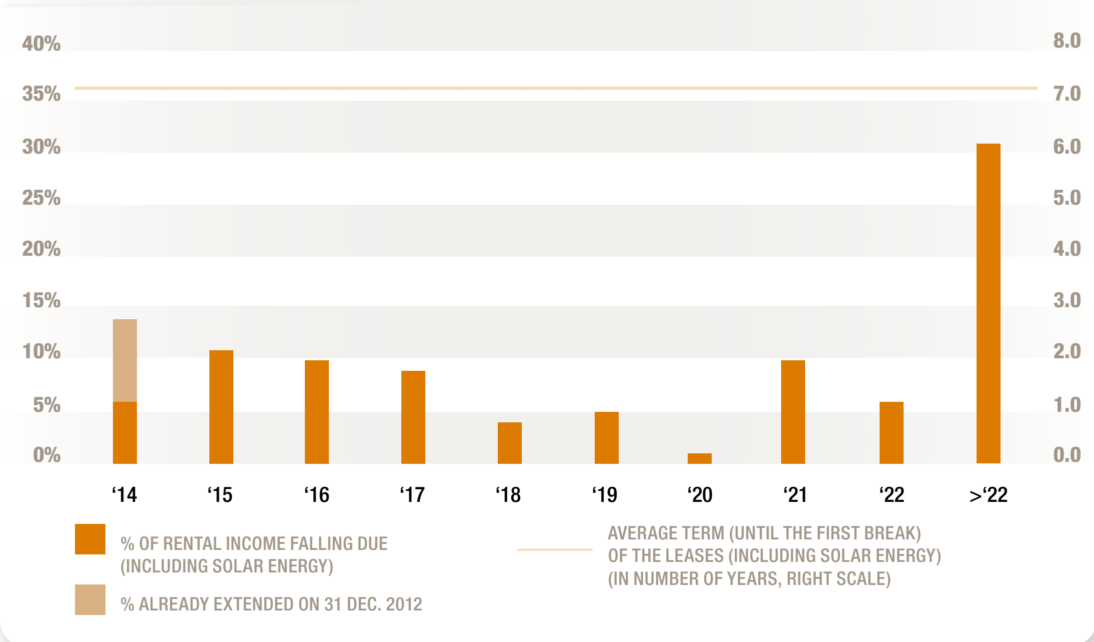
MAIN TENANTS	% RENTAL INCOME*
Univeg-groep	9.5%
DHL	8.5%
Income from solar panels	7.3%
Kuehne + Nagel	6.5%
Philips Lighting	3.9%
Distri-Log	2.9%
Lidl	2.8%
V&D	2.3%
Descamps	2.1%
Terumo	2.0%
TOP 10	**47.8%**

* Including revenues from solar energy.

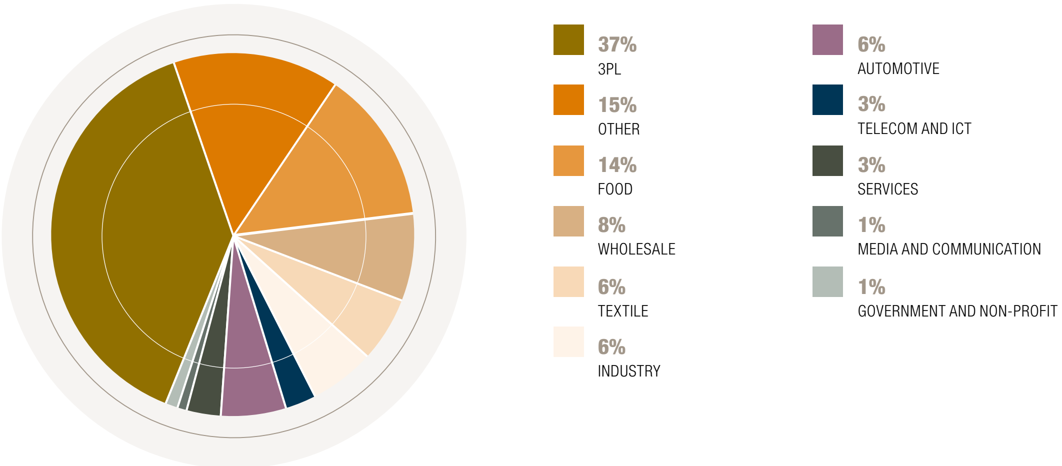
If income from solar panels is included, the average remaining term of the solar panels until the expiry date is 9.5 years. Taking into account the first cancel opportunity, the average remaining term is 7.3 years.

The main tenants are: Univeg Group, with a share of rental income of 9.5%, DHL (8.5%), income from solar power (7.3%), Kuehne + Nagel (6.5%), Philips Lighting (3.9%), Distri-Log (2.9%), V&D (2.8%), Carrefour (2.3%), Pon Tyre (2.1%) and Lidl (2.0%). The share of the ten biggest tenants combined is 47.8%. The 20 biggest combined account for 61.8% and the 50 biggest for 84.6%.

LEASE EXPIRY DATES (UNTIL THE FIRST BREAK)



RENTAL INCOME BY TENANTS' INDUSTRY



5. Overview of investment properties under development for own account with the purpose of being rented out [3]

(IN EUROS X 1,000)	COUN-TRY	TYPE	LETTABLE AREA (IN M²)	EXPECTED COMPLETION	PRE-LET	LESSEE	INVEST-MENT BUDGET (IN MILLION EUROS)	EXPECTED RETURN
PROJECTS UNDER DEVELOPMENT - fully owned by WDP								
Londerzeel - Weversstraat 2	BE	Redevelopment & expansion	14,500	Q1 2014	100%	Colfridis	6	
Londerzeel - Nijverheidsstraat 13	BE	Redevelopment & expansion	9,500	Q3 2015	100%	Lantmännen Unibake	18	
Zwolle - Lippestraat 15	NL	Renovation & expansion	4,000	Q1 2014	100%	Kuehne + Nagel	2	
Eindhoven - Park Forum 1029	NL	Newbuild	8,000	Q3 2014	100%	Brocacef	10	
Schiphol Logistics Parc - Incheonweg 7	NL	Newbuild	14,000	Q4 2014	100%	tbc	16	
Bleiswijk - Spectrumlaan 7-9	NL	Newbuild	10,000	Q4 2014	100%	MRC Transmark	8	
Tbc*	NL	Newbuild	27,000	Q4 2014	100%	tbc	30	
Zwolle - Pommerenstraat 4A	NL	Newbuild	35,000	Q3 2015	100%	wehkamp.nl	30	
TOTAL			**122,000**		**100%**		**120**	**> 8%**

* WDP will provide further information when details on these projects have been firmed up.

The foreseen out-of-pocket cost for the realisation of these projects is estimated at 120 million euros, of which approximately 20 million euros was already spent on 31 December 2013. WDP expects to realise a return of 8% on the total investment.

3 See also *5.3.4. Management report - Transactions and realisations - Investment properties under development for own account with the purpose of being rented out* on page 44.

6. Key data of properties

Independent property surveyors Stadim, Cushman & Wakefield, DTZ Zadelhoff and BNP Paribas Real Estate inspected all sites in this table in the fourth quarter of 2013.

	BUILT IN (MOST RECENT RENOVATION / EXTENSION)	LETTABLE AREA (IN M²)	ESTIMATED RENTAL VALUE*	RENTAL INCOME IN 2013	OCCUPATION RATE** 31 DEC. 13
BELGIUM (FULLY OWNED BY WDP)		**1,281,445**	**49,593,466**	**45,253,447**	**96.7%**
Aalst, Tragel 47	1998-1999 (2013)	25,106	1,062,036	1,052,814	100.0%
Aalst, Wijngaardveld 3-5 - Dijkstraat 7	1992 (2005)	21,902	669,780	681,758	100.0%
Aarschot, Nieuwlandlaan B19	2009	8,432	376,279	392,730	100.0%
Anderlecht, Frans Van Kalkenlaan 9 - Biestebroeckkaai 300 - Walcourtstraat	1969 (2007)	20,344	922,425	945,792	100.0%
Asse (Mollem), Zone 5 nr. 191, 192, 320, 321	1967 (2012)	29,874	1,321,159	1,574,431	100.0%
Asse (Mollem), Zone 5 nr. 200	2011	3,264	397,489	318,099	100.0%
Asse (Mollem), Zone 5 nr. 340	1989 (2005)	5,993	236,276	264,261	100.0%
Asse (Kobbegem) - Breker 41	1989	12,100	420,172	358,129	100.0%
Beersel (Lot), Heideveld 64	2001	7,234	350,830	302,714	0.0%
Beringen (Paal), Industrieweg 135 - Rijsselstraat	2002 (2008)	10,539	416,654	461,063	100.0%
Boom, Langelei 114-116 - Industrieweg 1	2000-2001	39,293	1,762,153	1,424,489	100.0%
Boortmeerbeek, Industrieweg 16	1991 (2011)	21,548	560,510	517,505	85.8%
Bornem, Rijksweg 17	1996 (2004)	11,912	578,700	683,944	100.0%
Bornem, Rijksweg 19	2004 (2013)	22,411	1,038,975	1,018,391	98.7%
Courcelles, rue de Liège 25	2007 (2009)	30,318	1,233,966	1,240,223	100.0%

* Estimated rental value is the rental value determined by independent property experts. See *7.3. Property Report – Conclusions of the property experts* on page 130 for the report of the independent property experts and the appraisal methodology.

** Calculation based on the rental values of leased properties and non-leased surfaces, including income from solar panels. Ongoing projects and / or renovations are not considered.

	BUILT IN (MOST RECENT RENOVATION / EXTENSION)	LETTABLE AREA (IN M²)	ESTIMATED RENTAL VALUE*	RENTAL INCOME IN 2013	OCCUPATION RATE** 31 DEC. 13
Geel, Hagelberg 12	2012	24,487	1,049,299	51,182	100.0%
Geel, Hagelberg 14	2009	13,433	545,478	102,953	100.0%
Genk, Brikkenovenstraat 48	2008 (2010)	33,481	1,328,789	1,434,815	100.0%
Genk, Brikkenovenstraat 50	2009	19,184	744,139	745,944	100.0%
Grimbergen, Eppegemsesteenweg 31[1]	1978 (2013)	26,557	1,189,617	1,012,135	100.0%
Grimbergen, Industrieweg 16	2008	15,058	691,020	673,486	100.0%
Heppignies (Fleurus), rue de Capilône 1	Remediation ongoing	N/A	N/A	N/A	N/A
Jumet, Zoning Industriel - 2ième	1995 (2005)	6,282	226,256	289,796	100.0%
Kontich, Satenrozen 11-13 - Elsbos	1985 (2006)	57,561	2,421,399	2,683,580	100.0%
Kortenberg, A. De Conincklaan 2-4	1997 (2012)	6,464	276,917	253,304	100.0%
Leuven (Wilsele), Kolonel Begaultlaan 9, 17-21, hoek Lefèvrelaan	1935 (1985)	20,758	671,553	717,384	97.6%
Leuven, Vaart 25-35	50s (1999)	15,516	1,225,404	587,304	46.0%
Londerzeel, Weversstraat 2	2013	N/A	N/A	163,320	N/A
Londerzeel, Nijverheidsstraat 13	1991 (in progress)	N/A	N/A	53,061	N/A
Londerzeel, Nijverheidstraat 15	1989 (2013)	18,651	717,751	677,217	96.6%
Luik (Flémalle), rue de l'Arbre Saint-Michel 99	2011	5,601	254,697	296,087	100.0%
Machelen, Rittwegerlaan 91-93 - Nieuwbrugstraat	- (2006)	15,876	1,282,650	1,302,603	100.0%
Mechelen, Zandvoortstraat 3	2005	32,577	1,249,776	1,160,628	100.0%
Meer, Seoelstraat 1	1998	19,006	526,105	505,014	100.0%
Merchtem, Wolvertemse Steenweg 1 - Bleukenweg 1	70s (2011)	5,157	328,030	311,975	100.0%
Nijvel, chaussée de Namur 66	1974 (2011)	10,570	471,684	430,209	100.0%
Nijvel, rue de l'Industrie 30	1990 (2004)	27,641	1,287,072	1,287,723	100.0%

1 The site in Grimbergen is jointly held with another *Vastgoedbevak/Sicafi*, Montea Comm. VA, based on a 50-50 split. As a result, WDP Comm.VA is co-owner of the site.

	BUILT IN (MOST RECENT RENOVATION / EXTENSION)	LETTABLE AREA (IN M²)	ESTIMATED RENTAL VALUE*	RENTAL INCOME IN 2013	OCCUPATION RATE** 31 DEC. 13
Nijvel, rue du Bosquet 12	2007	10,657	657,363	321,402	66.4%
Nijvel, rue Buisson-aux-Loups	2013	4,477	309,250	0	100.0%
Puurs (Breendonk), Koning Leopoldlaan 9	1999	2,297	158,518	219,015	100.0%
Puurs, Lichterstraat 31	70s (2012)	14,871	576,213	367,924	100.0%
Rumst (Terhagen), Polder	50s (2007)	20,249	599,150	383,593	79.4%
Sint-Katelijne-Waver, Drevendaal 1 - Strijbroek 4	1991 (2007)	22,610	871,665	938,075	100.0%
Sint-Katelijne-Waver, Drevendaal 3	1996 (1997)	22,575	1,254,120	1,419,327	100.0%
Sint-Katelijne-Waver, Fortsesteenweg 19 en 27	1989	31,484	300,956	303,216	100.0%
Sint-Katelijne-Waver, Strijbroek 10	1989 (2007)	2,553	297,415	337,679	100.0%
Sint-Niklaas, Prins Boudewijnlaan	2007	N/A	N/A	N/A	N/A
Ternat, Industrielaan 24	1977 (2010)	17,229	820,422	637,058	93.8%
Vilvoorde, Havendoklaan 12	1994 (2001)	13,903	741,435	864,347	100.0%
Vilvoorde, Havendoklaan 13	2006	12,780	379,816	316,079	100.0%
Vilvoorde, Havendoklaan 18	1994 (2001)	76,399	3,523,276	2,081,672	100.0%
Vilvoorde, Havendoklaan 19	2002	11,526	586,382	526,174	100.0%
Vilvoorde, Jan Frans Willemstraat 95	2004 (2006)	6,381	311,525	330,966	100.0%
Vilvoorde, Willem Elsschotstraat 5	1995 (2005)	23,813	906,499	710,612	99.3%
Willebroek, Koningin Astridlaan 14	1999 (2012)	11,011	453,619	434,572	100.0%
Willebroek, Koningin Astridlaan 16	2008	44,387	1,883,209	2,111,112	100.0%
Willebroek, Victor Dumonlaan 4	1991	33,923	1,250,353	1,222,752	100.0%
Zaventem, Fabriekstraat 13	1984 (1993)	7,598	385,862	401,973	100.0%
Zele, Lindestraat 7 - Baaikensstraat	2003 (2008)	39,490	1,411,780	1,426,794	100.0%
Zwevegem, Deerlijkstraat 58A	1980	117,382	1,255,140	1,262,029	100.0%
Zwijndrecht, Vitshoekstraat 12	2006 (2013)	26,634	1,738,681	836,008	100.0%

	BUILT IN (MOST RECENT RENOVATION / EXTENSION)	LETTABLE AREA (IN M²)	ESTIMATED RENTAL VALUE*	RENTAL INCOME IN 2013	OCCUPATION RATE** 31 DEC. 13
Eleven properties have a fair value lower than 2.5 million euros, i.e. the properties in Aalst, Tragel 5 - Gheeraerdtstraat 15-16 - Aalst, Dendermondsesteenweg 75 - Aalst, Denderstraat 54-56-Tragel - Anderlecht, Frans Van Kalkenlaan 9 (Asar-toren) - Antwerpen, Lefèbvredok-Grevendilf-Vrieskaai - Beersel, Stationsstraat 230 - Boom, Groene Hofstraat 13 - Boortmeerbeek, Leuvensesteenweg 238 - Haacht (Wespelaar), Dijkstraat 44 - Moeskroen, rue du Pont Blue 21 and Willebroek, Breendonkstraat	N/R	63,086	1,085,777	1,825,005	N/R
NETHERLANDS (FULLY OWNED BY WDP)		**693,670**	**31,607,409**	**32,812,241**	**98.3%**
Alkmaar, Berenkoog 48	1990	20,692	498,343	394,509	100.0%
Alphen aan den Rijn, J. Keplerweg 2	2005	15,742	847,340	893,143	100.0%
Alphen aan den Rijn, Eikenlaan 32-34	2012	21,310	725,073	652,333	100.0%
Amersfoort, Basicweg 1-3	1992	11,642	619,240	730,221	100.0%
Amsterdam, Hornweg 64	1992	23,689	781,414	753,769	100.0%
Barneveld, Nijverheidsweg 50-52	1981 (2013)	34,001	1,828,735	1,919,248	100.0%
Breda, Hazeldonk 6462 en 6464	1996 (2006)	37,847	1,203,375	1,061,691	100.0%
Bleiswijk, Spectrumlaan 7-9	in progress	N/A	N/A	N/A	N/A
Eindhoven, Park Forum 1029	in progress	N/A	N/A	N/A	N/A
Schiphol Logistic Parc, Incheonweg 7	2012	12,465	1,153,499	1,159,204	100.0%
Helmond, Sojadijk 2	2011	13,025	644,650	610,134	100.0%
Maastricht-Aachen (Beek), Engelandlaan 30	2011 (2012)	25,004	1,127,655	949,813	100.0%
Nieuwegein, Inundatiedok 34	2010 (2012)	44,423	2,290,017	2,581,614	100.0%
Oss, Menhirweg 15	2010 (2012)	11,074	548,575	546,129	100.0%
Oss, Keltenweg 70	2012	16,905	1,017,659	926,325	100.0%

	BUILT IN (MOST RECENT RENOVATION / EXTENSION)	LETTABLE AREA (IN M²)	ESTIMATED RENTAL VALUE*	RENTAL INCOME IN 2013	OCCUPATION RATE** 31 DEC. 13
Raamsdonksveer, Zalmweg 27	1980 (2011)	9,745	355,050	450,522	100.0%
Ridderkerk, Handelsweg 20 en 25	2005 (2009)	38,286	3,158,198	5,372,256	100.0%
Roosendaal, Aanwas 9	2012	26,551	801,300	853,835	100.0%
Roosendaal, Borchwerf 23	1994	15,834	711,843	740,124	100.0%
Tilburg, Siriusstraat 7-9	2009	17,762	934,040	1,148,863	100.0%
Utrecht, Rutherfordweg 1	1992 (2009)	24,970	768,450	733,104	100.0%
Veghel, Doornhoek 3765	2006 (2011)	9,820	496,675	691,470	100.0%
Veghel, Kennedylaan 19	2002	21,020	876,400	728,625	100.0%
Veghel, Marshallweg 1	1990	78,400	3,130,168	2,836,804	100.0%
Venlo, Ampèrestraat 7-9	2011 (2012)	32,332	1,549,500	1,264,486	75.5%
Venlo, Edisonstraat 9	1990	26,135	1,065,861	568,843	100.0%
Venray, Newtonstraat 8	2013	15,342	679,416	285,442	100.0%
Voorhout, Loosterweg 33	1987 (2007)	38,578	1,073,540	1,003,334	100.0%
Wijchen, Bijsterhuizen 2404	2010	15,619	860,520	1,398,898	100.0%
Zaltbommel, Heksenkamp 7-9	2012	10,351	618,642	333,206	100.0%
Zwolle, Lippestraat 15	2008	21,385	1,082,010	1,224,296	100.0%
Zwolle, Pommerenstraat 4A	in progress	N/A	N/A	N/A	N/A
Two properties have a fair value lower than 2.5 million euros, i.e. the properties in Alphen aan den Rijn, H. Kamerlingh-Onnesweg 3 and Zwolle, Mindestraat 7.	N/R	3,721	160,221	0	N/R

	BUILT IN (MOST RECENT RENOVATION / EXTENSION)	LETTABLE AREA (IN M²)	ESTIMATED RENTAL VALUE*	RENTAL INCOME IN 2013	OCCUPATION RATE** 31 DEC. 13
FRANCE (FULLY OWNED BY WDP)		**150,113**	**6,330,162**	**5,726,190**	**95.5%**
Aix-en-Provence, rue Gustave Eiffel 205	2000	19,161	804,175	817,938	100.0%
Lille-Libercourt, Zone Industrielle - le Parc à stock	2008	36,252	1,522,584	981,518	100.0%
Lille-Roncq, avenue de l'Europe 17	2003 (2006)	13,092	533,532	-	46.4%
Lille - Seclin, rue Marcel Dassault 16B	2008	13,033	555,280	694,237	100.0%
Lille-Templemars, rue de l'Épinoy 16B	1990	4,524	250,795	281,740	100.0%
Lille-Templemars, route d'Ennetières 40	1989 (2008)	19,182	782,524	847,675	100.0%
Neuville-en-Ferrain, rue de Reckem 33	2006	13,375	533,003	566,908	100.0%
Vendin-le-Vieil, rue Calmette - rue des Frères Lumière	2004	31,494	1,348,269	1,536,174	100.0%
ROMANIA (51% OWNED BY WDP)		**10,122**	**1,024,305**	**446,713**	**100.0%**
Arichestii Rahtivani	N/R	250,000 m² (land)	N/A	N/A	0.0%
Brasov	2013	3,243	232,008	1,483	100.0%
Corbii Mari	N/R	222,207 m² (land)	N/A	N/A	0.0%
Oarja	2012	6,879	792,297	444,276	100.0%
Six properties have a fair value lower than 2.5 million euros, i.e. the properties in Agigea, Fundulea (2), Mihail Kogalniceanu, Paulesti and Sarulesti.	N/R	N/A	N/A	954	N/R
TOTAL		**2,135,350**	**88,555,342**	**84,238,591**	**97.2%**

2. Review of the logistics and semi-industrial property market in Belgium, the Netherlands, France and Romania

1. Belgium

The healthy take-up in the first half of 2013 continued for the rest of the year, particularly supported by SMEs. The vast majority of them are in the Brussels-Antwerp axis. Rents on the semi-industrial and logistics market remained stable. The logistics sector was able to shield itself from the tough economic conditions.

The number of immediately available large-scale state-of-the-art sites remains limited. Although land prices rose in Belgium, the price level of logistics property remained the same. Restraint continues to be shown when it comes to developments entailing risks. Building only commences on a site after the lease has been signed. There is also a lack of available high-grade logistics properties at strategic locations.

Modest economic growth is assumed in 2014. The Antwerp and Brussels regions continue to be prime markets for investors and users, with SMEs largely driving demand.

2. Netherlands

The export sector started sluggishly, with business picking up in the second half of 2013. However, this was not reflected on the domestic industrial market, where demand and business remained at a low level.

Tenants are looking for strategic locations with high-grade buildings, but their availability is limited. The most eye-catching transaction was the one for a fully automated distribution centre by WDP for online retailer wehkamp.nl, which will provide floor space of approximately 35,000 m^2. Such transactions reflect the trend towards custom-made sites for clients and the increasing number of e-commerce tenants.

Existing buildings remain scarce at prime locations and they are much sought-after, which resulted in another rise in demand for built-to-suit projects.

Following increased business at the end of 2013, a further rise is expected on the export market and so also the industrial market in 2014. High-grade state-of-the-art logistics buildings at prime locations continue to be at the top of the wish list for investors and tenants.

3. France

The weak economy continues to restrain the industrial market in France. Business remained far below average, resulting in a large number of bankruptcies and rising unemployment.

All big developments were turnkey projects and the availability of existing properties was very low. That is because companies have adopted a consolidation strategy in these financial conditions. They want to limit the number of sites and consolidate their activities in one big logistics platform at a single location.

Existing tenants on the other hand prefer to renegotiate their existing contract rather than relocating as a way of reducing their rent. Developments that entail risks are also avoided in France, with leases on existing strategic locations prioritised.

The trend towards consolidation at large retail hubs will continue in 2014, dictated by the in-house logistics manager's wish to keep transport costs as low as possible. However, such a strategy only results in more properties coming onto the market, with an ever greater distinction between existing generic sites and specific sites that are tough to re-let.

4. Romania

Industry continues to suffer from a restrained economy, from the perspective of both tenants and investors. The domestic economy is beginning to feel the effects of positive export figures, but caution remains. Rents and yields are unchanged.

Take-up of industrial premises continues to be concentrated around Ploiesti and Timisoara. Developments that entail risks are avoided, with tailor-made properties being the norm. The majority of tenants are foreign manufacturers, primarily in the automobile sector. WDP completed a pre-let warehouse of 5,000 m^2 in Brasov.

The Romanian economy is expected to pick up, supported by a healthy domestic job market and ever-increasing business from abroad. Patience continues to be required, however.

Sources: BNP Paribas Real Estate, Cushman & Wakefield and DTZ Zadelhoff

3. Conclusions of the property experts

Dear Sirs,

We are pleased to present to you our estimate of the value of the property portfolio of WDP Comm. VA at 31 December 2013.

WDP has appointed us as independent property experts to determine the investment value and fair value of its property portfolio. The estimates made take into account both the observations and definitions stated in the reports and the International Valuation Standards issued by IVSC.

Fair value is defined in IAS 40 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. IVSC considers these conditions to have been met if the definition of market value set out above is complied with. In addition, market value must reflect current rental agreements, the current gross margin of self-financing (or cash flow), the reasonable assumptions in respect of potential rental income and expected costs.

The administration costs must be adjusted in this context to the actual situation in the market. Following analysis of a large number of transactions the independent property experts acting on the request of listed property companies concluded in a working party that, since property is transferred in various forms, the impact of the transaction costs on large investment property in the Belgian market with a value of more than 2.5 million euros is limited to 2.5%. The *value with additional costs borne by the seller* therefore corresponds to the fair value plus 2.5% administration costs. Fair value is consequently calculated by dividing the value with additional costs borne by the seller by 1.025. Properties below the threshold of 2.5 million euros and foreign properties are subject to the usual registration regime and their fair value therefore equals the *value with costs borne by the buyer*.

As independent property experts we have a relevant and recognised professional qualification as well as recent experience with properties of a similar category and location to the properties being valued in the property portfolio of WDP.

The estimates of the properties take account of both current rental agreements and all rights and obligations arising from those agreements. Each property was estimated separately. The estimates do not take account of potential additional value that could be realised by offering the portfolio as a whole in the market. Our estimates also do not take account of marketing costs specific to a transaction, such as estate agents' fees or advertising costs. Our estimates are based on an annual inspection of the properties concerned and also take account of the information provided by WDP regarding the rental situation, surface areas, drafts or plans, rental costs and taxes relating to the property concerned, conformity and environmental pollution. The information provided was assessed to be accurate and complete. Our estimates are based on the assumption that any components not included do not affect the value of the property.

Each independent property expert is responsible for valuing the part of the portfolio that has been contractually assigned to him or her.

On the basis of the statements in the preceding paragraphs, we can confirm that the fair value of WDP's real estate property (excluding solar panels and *Assets held for sale*) at 31 December 2013 was 1,194,061,480 (one billion one hundred ninety-four million sixty-one thousand and four-hundred eighty euros).

Yours faithfully,

KOEN NEVENS
CEO | Cushman & Wakefield

PHILIPPE JANSSENS
Managing Director | Stadim

LEOPOLD WILLEMS
Associate director of the International department appraisals | DTZ Zadelhoff

JEAN-CLAUDE DUBOIS
President | BNP Paribas Real Estate

8

Corporate social responsibility

1. Sustainability, a cornerstone of the long-term yield strategy

As a leading logistics property partner, WDP has a strong sense of responsibility with regard to sustainable building, towards both its clients and its shareholders. Here, again, WDP adopts a long-term approach – one of the cornerstones in the company's strategy.

This includes an extensive study of the sustainable impact of every investment for all stakeholders. Some clients are looking for simple storage space, other require a high-tech logistics facility. WDP always takes the most responsible sustainability approach, whatever the choice. The possibilities of renewable energy and energy efficiency are studied in the design phase of both new-builds and renovations. In consultation with the client, this improves the competitiveness of the tenant by driving down energy bills and strengthens the tenant's sustainability credentials through a more responsible impact on both people and planet.

The successful BREEAM certifications are proof of this, reflecting, as they do, our ambition to combine property value creation and sustainable enterprise. Our property portfolio has been subject to a carbon audit, producing the input for an action plan to optimise its carbon footprint. Our own offices have also been audited.

Our way of working is designed to reduce our energy consumption and shrink our footprint. Sustainable enterprise, within WDP and beyond, is expected to optimise the facilities of our tenants and our own offices.

WDP's medium-term target is to achieve carbon neutrality. We aim to do this by implementing the *Trias Energetica* sustainability model. This involves minimising energy consumption, maximising the share of renewable energy (such as sun, wind, biomass, etc.) and consuming finite fossil fuels efficiently (by adopting an alternative lighting policy, optimising heating systems and making use of the possibilities of energy storage, etc.).

As a logistics property partner, we also wish to generate added value by creating synergies between clients, regions, cities, ports, public services, etc. to achieve smart logistics (including multimodality, bundling, etc.). This facilitates transport, reduces traffic around cities and eases the impact on society. We are now able to offer our clients two new unique multimodal sites: WDPort of Ghent Logistic Park and the trimodal Meerhout site.

Through this sustainability report we wish to shed more light on WDP's approach to sustainable development and our efforts to achieve value creation in a responsible way.

JOOST UWENTS
CEO | WDP

1. Vision and strategy

As said, the carbon neutrality of WDP's property portfolio is a medium-term target. According to the definition of the UK's Department of Energy and Climate Change (DECC), *Carbon neutral means that - through a transparent process of calculating emissions, reducing those emissions and offsetting residual emissions - net carbon emissions equal zero*. Organisations and individuals striving for carbon neutrality must first and foremost reduce carbon emissions so that only unavoidable emissions need to be offset. Carbon neutrality is usually achieved in two ways:

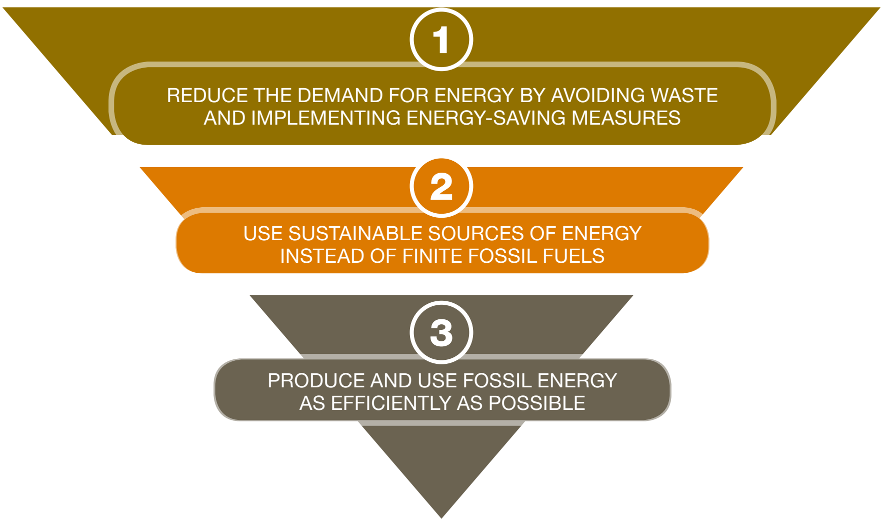
- → Offsetting the carbon emissions when fossil fuels are burnt by consuming renewable sources that generate an equal amount of useful energy. Using only renewable energy sources that do not produce any carbon emissions (the post-carbon economy).
- → Offsetting carbon emissions by paying others to remove the equivalent volume of the carbon dioxide from the atmosphere – by funding climate projects to prevent greenhouse gas emissions in the future or by buying carbon credits.

The entire approach to avoidance, reduction and offsetting lowers our dependence on fossil fuels while the share of renewable energy is encouraged. It is a global approach that creates value by lowering the price of energy and lessening the impact on climate and society.

The carbon-neutral target of creating sustainable value through environmental responsibility demands a well structured, economically viable approach. *Trias Energetica* (see below) is an established model we use to drive down our energy consumption and make the transition to sustainable energy consumption.

Calculating the carbon footprint of our main offices and our property portfolio has given us improved insight into the current situation, the opportunities and challenges. The carbon

The Trias Energetica* concept:
the most sustainable energy is saved energy.



* Source: SenterNovem.

footprint calculation made by climate consultants CO2logic was based on the energy consumption of twenty-one monitored sites and the energy consumption of the main offices in Belgium. It gives WDP information about where the focus needs to be and where investments must be made to improve efficiency within the company.

1.1. Reduction

In recent years WDP has invested in a system to closely monitor a large percentage of the electricity and gas consumption of its property portfolio. This enables WDP to gain a clear understanding of current energy consumption and to respond more nimbly when anomalies are identified. High-quality monitoring is the foundation of a high-quality reduction strategy. WDP will use this monitoring system to compare the performance of its warehouses on an ongoing basis and focus renovation and site lighting efforts on those warehouses that are performing least well.

Stringent quality and performance standards need to be met if WDP's new large-scale warehouses are to achieve a *Very Good* rating on the BREEAM scale. This will safeguard the performance and value of our property portfolio for the coming years.

To further reduce the energy consumption (focusing on electricity) of its property portfolio, WDP invests in new lighting technologies (e.g. LED and TLS), insulation and TL5), insulation and efficient heating and cooling solutions, such as phase change materials (PCM).

PCMs are used to store heat and cold. They can absorb heat within a given temperature range without undergoing a significant change in temperature. Instead, the absorption or release of heat changes the general condition of the material. Some materials are able to store large amounts of energy as they melt. This energy is released during crystallisation. The material's temperature remains virtually constant during melting and crystallisation. This explains the alternative name of *latent heat storage*. Large amounts of heat can be stored within comparably small temperature ranges by using materials with high melting points.

1.2. Offsetting

WDP currently disposes of installed green energy power of 30 MWp through investments in solar panels for the roofs of its buildings in Belgium (16 MWp) and Romania (14 MWp). In Romania, as well as PV systems on roofs, in 2013 two dedicated solar parks on the available surface in Sarulesti and Fundulea became operational.

WDP is currently studying additional investments in solar and wind power, geothermal energy and biomass. Decisions to invest are dependent on a low-risk assessment and a yield pattern comparable with its existing logistics property portfolio.

1.3. Recovery

Our approach to sustainability benefits our clients, WDP shareholders, external stakeholders and WDP itself. Our vision and strategy for the WDP property portfolio will reduce the total cost of use of the properties by minimising the price of energy per square metre and the carbon footprint of WDP and our clients. Our dependence on fossil fuels will also be reduced, as will the risk of price fluctuations, which are inherent to the turbulent markets. It will reduce our impact and the impact of our clients on both planet and people. This approach is also expected to increase the value of our property.

But WDP's influence and support is not limited to warehouses. By developing synergies between clients, regions, cities, ports and public services to encourage smart logistics activities (multi-modality, bundling, etc.), we will lower the negative impact on our clients of transport restrictions (such as carbon taxing) and improve efficiency while traffic is reduced in and around cities.

Multimodal transport and bundling

Multimodal transport means choosing the most suitable mode of transport with due consideration for its characteristics with regard to product flow and logistics requirements.
In some cases this may be unimodal transport by road, rail or waterway; in other cases combining more than one mode of transport is the best solution, such as inland shipping together with road transport by truck. *Co-modality* is often used in this context, where the stress is on the strengths of the various modes of transport. The term *synchro-modality* refers to the parallel use of various modes of transport. That means that the shipper or the transport partner has a choice of mode.

Clear in our mind is that multimodal sites lower the total cost, improve the level of the service and increase the sustainability of the supply chain, as well as anticipating the logistics needs of tomorrow. WDP is able to offer two new multimodal sites to its clients, each perfectly located. The first is WDPort of Ghent Logistic Park [1], while the second is a site in Meerhout [2] where WDP is working on the further development of the trimodal terminal by the Albert Canal. The recently acquired site on the Cargovil industrial zone in Vilvoorde underscores WDP's confidence in this future-oriented approach to sustainable logistics. The Cargovil industrial zone is in an excellent location with good access to and from the neighbouring container terminal, canal, motorways and Brussels Airport.

Urban transport

One of the options for ensuring sustainable urban transport is the establishment of a viable, sustainable urban distribution platform, which is based on orchestrated horizontal partnership. This concept has shown that the efficiency of goods transport can be significantly improved, reducing fuel consumption, greenhouse gas emissions and other inconveniences connected with transport.

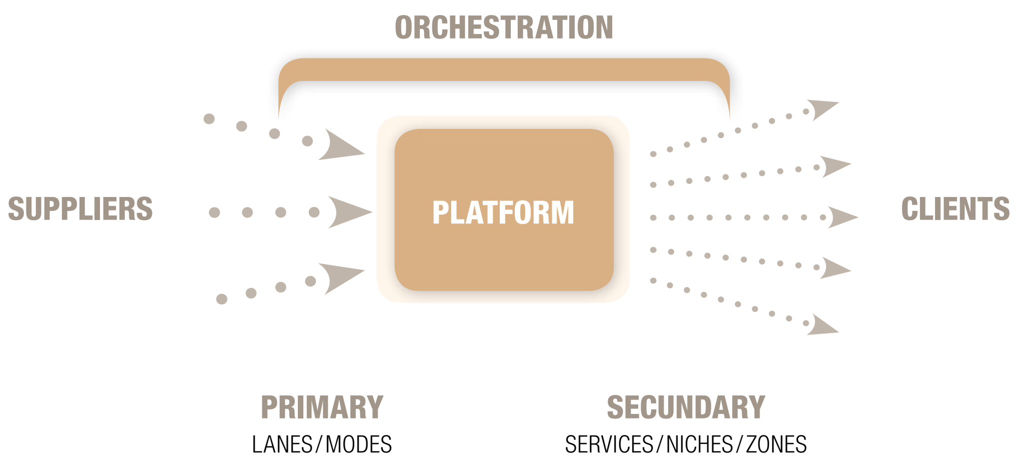
1 See the press release of 15 May 2013.
2 See the press release of 21 June 2013.

An orchestrated horizontal partnership unites all participants in the goods transport chain (including suppliers, loaders, unloaders, multimodal platforms, government agencies, etc.) and an orchestrator. The purpose of the partnership is to improve the efficiency of the transport chain and save costs.

This is achieved by proactively combining cargoes to increase truck loads and to achieve economies of scale. The orchestrator is a small, neutral independent partner functioning as manager, trustee and referrer in the community.

The picture below shows that incoming and outgoing flows must be integrated in the urban distribution platform.

Orchestrated horizontal collaboration *



* Source: Tri-Vizor.

2. Sustainable property management

Industrial activities – and that goes for property too – inherently have an impact on the natural environment in all of its facets and the people that live and work in and around the buildings. As a sustainable, responsible business, WDP strives to constantly develop its portfolio while also working to constantly minimise its impact on the environment and natural resources. WDP sets itself the goal of reducing its eco footprint every year by focusing on land and water use, waste flows, transport, sustainable materials and renewable energy.

1. Soil studies

Before acquiring a building or piece of land WDP always conducts an in-depth study of the environmental risks or irregularities that could arise from previous high-risk activities. As soon as there are suspicions of contamination, a study is conducted into the quality of the soil and the groundwater. If the soil proves to be contaminated, WDP makes sure that everything is done to control and eliminate this risk. At the moment WDP is carrying out soil remediation work at the Heppignies (Fleurus) (rue de Capilône 1) site. Systems that potentially entail a high risk continue to be inspected regularly after the building is taken into use, in accordance with the Articles of Association and applicable laws. WDP also complies with all national and regional regulations with regard to soil certificates and other obligations connected to uncontaminated soil.

2. Environmental and town-planning permits

WDP has the required official environmental and town-planning permits for all buildings and systems, in accordance with the Articles of Association and applicable laws. If the tenant is responsible for gaining special permits – such as a compulsory environmental permit – WDP will strongly encourage the tenant to make all necessary arrangements as soon as possible.

The local laws and regulations regarding buildings and systems are closely monitored and implemented. Permits are immediately updated in the event of changes to laws or technical systems.

3. Inspection of technical and security systems

All technical and security systems installed in the buildings in the WDP portfolio must be regularly inspected, either on the initiative of WDP or on the tenant's initiative. In the latter case, WDP also closely monitors the quality of the inspection. We involve independent and/or in-house experts in the monitoring process.

4. Reducing greenhouse gas emissions by coolants

WDP fully supports the EU's policy of deterring the use of synthetic coolants. To minimise the emission of chlorofluorocarbons (CFCs), wherever possible WDP installs state-of-the-art air conditioning systems based on natural, ozone-friendly coolants, such as ammonia and carbon dioxide. This is already the case at the property in Mollem, Belgium for Lactalis and at the BREEAM-certified property in Wijchen in the Netherlands. In 2013 these measures were also implemented in Bornem (Rijksweg 19) and Londerzeel (Nijverheidsstraat 15) in Belgium and in Venray (Newtonstraat 8) in the Netherlands. All air conditioning systems are also regularly inspected. This is important, because well maintained equipment continues to work very efficiently, keeping energy consumption low, which is good for the environment.

5. Other efficient heating and cooling solutions

The BREEAM-certified buildings in Nieuwegein and Helmond are the first properties in the WDP portfolio to boast new technology that stores heat and cold in the soil to heat or cool the buildings depending on the time of year.

This is another area where WDP is blazing a trail in the logistics industry. The technology will also be introduced in Zwolle when the premises for wehkamp.nl have been completed.

Customised heating can also be provided by solar boilers, like those installed on the roof of the building at the Schiphol Logistics Parc (Incheonweg 7) for Rapid Logistics.

6. Removing asbestos

Although the operator is technically responsible for removing asbestos rather than the owner, both existing buildings and properties lined up for acquisition are always inspected by experts to identify any asbestos. If there is a potential risk to the health of the people who use the building the asbestos is removed in accordance with standard procedures and all the Articles of Association and applicable laws. If the experts decide that the asbestos does not pose a threat due to how it is used in the existing situation, this is deemed to be a latent risk, which will be regularly evaluated. As soon as the risk increases – if the building falls vacant or there are amendments to the legal framework, for instance – the asbestos is immediately removed. Maintenance or repairs are performed to simplify removal.

7. Waste recycling

WDP encourages its employees to sort their waste. We separate paper, organic waste, glass, residual waste and other water streams at all our offices in accordance with the rules of the local waste collector. Tenants are also encouraged to sort and reduce their waste. Waste from properties built in accordance with BREEAM guidelines (see next page) is sorted into four to six streams and processed by certified waste management companies.

As well as using a certified company to collect waste, WDP also endeavours to recycle waste on the building site. For instance, rubble from demolition works was reused for the foundation of the new development project in Willebroek. WDP has also opted for prefab structures to further reduce waste volumes on building sites.

8. Energy efficiency and EPB regulations

WDP undertakes to minimise energy consumption in the properties that form part of its portfolio. This is done by full insulation of walls and roofs (by using a heat resistance of at least 2.5 m^2 K/W and 3.2 m^2 K/W respectively). Furthermore, we choose the most cost-effective, energy-efficient heating, ventilation and air conditioning options. WDP pursues a sustainable warehousing policy. The sustainable electrical power, heating and insulation projects are specially designed to reduce carbon emissions at the storage facilities in the portfolio while reducing the tenant's energy bill.

This accent on sustainability goes not only for new projects, because many old sites in the portfolio are being upgraded to efficient, sustainable state-of-the-art properties. Following the 2012 energy audit WDP launched an action plan to work further on optimising the facilities of the tenants as well as WDP's own offices. The aim is to improve the sustainability of the properties and methods, and so make them more cost-effective and energy-efficient.

Since 1 January 2006 all new-build and renovation projects requiring a town-planning permit in the European Union under EU law must comply with the Energy Performance of Buildings (EPB) Regulations, which set the standards for energy performance and air conditioning. These EPB standards set binding thermal insulation and ventilation requirements. For new-build projects the technical systems are also considered, for which the calculation of the total energy performance level (E level) is demanded. For existing buildings, too, the European Directive provides for the introduction of an EPB certificate specifying the building's energy performance.

All projects completed by WDP in 2013 meet these standards. WDP's target is to achieve an E level below the level required by law. This is the case at the new-build in Asse (Mollem, Zone 5 nr. 200) among other projects. The E level at this site is 72, whereas the minimum prescribed by law is 100, a difference of approximately 30%.

9. BREEAM

BREEAM (Building Research Establishment Environmental Assessment Method) is a method for certifying the sustainability of buildings throughout their useful life. Its multi-criteria approach distinguishes BREEAM, Europe's most generally accepted sustainability standard for buildings, from other methods. The building certification process evaluates land use, environmental aspects, the building process, water consumption, waste, contaminations, transport, equipment and materials, health and comfort, alongside energy consumption.

Buildings are given an overall rating of *Acceptable* [3], *Pass, Good, Very Good, Excellent* or *Outstanding*.

Currently, 11% of the WDP portfolio (based on contractual rental income) is BREEAM-certified. In 2013 new buildings in Nieuwegein (Inundatiedok 14) and Helmond (Sojadijk 2) were all given BREEAM certification with an average rating of *Good*.

3 This score applies solely to BREEAM In-Use.

BREEAM WITHIN THE WDP-PORTFOLIO

SITE	BREEAM-SCORE	
Haarlemmermeer (NL), Incheonweg 7	★★★★☆☆	
Nijmegen (NL), Bijsterhuizen	★★★★☆☆	
Tilburg (NL), Siriusstraat 7-9	★★★☆☆☆	
Helmond (NL), Sojadijk 2	★★★☆☆☆	
Nieuwegein (NL), Inundatiedok 14	★★★☆☆☆	
Willebroek (B), Koningin Astridlaan 16	★★★★☆☆	
Willebroek (B), Koningin Astridlaan 14	★★★☆☆☆	
Venray (NL), Newtonstraat 8	★★★☆☆☆	(in certification process)

→ UNCLASSIFIED	
→ ACCEPTABLE*	★☆☆☆☆☆
→ PASS	★★☆☆☆☆
→ GOOD	★★★☆☆☆
→ VERY GOOD	★★★★☆☆
→ EXCELLENT	★★★★★☆
→ OUTSTANDING	★★★★★★

* This score is only applicable at *BREEAM In-Use*.

DP has also targeted a BREEAM certificate (target rating: *Very Good*) for the new projects in progress at Zwolle (Pommerenstraat 4A) and Schiphol Logistics Parc (Incheonweg 7) and an expected *Good* rating for Venray (Newtonstraat 8) (see also *5.3. Management Report - Transactions and Realisations* in 4*. Investment properties under development for own account with the purpose of being rented out* and 9*. Significant events after the balance sheet date*).

WDP is firmly convinced that the existing assets have great potential. A more sustainable building and management also mean lower costs and higher margins.

The methodology enables the evaluation of the total sustainability of the assets and their benchmarking, as well as achieving WDP's objectives.

When designing a new building the carbon footprint is determined for ten or more years into the future, so WDP will impose strict criteria here.

With that in mind, the goal is to achieve a minimum BREEAM rating of *Very Good* for all new buildings exceeding 5,000 m^2.

10. Solar energy

In 2007 WDP launched a solar energy project to help achieve its ambition of a carbon-neutral portfolio in the medium term. By the end of 2013 the installed green energy power was 30 MWp, generated by solar panels at around 30 sites in Belgium (16 MWp) and Romania (14 MWp). Around 55% of green energy generated at these sites is consumed by tenants; the rest is fed into the national grid.

Solar energy is also well captured by solar boilers and heat pumps (see also *2.5. Other efficient heating and cooling solutions*).

11. Day-to-day sustainability measures with regard to property

Opportunities for reduced consumption at the various sites can be identified by monitoring electricity, gas and water consumption.

Both BREAAM and the carbon footprint of the existing assets will facilitate the assessment and monitoring of building ratings and performances. Extra energy meters will eliminate the current rating uncertainties across the entire portfolio and ensure the rating can be properly monitored.

New lighting technologies

The European Commission banned the manufacture of inefficient standard TL8 lights in 2010. WDP now uses high-frequency TL5 lights, which are equipped with battery voltage lamp ignition. As well as being more energy-efficient, these lights last longer and have a higher lumen. Energy efficiency is improved further when the lights are linked to motion detectors with a dimmer. New TL5 lights recently replaced TL8 lights in Nivelles (rue de l'Industrie) and Bornem (Rijksweg 19) and Lille-Libercourt (Zone Industrielle - Le Parc à stock). TL5 lights have been installed at the new offices in Venray, too. See also *Win-win for all stakeholders* in chapter *5.3. Management Report - Transactions and Realisations* on page 42*.*

WDP is also examining the large-scale introduction of LED lights at its warehouses. Besides the longer life and improved energy efficiency, LED lights also offer numerous other advantages over TL lights, including fewer start-up problems and lower heat emissions, especially in a cooled warehouse. As well as the new-build in Mollem completed in 2012, LED lights were installed at the new warehouses in Zaltbommel (Heksekamp 7-9) and Venray (Newtonstraat 8).

Water consumption

To reduce water consumption WDP uses such means as infrared motion detectors on taps and urinals. As a consequence, collected and reused rainwater can be used to flush the toilets. Leak detection systems also prevent unnecessary water loss.

12. Sustainable financing

WDP's sustainability awareness is also proven by its funding of energy efficiency and eco-friendly measures. In 2014, for instance, WDP reinforced the partnership with Triodos Bank, which specifically provides financing for sustainable projects, to finance the sustainable project in Zwolle[4].

13. Energy consumption benchmark

The benchmark study of twenty-one Belgian WDP sites in 2012 shows that the monitored property portfolio achieves a better energy consumption performance than the standards set by ISA (2011), BIM (2009), Agentschap NL (2008) and the Royal Commission on Environmental Pollution (2006).

While this is a very good result, WDP will continue to take every opportunity based on internal and external benchmarks. A quick-scan energy audit will be conducted on buildings with the lowest rating to achieve a better result. The benchmark serves as a functional guideline for sustainable measures in the future.

EXTERNAL BENCHMARK

SUSTAINABILITY PERFORMANCE MEASURE	UNITS	ISA (2011)	BIM [1] (2009)	AGENTSCHAP NL (2008) [2]	ROYAL COMMISSION ON ENVIRONMENT POLLUTION UK (2006) [3]	WDP (21 SITES) [4]
Energy intensity of the building	kWh/m²/year	117	145	104	145	**99**
Greenhouse gas intensity from energy and the building	kg CO2e/m²/year	78	-	-	-	**14**

1 Wholesale and retail > 5000 m²
Electricity: 89 kWh/m², gas: 56 kWh/m²
2 Wholesale. Electricity: 65 kWh/m², gas: 42 kWh/m²
3 Electricity: 81 kWh/m², gas: 64 kWh/m²

4 These results are based on the twenty-one sites where energy consumption is measured. Based on the figures for 2012 as prepared by an independent consultant. Comparable figures were measured for 2013 based on internal analysis.

4 See also 5.3.4. *Management report - Transactions and realisations – Investment properties under development for own account with the purpose of being rented out* on page 44.

3. Corporate social responsibility linked to WDP's own activities

Although most of our carbon footprint can be attributed to our property portfolio, we also wish to reduce the carbon footprint of our business activities and apply the same principles to our main office and our daily operational measures.

1. Day-to-day sustainability measures within the organisation

WDP has also implemented measures in its day-to-day business to reduce its footprint, including our digital document management. Paper volumes can be slashed by digitising incoming documents and saving them on servers. The use of the electronic enterprise resource planning system SAP Real Estate (see below) helps reduce paper waste.

Although paper consumption is unavoidable, we endeavour to minimise it by introducing minor but effective measures such as two-sided printing. An additional advantage is that efficient high-capacity printers and copiers produce less waste and lead to lower energy consumption.

All the paper consumed within WDP is sourced from sustainably managed forests and is FSC-certified.

WDP has introduced the same green philosophy for its fleet management, choosing more efficient engine technology. Vehicles consume less fuel and emit less carbon dioxide, particles and nitrogen oxide. The fleet now also includes hybrid vehicles, in which the advantages of electrical engines (when driving at lower speeds) are combined with the advantages of a very efficient diesel engine, with due consideration for fuel efficiency and reduced air pollution.

2. Sustainability and ERP

Sustainable entrepreneurship is, of course, about more than simply using eco-friendly materials and technologies. It also includes optimising the day-to-day procedures and processes to generate a maximum yield from as little energy and material as possible. That is another way we have again created value for all stakeholders. To achieve this, WDP uses the enterprise resource planning system SAP Real Estate, which also improves the transparency of business processes and sustainability procedures.

3. WDP's carbon footprint

Following the analyses conducted for the calculation of the carbon footprint by sustainable development company CO2logic in 2011, WDP continues to work hard to reduce emissions. Day to day, WDP studies potential measures and has drawn up a new action plan that is expected to impact the property portfolio and the company's own offices. This enables WDP to fulfil its ambition to slash carbon emissions by 20% by 2015.

4. General reporting scoreboard

INVESTMENT PROPERTY

SCOPE	TARGET	RESULTS	COMPLETION	ADVANCEMENT
Investment property	Test projects	In recent years WDP has conducted various test projects, including LED lighting, heat/cold storage, light dimming, heat recovery from coolers. In doing so, WDP has gained experience in new technologies, which, after positive evaluation, can be applied to several buildings. WDP advocates test projects as part of warehouse studies in the future.	In progress	N/R
	Carbon footprint calculation (benchmark)	In 2013 the carbon footprint of WDP's investment property was calculated for 2012. The scope of the study was limited to energy-related data (scope 1 and 2 of the GHG Protocol). The calculation was based on data from twenty-one monitored buildings. The results will be used as a benchmark for a comparison of the results from future years.	2013	N/R
	Carbon footprint update	The carbon footprint calculation will be regularly recalculated going forward.	2014	N/R
	Energy measurement	The energy consumption of twenty-one sites was measured digitally over the period 2008-12. The energy consumption of other buildings is not yet known in detail. To get a correct picture of the total energy consumption of the WDP portfolio, WDP plans to increase the number of monitored buildings in the future on a systematic basis.	2018	65%

INVESTMENT PROPERTY

SCOPE	TARGET	RESULTS	COMPLETION	ADVANCEMENT
Investment property	Renewable energy	By the end of 2013 the installed green energy power at WDP was 30 MWp, generated by solar panels at around thirty sites in Belgium (16 MWp) and Romania (14 MWp). WDP is currently studying whether more renewable energy can be generated from existing and new sources, based on a low-risk assessment and an equivalent yield pattern as property investment.	In progress	65%
Investment property (existing buildings)	Reducing energy consumption in existing buildings	The carbon footprint report for 2012 drawn up in early 2013 shows that consumption at some sites is higher than average energy consumption over the twenty-one sites studied. WDP will conduct an energy quick-scan at the sites performing less well and is establishing further actions to reduce energy consumption and to raise tenant awareness.	In progress	25%
	Green electricity	In 2013 the energy contract with Electrabel was renewed, under which tenants now consume green energy only, to the exclusion of grey energy.	2013	100%
	Better energy performances than required by law	Since 2006 the EU directive on the energy performance of buildings has urged member states to introduce energy regulations. WDP is committed to complying with these regulations and to achieving a lower E level than laid down in law.	In progress	N/R
Investment property (new builds)	BREEAM certification	Since 2010 part of WDP's policy is to obtain BREEAM certification for new-builds and to include these criteria in the design process. WDP is committed to obtaining at least a *Very Good* rating for every building of more than 5,000 m².	In progress	N/R

MAIN OFFICES

SCOPE	TARGET	RESULTS	COMPLETION	ADVANCEMENT
Main offices	Carbon footprint calculation (benchmark)	The carbon footprint of the WDP offices in Belgium, the Netherlands and Romania was calculated for 2011. Bearing in mind that this is the first calculation of its kind, the results will be used as a benchmark for the results of future years.	2012	100%
	Reducing energy consumption	WDP will conduct an energy quick-scan for its offices to identify and convert quick win opportunities.	2013	100%
	Reducing paper consumption	WDP reduces paper consumption at its offices. WDP has changed the standard printer setting to two-sided printing.	In progress	N/R

MOBILITY

SCOPE	TARGET	RESULTS	COMPLETION	COMPLETION
Main offices	Reducing carbon emissions by company vehicles	WDP proposes the systematic reduction in the emissions of its fleet. This will be achieved by upgrading the fleet, by regularly checking tyre pressure and by introducing eco driving training for staff.	2013-16	15%
Investment property	Reducing carbon emissions in logistics activities	WDP makes efforts to reduce its logistics-related carbon emissions by introducing new mobility concepts like multi-modality, bundling, etc. This is already applied at the new sites in Meerhout and Vilvoorde, and at WDPort of Ghent Logistic Park.	2013-16	10%

RAISING AWARENESS

SCOPE	TARGET	RESULTS	COMPLETION	ADVANCEMENT
Main office and investment property	Reducing the carbon footprint of suppliers	Bearing in mind that the sustainability behaviour of suppliers has an impact on the sustainability of the entire supply chain, WDP has drawn up a plan to reduce the carbon footprint of its suppliers and to use the carbon performance ladder to assess suppliers.	2013-16	0%

COMMUNICATION

SCOPE	TARGET	RESULTS	COMPLETION	ADVANCEMENT
Main office and investment property	Publication of sustainability report	WDP publishes a sustainability report annually.	2013	100%
	Sustainability website	WDP's sustainability report / policy should be easy to access at its website.	2014	0%
	Carbon-friendly printing of the annual report	WDP will limit the number of hard copies and encourage people to read annual reports and sustainability reports online. Hard copies will be printed on FSC/PEFC-labelled paper.	2013	100%

We hope that this sustainability report shows how strongly we believe in creating value for clients and shareholders by reducing energy costs, reducing dependence on fossil fuels and reducing the impact on the environment. We will work closely with clients to achieve this.

We aim to prioritise actions that balance the advantages for people, planet and prosperity. Our solid sustainability strategy is the best way to improve our financial performance, strengthen our relations with stakeholders, manage risks better, maximise business opportunities and create value.

your operations
faster
smoother
and more
cost-effective

9

Declarations by the statutory manager

WDP's statutory manager, De Pauw NV, declares that no government interventions, lawsuits or arbitrations exist that could influence - or in the recent past influenced - WDP's financial position or its yield. It also declares that, to its knowledge, no circumstances or facts exist that could lead to such government interventions, lawsuits or arbitrations.

Furthermore, the manager declares that, to its knowledge:

- the annual accounts, drawn up in accordance with the applicable standards for annual accounts, give a true and fair view of the group's equity, financial position and of the results of the issuer and of the companies taken up into the consolidation;

- the annual financial report gives a true and fair view of the development and results of the company and of the issuer's position and of the companies taken up into the consolidation, along with a description of the main risks and uncertainties they face.

WDP declares that the information provided by the experts and the independent surveyor has been faithfully reproduced. To its knowledge, and based on what it has been able to deduce from the information published by the experts and the independent surveyor, no facts were omitted that would render the information provided incorrect or misleading.

This annual financial report contains statements referring to the future. Such statements involve unknown risks, insecurities and other factors that could result in the current results, financial position, performance and realisations differing from any future results, financial position, performance and realisations expressed or implicated by such statements referring to the future. Given these uncertain factors, such statements referring to the future do not give any guarantees.

WDP's statutory manager is responsible for the information provided in this annual financial report.

The statutory manager has made all reasonable efforts to verify this information. He declares that, to his knowledge, the data in this annual financial report are a fair presentation of reality, and that no information has been omitted which would, if reported, alter the effect of this annual financial report.

WDP's statutory manager also reports that the statutory auditor and the property experts have approved the inclusion of the content of their respective report and conclusions in the annual financial report, and that they have approved the content and form in which this section is included in the annual financial report.

For confidentiality reasons, the full report of the property experts has not been included and cannot be consulted.

The statutory manager of WDP declares that there have been no significant changes in the financial or commercial position of the group after 31 December 2013.

stability and growth

10

Financial statements

Contents

// 1.
2013 Annual consolidated financial statements

Profit and loss account

IN EUROS (X 1,000)		NOTE	31 DEC. 13	31 DEC. 12
I.	**RENTAL INCOME**		**84,239**	**75,897**
	Rents	VIII	83,914	75,607
	Indemnification for early termination of lease		325	290
III.	**RENTAL CHARGES**		**-1,207**	**-513**
	Rent to be paid for leased premises		-651	-470
	Provision for doubtful debtors (addtions)		-908	-548
	Provision for doubtful debtors (reversals)		352	505
	NET RENTAL RESULT		**83,032**	**75,384**
V.	**RECOVERY OF RENTAL CHARGES NORMALLY PAID BY THE TENANT ON LET PROPERTIES**		**6,415**	**6,033**
	Re-invoicing of rental charges paid out by the owner		2,650	2,548
	Re-invoicing advance property levy and taxes on let buildings		3,765	3,485
VII.	**RENTAL CHARGES AND TAXES NORMALLY PAID BY THE TENANT ON LET PROPERTIES**		**-7,372**	**-7,267**
	Rental charges invoiced to the owner		-2,789	-2,732
	Withholding taxes and taxes on let properties		-4,583	-4,535
VIII.	**OTHER INCOME AND CHARGES RELATED TO LEASES**		**7,595**	**7,185**
	Property management fees		1,034	910
	Income from solar energy		6,561	6,275
	PROPERTY RESULT		**89,670**	**81,335**
IX.	**TECHNICAL COSTS**		**-1,510**	**-1,396**
	Recurrent technical costs		-1,532	-1,291
	Repairs		-1,111	-868
	Insurance premiums		-421	-423
	Non-recurrent technical costs		22	-105
	Accidents		-95	-173
	Claims paid by insurers		117	68
X.	**COMMERCIAL COSTS**		**-410**	**-579**
	Agency commissions		-208	-70
	Advertising		-93	-198
	Lawyers' fees and legal charges		-109	-311
XII.	**PROPERTY MANAGEMENT COSTS**		**-659**	**-174**
	Fees paid to external managers		0	-36
	(Internal) property management costs		-659	-138
	PROPERTY CHARGES		**-2,579**	**-2,149**
	PROPERTY OPERATING RESULTS		**87,090**	**79,186**
XIV.	**GENERAL COMPANY EXPENSES**		**-4,951**	**-4,914**
	OPERATING RESULT (BEFORE RESULT ON THE PORTFOLIO)		**82,140**	**74,272**

IN EUROS (X 1,000)		NOTE	31 DEC. 13	31 DEC. 12
XVI.	**RESULT ON DISPOSALS OF INVESTMENT PROPERTY**	IX	**651**	**101**
	Net property sales (sales price - transaction costs)		34,930	10,386
	Book value of properties sold		-34,279	-10,285
XVIII.	**VARIATIONS IN THE FAIR VALUE OF INVESTMENT PROPERTY***	XII	**-1,620**	**1,757**
	Positive variations in the fair value of investment property		11,828	17,245
	Negative variations in the fair value of investment property		-14,458	-19,028
	Variations in the fair value of assets under construction (+/-)		1,010	3,540
	OPERATING RESULT		**81,171**	**76,130**
XX.	**FINANCIAL INCOME**		**2,261**	**794**
	Interest and dividends received		562	629
	Other financial income		1,699	165
XXI.	**NET INTEREST CHARGES**		**-24,197**	**-21,991**
	Interest on loans		-8,293	-8,096
	Interest capitalised during construction		854	871
	Cost of permitted hedging instruments		-16,488	-14,650
	Income from permitted hedging instruments		0	26
	Other interest charges		-270	-142
XXII.	**OTHER FINANCIAL CHARGES**		**-280**	**-115**
	Bank charges and other commissions		-45	-49
	Other financial charges		-235	-66
XXIII.	**MOVEMENTS IN THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**		**20,838**	**-18,488**
	FINANCIAL RESULT	X	**-1,378**	**-39,800**
	PRE-TAX RESULT		**79,792**	**36,330**
XXV.	**CORPORATE TAX**		**-118**	**-1,004**
XXVI.	**EXIT TAX**		**0**	**0**
	TAXES	XI	**-118**	**-1,004**
	NET RESULT		**79,675**	**35,326**
	Attributable to:			
	Shareholders of the parent company		79,675	35,326

* This only relates to the positive variations in the fair value of investment property. The fluctuations in fair value of solar panels are recognised directly in the equity capital under *Reserves* in accordance with IAS 16. See also Note *III. Accounting rules* on page 176.

Statement of overall result

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
I. NET RESULT	**79,675**	**35,326**
II. OTHER ELEMENTS OF THE OVERALL RESULT (RECOVERABLE THROUGH PROFIT AND LOSS)	**-2,041**	**-1,691**
H. Other elements of the overall result after tax	-2,041	-1,691
Movements in the fair value of solar panels	-2,041	-1,691
OVERALL RESULT	**77,634**	**33,635**
Attributable to:		
Shareholders of the parent company	77,634	33,635

Other components of comprehensive income

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
Net current result	59,554	52,072
Result on the portfolio*	-717	1,742
IAS 39 result	20,837	-18,488
NET RESULT	**79,674**	**35,326**

IN EUROS (PER SHARE)**	31 DEC. 13	31 DEC. 12
Net current result	3.85	3.67
Result on the portfolio*	-0.05	0.12
IAS 39 result	1.35	-1.30
NET RESULT	**5.15**	**2.49**

IN EUROS (PER SHARE) (DILUTED)***	31 DEC. 13	31 DEC. 12
Net current result	3.70	3.45
Result on the portfolio*	-0.04	0.12
IAS 39 result	1.30	-1.23
NET RESULT	**4.96**	**2.34**

* Including deferred tax on the portfolio result.
** Calculation based on the weighted average number of shares.
*** Calculation based on the total number of shares entitled to dividend.

Balance sheet - Assets

IN EUROS (X 1,000)		NOTE	31 DEC. 13	31 DEC. 12
	I. FIXED ASSETS		**1,290,049**	**1,146,822**
B.	**INTANGIBLE ASSETS**		**114**	**213**
C.	**INVESTMENT PROPERTY**	XII	**1,194,061**	**1,060,615**
	Property available for leasing		1,126,518	1,015,602
	Property developments		29,287	7,207
	Other: land reserves		38,256	37,806
D.	**OTHER TANGIBLE FIXED ASSETS**	XIII	**77,605**	**69,018**
	Tangible fixed assets for own use		780	1,108
	Other: solar panels		76,825	67,910
E.	**FINANCIAL FIXED ASSETS**	XIV	**11,466**	**11,396**
	Financial instruments at fair value through profit and loss		80	0
	Permitted hedging instruments		80	0
	Loans and receivables		11,386	11,396
	Other		11,386	11,396
G.	**TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS**	XIV	**6,802**	**5,580**
	II. CURRENT ASSETS		**17,973**	**49,603**
A.	**ASSETS HELD FOR SALE**	XV	**2,179**	**34,564**
	Investment property		2,179	34,564
D.	**TRADE DEBTORS**	XVI	**3,613**	**5,550**
E.	**TAX BENEFITS AND OTHER CURRENT ASSETS**	XVII	**6,990**	**5,300**
	Taxes		3,672	1,997
	Other		3,318	3,303
F.	**CASH AND CASH EQUIVALENTS**		**1,911**	**1,801**
G.	**ACCRUALS AND DEFERRED INCOME**		**3,280**	**2,388**
	TOTAL ASSETS		**1,308,022**	**1,196,425**

Balance sheet - Liabilities

	IN EUROS (X 1,000)	NOTE	31 DEC. 13	31 DEC. 12
	SHAREHOLDERS' EQUITY		**527,080**	**450,181**
I.	**SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE PARENT COMPANY'S SHAREHOLDERS**		**527,080**	**450,181**
	A. Capital	XVIII	124,898	117,349
	Subscribed capital		128,955	120,955
	Costs of capital increase		-4,057	-3,606
	B. Issue premiums		177,057	138,428
	C. Reserves		145,451	159,078
	D. Net result for the financial year		79,674	35,326
	LIABILITIES		**780,942**	**746,244**
I.	**NON-CURRENT LIABILITIES**		**587,616**	**554,473**
	A. Provisions	XIX	1,073	1,071
	Other		1,073	1,071
	B. Non-current financial liabilities	XX, XXI	537,377	481,446
	Credit institutions		464,857	454,488
	Financial lease		16,171	18,109
	Other		56,349	8,849
	C. Other non-current financial liabilities	XIV	49,062	69,838
	Permitted hedging instruments		49,062	69,838
	F. Deferred taxes - Liabilities		103	2,118
	Other		103	2,118
II.	**CURRENT LIABILITIES**		**193,327**	**191,771**
	B. Current financial liabilities	XX, XXI	173,477	178,418
	Credit institutions		170,009	175,186
	Financial lease		3,468	3,232
	C. Other current financial liabilities		647	628
	Permitted hedging instruments		647	628
	D. Trade payables and other current liabilities	XIV	14,386	10,274
	Exit tax		1,358	0
	Other		13,028	10,274
	Suppliers		11,380	7,929
	Tax, salary and social security		1,648	2,345
	E. Other current liabilities	XXII	633	549
	Other		633	549
	F. Deferred charges and accrued income		4,184	1,902
	TOTAL LIABILITIES		**1,308,022**	**1,196,425**

Cash flow statement

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
CASH AND CASH EQUIVALENTS, OPENING BALANCE	**1,801**	**1,704**
NET CASH FLOWS CONCERNING OPERATING ACTIVITIES	**89,568**	**75,324**
1. CASH FLOWS CONCERNING OPERATIONS	**87,924**	**75,595**
Profit/loss from operating activities	101,666	57,058
Profit for the year	79,674	35,326
Interest charges	24,197	21,991
Interest received	-2,261	-794
Income tax	56	535
Adjustments to non-monetary items	-18,844	18,342
Write-downs	671	365
Depreciations	556	43
Interest charges to be transferred	-1,697	-526
Interest capitalised during construction	854	871
Interest income to be transferred	561	530
Increase (+)/decrease (-) in provisions	1	-41
Variations in the fair value of investment property	1,620	-1,757
Increase (+)/decrease (-) in deferred taxes	78	470
Variations in fair value of financial derivatives	-20,837	18,488
Result on disposals of investment property	-651	-101
Increase (+)/decrease (-) in working capital	5,102	195
Increase (-)/decrease (+) in assets	-1,215	-3,992
Increase (+)/decrease (-) in liabilities	6,331	4,198
Other	-14	-11
2. CASH FLOWS CONCERNING OTHER OPERATING ACTIVITIES	**1,643**	**-271**
Interest received classified by operating activities	1,700	264
Income tax paid/received	-56	-535
NET CASH FLOWS CONCERNING INVESTMENT ACTIVITIES	**-93,844**	**-146,172**
1. PURCHASES	**-121,531**	**-156,558**
Payments regarding purchases of real estate investments	-63,463	-149,934
Payments regarding purchases of shares of real estate companies	-50,700	-3,388
Acquisitions of ohther tangible and intangible fixed assets	-7,368	-3,236
2. DISPOSALS	**27,687**	**10,386**
Receipts from sale of investment property	10,137	10,386
Receipts from sale of shares of real estate companies*	17,550	0
NET CASH FLOWS CONCERNING FINANCING ACTIVITIES	**4,386**	**70,945**
1. Increase of financial debt	311,140	238,549
2. Decrease of financial debt	-261,815	-127,408
3. Financing granted to WDP Development RO	-9	22
4. Interest paid	-23,353	-22,336
5. Dividends paid**	-21,577	-17,882
NET INCREASE IN CASH AND CASH EQUIVALENTS	**110**	**97**
CASH AND CASH EQUIVALENTS, CLOSING BALANCE	**1,911**	**1,801**

* Part of the purchase price of the shares of WDP CZ will be settled in the form of a deferred payment of 6 million euros.
** This relates only to cash-out, because an optional dividend was offered in 2012 and 2013, with 73% and 72% of the shareholders respectively opting for distribution of dividend in shares rather than cash.

Consolidated statement of changes of the equity capital 2013

IN EUROS (X 1,000)	01 JAN. 13	ALLOCATION OF RESULT DURING 2012 FINANCIAL YEAR			
		PROFIT FOR THE PREVIOUS YEAR	TRANSFER OF RESULT TO PORTFOLIO	TRANSFER OF DEFERRED TAXES RELATING TO PROPERTY LOCATED OUTSIDE BELGIUM	IMPACT ON THE FAIR VALUE OF ESTIMATED TRANSFER DUTIES AND TRANSFER FEES FOR THE HYPO-THETICAL SALE OF INVESTMENT PROPERTY
A. CAPITAL	**117,349**	**0**	**0**	**0**	**0**
Subscribed capital	120,955				
Costs of capital increase	-3,606				
B. ISSUE PREMIUMS	**138,428**				
C. RESERVES	**159,078**	**35,326**	**0**	**0**	**0**
Statutory reserves (+)	149				
Reserves for the balance of movements in the fair value of the property (+/-)					
Reserves for the balance of movements in the investment value of the property (+/-)	134,009		1,511		11,011
Reserves for the impact on the fair value of estimated transfer duties and transfer fees for the hypothetical sale of investment property (-)	-28,907				-11,011
Reserves for the balance of movements in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS (+/-)	-51,980				
Reserves for the balance of translation differences in monetary assets and liabilities (+/-)	-184				
Reserves for translation differences arising from the conversion of a foreign activity	1,035				
Reserves for deferred taxes relating to property located outside Belgium	-2,204			-115	
Other reserves	18,334				
Result brought forward from previous financial years	88,826	35,326	-1,511	115	
D. NET RESULT FOR THE FINANCIAL YEAR	**35,326**	**-35,326**			
TOTAL SHAREHOLDERS' EQUITY	**450,181**	**0**	**0**	**0**	**0**

	OTHER ELEMENTS OF THE OVERALL RESULT		OTHER				31 DEC. 13
TRANSFER OF IAS 39 RESULT	NET RESULT OF THE CURRENT FINANCIAL YEAR	MOVEMENTS IN THE FAIR VALUE OF SOLAR PANELS	CAPITAL INCREASES	DIVIDENDS DISTRIBUTED	SALE OF WDP CZ	OTHER	
0	0	0	7,478	0	0	71	124,898
			8,000				128,955
			-522			71	-4,057
			38,629				177,057
0	0	-2,041	0	-46,854	0	0	145,451
					-149		0
					2,044		148,535
					498		-39,420
-18,488							-70,468
							-184
					-786		249
					1,685		-634
		-2,041					16,293
18,488				-46,854	-3,292	-58	91,040
	79,674						79,674
0	79,674	-2,041	46,107	-46,854	0	13	527,080

Consolidated statement of changes of the equity capital 2012

IN EUROS (X 1,000)	01 JAN. 12	ALLOCATION OF RESULT DURING 2011 FINANCIAL YEAR			
		PROFIT FOR THE PREVIOUS YEAR	TRANSFER OF RESULT TO PORTFOLIO	TRANSFER OF DEFERRED TAXES RELATING TO PROPERTY LOCATED OUTSIDE BELGIUM	IMPACT ON THE FAIR VALUE OF ESTIMATED TRANSFER DUTIES AND TRANSFER FEES FOR THE HYPOTHETICAL SALE OF INVESTMENT PROPERTY
A. CAPITAL	**106,336**	**0**	**0**	**0**	**0**
Subscribed capital Costs of capital increase	109,381 -3,045				
B. ISSUE PREMIUMS	**94,168**				
C. RESERVES	**171,126**	**29,704**	**0**	**0**	**0**
Statutory reserves (+)	149				
Reserves for the balance of movements in the fair value of the property (+/-)					
Reserves for the balance of movements in the investment value of the property (+/-)	129,329				1,281
Reserves for the impact on the fair value of estimated transfer duties and transfer fees for the hypothetical sale of investment property (-)	-27,626		3,399		-1,281
Reserves for the balance of movements in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS (+/-)	-34,708				
Reserves for the balance of translation differences in monetary assets and liabilities (+/-)	-184				
Reserves for translation differences arising from the conversion of a foreign activity	1,035				
Reserves for deferred taxes relating to property located outside Belgium	-1,496			-708	
Other reserves	20,025				
Result brought forward from previous financial years	84,602	29,704	-3,399	708	
D. NET RESULT FOR THE FINANCIAL YEAR	**29,704**	**-29,704**			
TOTAL SHAREHOLDERS' EQUITY	**401,334**	**0**	**0**	**0**	**0**

	OTHER COMPONENTS OF COMPREHENSIVE INCOME		OTHER			31 DEC. 12
TRANSFER OF IAS 39 RESULT	NET RESULT OF THE CURRENT FINANCIAL YEAR	MOVEMENTS IN THE FAIR VALUE OF SOLAR PANELS	CAPITAL INCREASES	DIVIDENDS DISTRIBUTED	OTHER	
0	0	0	11,013	0	0	117,349
			11,574			120,955
			-561			-3,606
			44,260			138,428
0	0	-1,691	0	-40,052	-9	159,078
						149
						134,009
						-28,907
-17,272						-51,980
						-184
						1,035
						-2,204
		-1,691				18,334
17,272				-40,052	-9	88,826
	35,326					35,326
0	35,326	-1,691	55,273	-40,052	-9	450,181

// 2.
Notes

I. General information on the company

WDP (Warehouses De Pauw) is a Belgian REIT or closed-end fund (*Vastgoedbevak/Sicafi*) and takes the form of a limited company with share capital under Belgian law. Its registered office is at Blakebergen 15, 1861 Wolvertem (Belgium). The telephone number is +32 (0)52 338 400.

The company's annual consolidated financial statements as of 31 December 2013 include the company and its subsidiaries. The financial statements have been drawn up and their publication authorised by the meeting of the Board of Directors of 25 March 2014.

WDP is listed on Euronext Brussels.

II. Representational model

The consolidated financial statements are drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and administrative regulations applicable in Belgium. These standards include all new and revised standards and interpretations published by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), insofar as they apply to the group's activities and are effective for the financial years starting on or after 1 January 2013.

The consolidated financial statements are presented in thousands of euros, rounded to the nearest thousand. The financial years 2013 and 2012 are presented in this report.

We refer to the 2012 and 2011 annual reports for historical financial information on the financial year 2011.

The accounting policies have been applied consistently for all the financial years presented.

Standards and interpretations effective for the financial year as of 1 January 2013

- IFRS 13 *Fair Value Measurement* (applicable to financial years as of 1 January 2013)
- Improvements to IFRS (2009-2011) (applicable to financial years as of 1 January 2013)
- Amendment to IFRS 1 *First-time Adoption of IFRS - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* (applicable to financial years as of 1 January 2013)
- Amendment to IFRS 1 *First-time Adoption of IFRS – Government Loans* (applicable to financial years as of 1 January 2013)
- Amendment to IFRS 7 *Financial Instruments: Disclosures - Offsetting Financial Assets and Liabilities* (applicable to financial years as of 1 January 2013)

- Amendment to IAS 1 *Financial Statement Presentation - Presentation of the other Elements of the Total Result* (applicable to financial years as of 1 July 2012)
- Amendment to IAS 12 *Income Taxes – Deferred taxes: Collectability of underlying assets* (applicable to financial years as of 1 January 2013)
- Amendment to IAS 19 *Employee Benefits* (applicable to financial years as of 1 January 2013)
- IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* (applicable to financial years as of 1 January 2013)

New or revised standards and interpretations that are not yet effective

Several new standards, revised versions of existing standards and interpretations have not yet entered into force in 2013 but can be adopted in advance of their effective dates. WDP has not yet adopted these, unless stated otherwise. The impact of their adoption - insofar as these new standards, revised versions or existing standards and interpretations are relevant to WDP - on the consolidated financial statements for 2013 and the following years is presented below.

- IFRS 9 *Financial Instruments and the related amendments* (applicable to financial years as of 1 January 2015 but not yet approved in the European Union)
- IFRS 10 *Consolidated Financial Statements* (applicable to financial years as of 1 January 2014)
- IFRS 11 *Joint Arrangements* (applicable to financial years as of 1 January 2014)
- IFRS 12 *Disclosure of Interests in Other Entities* (applicable to financial years as of 1 January 2014)
- IFRS 14 *Regulatory Deferral Accounts* (applicable to financial years as of 1 January 2016)
- IAS 27 *Separate Financial Statements* (applicable to financial years as of 1 January 2014)
- Improvements to IFRS (2010-2012) (applicable as of 1 January 2014, but not yet approved in the European Union)
- Improvements to IFRS (2011-2013) (applicable to financial years as of 1 January 2014, but not yet approved in the European Union)
- Amendment to IFRS 10, IFRS 12 and IAS 27 *Consolidated and Separate Financial Statements* (applicable to financial years as of 1 July 2014, but not yet approved in the European Union)

- Amendment to IAS 19 *Employee Benefits* (applicable to financial years as of 1 July 2014, but not yet approved in the European Union)
- IAS 28 *Investments in Associates and Joint Ventures* (applicable to financial years as of 1 January 2014).
- Amendment to IAS 32 *Financial Instruments: Disclosures - Offsetting Financial Assets and Liabilities* (applicable to financial years as of 1 January 2014).
- Amendment of IAS 36 *Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets* (applicable to financial years as of 1 January 2014, but not yet approved in the European Union)
- Amendment of IAS 39 *Financial Instruments: Recognition and Measurement – Replacement of derivatives and continuation of hedge accounting* (applicable to financial years as of 1 January 2014, but not yet approved in the European Union)
- IFRIC 21 *Levies* (applicable to financial years as of 1 January 2014, but not yet approved in the European Union)

The group expects the above new and amended standards and interpretations to have no impact on the financial statements except for:

the application of IFRS 11, the consequence of which will be that the joint venture WDP Development RO SRL as of the financial year that begins on 1 January 2014 will be recognised in accordance with the equity method rather than the current proportionate consolidation method.

III. Accounting rules

1. Consolidation principles

Subsidiaries

Subsidiaries are entities over which the company exercises control. Control exists when the company has the power, directly or indirectly, to guide the financial and operational management of an entity for the purpose of gaining advantages from its activities. The annual accounts of the subsidiaries are recognised in the consolidation from the date of acquisition to the end of the control.

The companies in which the group holds a direct or indirect stake exceeding 50% or in which it has the power to set the financial and operational policy in order to benefit from its activities are entirely included in the group's annual consolidated financial statements.

This means that the group's assets, liabilities and results are fully reflected. Inter-group transactions and profits are entirely eliminated.

Minority interests are the interests in the subsidiaries that are not held directly or indirectly by the group.

Joint ventures

Joint ventures are companies over which the group has joint control, specified by contractual agreement.

Such joint control is applicable when the strategic financial and operational decisions with respect to the activities require unanimous agreement from the parties that share the control (the shareholders in the joint venture).

The companies in which the group exercises joint control based on a contractual agreement are recognised using the proportionate consolidation method, irrespective of the rate of participation. This is applicable from the date on which the joint control is exercised up to the date on which it finishes. JB Top and WDP Comm. VA jointly control the company WDP Development RO SRL, which is therefore consolidated proportionally for the participation rate of 51% of WDP Comm. VA.

All of the assets, liabilities and results are therefore included in the consolidation on a pro rata basis, according to the group's stake in these companies. Inter-group transactions and profits are eliminated on a pro rata basis in accordance with the stake.

In accordance with IFRS 11 this joint venture will be recognised using the equity method as of the financial year 2014.

Transactions eliminated from consolidation

All transactions between the group companies, balances and unrealised profits and losses on transactions between companies of the group are eliminated when the consolidated annual accounts are prepared.

2. Business combinations and goodwill

When WDP acquires the control over an integrated set of activities and assets, as defined in IFRS 3 *Business Combinations*, the identifiable assets, obligations and conditional obligations of the acquired company will be booked to their fair value on the purchase date. The goodwill represents the positive difference between the acquisition cost and the part of the group in the fair value of the acquired net assets. If this difference is negative (negative goodwill) it is immediately booked in the result after a revaluation of the values.

After the initial take-up the goodwill is not written down, but subject to an impairment test, which is carried out each year on the cash flow generating units to which the goodwill is allocated. If the book value of a cash flow generating unit exceeds the operating value, the loss of value following from this will be booked in the result and in the first instance included in the reduction of the possible goodwill and then subsequently to the other assets of the unit, in proportion to their book value. A write-down on the goodwill cannot be reversed in a subsequent financial year.

3. Foreign currency

The individual financial statements of each group member are presented in the currency unit of the primary economic environment in which the entity is active (its functional currency). For the preparation of the consolidated annual accounts, the results and the financial position of each entity are expressed in euros, the functional currency of the parent company and the currency used for the presentation of the consolidated annual accounts.

Transactions in foreign currency

Transactions in foreign currency are immediately booked at the exchange rate on the transaction date. Monetary assets and liabilities in foreign currency are converted at the closing price.

Realised and unrealised exchange rate differences are recognised in profit and loss, except when they relate to intra-group borrowings that meet the definition of a net investment in a foreign activity. In that case the exchange rate differences are included in a separate component of shareholders' equity and recognised in profit and loss after disposal of a net investment.

Foreign activities

Assets and liabilities are converted at the closing price, except for the property, which is converted at the historic price. The profit and loss account is converted at the average price over the financial year.

The resulting conversion differences are included in a separate component of shareholders' equity. These conversion differences are included in profit and loss when the foreign entity is disposed of, sold or liquidated.

4. Investment property

Land and buildings held to generate rental income in the long term are included as investment property. Investment property is valued on first recording at the purchase price, including the transaction costs and directly attributable costs.

Land held for the purpose of initiating project developments with a view to subsequent lease and long-term increase in value, but for which no construction plans or project developments (as referred to in the definition of project development) have been begun (land bank), is also deemed to be investment property.

The financing costs that are directly attributable to the acquisition of an investment property are also capitalised. If specific funds were borrowed for a specific asset, the actual financing costs of that loan capitalised during the period are activated, less any investment income from the temporary investment of that loan.

After initial inclusion, the investment property is valued at fair value, in accordance with IAS 40. From the seller's perspective, the valuation is after deduction of the registration fees. In the opinion of independent property experts that regularly value the properties of *Vastgoedbevaks/ Sicafis*, registration fees of 10-12.5% should be taken into account for transactions involving buildings in Belgium with an overall value less than 2.5 million euros, depending on the region in which the property is located.

For transactions involving properties with an overall value greater than 2.5 million euros, property experts have valued the weighted-average of the transfer duties at 2.5%, owing to the wide range of property transfer methods used in Belgium. This percentage will be revised each year as necessary by increments of 0.5%. The experts will confirm the agreed percentage to be deducted in their regular reports to shareholders. The independent property experts take account of the theoretical local registration fees for property located outside Belgium. Profits or losses resulting from the change in the fair value of investment property (including profits or losses resulting from the difference between the purchase price and the first valuation at the fair value) are included in the result and are attributed to the reserves when the profit is appropriated.

Property under construction or in development for future use as investment property (project development) is also recognised in the *Investment property at fair value*.

After initial recognition, projects are valued at fair value. This fair value takes account of the substantial development risks. The following criteria must be met: there must be a clear understanding of the project costs, all permits required for the project development must have been obtained and a substantial part of the project development must have been pre-let (signed final lease). This fair value measurement is based on the valuation by the property expert (in accordance with customary methods and assumptions) and takes account of costs still to be incurred before the full completion of the project.

All costs that are directly related to the purchase or construction of property and all other investment costs are included in the cost of the development project. In accordance with IAS 23, financing costs attributable directly to the creation of an investment property are also capitalised for the period during which the investment property is prepared for leasing.

The financing costs must be capitalised as part of the cost price of an eligible asset when:

- disbursements are made for the asset;
- financing costs are incurred;
- activities are in progress to prepare the property for its intended use.

The activities required to prepare the asset for its intended use, comprise more than the physical construction of the asset. They also include the technical and administrative work before construction commences, such as activities in connection with the acquisition of permits.

However such activities do not include holding an asset if there are no production or development activities that change the condition of the property:

- financing costs that are incurred while land is made ready, for instance, are capitalised during the period in which these activities occur;
- on the other hand, financing costs incurred in the period that the land is held for construction purposes without any development activity occuring, are not eligible for capitalisation.

The capitalisation of financing costs is suspended during long periods in which there is no active development. Capitalisation is not suspended during a period of extensive technical and administrative activities. Nor is capitalisation suspended if a temporary delay constitutes an essential part of the process to prepare a property for its intended use or sale.

At the end of each quarter these development projects are subject to a test for special write-down (see *7. Impairments* on page 181).

5. Other tangible fixed assets

General

Other tangible assets are valued at their cost price less the accumulated depreciations and write-downs. The cost price includes all directly attributable costs and the relevant part of the indirect costs incurred to make the asset ready for use.

Future disbursements for repairs are immediately recorded in the result unless they increase the future financial profits of the asset.

The straight-line depreciation method is applied over the estimated lifetime of the assets.
The useful life and the depreciation method are revised at least annually at the end of each financial year. The tangible fixed assets are depreciated in accordance with the following percentages:

- plants, machinery and equipment: 10-33%;
- rolling stock: 10-33%;
- office furniture and fittings: 10-33%;
- computers: 10-33%;
- projector system: 20%;
- other tangible fixed assets: 10-20%.

Solar panels

These are valued on the basis of the revaluation model in accordance with IAS 16 - *Property, Plant and Equipment*. After initial inclusion, the asset whose fair value can be reliably established must be booked at the revalued value, being the fair value at the time of the revaluation less any subsequent deprecation and special impairments. The fair value is defined on the basis of the discount method of future returns.

The useful life of solar panels is estimated at thirty years.

The added value at the start-up of a new site is included in a separate component of shareholders' equity. Decreases in value are also included in this component, unless they are realised or the fair value falls below the original cost. In the last case they are included in the result.

6. Lease

WDP as lessee

A lease is classsified as a financial lease if it transfers almost all the risks and benefits connected to the property to the lessee.
All other forms of lease are deemed to be operational leases.

At the start of the lease, financial leases are recorded as assets and liabilities in the balance sheet at the fair value of the leased asset or at the cash value of the minimal lease payments, whichever is lower. The minimal lease payments are recorded partly as financing costs and partly as settlement of the outstanding debt such that this results in constant periodic interest over the remaining balance of the liability.

The financial charges are directly charged to the result. Conditional lease payments are included as charges in the periods in which they are made.

Lease payments on the basis of operational leases are recorded as a cost during the lease period in a time-proportionate way, unless another systematic attribution method is more representative of the time pattern of the user's benefit. Benefits (to be) received as a stimulus to conclude an operational lease are also spread across the lease term on a time-proportionate basis.

WDP as lessor

If a lease meets the conditions of a financial lease (according to IAS 17), as lessor WDP will recognise the lease from its effective date in the balance sheet as a receivable at an amount equal to the net investment in the lease. The difference between the latter amount and the book value of the leased property (excluding the value of the residual right held by WDP) at the start of the lease contract will be recognised in the profit and loss account for that period. Each periodic payment made by the lessee will be partly recognised by WDP as a repayment of the capital and partly as financial income based on a constant periodic return for WDP.

The residual right held by WDP will be recognised at its fair value on each balance sheet date. This value will increase each year and will correspond to the market value of the full right of ownership at the end of the lease. These increases will be recognised in *Variations in the fair value of investment property* in profit and loss.

7. Impairments

On the balance sheet date is verified whether there is an indication that the book value of an asset is higher than the realisable value, for tangible and intangible assets in the group.

If such indications are present, the realisable value of the asset must be estimated. Goodwill is annually subject to a test for special impairment, regardless of whether there is an indication.

A special impairment is booked if the book value of an asset or the cash flow generating unit to which the asset belongs is higher than the realisable value.

The realisable value is the operating value or the real value less sales charges, whichever is highest. The operating value is the capitalised value of the expected future cash flows for the continued use of the asset and its disposal at the end of its useful life, on the basis of a discount rate that takes account of the current market evaluations for the time value of the cash and the risks inherent to its assets. The fair value minus sales charges is the amount that may be realised from the sale of an asset in a commercial, objective transaction between well-informed independent parties between whom there is a consensus ad idem, after deduction of the disposal costs.

For an asset that does not generate significant cash income in itself, the realisable value is established for the cash flow generating unit to which the asset belongs.

For development projects, the realisable value is established each quarter by the property experts.

If the book value of an asset or a cash flow generating unit is higher than the realisable value, the surplus is recorded immediately as a special impairment in the profit and loss account.

Special impairments recorded in previous financial years are reversed if a later increase in the realisable value can be connected on an objective basis with a circumstance or event that took place after the special impairment was booked. Special impairments on goodwill are not reversed.

8. Financial instruments

Financial assets

All financial assets are recognised or no longer recognised in the balance sheet on the transaction date if the purchase or sale of a financial asset is on the basis of a contract prescribing the delivery of the asset within the term generally prescribed or agreed on the market in question and initially valued at fair value, plus transaction costs, save for financial assets at fair value with changes in value in profit and loss, which are initially valued at fair value.

The financial assets are classified in one of the categories provided for by IAS 39 – *Financial instruments: Recognition and Measurement*, depending on why the financial assets were purchased and are recorded at their initial recognition. This classification determines the valuation of the financial assets on future balance sheet dates: amortised cost price or fair value.

Financial assets at fair value with changes in value in profit and loss (FVPL)

Financial assets are classified at fair value with changes in value in profit and loss if they are held for trading purposes. Financial assets at FVPL are valued at fair value, by which all ensuing income and expenditure is recognised in the result. A financial asset is included in this category if it is primarily acquired for sale in the short term. Derivatives are also included in the category at FVPL, unless they are considered to be hedges and are effective.

Held to maturity investments

Securities with fixed or determinable payments and a fixed term that are listed on an active market and that the group has the firm intention and is able to hold until maturity are classified as held until maturity. Held to maturity investments are valued at the amortised cost price on the basis of the effective interest method, less any special impairment losses, with revenues recognised in accordance with the effective interest.

Loans and receivables

Loans and receivables are non-derivative financial instruments with fixed or determinable payments that are not listed on a active market. The group's loans and receivables include: cash and some cash equivalents, trade receivables and loans, save pension fund surpluses. Cash equivalents are short-term, very often liquid investments that can be immediately converted to cash of a known amount, have an original term of no more than three months and entail no significant risks of impairment. Loans and receivables are valued at amortised cost price on the basis of the effective interest method, save for short-term receivables.

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value with changes in value through profit and loss (FVPL) or as financial liabilities at amortised cost price.

Financial liabilities at fair value with changes in value through profit and loss (FVPL)

Financial liabilities are classified at fair value with changes in value through profit and loss (FVPL) if they are held for trading purposes. Financial liabilities at FVPL are valued at fair value, by which all ensuing income and expenditure is recognised in the result. A financial liability is included in this category if it is primarily acquired for sale in the short term. Derivatives are also included in the category at FVPL, unless they are considered to be hedges and are effective.

Financial liabilities at amortised cost price

Financial liabilities at amortised cost price, including debts, are initially valued at fair value after deduction of the transaction costs. After initial recognition they are valued at the amortised cost price. The group's financial liabilities amortised at cost price are the non-current financial debts, other non-current liabilities, current financial debts, trade debts, trade payables and payable dividends in the other current liabilities.

Financial liabilities and equity capital instruments

Financial liabilities and equity capital instruments issued by the group are classified on the basis of the economic reality of the contractual agreements and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that includes the remaining interest in the assets of the Group, after deduction of all liabilities. The principles for financial reporting with regard to specific financial liabilities and equity instruments are described below.

Bank loans

Interest-bearing bank loans and overdrafts are initially valued at face value less transaction costs and are subsequently valued at the amortised cost price calculated by the effective interest method. Any difference between the receipts (after transaction costs) and the settlement or payment of a loan is included over the term of the loan in accordance with the principles for financial reporting with regard to financing costs that are applied by the group (see above).

Trade payables

Trade payables are initially valued at face value and are subsequently valued at amortised cost price calculated by the effective interest method.

Equity instruments

Equity instruments issued by the company are included for the sum of the amounts received (after deduction of the directly attributable issue costs).

Derivatives

The group uses derivatives to limit risks in relation to unfavourable interest rates ensuing from the operational, financial and investment capacities within the framework of its operations. The group does not use these instruments for speculative purposes, does not hold any derivatives and does not issue derivatives for trading purposes.

Derivatives are valued at fair value in conformity with IAS 39. The derivatives currently used by WDP do not qualify as hedges. Consequently, changes to fair value are immediately recognised through profit and loss.

9. Fixed assets held for sale

Fixed assets and groups of assets that are to be disposed of are classified as *Assets held for sale* if their book value will mainly be realised in a sale transaction and not by their continued use. This condition is fulfilled only if the sale is highly likely and the asset (or group of assets that are to be disposed of) are immediately available for sale in its current state. The management must have agreed to a plan for the sale of the asset (or group of assets that are to be disposed of), which sale is expected to be completed within one year of the date of the classification.

A fixed asset (or group of assets that are to be disposed of) held for sale is recorded at book value or fair value less sale costs, whichever is lower.

Investment property intended for sale is valued in the same way as other investment property (at fair value). These investment properties are presented separately in the balance sheet.

10. Provisions

A provision is established when:

- the group has an existing – legally enforceable or de facto – liability resulting from a prior event;
- it is probable that financial resources will have to be spent to settle this liability; and
- the amount of the liability can be reliably estimated.

The amount included as a provision is the best estimate on the balance sheet date of the expenditure needed to settle the existing liability, discounted if the time value of the money is relevant.

11. Staff remuneration

The company has a number of defined contribution pension plans.

A promised contribution plan is a pension plan in which the company transfers fixed amounts to a separate company. The company does not have any obligation, either legally enforceable or de facto, to pay further contributions if the fund does not have sufficient assets to pay the pensions of all the staff in relation to the services they have provided in current or previous periods of employment.

Contributions are recorded as charges when they are owed and are then recorded in the personnel costs.

For personnel with permanent employment the remunerations, bonuses, redundancy compensation and termination benefits are recognised through profit and loss account in the period to which they apply.

12. Revenues

Rental income includes rents, income from operational leases and directly related income, such as compensation for early termination of leases.

Revenue is valued at fair value of the compensation that is received or to which a right is acquired. Revenue is only included if it is likely that the financial benefits will accrue to the entity and can be established with sufficient certainty.

Rental income, received operational lease payments and other income and expenditure are recognised in profit and loss in the periods to which they apply.

Compensation for early termination of leases is directly recognised in profit and loss for the financial year.

13. Costs

Costs relating to lease are impairments and reversals on trade receivables that are recognised through profit and loss if the book value is higher than the estimate realisation value and the rent to be paid on the leased assets (such as concession fees).

Rent and taxes on leased buildings and the recovery of these charges are costs that are payable by the tenant or lessee in accordance with law or generally accepted practice. The owner may or may not charge these costs to the tenant in accordance with the contractual agreements.

Other income and expenditure related to lease comprise the charging of management fees to tenants as well as other income that is not classified as rental income (including income from solar energy).

General expenses of the company are expenses related to the management and general operation of the *Vastgoedbevak/Sicafi*. This includes general administration costs, personnel costs for general management and depreciation of assets used for general management.

Costs related to work carried out in the buildings are recognised in various ways, depending on the type of work:

→ *maintenance and repair*: maintenance and repair costs are recognised as property charges for the accounting period, because they do not increase the expected future economic benefits of the building and do not provide any additional functionality or improve the building's comfort level;

→ *improvements and renovation*: this is work carried out on an occasional basis to add functionality to the premises and significantly increase the expected future economic benefits of the building. The costs of this work (materials, contractor costs, technical studies, internal costs, architects' fees and interest costs during the construction period) are capitalised. Examples are installing a new air-conditioning system, building a new roof and extensive renovation of all or part of the building. The sites for which costs are capitalised are identified beforehand in accordance with the above criteria.

14. Tax on profits

The status of the *Vastgoedbevak/Sicafi* provides for a transparent tax status, because it is only subject to tax on specific components in profit and loss, such as disallowed expenses and exceptional benefits. No corporate tax is paid on the profit generated by leases or capital gains.

Tax on profits generated in the financial year includes taxes owed and to be settled over the period of the report and previous reporting periods, deferred taxes as well as the exit tax due. The tax burden is recognised through profit and loss unless it relates to elements that are recognised immediately directly in shareholders' equity. In this case, the tax is also charged to shareholders' equity.

The tax rates effective on the balance sheet date are used to calculate the tax on the taxable profit over the year.

The exit tax – capital gains tax as a result of a merger of a *Vastgoedbevak/Sicafi* with a company that is not a *Vastgoedbevak/Sicafi* – is deducted from the revaluation capital gain established at the merger and is recognised as a liability.

In general, deferred tax liabilities (tax receivables) are recognised for all taxable (deductible) temporary differences. Such receivables and liabilities are not recorded if the temporary differences result from the first recognition of goodwill or the first recognition (other than in a business combination) of other assets or liabilities. Deferred tax assets are recognised insofar as it is likely that a taxable profit will be available to settle the temporary difference. Deferred tax receivables are reduced when it is no longer likely that the related tax advantage will be realised.

IV. Significant accounting estimates and key uncertainties affecting estimates

Significant estimates when preparing the financial statements

- determining whether control, joint control or a significant influence is exercised over investments (see Note *III. Accounting Rules* on page 176).
- determining when acquiring control over an entity that holds investment property whether this acquisition is deemed to be a business combination. In all cases, the respective transactions were recognised as direct acquisitions of assets (also when shares were acquired in property companies) and IFRS 3 - *Business Combinations* was not applied (see Note *VII. Information on subsidiaries* on page 191).
- determining whether derivative financial instruments qualify for hedge accounting. The group has no hedging instruments that qualify for this and as such the changes in the fair value of the hedging instruments are recognised through profit and loss (see Note *XIV. Financial instruments* on page 204).

Determination of the fair value of the investment property

The fair value of the investment property is determined by independent property experts in accordance with the *Vastgoedbevak/Sicafi* Royal Decree (see Note *XII. Investment property* on page 196).

Assumptions used to measure the fair value of solar panels

WDP has made a significant investment in solar energy. Following initial recognition, the solar panels or PV systems installed at a number of sites are valued using the revaluation model of IAS 16 and recorded as fixed assets in *Other tangible fixed assets*. This revaluation is taken directly to equity as revaluation surplus. There is no best practice for valuing this asset category. The fair value of the PV systems is calculated using a valuation model based on future cash flow (see Note *XIII. Other tangible fixed assets* on page 201).

The appraisal of Antwerp – Lefèbvredok based on the assumption that the concession term will be extended

A court case is ongoing at the Justice of the Peace Court in Antwerp on the duration of the concession of the site at Antwerpen – Lefèbvredok, between the owner Antwerp Port Authority and the concessionaire WDP. WDP continues to be of the opinion that it is in a strong position to refute the arguments of Antwerp Port Authority. WDP is also of the opinion that, regardless of the ruling of the court and with due consideration for the fact that WDP will exhaust all legal remedies, the possible negative impact of this case on the group's operating activities, financial position, prospects and/or operating results will be limited.

V. Segmented information – Result by sector

	31 DEC. 13						
IN EUROS (X 1,000)	BELGIUM	THE NETHER-LANDS	FRANCE	CZECH REPUBLIC	ROMANIA	NON-AL-LOCATED AMOUNTS	TOTAL
I. Rental income	45,254	32,812	5,726	0	447	0	**84,239**
III. Rental charges	-1,036	-97	-74	0	0	0	**-1,207**
RENTAL INCOME, NET OF RENTAL-RELATED EXPENSES	**44,218**	**32,715**	**5,652**	**0**	**447**	**0**	**83,032**
V. Recovery of rental charges normally paid by the tenant on let properties	5,444	93	878	0	0	0	**6,415**
VI. Rental charges and taxes normally paid by the tenant on let properties	-5,851	-530	-975	0	-16	0	**-7,372**
VII. Other income and charges related to leases*	7,194	111	82	0	208	0	**7,595**
PROPERTY RESULT**	**51,005**	**32,389**	**5,637**	**0**	**639**	**0**	**89,670**
IX. Technical costs	-1,008	-367	-96	0	-39	0	**-1,510**
X. Commercial costs	-297	-32	-28	0	-53	0	**-410**
XII. Property management costs	-726	65	9	0	-7	0	**-659**
PROPERTY CHARGES	**-2,031**	**-334**	**-115**	**0**	**-99**	**0**	**-2,579**
PROPERTY OPERATING RESULTS	**48,974**	**32,055**	**5,522**	**0**	**540**	**0**	**87,090**
XIV. General company expenses	0	0	0	0	0	-4,951	**-4,951**
OPERATING RESULT (BEFORE RESULT ON THE PORTFOLIO)	**48,974**	**32,055**	**5,522**	**0**	**540**	**-4,951**	**82,140**
XVI. Result on disposals of investment property	-11	0	0	662	0	0	**651**
XVIII. Variations in the fair value of investment property	-1,618	2,538	-1,197	0	-1,343	0	**-1,620**
OPERATING RESULT	**47,345**	**34,593**	**4,325**	**662**	**-803**	**-4,951**	**81,171**

The basic segmentation for segment reporting within WDP is by geographical region. This basic segmentation reflects the geographical markets in Europe in which WDP operates. WDP's operations are split into four regions. They have been reduced from five after the sale of the Czech portfolio (see also *5.3. Management Report – Transactions and realisations* on page 42).

This segmentation is important for WDP as the nature of the activities, the customers, etc. have similar economic characteristics within those segments.

31 DEC. 12						
BELGIUM	THE NETHER-LANDS	FRANCE	CZECH REPUBLIC	ROMANIA	NON-AL-LOCATED AMOUNTS	TOTAL
41,502	25,208	6,193	2,580	414	0	**75,897**
-428	-65	-21	1	0	0	**-513**
41,074	**25,143**	**6,172**	**2,581**	**414**	**0**	**75,384**
4,997	105	905	26	0	0	**6,033**
-5,660	-515	-1,021	-52	-19	0	**-7,267**
7,055	74	80	-50	26	0	**7,185**
47,466	**24,807**	**6,136**	**2,505**	**421**	**0**	**81,335**
-962	-211	-115	-94	-14	0	**-1,396**
-248	-277	-15	-3	-36	0	**-579**
-424	283	5	-35	-3	0	**-174**
-1,634	**-205**	**-125**	**-132**	**-53**	**0**	**-2,149**
45,832	**24,602**	**6,011**	**2,373**	**368**	**0**	**79,186**
0	0	0	0	0	-4,914	**-4,914**
45,832	**24,602**	**6,011**	**2,373**	**368**	**-4,914**	**74,272**
101	0	0	0	0	0	**101**
4,391	12	-2,124	-371	-151	0	**1,757**
50,324	**24,614**	**3,887**	**2,002**	**217**	**-4,914**	**76,130**

* 2013, income from solar energy was 6.561 million euros; in 2012, it was 6.275 million euros. This income was generated in Belgium (6,353 million euros in 2013 and 6.257 million euros in 2012) and Romania (0.208 million euros in 2013 and 0.019 million euros in 2012). They belong to *VII. Other income and charges related to leases.*

** The maximum tenant risk within the WDP portfolio was 10% and the maximum risk per site 5%. See also *7.1. Property report - Review of the consolidated property portfolio.*

Business decisions are taken at that level and various key performance indicators (such as rental income, occupancy, etc.) are monitored in this way.

A second segmentation basis is not deemed relevant by WDP as the activity focuses primarily on letting logistics sites.

VI. Segmented information – Assets [1]

	31 DEC. 13						
IN EUROS (X 1,000)	BELGIUM	THE NETHER-LANDS	FRANCE	CZECH REPUBLIC	ROMANIA	NON-ALLOCATED AMOUNTS	TOTAL
INVESTMENT PROPERTY	**683,094**	**404,966**	**79,673**	**0**	**26,328**	**0**	**1,194,061**
Existing buildings	652,163	390,690	76,647	0	7,018	0	**1,126,518**
Investment properties under development for own account with the purpose of being rented out	15,011	14,276	0	0	0	0	**29,287**
Land reserves	15,920	0	3,026	0	19,310	0	**38,256**
ASSETS HELD FOR SALE	**2,179**	**0**	**0**	**0**	**0**	**0**	**2,179**
OTHER TANGIBLE FIXED ASSETS	**66,759**	**55**	**0**	**0**	**10,791**	**0**	**77,605**
Tangible fixed assets for own use	618	55	0	0	107	0	**780**
Other: solar panels	66,141	0	0	0	10,684	0	**76,825**

	31 DEC. 12						
IN EUROS (X 1,000)	BELGIUM	THE NETHER-LANDS	FRANCE	CZECH REPUBLIC	ROMANIA	NON-ALLOCATED AMOUNTS	TOTAL
INVESTMENT PROPERTY	**591,049**	**363,746**	**80,619**	**0**	**25,201**	**0**	**1,060,615**
Existing buildings	572,326	361,571	77,594	0	4,111	0	**1,015,602**
Investment properties under development for own account with the purpose of being rented out	5,032	2,175	0	0	0	0	**7,207**
Land reserves	13,691	0	3,025	0	21,090	0	**37,806**
ASSETS HELD FOR SALE	**9,663**	**0**	**0**	**24,901**	**0**	**0**	**34,564**
OTHER TANGIBLE FIXED ASSETS	**68,053**	**50**	**0**	**277**	**638**	**0**	**69,018**
Tangible fixed assets for own use	721	50	0	277	60	0	**1,108**
Other: solar panels	67,332	0	0	0	578	0	**67,910**

1 For the table of changes with regard to investment property and other tangible fixed assets, see page 196 in Note *XII. Investment property* and page 201 in Note *XIII. Other tangible fixed assets.*

VII. Information on subsidiaries

	PART OF THE CAPITAL	
	31 DEC. 13	31 DEC. 12
FULLY CONSOLIDATED COMPANIES		
NAME and full address of the REGISTERED OFFICES WDP Nederland NV - Herenkantoor B, Princenhagelaan 1-A2 – 4813 DA Breda – the Netherlands with stake in WDP Development NL NV - Herenkantoor B, Princenhagelaan 1-A2 – 4813 DA Breda – the Netherlands*	100%	100%
WDP France SARL - Rue Cantrelle 28 - 36000 Châteauroux - France	100%	100%
WDP CZ SRO - Hvězdova 1716/2b - 140 78 Prague - Czech Republic**	0%	100%
Eurologistik 1 Leasehold BVBA - Blakebergen 15 - 1861 Wolvertem - Belgium***	100%	0%
Eurologistik 1 Freehold BVBA - Blakebergen 15 - 1861 Wolvertem - Belgium***	100%	0%
Breker Immo NV - Blakebergen 15 - 1861 Wolvertem - Belgium****	100%	0%
PROPORTIONNALY CONSOLIDATED COMPANIES		
WDP Development RO SRL - 1 Baia de Arama Street, building C1, 1st floor, office no. 19, district 2 - Bucharest - Romania	51%	51%

* WDP Development NL NV was formed in August 2011 as a permanent development company for own account of WDP Nederland NV.

** On 20 June 2013 WDP sold 100% of the shares in its Czech subsidiary WDP CZ. The transaction covered the full value of the Czech property portfolio of 25 million euros. Part of the purchase price will be settled through a deferred payment of 6 million euros (1 million euros of which was settled at 31 December 2013). From 1 January 2013 until the closing the income from the Czech assets were recognised as financial income.

*** On 7 June 2013 WDP acquired 100% of the shares of Eurologistik 1 Leasehold BVBA and Eurologistik 1 Freehold BVBA, which hold the rights to an existing logistics site of approximately 75,000 m² on the strategically located Cargovil industrial zone in Vilvoorde for 46.1 million euros. As part of the need for operational and administrative simplification, and pursuit of synergy within the WDP group, WDP merged with its fully owned subsidiary Eurologistik 1 Leasehold BVBA in early October 2013. This transaction is not deemed to be a business combination.

**** In early September 2013 WDP acquired 100% of the shares of Breker Immo NV. This company owns a building of over 12,000 m² that was acquired through the transaction for 4.6 million euros. This transaction is not deemed to be a business combination.

VIII. Overview of future rental income (including annualised income from solar energy)

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
Annualised rental income (including annualised income from solar energy) with final expiry date within		
one year	13,978	9,355
more than one but less than five years	31,911	18,853
more than five years	50,267	61,163
TOTAL	**96,156**	**89,371**

This table contains an overview of the annualised rental income (including the annualised income from solar energy) in accordance with the current leases. This is based on the indexed rents to be received up to and including the expiry date, as agreed in the leases.

The impact of the adjusted indexation of rents averaged 2.2% and 1.6% for 2012 and 2013 respectively.

The annualised rental income (including the annualised income from solar energy) rose 8% compared with the previous year. This mainly comes from the strong growth in the portfolio (see also *5.3. Management Report – Transactions and realisations* on page 42).

Type of lease

The majority of leases WDP enters into are governed by either the *provision of storage space* (*terbeschikkingstelling van bergruimte*) regime (which is subject to VAT) or the *general right of tenancy* (*gemeen huurrecht*) regime. The standard WDP lease has an uninterrupted term of nine years, where both the lessor and the lessee have the option to break the lease after three years and six years, subject to six months' notice.

Rents are generally payable monthly in advance (sometimes quarterly). The index is revised annually on the date when the contract was signed.

Taxation and levies, including the advance property levy, a minimum of half of the insurance premiums and shared general charges are payable by the tenant, who pays a monthly provision for them at the same time as the rent. Each year, they receive a statement of the actual charges.

In order to guarantee the respecting of commitments imposed on the tenants, the tenant is obliged to deposit a rental guarantee, generally in the form of a bank guarantee equal to six months' rent.

When the contract begins, a jointly prepared inventory between the two parties is drawn up by an independent surveyor. At the end of the lease, the tenant has to restore the rented premises to the condition described in this entry inventory except for normal wear and tear. An exit inventory is drawn up. The tenant is liable for the repair of any damage observed and the potential unavailability of the premises whilst such damage is being repaired.

The tenant is not authorised to conduct any high-risk activity in the rented areas unless it has received prior permission in writing from WDP. In such cases, WDP may oblige the tenant to take certain precautionary measures. If the tenant conducts a high-risk activity during the term of the contract, it is obliged to conduct a soil orientation study before the lease expires and where soil pollution is found, to fulfil all the potential remediation obligations and repair any resulting damage.

The tenant is solely responsible for obtaining its operating licence and environmental permit. The refusal or withdrawal of permits does not constitute justification for the dissolution or termination of the agreement.

The tenant is not permitted to transfer the lease or sublet the leased spaces without prior written permission from WDP. In the event of agreement with the transfer of a lease, the original tenant remains jointly and severally liable in relation to WDP.

The tenant is obliged to register the lease at its own expense.

IX. Profit from the sale of investment property

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
Net property sales (sales price - transaction costs)	34,930	10,386
Book value of properties sold	-34,279	-10,285
PROFIT FROM THE SALE OF INVESTMENT PROPERTY	**651**	**101**

The gain in 2013 is related to the sale of the Czech assets. This portfolio was sold at fair value. The gain refers to the reversal of an amount in deferred tax.

The other sites that were sold during 2013, three sites in Aalst and a part of land in Nivelles (rue Buisson aux Loups), were sold at fair value.

X. Financial result

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
FINANCIAL INCOME	**2,261**	**794**
Interests and dividends received	562	629
Other financial income	1,699	165
NET INTEREST CHARGES	**-24,197**	**-21,991**
Interest on loans	-8,293	-8,096
Interest capitalised during construction	854	871
Cost of permitted hedging instruments	-16,488	-14,650
Income from permitted hedging instruments	0	26
Other interest charges	-270	-142
OTHER INTEREST CHARGES	**-280**	**-115**
Bank charges and other commissions	-45	-49
Other financial charges	-235	-66
MOVEMENTS IN THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	**20,838**	**-18,488**
FINANCIAL RESULT	**-1,378**	**-39,800**

The financial result (excluding IAS 39 result) was -22.2 million euros for 2013, an increase compared with the previous year (-21.3 million euros) including income from the assets in the Czech Republic, which were recognised as financial income in 2013 up to and including the effective sale on 20 June 2013. The average cost of debt remained stable in 2013 at 3.6%, compared with 3.6% in 2012.

The impact of the IAS 39 result was +20.8 million euros for 2013 (versus -18.5 million euros for 2012). This positive impact is caused by movements in the fair value of the interest rate hedges (primarily Interest Rate Swaps) at 31 December 2013 as a result of the rise in the long-term interest rate in the course of 2013. The impact of IAS 39 is calculated on the basis of the mark-to-market (M-t-M) value of the interest rate hedges contracted.

The fluctuations in the fair value of the hedging instruments represent a non-realised, non-cash item (if these products are held until maturity and are not settled prematurely). The total fair value of the interest rate hedges contracted was -49.6 million euros as of 31 December 2013.

WDP's risk policy with regard to the financial policy is detailed in *1. Risk factors* on page 3. The derivatives currently used by WDP do not qualify as hedging transactions under IAS 39. Consequently, changes to fair value are immediately recognised through profit and loss.

XI. Taxes

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
RECOGNISED IN CONSOLIDATED PROFIT AND LOSS		
Corporate tax	-40	-534
Negative deferred tax on market fluctuations	0	-24
Positive deferred tax on market fluctuations	288	71
Latent tax on reversal of amortisation	-36	-162
Future tax saving on recoverable losses	-330	-355
TOTAL TAXES	**-118**	**-1,004**

XII. Investment property[1]

Movements during the financial year

	31 DEC. 13					
IN EUROS (X 1,000)	BELGIUM	THE NETHER -LANDS	FRANCE	CZECH REPUBLIC	ROMANIA	TOTAL
Level (IFRS)	3	3	3	3	3	
AT THE END OF THE PREVIOUS FINANCIAL YEAR	**591,049**	**363,746**	**80,619**	**0**	**25,201**	**1,060,615**
Investments	22,732	3,446	251	0	2,470	**28,899**
New acquisitions	51,516	35,236	0	0	0	**86,752**
Acquisition of investment properties by means of share-based payment transactions	22,000	0	0	0	0	**22,000**
Transfers to fixed assets held for sale	-948	0	0	0	0	**-948**
Sales and disposals	-1,637	0	0	0	0	**-1,637**
Variations in the fair value	-1,618	2,538	-1,197	0	-1,343	**-1,620**
Latent variations of existing properties (+/-)	-2,342	2,195	-1,140	0	-1,343	**-2,630**
Latent variations on properties under construction (+/-)	724	343	-57	0	0	**1,010**
AT THE END OF THE YEAR	**683,094**	**404,966**	**79,673**	**0**	**26,328**	**1,194,061**
Acquisition price	580,944	418,058	74,919	N/R	32,193	**1,106,114**
Insured value	582,055	333,411	65,956	N/R	11,825	**993,248**
Rental income during 2013	45,254	38,812	5,726	N/R	447	**84,239**

	31 DEC. 12					
IN EUROS (X 1,000)	BELGIUM	THE NETHER -LANDS	FRANCE	CZECH REPUBLIC	ROMANIA	TOTAL
Level (IFRS)	3	3	3	3	3	
AT THE END OF THE PREVIOUS FINANCIAL YEAR	**564,766**	**210,160**	**82,607**	**25,181**	**25,375**	**908,089**
Investments	15,862	14,957	136	84	-23	**31,016**
New acquisitions	0	107,937	0	0	0	**107,937**
Acquisition of investment properties by means of share-based payment transactions	11,800	30,680	0	0	0	**42,480**
Transfers to fixed assets held for sale	0	0	0	-24,893	0	**-24,893**
Sales and disposals	-5,771	0	0	0	0	**-5,771**
Variations in the fair value	4,392	12	-2,124	-372	-151	**1,757**
Latent variations of existing properties (+/-)	2,594	-1,730	-2,124	-372	-151	**-1,783**
Latent variations on properties under construction (+/-)	1,798	1,742	0	0	0	**3,540**
AT THE END OF THE YEAR	**591,049**	**363,746**	**80,619**	**0**	**25,201**	**1,060,615**
Acquisition price	487,281	379,376	74,668	N/R	29,723	**971,049**
Insured value	479,000	291,000	63,000	29,000	8,000	**913,000**
Rental income during 2012	41,502	25,208	6,193	2,580	414	**75,897**

1 Including property developments in compliance with the IAS 40 standard.

The capital expenditure relates to investments made for new acquisitions, WDP's own property developments and investments within the existing portfolio (for additional details, please refer to *5.3. Management Report – Transactions and realisations* on page 42).

The property portfolio is measured at fair value. Fair value is determined based on non-observable inputs. Consequently, the investment property assets are part of level 3 of the fair value hierarchy, as provided for in IFRS. There were no shifts in the level of the fair value hierarchy during 2013. Level 1 of the fair value hierarchy determines that the fair value was derived on the basis of listed (not adapted) prices in an active market for identical assets or liabilities, whereas level 2 is based on other data than for level 1, which can be directly or indirectly determined for the assets or liabilities involved.

There are no assets that are not valued in accordance with their highest and best use, given that the use for some assets is different from the highest and best use.

During 2013 WDP achieved a gross investment volume of approximately 150 million euros (including solar panels). This was primarily achieved in the core Benelux market. In Belgium WDP acquired new sites in Vilvoorde (Cargovil), Asse (Kobbegem) and Geel, and projects were completed in Londerzeel, Bornem, Aalst, Nivelles and Zwijndrecht. Two new-build projects were also started in Londerzeel. In the Netherlands WDP acquired new sites in Alphen aan den Rijn, Zaltbommel, Barneveld and Venray, and five new-build projects were started. WDP bought land for three of these projects in 2013.

The table below presents a comparison of the annual expected rental income for these properties and the rents actually achieved in 2013.

IN EUROS (X 1,000)	FULL-YEAR RENTAL INCOME	ACTUAL RENTAL INCOME
Vilvoorde, Havendoklaan 18	3,691	2,082
Asse (Kobbegem), Breker 41	415	358
Geel, Hagelberg 12	544	51
Geel, Hagelberg 14	1,221	103
Zaltbommel, Heksekamp 7-9	670	333
Barneveld - Nijverheidsweg 50	386	225
Venray, Newtonstraat 8	451	285
TOTAL	**7,378**	**3,437**

At the end of 2012 the strategic decision was taken to sell the Czech portfolio and this was done in mid 2013 through the effective sale of 100% of the shares of the Czech subsidiary.[2] Three smaller non-strategic sites in Aalst were also sold, as well as a piece of land in Nivelles (rue Buisson aux Loups).

The table below presents a comparison of the annual expected rental income for these properties and the rents actually achieved in 2013.

2 From 1 January 2013 until the closing on 20 June 2013, the income from the Czech assets was recognized as financial income.

IN EUROS (X 1,000)	FULL-YEAR RENTAL INCOME	ACTUAL RENTAL INCOME
Aalst, Tragel 5 - Gheeraerdtstraat 15-16	295	277
Aalst, Dendermondsesteenweg 75	193	181
Aalst, Denderstraat 54-56 - Tragel	225	211
TOTAL	**714**	**669**

The variation in the valuation of the investment property is explained by the change in rental income, due among other things to indexation (+), the effect of new leases (+) and the impact of some lease cancellations (-). The gross rental yield after the addition of the estimated market rental value for the non-leased parts remained stable at 8.2% at 31 December 2013, versus 8.2% at year-end 2012.

Valuation method

		NON-OBSERVABLE INPUTS IN THE DETERMINATION OF THE FAIR VALUE			
LEVEL (IFRS)	CLASSIFICATION ACCORDING TO GEOGRAPHIC SPLIT	FAIR VALUE 31 DEC. 13 (IN EUROS X 1,000)	VALUATION TECHNIQUE	INPUT 31 DEC. 13	BANDWIDTH (MIN./MAX.) (WEIGHTED AVERAGE) 31 DEC. 13
3	Belgium	683,094	Discounted Cash Flow Income capitalisation	• ERV (in euros/m²) [1] • Discount rate • Required yield • Remaining lease term (until first break) • Remaining lease term (until final expiry) • Occupancy rate • Inflation	20-85 euros/m² (39 euros/m²) 5.8%-8.3% (6.5%) 7.0-8.5% (7.5%) 3 months-20 years (5.3 years) 3 months-33 years (8.1 years) 38%-100% (96.7%) 1.4%-1.4% (1.4%)
3	the Netherlands	404,966	Discounted Cash Flow Income capitalisation	• ERV (in euros/m²) [1] • Discount rate • Required yield • Remaining lease term (until first break) • Remaining lease term (until final expiry) • Occupancy rate • Inflation	30-80 euros/m² (46 euros/m²) 6.3%-8.3% (7.5%) 7.5%-11.5% (8.3%) 3 months-15 years (8.6 years) 3 months-20 years (10.4 years) 0%-100% (98.3%) 2.0%-2.0% (2.0%)
3	France	79,673	Income capitalisation	• ERV (in euros/m²) [1] • Required yield • Remaining lease term (until first break) • Remaining lease term (until final expiry) • Occupancy rate	35-55 euros/m² (40 euros/m²) 7.0%-9.0% (8.0%) 1 year-8 years (3.6 years) 3 years-17 years (7.0 years) 50%-100% (95.5%)
3	Romania	26,328	Income capitalisation Comparable market transactions	• ERV (in euros/m²) [1] • Required yield • Remaining lease term (until first break) • Remaining lease term (until final expiry) • Occupancy rate	35-50 euros/m² (45 euros/m²) 9.3%-9.3% (9.3%) 6 years-8 years (7.9 years) 8 years-10 years (8.5 years) 100%-100% (100%)

1 In relation to the ERV, only rents on available storage spaces are considered. The wide range (min./max) is explained by the various types of storage space (varying from outside storage space to cooled warehouses).

Appraising a site involves determining its value on a specific date, i.e. the price at which the site is likely to be sold between buyers and sellers who are well informed in absence of information asymmetries and who wish to complete such a transaction, without taking into account any special agreement between the parties. This value represents the investment value if it matches the total price to be paid by the buyer, plus any registration fees or VAT if the acquisition is subject to VAT. The fair value within the meaning of the IAS/IFRS reference schedule can be calculated by deducting an adjusted percentage of the registration fees and/or deducting VAT.

For the calculation of the change in fair value, the theoretical, local registration rights are deducted from the investment value. These rates averaged 2.5% in Belgium, 5.8% in the Netherlands, 3.2% in France and 3.0% in Romania.

Sensitivity of valuations

The sensitivity of the fair value based on changes to the significant non-observable inputs used to determine the fair value of the properties classified in level 3 in accordance with the IFRS fair value hierarchy is as follows (*ceteris paribus*):

NON-OBSERVABLE INPUT	IMPACT ON FAIR VALUE AT:	
	FALL	RISE
ERV (in in euros/m²)	negative	positive
Discount rate	positive	negative
Required yield	positive	negative
Remaining lease term (until first break)	negative	positive
Remaining lease term (until final expiry)	negative	positive
Occupancy rate (EPRA)	negative	positive
Inflation	negative	positive

In addition, it is generally so that a rise (fall) in the remaining term of the lease results in a fall (rise) in the discount rate (and required yield). A rise (fall) in the occupancy rate can result in a rise (fall) in the discount rate (and required yield).

In addition, the sensitivity of the fair value of the portfolio can be estimated as follows (based on a *ceteris paribus* approach): the effect of a rise (fall) of 2% in rental income results in a rise (fall) in the fair value of the portfolio of approximately 23 million euros (*ceteris paribus*). The effect of a rise (fall) in the required yield of 25bps results in a fall (rise) in the fair value of the portfolio of approximately 35 million euros (*ceteris paribus*).

Valuation process

The valuation process within WDP follows a centralised approach in which the policy and procedures for property valuations are determined by the CEO and the CFO, after approval by the audit committee. Each year, after approval by the audit committee, these officers decide which independent property expert will be appointed for the respective parts of the property portfolio.

Contracts are typically entered into for a renewable term of three years, for which a double rotation obligation applies in accordance with the *Vastgoedbevak/Sicafi* Royal Decree (see also *11.6. Permanent document - Property expert* on page 237). The selection criteria include local market knowledge, reputation, independence and insurance of the highest professional standards. The fees of the property experts are fixed for the term of their appointment and are not related to the value of the properties for which an estimate is made.

Independent property experts are contracted in each country to ensure that the specific characteristics of each geographical region and so the diversified pan-European character of the property portfolio is properly reflected. The property portfolio is measured by independent property experts on a quarterly basis. The valuation methods are determined by the external experts and are based on a multi-criteria approach. The independent expert determines the fair market value on the basis of a discounted cash flow model, an income capitalisation methodology and/or based on comparable market transactions. The estimates made in this way are also compared with the initial yield and available points of comparison through recent market transactions for comparable properties (including properties acquired by WDP during that year). The valuation cycle within the financial year comprises a visit to the site, after which a detailed valuation report is drawn up for each individual property as well as three desktop reviews reflecting the new data provided by WDP with regard to the rental situation and rationalising the key assumptions with regard to the significant non-observable inputs.

PROPERTY EXPERT	LOCATION	FAIR VALUE (IN EUROS X 1,000)	PART OF TOTAL PORTFOLIO (IN %)
Stadim	Belgium	433,624	36
Cushman & Wakefield	Belgium, Romania	275,799	23
DTZ Zadelhoff	the Netherlands	404,966	34
BNP Paribas Real Estate	France	79,673	7
TOTAL		**1,194,061**	**100**

The property experts have full access to all quantitative and qualitative information with regard to the property portfolio.

The group controller is responsible for the permanent contact with and information provision to the respective property experts (such as all rental contracts, information with regard to occupancy rate, expiry dates, investments, maintenance and repair costs and so on).

At the same time, the CEO and the country manager discuss the asset management plans for each object in detail with the property expert two times a year. When delivering the valuation reports on a quarterly basis, the group controller and the CFO compare and analyse all material differences (positive and negative) in absolute and relative terms over the past four quarters. Based on this, the CEO and CFO hold a detailed discussion with the respective property experts to ensure that all data relating to the sites is accurately and fully reflected in the valuations, giving special attention to the property development projects. The property experts draw up an independent estimate of the future cash flow profile and reflect the risk through a combination of the cash flow projections (such as rental growth, vacancy rate, incentives, investments, etc.) and the applied required yields or discount rates. The final property estimates are then presented to the audit committee.

XIII. Other tangible fixed assets

Movements during the financial year

	31 DEC. 13			31 DEC. 12		
IN EUROS (X 1,000)	SOLAR PANELS	OTHER*	TOTAL	SOLAR PANELS	OTHER*	TOTAL
Level (IFRS)	3	N/R		3	N/R	
AT THE END OF THE PREVIOUS FINANCIAL YEAR	**67,910**	**1,108**	**69,018**	**67,000**	**1,185**	**68,185**
Investments	8,558	0	**8,558**	2,605	0	**2,605**
New acquisitions	2,398	221	**2,619**	0	210	**210**
Disposals	0	-277	**-277**	0	-43	**-43**
Variations in the fair value**	-2,041	-272	**-2,313**	-1,695	-244	**-1,939**
Gains	2,064	0	**2,064**	0	0	**0**
Depreciation and amounts written down	-4,105	-272	**-4,377**	-1,695	-244	**-1,939**
AT THE END OF THE YEAR	**76,825**	**780**	**77,605**	**67,910**	**1,108**	**69,018**
Acquisition price	60,532	2,268	**62,800**	49,576	2,324	**51,900**

* *Other* includes *Installations, machinery and equipment, Furniture and rolling stock* and *Other tangible fixed assets.*

** Solar panels are revalued in accordance with IAS 16. The gains and losses are entered directly in a separate column included in shareholders' equity. If losses are incurred or if the fair value of the solar panels falls below the original investment value, these losses are taken to the profit and loss account. See also Note *IV. Significant accounting estimates and key uncertainties affecting estimates* on page 186.

Capital expenses relate to the investments in two new solar farms in Sarulesti and Fundulea in Romania and the acquisition of a PV system in Geel, Belgium.

Valuation method – Solar panels

	VALUATION METHOD	
CLASSIFICATION ACCORDING TO GEOGRAPHIC SPLIT	**BELGIUM**	**ROMANIA**
LEVEL (IFRS)	**3**	**3**
FAIR VALUE 31 DEC. 13 (IN EUROS X 1,000)	**66,141**	**10,684**
VALUATION TECHNIQUE	**DISCOUNTED CASH FLOW**	**DISCOUNTED CASH FLOW**
Implicit number of sun hours	In the model, the implicit number of sun hours assumed is 950 hours per year. This is based on the meteorological statistics and the data available at year-end. At 31 December 2013 there were solar panels at 29 sites.	In the model, an implicit number of sun hours assumed is 1,250 hours per year. This is based on the meteorological statistics and the data available at year-end. At 31 December 2013 there were solar panels at four sites.
Green energy certificates	Green energy certificates are awarded by the *VREG* (*Vlaamse Regulator van de Elektriciteits- en Gasmarkt*) for each project based on a minimum price per certificate for a fixed period of twenty years. Price levels of the certificates for the operational sites range from 270 to 450 euros per MWh.	Green energy certificates are awarded by the Romanian Energy Regulatory Authority (ANRE) for each project for a fixed period of fifteen years. WDP's PV projects in Romania receive 6 green energy certificates per MWh of green energy produced (two deferred in accordance with the regulatory framework). The certificates can then be sold on a regulated market at a legal min./max. price of between 27 and 55 euros per certificate. For the solar farms, WDP has a ten-year purchase contract with Enel (an international leader on the energy market).
Energy price	The energy price increases in real terms by 1.5% per year. This increase is applied to the Endex basis. As a starting point, the average Endex price (see www.apxendex.com) (BE-power) Cal t + 1, 2, 3 is selected. The valuation at the end of 2013 is based on the Cal 14, 15 and 16 published on 31 December 2013.	The energy price increases in real terms by 1.5% per year. This rise is applied to the actually received prices for the green energy sold.
Discount rate	The return requirement is equivalent to the 30-year IRS swap rate plus a risk premium of 200 basis points (bps).	The return requirement is calculated as a weighted average cost of the capital based on the long-term interest rate, the market risk premium and the country-specific risk.
Fall in return	The PV system has a fall in return of 0.6% per annum and is decommissioned after thirty years. No account is taken of any residual value of the system or the costs for dismantling the system.	The PV system has a fall in return of 0.6% per annum and is decommissioned after thirty years. No account is taken of any residual value of the system or the costs for dismantling the system.
Maintenance and capex	Account is taken of the various operating costs related to the operation and a ten-year maintenance cost to maintain the expected development of the leasing condition.	Account is taken of the various operating costs related to the operation and a ten-year maintenance cost to maintain the expected development of the leasing condition.

Sensitivity of valuations

The sensitivity of the fair value based on changes to the significant non-observable inputs used to determine the fair value of the objects classified in level 3 in accordance with the IFRS fair value hierarchy is as follows (*ceteris paribus*):

NON-OBSERVABLE INPUT	IMPACT ON FAIR VALUE AT:	
	FALL	RISE
Implicit number of sun hours	negative	positive
Green energy certificates	negative	positive
Energy price	negative	positive
Discount rate	positive	negative
Fall in return	negative	positive
Maintenance and capex	positive	negative

In addition, the sensitivity of the fair value of the solar panels can be estimated as follows (based on a *ceteris paribus* approach): the effect of a rise (fall) in required return of 25 bps results in a fall (rise) in the fair value of the solar panels of approximately 1.4 million euros.

Valuation process

There is no standardised valuation model for investments in solar panels. The fair value of these assets is calculated by WDP using a discounted cash flow model based on future income and costs.

The valuation cycle within a financial year comprises a fully detailed update as of year-end of all assumptions and the expected cash flows and the three desktop reviews involving rolling forward the model and rationalising the key assumptions with regard to the significant non-observable inputs.

The data and inputs with regard to the expected future cash flows are verified on a continuous basis using the available statistics for all PV systems, while a consistent comparable analysis is conducted of the financial return requirements of investors. The final fair value measurements are approved by the audit committee on a quarterly basis.

XIV. Financial instruments

Financial instruments at amortised cost price

Fair value of financial instruments that are recognised in the balance sheet at amortised cost price:

		31 DEC. 13		
IN EUROS (X 1,000)	IFRS-BALANCE SHEET ITEM	LEVEL (IFRS)	AMORTISED COST PRICE	FAIR VALUE
FINANCIAL ASSETS				
Loans and receivables - Other	I. - E.	2	11,453	11,453
Non-current receivables	I. - G.	2	6,802	6,802
Trade receivables and other non-current assets	II. - D.	2	3,613	3,613
Cash and cash equivalents	II. - F.	2	1,911	1,911
TOTAL			**23,779**	**23,779**
FINANCIAL LIABILITIES				
Commercial paper	II. B.	2	145,341	145,341
Bond	I. B.	2	49,700	49,625
Bank debt	I. B. and II. B.	2	489,523	489,523
Financial lease	I. B. and II. B.	2	19,638	19,638
Other financial debts	I. B.	2	6,727	6,727
Trade payables and other current liabilities	II. D.	2	14,386	14,386
TOTAL			**725,315**	**725,240**

The entirety of the financial instruments of the group corresponds to levels 1 and 2 in the hierarchy of the fair values. The measurement at fair value occurs regularly.

Level 1 in the hierarchy of the fair values is based on the share price.

Level 2 in the hierarchy of the fair values concerns the other financial assets and liabilities of which the fair value is based on observable inputs and other data that can be directly or indirectly determined for the assets or liabilities in question. The valuation techniques regarding the fair value of the level 2 financial instruments are as follows: the fair value of the above financial assets and liabilities is measured at the accounting value, except for the bond loan, of which the fair value is determined by an indicative price as indicated by the broker, given that this is not traded frequently (level 2).

Given the other financial debts are entered into at a floating interest rate, the fair value is close to the accounting value.

Level 3 in the hierarchy of the fair values concerns the property portfolio, the fair value of which is determined using non-observable inputs.

Financial instruments at fair value (IAS 39)

The group uses derivative financial instruments in order to hedge interest rate risks on its financial debt with the purpose of reducing volatility of the net current result (which forms the basis of the dividend) while at the same time keeping cost of debt as low as possible. WDP manages its interest rate exposure centrally through a macro hedging policy. The group does not engage in any derivative contracts for speculative purposes nor does it hold any derivative financial products for trading purposes.

The derivatives currently used by WDP do not qualify as hedges. Consequently, changes to fair value are immediately recognised through profit and loss.

These contracts are valued at fair value at the balance sheet date, in compliance with IAS 39. This information is received from the various financial institutions and is verified by WDP by discounting future contractual cash flows based on matching yield curves.

Fair value is determined based on observable inputs. Consequently, the IFRS contracts are part of level 2 of the fair-value hierarchy, as provided for in IFRS. The fair value measurement occurs on the basis of a discounted cash flow model based on the relevant market interest rates as reflected in the forward interest curve on the balance sheet date. There were no shifts in the level of the fair value hierarchy during 2013. During this period no hedging instruments were redeemed before the final maturity date. The details and valuation at fair value of the hedging instruments on the balance sheet date are as follows:

	31 DEC. 13			
CLASSIFICATION UNDER IFRS	LEVEL (IFRS)	NOTIONAL AMOUNT (IN EUROS)	INTEREST RATE (IN %)	MATURES IN
Interest Rate Swap (callable)	2	20,000,000	3.75	2014
Interest Rate Swap	2	15,000,000	0.88	2014
Interest Rate Swap	2	5,000,000	4.11	2014
Interest Rate Swap	2	5,000,000	4.05	2014
Interest Rate Swap	2	20,000,000	3.19	2015
Interest Rate Swap	2	10,000,000	4.48	2016
Interest Rate Swap	2	10,000,000	3.88	2016
Interest Rate Swap	2	10,000,000	4.54	2016
Interest Rate Swap (callable)	2	10,000,000	3.60	2017
Interest Rate Swap (callable)	2	15,000,000	4.16	2017
Interest Rate Swap	2	10,000,000	4.50	2017
Interest Rate Swap	2	20,000,000	4.56	2017
Interest Rate Swap	2	25,000,000	3.50	2017
Interest Rate Swap (callable)	2	10,000,000	3.45	2018
Interest Rate Swap (callable)	2	10,500,000	3.75	2018
Interest Rate Swap (callable)	2	10,500,000	3.44	2018
Interest Rate Swap (callable)	2	10,000,000	2.80	2018
Interest Rate Swap	2	10,000,000	4.25	2018
Interest Rate Swap	2	20,000,000	4.57	2018
Interest Rate Swap	2	5,000,000	4.26	2018
Interest Rate Swap	2	5,000,000	4.18	2018
Floor KI / Cap KO *	2	10,000,000	4.50	2018
Interest Rate Swap	2	20,000,000	3.59	2019
Interest Rate Swap	2	20,000,000	1.19	2019
Interest Rate Swap	2	20,000,000	1.19	2019
Interest Rate Swap	2	10,000,000	4.64	2019
Interest Rate Swap	2	10,000,000	3.00	2019
Interest Rate Swap	2	15,000,000	3.62	2020
Interest Rate Swap	2	10,000,000	3.99	2020
Interest Rate Swap	2	5,409,000	3.48	2020
Interest Rate Swap	2	3,606,000	3.48	2020
Interest Rate Swap	2	5,409,000	3.48	2020
Interest Rate Swap	2	15,000,000	3.39	2021
Interest Rate Swap	2	25,000,000	3.61	2021
Interest Rate Swap	2	10,000,000	3.24	2021
Interest Rate Swap	2	25,000,000	1.89	2021
Interest Rate Swap (forward start)	2	20,000,000	1.77	2022
Interest Rate Swap	2	15,000,000	3.08	2022
Interest Rate Swap	2	30,000,000	2.31	2027

* This is a combined instrument by means of a floor at 4.50%, a knock-in at 2.63% and a cap at 4.50% with a knock-out at 5.50%. The interest rate currently paid on this instrument is 4.5% and this can fluctuate depending on the interest rate level.

	31 DEC. 13					
	LEVEL (IFRS)	NOTIONAL AMOUNT (IN EUROS X 1,000)	INTEREST RATE (IN %)	TERM (IN Y)	ASSETS	LIABILITIES
CLASSIFICATION UNDER IFRS						
Interest Rate Swap	2	409,424	3.23%	5.7	33	39,637
Interest Rate Swap (forward start)	2	20,000	1.77%	8.3	47	0
Interest Rate Swap (callable)	2	86,000	3.62%	3.3	0	8,266
Floor KI / Cap KO	2	10,000	4.50%	5.0	0	1,806
TOTAL *		**525,424**	**3.26%**	**5.4**	**80**	**49,709**

* Of the notional amount of 525 million euros in outstanding derivate instruments, only 505 million euros in debts was hedged at 31 December 2013.

The table below shows the movements in fair value and valuations at fair value of the hedging instruments on the balance sheet date:

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
FAIR VALUE AT THE BALANCE SHEET DATE	**-49,629**	**-70,466**
Financial fixed assets	80	0
Financial instruments at fair value through profit and loss	80	0
Other non-current financial liabilities	49,062	69,838
Permitted hedging instruments	49,062	69,838
Current liabilities	647	628
Other current liabilities	647	628
MOVEMENTS IN THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	**20,837**	**-18,488**
Revenues	20,837	445
Costs	0	-18,933

The table below shows the impact of the fair value of the IRSs if the interest rate were to increase or decline by a maximum of 0.50%:

INTEREST RATE MOVEMENTS

INTEREST RATE MOVEMENTS	IMPACT ON THE FAIR VALUE MOVEMENT OF THE IRS 31 DEC. 13 (IN EUROS X 1,000)
-0.50%	-13,891
-0.25%	-6,931
0.00%	0
+0.25%	+6,871
+0.50%	+13,583

For a detailed overview of financial and other risks, their mitigating factors and control, please see Section *1. Risk factors* on page 3. For a review of the financial risks (including credit risk, liquidity risk, interest risk, counterparty risk), see Section *5.4. Management report - Management* of the financial resources page 50.

Readers are also referred to the sensitivity analysis in Section *5.6. Management report - Outlook* page 68 and note *XX. Status of liabilities* on page 213.

XV. Assets held for sale

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
Belgium		
Assets held for sale at year-end 2012	0	34,564
Assets held for sale at year-end 2013	2,179	0
TOTAL	**2,179**	**34,564**

During 2013 the sale of the Czech portfolio was achieved through the sale of 100% of the shares in WDP's Czech subsidiary WDP CZ. At the same time, three smaller, non-strategic Belgian sites in Aalst and a (part of) land in Nivelles were sold.

Consequently, an amount of 2.2 million euros is recognised on the balance sheet as Assets held for sale. This concerns a piece of land in Wieze and a site in Boom. The Boom site was sold in February 2014. The piece of land will also be sold in the course of 2014.

XVI. Trade receivables and doubtful debtors

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
Customers	4,539	6,593
Write-downs booked on doubtful debtors	-1,427	-1,558
Invoices to be prepared / credit notes to be received	501	491
Other receivables	0	24
TRADE DEBTORS	**3,613**	**5,550**

Trade receivables due within less than one year declined from 5.6 million euros at the end of 2012 to 3.6 million euros at year-end 2013.

Trade receivables are mostly payable in cash. The table below shows the past due trade receivables.

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
Not past due and < 30 days past due	2,720	2,520
of which provisioned for as doubtful debtors	*140*	*0*
30-60 days past due	278	710
of which provisioned for as doubtful debtors	*70*	*0*
60-90 days past due	159	1,415
of which provisioned for as doubtful debtors	*1*	*0*
> 90 days past due	1,382	1,948
of which provisioned for as doubtful debtors	*1,216*	*1,558*
TOTAL CLIENTS	**4,539**	**6,593**
of which provisioned for as doubtful debtors	***1,427***	***1,558***

DOUBTFUL DEBTORS - STATEMENT OF CHANGES

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
AT THE END OF THE PREVIOUS FINANCIAL YEAR	**1,558**	**1,513**
Additions	908	548
Reversals	-352	-505
Additions with regard to non-current receivables	-707	0
Other	20	2
AT THE END OF THE YEAR	**1,427**	**1,558**

Compared to the previous financial year, the bad-debt provision decreased from 1.558 million euros to 1.427 million euros.

A clear procedure is applied to determine the bad-debt provisions in which the management estimates on a quarterly basis the receivables that probably will no longer be collected. In that way, the book value approaches the fair value of the trade receivables. For the debtors policy, WDP checks the creditworthiness of its tenants. In addition, the outstanding customer balances are reported internally to all commercial and technical personnel on a monthly basis.

They can ensure adequate supervision of the rental arrears via their direct contacts with the customer.

Credit risk is more generally also limited because WDP ensures an adequate spread among its tenants. In addition to the legal limit of 20%, the internal limit applied stipulates that a maximum of 10% of rental income (including income from solar energy) may be derived from a single customer. For a list of main tenants, see *7.1. Property report - Review of the consolidated property portfolio* on page 114. The credit risk is also limited by the maximum risk per site of 5%.

XVII. Tax benefits and other current assets

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
Taxes	3,672	1,997
Other	3,318	3,303
TOTAL	**6,990**	**5,300**

XVIII. Capital

		EVOLUTION OF SUBSCRIBED CAPITAL 31 DEC. 2013 (IN EUROS X 1,000)	NUMBER OF SHARES
	Creation of Rederij De Pauw	50	
	Capital increase through incorporation of reserves	12	
	Capital increase by public issue (including issue premium)	69,558	
	Capital increase through merger and demerger transactions	53	
	Capital increase through incorporation of reserves with a view to rounding up in euros	327	
	Capital increase to defray losses	-20,575	
1999	**SUBSCRIBED CAPITAL AND NUMBER OF SHARES AT THE TIME OF THE IPO (JUNE 1999)**	**49,425**	**6,640,000**
2001	Capital increase resulting from the takeover of Caresta	2,429	259,593
2001	Capital increase through incorporation of reserves with a view to rounding up in euros	46	0
2003	Capital increase by public issue (including issue premium)	27,598	985,656
2006	Capital increase on the occasion of the partial split of Partners in Lighting International	29,415	707,472
2006	Reduction in capital upon the creation of available reserves	-40,000	0
2009	Capital increase for DHL transaction	6,478	807,733
2009	Capital increase	25,130	3,133,484
2011	Capital increase through rights issue related to the optional dividend	5,216	650,437
2011	Capital increase following Betafence transaction	3,642	454,146
2012	Capital increase through rights issue related to the optional dividend	4,988	622,013
2012	Capital increase for the partial demerger of Immo Weversstraat	675	84,226
2012	Capital increase Lake Side bis transaction	5,910	736,932
2013	Capital increase through rights issue related to the optional dividend	4,600	573,596
2013	Capital increase resulting from the direct merger with three companies in Geel	3,400	423,959
TOTAL		**128,955**	**16,079,247**

	31 DEC. 13	31 DEC. 12
NUMBER OF SHARES ENTITLED TO DIVIDEND	**15,081,692**	**13,638,521**
Capital increase through the payment of a debt in relation to the optional dividend	573,596	622,013
Capital increase related to the partial demerger of Immo Weversstraat	0	84,226
Capital increase Lake Side bis transaction	0	736,932
Capital increase resulting from the direct merger with three companies in Geel	423,959	0
NUMBER OF SHARES ENTITLED TO DIVIDEND AT THE END OF THE FINANCIAL YEAR	**16,079,247**	**15,081,692**
Net result of the financial year (in euros x 1,000)	79,675	35,326
Net result per share (in euros)*	5.15	2.49

* Calculation based on the weighted average number of shares.

WDP only has one category of shares, namely ordinary shares. Holders have a right to receive the declared dividend and are entitled to one vote per share at the Annual General Meeting of the shareholders.

All shares are paid up in full and are bearer, registered or dematerialised shares. Since 1 January 2008 no new bearer shares may be issued and existing bearer shares booked on stock funds may no longer be physically issued. They must remain on the account from then on, unless converted into registered shares.

Listed bearer shares that are on a fund account, were lawfully converted into dematerialised shares from 1 January 2011. Bearer shares that were not registered on a share account, are lawfully converted into dematerialised shares on 1 January 2014.

The statutory manager is authorised to increase the authorised capital on one or more occasions, on the dates and under the conditions it establishes, by 100,521,811.63 euros. This authorisation is valid for five years as from 16 May 2011. This authorisation can be renewed.

XIX. Provisions

NATURE OF THE LIABILITIES IN EUROS (X 1.000)	31 DEC. 13	
	BELGIUM REMEDIATION	TOTAL
OPENING BALANCE	**1,071**	**1,071**
Amounts used	-6	-6
Additions	8	8
CLOSING BALANCE	**1,073**	**1,073**
Expected payment date for use of provisions	< 5 years	

During the course of the financial year 2013 the ongoing studies, monitoring activities and remediation were continued to comply with all local legislation regarding soil remediation. *Provisions* outstanding at the end of 2013 were still 1.1 million euros.

The provisions were primarily established for the possible remediation of the sites in Anderlecht (Avenue Frans Van Kalken 9, Quai de Biestebroek 300 and rue Walcourt), Beersel (Stationsstraat 23D) and Molenbeek-Saint-Jean (Rue Delaunoy 35-36 + 58-60).

NATURE OF THE LIABILITIES IN EUROS (X 1.000)	31 DEC. 12	
	BELGIUM REMEDIATION	TOTAL
OPENING BALANCE	**1,112**	**1,112**
Amounts used	-41	-41
CLOSING BALANCE	**1,071**	**1,071**
Expected payment date for use of provisions	< 5 years	

XX. Status of liabilities

	INCLUDED AS OF		< 1 YEAR		1-5 YEARS		> 5 YEARS	
IN EUROS (X 1.000)	31 DEC. 13	31 DEC. 12	31 DEC. 13	31 DEC. 12	31 DEC. 13	31 DEC. 12	31 DEC. 13	31 DEC. 12
Commercial paper	**145,341**	**145,438**	145,341	145,438				
Straight loans	**22,449**	**27,598**	22,449	27,598				
Roll over loans	**2,216**	**2,128**	2,216	2,128				
Lease debts	**3,468**	**3,232**	3,468	3,232				
Other	**3**	**22**	3	22				
CURRENT FINANCIAL LIABILITIES	**173,477**	**178,418**	**173,477**	**178,418**	**0**	**0**	**0**	**0**
Roll over loans	**464,857**	**454,488**			424,916	432,367	39,941	22,121
Bond	**49,625**	**-**					49,625	
Lease debts	**16,171**	**18,109**			10,481	11,566	5,690	6,543
Other	**6,724**	**8,849**					6,724	8,849
NON-CURRENT FINANCIAL LIABILITIES	**537,377**	**481,446**	**0**	**0**	**435,397**	**443,933**	**101,980**	**37,513**
TOTAL	**710,854**	**659,864**	**173,477**	**178,418**	**435,397**	**443,933**	**101,980**	**37,513**

General (see also 5.4. Management report - Management of the financial resources)

Total financial debt at 31 December 2013 was 711 million euros, versus 660 million euros at year-end 2012. 24% of these debts represent short-term liabilities (mainly straight loans and debt entered into as part of the commercial paper programme). The remaining 76% of the debts have a term of more than one year, of which 14% fall due after more than five years.

The weighted average term of the outstanding debts at 31 December 2013 was 3.0 years. This includes the refinancing of existing credit facilities realised after the closing date and prior to the publication of the 2013 results. If only total drawn and undrawn long-term credit facilities are included, the weighted average term is 3.4 years. For some loans, the lender may decide to extend the loan through an extension option. If this option were to be exercised each time, the weighted average term of the non-current loans would be 4.2 years.

At 31 December 2013, virtually all debts were entered into at a floating short-term interest rate plus bank margin, except for the bond loan on which fixed interest is owed. WDP uses Interest Rate Swaps to hedge against volatility and a rise in short-term interest rates. The financial debt at fixed or floating interest rates hedged primarily with Interest Rate Swaps (IRSs) was 555 million euros, with a weighted average term of 5.7 years, which entails a hedging rate of 78%.

WDP's weighted average cost of debt for the financial year 2013 was 3.6%, which was stable versus 2012, including credit margins, the reservation commission on unused credit facilities and the cost of hedging instruments.

For the financial year 2013 the negative impact on the net current result of a hypothetical increase in the interest rates of 1% is approximately -1.6 million euros [1].

1 For a complete overview of sensitivity, see the relevant table in *5.6. Management report – Outlook* on page 68.

As at 31 December 2013, the company complied with all contractually applicable bank covenants (for additional information on these covenants, see *XXV. Rights and obligations not included in the balance sheet* on page 218).

XXI. Calculation of the gearing and notes regarding changes in gearing

IN EUROS (X 1,000)		31 DEC. 13	31 DEC. 12
Non-current and current liabilities		780,942	746,244
To be excluded:			
I. Non-current liabilities - A. Provisions		-1,073	-1,071
I. Non-current liabilities – C. Other non-current financial liabilities - Permitted hedging instruments		-49,062	-69,838
I. Non-current liabilities – F. Deferred taxes – Liabilities		-103	-2,118
II. Current liabilities – C. Other current liabilities – Other: Hedging instruments		-647	-628
II. Current liabilities - F. Accruals and deferred income		-4,184	-1,902
TOTAL DEBT	**A**	**725,873**	**670,687**
Total assets of the balance sheet		1,308,022	1,196,425
To be excluded:			
E. Financial fixed assets - Financial instruments at fair value through profit and loss - Permitted hedging instruments		-80	0
TOTAL ASSETS INCLUDED IN THE CALCULATION OF THE GEARING	**B**	**1,307,942**	**1,196,425**
DEBT RATIO	**A/B**	**55.50%**	**56.06%**

Further notes to changes in gearing

Pursuant to Article 54 of the *Vastgoedbevaks/ Sicafis* Royal Decree of 7 December 2010, if the consolidated gearing ratio is over 50%, public *Vastgoedbevaks/Sicafis* are required to draw up a financial plan with implementation schedule describing the measures to be taken to prevent the gearing ratio from rising above 65% of consolidated assets.

The statutory auditor writes a special report on this financial plan stating that he or she has checked how the plan was drawn up, especially in terms of its economic principles, and that the figures contained in this plan correspond to the figures in the accounts of the *Vastgoedbevak/ Sicafi*. It must be stated in the interim and annual financial reports how the financial plan was implemented in the period under review and how the *Vastgoedbevak/Sicafi* will implement the plan in the future.

1. Changes in gearing

In 2013 WDP's consolidated gearing was virtually unchanged at 55.5% at 31 December 2013 versus 56.1% at 31 December 2012. This takes account of a total investment volume of approximately 150 million euros gross. In other words, given the virtually constant gearing, the capital structure was not changed by the investments. This was facilitated by the fact that the new investments were funded at a debt/equity ratio of 45-55. That is because shareholders' equity was increased by approximately 60 million euros due to the capital increases resulting from the optional dividend, the acquisition of two sites in Geel (including PV system) through the direct merger and the reserved profits. WDP also sold its Czech portfolio as well as some smaller non-strategic sites in the Belgian portfolio for approximately 35 million euros in total.

Based on the current gearing of 55.5% at 31 December 2013, WDP has additional investment potential of approximately 350 million euros, without exceeding the maximum gearing of 65%. There is room for 150 million euros in additional investments before 60% gearing is exceeded.

Portfolio valuations also affect gearing. Based on the current capital base, the maximum gearing of 65% would only be exceeded if the value of investment property were to decline by approximately 200 million euros (17% compared to the 1.196 million euros property portfolio). WDP believes that the current gearing is at an acceptable level and provides sufficient margin to offset any decreases in the value of the property. Furthermore, in 2011-13 the experts' appraisal showed that the fair value of the portfolio had stabilised.

The new *Vastgoedbevak/Sicafi* Royal Decree stipulates that, if the statutory or consolidated gearing ratio exceeds 65% of its unconsolidated or consolidated assets, depending on the case, it will be unable to distribute dividends to the shareholders until the gearing has dropped below 65% again. In that case, the reserves thus accumulated may only be used for repayments necessary to reduce the consolidated or statutory gearing ratio below 65% of the consolidated or unconsolidated assets, depending on the case.

A detailed financial model incorporating forecasts relating to the profit and loss account and the balance sheet is updated every quarter for a period of three years or more if for example specific planned investments extend beyond this horizon. This takes into account all the company's current commitments and other parameters, both internal, such as lease renewals, and external, such as interest rates.

This also incorporates an analysis of the expected changes in gearing and the sensitivity of the gearing (at unconsolidated and consolidated level) relating to investments and any reductions in value of the portfolio. This is submitted to the Board of Directors based on the same frequency, unless the circumstances require earlier submission, which helps ensure that the gearing does not exceed 65%.

2. Expected changes in gearing in 2014

The target is to maintain gearing at between 55% and 60%. In this context, WDP's proposed objectives are based on unchanging capital structure.

WDP's gearing is likely to rise in the course of 2014 from 55.5% at 31 December 2013 to 56.3% at 31 December 2014. This forecast takes account of the following:

- the implementation of the ongoing investment programme and the planned divestments [1];
- retained earnings, taking into account expected profit for 2014 of approximately 66 million euros and dividend distribution for the 2013 financial year;
- an optional dividend in which the investment potential released as a result (through equity and borrowed capital) is used for new investments, based on a constant capital structure.

3. Conclusion

WDP therefore believes that the gearing ratio will not exceed 65% and that no additional measures need to be taken at the moment, based on the prevailing economic and property trends, the planned investments and expected changes in the company's equity.

WDP considers the capital structure to be adequate given the nature of the property in which WDP invests with a consistent average return of 8%, generating a sufficient margin to pay the interest charges on the debts. Additionally, WDP has a solid track record when it comes to attracting financing. On the one hand, it has good relationships with its partner banks, which should make it possible to refinance the debts on the maturity date or secure new credits for any additional acquisitions. On the other hand, the success of the recent capital increases (including the optional dividend) has shown that WDP has the confidence of investors and access to the capital market to part-finance new projects with equity, ensuring the gearing remains within the desired range.

If the company's policies needed to be adjusted in response to specific events, this will be done immediately and the shareholders will be informed through the periodic reports.

1 See also *5.3. Management Report - Transactions and realisations* on page 42 and *Balance sheet - assets* on page 231.

XXII. Other current liabilities

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
Deposits and rental guarantees received	384	296
Other	150	156
Outstanding dividends	99	97
TOTAL	**633**	**549**

XXIII. Average workforce and breakdown of employee costs

	31 DEC. 13	31 DEC. 12
IN FULLY CONSOLIDATED COMPANIES		
AVERAGE WORKFORCE (FTE)*	**30.4**	**28.6**
a) Blue collar	5.6	4.4
b) White collar	24.8	24.2
Administrative white collar	17.8	15.0
Technical white collar	7.0	9.2
GEOGRAPHICAL LOCATION OF WORKFORCE (FTE)*	**30.4**	**28.6**
Western Europe	27.4	25.4
Central and Eastern Europe	3.0	3.2
EMPLOYEE COSTS (IN EUROS X 1,000)	**2,409**	**2,293**
a) Remuneration and direct fringe benefits	1,644	1,559
b) Employer's national insurance contributions	437	428
c) Employer's supplementary insurance premiums	101	98
d) Other employee costs	227	208

* FTE: Full-time equivalent.

XXIV. Transactions between affiliates

Besides the management fee charged to WDP by the manager, De Pauw NV, there were no transactions between affiliates. For 2013, this fee was 1,100,000 euros. This amount corresponds to the total cost for the Board of Directors in 2013, which was in line with market rates, including the bonus scheme for the executive management and the management of *Vastgoedbevak/Sicafi*. See also *5.7. Management Report – Corporate Governance* on page 78).

XXV. Rights and obligations not included in the balance sheet

On 31 December 2013, WDP and its subsidiaries provided a total amount of 5,141,883 euros in bank guarantees. The beneficiaries can be classified in the categories stated below, along with the appropriate amounts.

IN EUROS	31 DEC. 13
Environmental	1,418,530
Rent and concession	230,680
Financial	2,707,694
Legal	750,000
Services	34,979

The parent company, WDP Comm. VA, has provided the following securities for its respective subsidiaries:

- Security for the agreements of WDP Nederland NV of 23.7 million euros provided to ING. At the beginning of 2014 this security was released because ING's credit was extended and granted at the level of the parent WDP Comm. VA.
- Security for the agreements of WDP Nederland NV of 125 million euros provided to ABN AMRO. At the beginning of 2014 this 100 million euros security was released because ABN AMRO's credit was extended and granted for an equivalent amount of 100 million euros at the level of the parent WDP Comm. VA.
- Security for the agreements of WDP Development RO SRL of 75 million euros provided to the European Investment Bank (EIB).

WDP has entered into the following commitments with financiers [1]:

- Commitment for the credit institutions with which WDP typically conducts business in order not to burden the fixed assets with mortgages or power of attorney to mortgage (i.e. negative pledge).
- WDP has entered into a commitment with the various financiers in order to remain eligible as a *Vastgoedbevak/ Sicafi*. The conditions for *Vastgoedbevak/ Sicafi* status are laid down in the Royal Decree of 10 April 1995, the Royal Decree of 21 June 2006 and the Royal Decree of 7 December 2010. For general information see *12. Vastgoedbevak/Sicafi, the FBI and the SIIC* on page 249.
- To fund operations in the Netherlands through WDP Nederland NV, WDP has entered into a commitment to remain qualified as a *Fiscale Beleggingsinstelling (FBI)*.
- For some financial institutions, WDP undertakes to maintain a minimum Interest Coverage Ratio [2]. For WDP, this is usually 1.5x [3]. For 2013, the rate was 3.6x.
- For some financiers, WDP undertakes to repay the credit if a change in control occurs and the financier asks for repayment as a result.

1 Financiers is understood to mean credit institutions, as well as moneylenders through debt capital markets.
2 Defined as operating result (before result on the portfolio) divided by interest charges less interest and dividends collected less fee for financial leasing and others.
3 Except for three loans for which the minimum Interest Coverage Ratio is 2.0x.

→ For some financiers, WDP undertakes to limit properties that have not yet been pre-let (i.e. speculative developments) to 15% of the book value of the portfolio (excluding land reserves). As at 31 December 2013, the rate was 0%.

At 31 December 2013 all covenants with regard to credit institutions and bondholders entered into by WDP had been complied with.

XXVI. Changes in working capital requirements

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
INCREASE (+) / DECREASE (-) IN ASSETS	**-1,215**	**-3,992**
Trade debtors	-2,050	-2,958
Tax receivables	1,502	-1,027
Costs to be transferred and revenues acquired	-683	-7
Other current assets	16	0
INCREASE (+) / DECREASE (-) IN LIABILITIES	**6,331**	**4,198**
Trade payables	3,412	5,342
Taxes, social insurance costs and liabilities relating to remuneration	-2,786	-51
Other current liabilities	29	-1,799
Costs to be allocated and revenues to be transferred	5,676	706
OTHER	**-14**	**-11**
TOTAL	**5,102**	**195**

The increase in the trade payables in 2013 is related to the higher number of projects in progress.

XXVII. Working capital requirement

IN EUROS (X 1,000)		31 DEC. 13	31 DEC. 12
CURRENT ASSETS - WORKING CAPITAL COMPONENTS	A	**13,883**	**13,238**
Trade debtors		3,613	5,550
Tax receivables		3,672	1,997
Other current assets		3,318	3,303
Costs to be transferred and revenues acquired		3,280	2,388
CURRENT LIABILITIES - WORKING CAPITAL COMPONENTS	B	**19,203**	**13,353**
Exit tax		1,358	0
Trade payables		11,380	7,929
Taxes, social insurance costs and liabilities relating to remuneration		1,648	2,345
Other current liabilities		633	549
Costs to be allocated and revenues to be transferred		4,184	1,902
WORKING CAPITAL AT END OF FINANCIAL YEAR	A-B	**-5,320**	**-115**

// 3.
Auditor's report

Report of the company auditor 2013

Statutory auditor's report on the consolidated financial statements for the year ended 31 December 2013 to the General Meeting

To the shareholders

As required by law, we report to you on the statutory audit mandate which you have entrusted to us. This report includes our report on the consolidated financial statements as defined below together with our report on other legal and regulatory requirements. These consolidated financial statements comprise the consolidated balance sheet as at 31 December 2012, the consolidated profit and loss account, the consolidated statement of overall result, the consolidated statement of changes of the equity capital and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes.

Report on the consolidated financial statements – Unqualified audit opinion

We have audited the accompanying consolidated financial statements of Warehouses De Pauw Comm. VA/SCA (the company) and its subsidiaries (jointly the group), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. The consolidated balance sheet shows total assets of 1,308,022 (000) euros and the consolidated income statement shows a consolidated profit /loss (group share) for the financial year of 79,675 (000) euros.

Responsibility of the Board of Directors for the preparation of the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We have obtained from the company's officials and the Board of Directors the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the consolidated financial statements of Warehouses De Pauw Comm. VA/SCA give a true and fair view of the group's net equity and financial position as of 31 December 2013, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Report on other legal and regulatory requirements

The Board of Directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements.

In the framework of our mandate and in accordance with the supplementary Belgian standard to the international auditing standards applicable in Belgium, our responsibility is to verify, for all significant aspects, the compliance with some legal and regulatory requirements. On this basis, we provide the following additional comment which does not modify the scope of our audit opinion on the consolidated financial statements:

→ The annual report on the consolidated financial statements includes the information required by law, is, for all significant aspects, in agreement with the consolidated financial statements and is not in obvious contradiction with any information obtained in the context of our mandate.

Antwerp, 26 March 2014

DELOITTE Bedrijfsrevisoren /
Reviseurs d'Entreprises BV o.v.v.e.
CVBA/SC s.f.d. SCRL
Represented by Kathleen De Brabander

THE STATUTORY AUDITOR

Report of the company auditor 2012

Statutory auditor's report on the consolidated financial statements for the year ended 31 December 2012 to the General Meeting

To the shareholders

As required by law, we report to you on the statutory audit mandate which you have entrusted to us. This report includes our report on the consolidated financial statements as defined below together with our report on other legal and regulatory requirements.

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Warehouses De Pauw Comm. VA / SCA (the company) and its subsidiaries (jointly the group), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated balance sheet as at 31 December 2012, the consolidated profit and loss account, the consolidated statement of overall result, the consolidated statement of changes of the equity capital and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 1,196,425 (000) euros and the consolidated income statement shows a consolidated profit/loss (group share) for the financial year of 35,326 (000) euros.

Responsibility of the Board of Directors for the preparation of the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We have obtained from the company's officials and the Board of Directors the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the consolidated financial statements of Warehouses De Pauw Comm. VA/SCA give a true and fair view of the group's net equity and financial position as of 31 December 2012, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Report on other legal and regulatory requirements

The Board of Directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements.

In the framework of our mandate, our responsibility is to verify, for all significant aspects, the compliance with some legal and regulatory requirements. On this basis, we provide the following additional comment which does not modify the scope of our audit opinion on the consolidated financial statements:

→ The annual report on the consolidated financial statements includes the information required by law, is, for all significant aspects, in agreement with the consolidated financial statements and is not in obvious contradiction with any information obtained in the context of our mandate.

Diegem, 22 March 2013

DELOITTE Bedrijfsrevisoren /
Reviseurs d'Entreprises BV o.v.v.e.
CVBA/SC s.f.d. SCRL
Represented by Rik Neckebroeck

THE STATUTORY AUDITOR

// 4.
2013 Annual statutory financial statements [1]

1 The statutory auditor has issued an unqualified report regarding the WDP Comm. VA financial statements. These financial statements have been prepared in accordance with IFRS, as accepted within the European Union, and in accordance with the Royal Decree of 7 December 2010.

Profit and loss account

	IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
I.	**RENTAL INCOME**	**44,564**	**42,286**
	Rents	44,295	42,081
	Indemnification for early termination of lease	269	205
III.	**RENTAL CHARGES**	**-1,036**	**-428**
	Rent to be paid for leased premises	-586	-405
	Provision for doubtful debtors (additions)	-625	-549
	Provision for doubtful debtors (reversals)	175	526
	NET RENTAL RESULT	**43,528**	**41,858**
V.	**RECOVERY OF RENTAL CHARGES NORMALLY PAID BY THE TENANT ON LET PROPERTIES**	**5,493**	**5,063**
	Re-invoicing of rental charges paid out by the owner	2,255	2,033
	Re-invoicing of advance property levy and taxes on let property	3,238	3,030
VII.	**RENTAL CHARGES AND TAXES NORMALLY PAID BY THE TENANT ON LET PROPERTIES**	**-5,902**	**-5,725**
	Rental charges invoiced to the owner	-2,392	-2,192
	Withholding taxes and taxes on let properties	-3,510	-3,533
VIII.	**OTHER INCOME AND CHARGES RELATED TO LEASES**	**7,194**	**7,054**
	Property management fees	841	779
	Income from solar energy	6,353	6,275
	PROPERTY RESULT	**50,314**	**48,250**
IX.	**TECHNICAL COSTS**	**-994**	**-965**
	Recurrent technical costs	-1,022	-844
	Repairs	-818	-651
	Insurance premiums	-204	-193
	Non-recurrent technical costs	28	-121
	Accidents	28	-121
X.	**COMMERCIAL COSTS**	**-295**	**-247**
	Agency commissions	-82	-36
	Advertising	-155	-120
	Lawyers' fees and legal charges	-57	-91
XII.	**PROPERTY MANAGEMENT COSTS**	**-726**	**-424**
	(Internal) property management costs	-726	-424
	PROPERTY CHARGES	**-2,013**	**-1,636**
	PROPERTY OPERATING RESULTS	**48,300**	**46,614**
XIV.	**GENERAL COMPANY EXPENSES**	**8,391**	**5,660**
	OPERATING RESULT (BEFORE RESULT ON THE PORTFOLIO)	**56,691**	**52,274**

	IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
XVI.	**RESULT ON DISPOSALS OF INVESTMENT PROPERTY**	**-11**	**101**
	Net property sales (sales price - transaction costs)	10,137	10,386
	Book value of properties sold	-10,148	-10,285
XVIII.	**VARIATIONS IN THE FAIR VALUE OF INVESTMENT PROPERTY**	**-1,150**	**4,297**
	Positive variations in the fair value of investment property*	6,634	9,634
	Negative variations in the fair value of investment property	-8,507	-7,134
	Variations in the fair value of assets under construction (recognised and reversed)	723	1,797
	OPERATING RESULT	**55,531**	**56,672**
XX.	**FINANCIAL REVENUES**	**12,195**	**5,117**
	Interest and dividends received	10,350	5,054
	Income from financial leases and similar	0	0
	Other financial revenues	1,846	63
XXI.	**NET INTEREST CHARGES**	**-22,554**	**-21,076**
	Interest on loans	-6,230	-6,674
	Interest capitalised during construction	412	327
	Cost of permitted hedging instruments	-16,488	-14,650
	Revenue from permitted hedging instruments	0	26
	Other interest charges	-248	-105
XXII.	**OTHER FINANCIAL CHARGES**	**-121**	**-53**
	Bank charges and other commissions	-36	-43
	Other financial charges	-85	-10
XXIII.	**MOVEMENTS IN THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**	**36,570**	**-4,891**
	Permitted hedging instruments	20,837	-18,488
	Permitted hedging instruments not subject to hedging accounting as defined in IFRS	20,837	-18,488
	Other**	15,733	13,597
	FINANCIAL RESULT	**26,089**	**-20,903**
	PRE-TAX RESULT	**81,620**	**35,769**
XXIV.	**CORPORATE TAX**	**-381**	**-697**
XXV.	**EXIT TAX**	**0**	**0**
	TAXES	**-381**	**-697**
	NET RESULT	**81,239**	**35,072**

* This only relates to the positive variations in the fair value of property investments. The revaluation surpluses of solar panels are recognised directly in the equity capital under *Reserves* in accordance with IAS 16.

** This relates to movements in the holdings in affiliated companies and companies with a shareholding.

Statement of overall result

IN EUROS (X 1,000)		31 DEC. 13	31 DEC. 12
I.	**NET RESULT**	**81,239**	**35,072**
II.	**OTHER ELEMENTS OF THE OVERALL RESULT (RECOVERABLE THROUGH PROFIT AND LOSS)**	**-3,596**	**-1,691**
	H. Other elements of the overall result after tax	-3,596	-1,691
	Movements in the fair value of solar panels	-3,596	-1,691
	OVERALL RESULT	**77,643**	**33,381**
	Attributable to:		
	Shareholders of the parent company	77,643	33,381

Other components of comprehensive income

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
NET CURRENT RESULT	**45,830**	**35,565**
Result on the portfolio	-1,161	4,398
Movements in the fair value of participations	15,733	13,597
IAS 39 result	20,837	-18,488
NET RESULT	**81,239**	**35,072**

IN EUROS (PER SHARE)*	31 DEC. 13	31 DEC. 12
NET CURRENT RESULT / SHARE	**2.96**	**2.51**
Result on the portfolio / share	-0.08	0.31
Movements in the fair value of participations / share	1.02	0.96
IAS 39 result / share	1.35	-1.30
NET RESULT / SHARE	**5.25**	**2.48**

* Calculation based on the weighted average number of shares.

Balance sheet – Assets

	IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
	FIXED ASSETS	**1,147,822**	**1,014,791**
B.	**INTANGIBLE ASSETS**	**114**	**212**
C.	**INVESTMENT PROPERTY**	**687,391**	**601,791**
	Property available for leasing	656,366	582,974
	Property developments	15,011	5,032
	Other: land reserves	16,014	13,785
D.	**OTHER TANGIBLE FIXED ASSETS**	**66,759**	**68,053**
	Tangible fixed assets for own use	618	722
	Solar panels	66,141	67,331
E.	**NON-CURRENT FINANCIAL ASSETS**	**393,389**	**343,615**
	Financial instruments at fair value through profit and loss	80	0
	Hedging instruments	80	0
	Loans and receivables	163,600	162,458
	Other	163,600	162,458
	Other	229,710	181,157
	Holdings in affiliated companies and companies with a shareholding	229,710	181,157
G.	**FINANCE LEASE RECEIVABLES**	**0**	**0**
H.	**TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS**	**169**	**1,120**
	CURRENT ASSETS	**34,353**	**45,119**
A.	**ASSETS HELD FOR SALE**	**2,179**	**22,563**
	Investment property	2,179	9,692
	Other assets	0	12,871
C.	**FINANCE LEASE RECEIVABLES**	**0**	**0**
D.	**TRADE DEBTORS**	**26,115**	**13,548**
E.	**TAX BENEFITS AND OTHER CURRENT ASSETS**	**4,447**	**6,834**
	Taxes	6	64
	Other	4,441	6,770
F.	**CASH AND CASH EQUIVALENTS**	**519**	**498**
G.	**OTHER CURRENT LIABILITIES**	**1,093**	**1,676**
	Completed, property returns not due	201	129
	Property costs paid in advance	142	108
	Interests and other financial costs paid in advance	216	278
	Other	534	1,161
	TOTAL ASSETS	**1,182,175**	**1,059,910**

Balance sheet – Liabilities

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
EQUITY	**526,559**	**449,652**
I. SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE PARENT COMPANY'S SHAREHOLDERS	**526,559**	**449,652**
A. Capital	124,894	117,415
Subscribed capital	128,955	120,955
Costs of capital increase	-4,061	-3,540
B. Premiums on issues	177,058	138,429
C. Reserves	143,368	158,736
D. Net result for the financial year	81,239	35,072
LIABILITIES	**655,615**	**610,258**
I. NON-CURRENT LIABILITIES	**473,052**	**435,420**
A. Provisions	1,065	1,072
Other	1,065	1,072
B. Non-current financial liabilities	422,925	349,238
Credit institutions	357,647	332,878
Financial leasing	15,653	16,360
Other	49,625	0
C. Other non-current financial liabilities	49,062	69,838
Hedging instruments	49,062	69,838
E. Other non-current liabilities	0	15,272
II. CURRENT LIABILITIES	**182,563**	**174,838**
B. Current financial liabilities	170,242	164,020
Credit institutions	168,004	161,963
Financial leasing	2,238	2,057
C. Other current financial liabilities	647	628
Permitted hedging instruments	647	628
D. Trade payables and other current liabilities	7,887	5,645
Suppliers	5,302	4,492
Tax, salary and social security	2,585	1,153
E. Other current liabilities	236	3,355
Other	236	3,355
F. Other current liabilities	3,551	1,190
Property returns received in advance	692	387
Completed, not due interests and other costs	2,589	638
Other	270	165
TOTAL LIABILITIES	**1,182,175**	**1,059,910**

Statutory appropriation of results

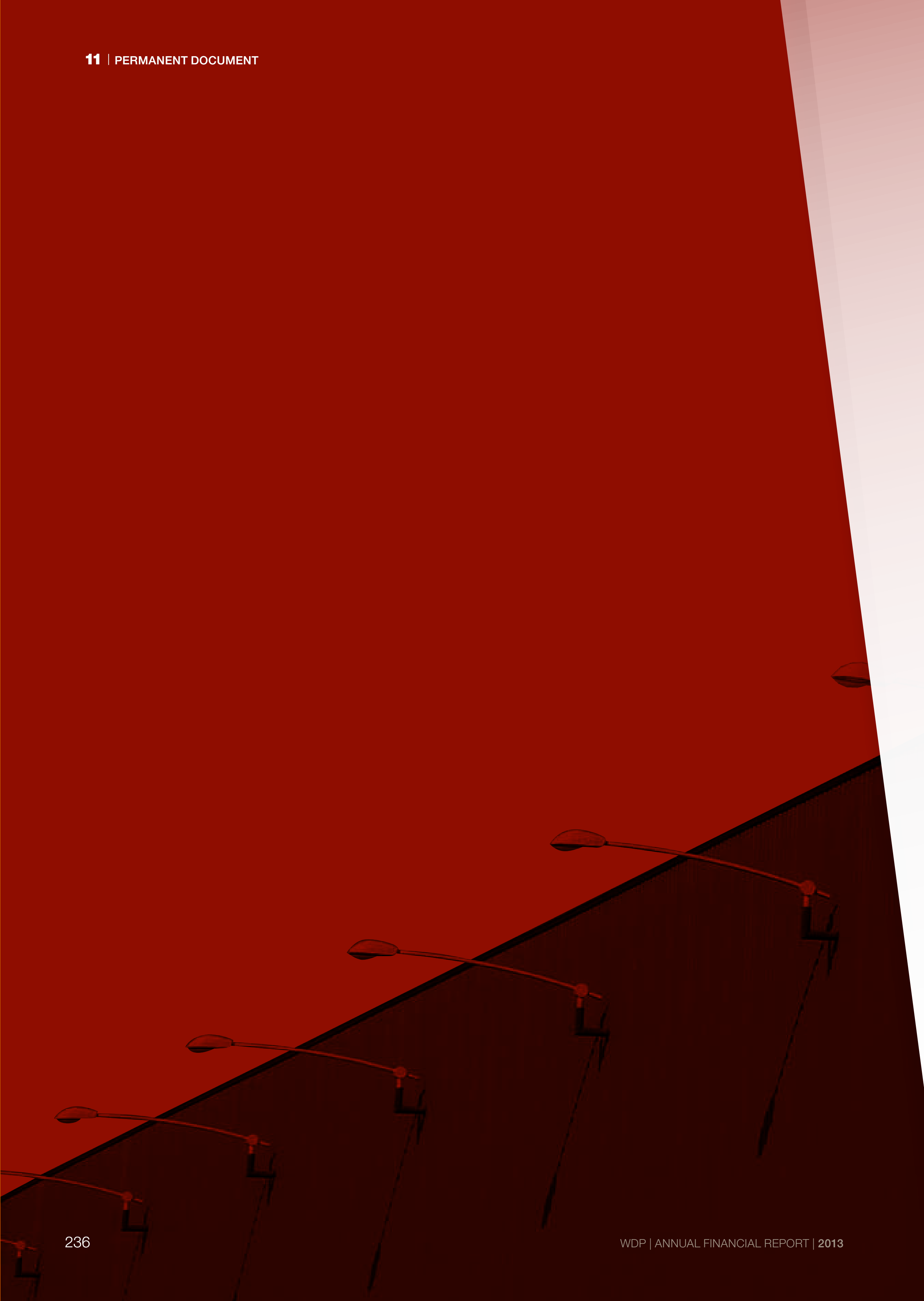
IN EUROS (X 1,000)		31 DEC. 13	31 DEC. 12
A.	**NET RESULT**	**81,239**	**35,072**
B.	**ADDITION TO / WITHDRAWAL FROM RESERVES**	**143,291**	**158,736**
1.	Addition to / withdrawal from reserves for the (positive or negative) balance in movements in the fair value of property	141,924	147,651
	Financial year	-1,150	4,297
	Previous financial years	147,651	143,114
	Construction of property	-4,577	240
2.	Addition to / withdrawal from the reserve of the estimated transaction duties and fees for the hypothetical sale of investment property	-17,548	-15,012
3.	Addition to the reserve for the balance of the movements in fair value of permitted hedging instruments that are subject to hedging accounting as defined in IFRS	0	0
	Financial year	0	0
	Previous financial years	0	0
4.	Withdrawal from the reserve for the balance of the movements in fair value of permitted hedging instruments that are subject to hedging accounting as defined in IFRS	0	0
	Financial year	0	0
	Previous financial years	0	0
5.	Addition to the reserve for the balance of the movements in fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS	-49,629	-70,466
	Financial year	20,837	-18,488
	Previous financial years	-70,466	-51,978
6.	Withdrawal from the reserve for the balance of the movements in fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS	0	0
	Financial year	0	0
	Previous financial years	0	0
7.	Addition to / withdrawal from the reserve for the balance of the translation differences on monetary assets and liabilities	0	0
8.	Addition to / withdrawal from the deferred taxes reserve in relation to the property located outside Belgium	0	0
9.	Addition to/withdrawal from the reserve for the dividends received designated for the repayment of financial liabilities	0	0
10.	Addition to / withdrawal from other reserves	14,738	18,334
11.	Addition to / withdrawal from results transferred from previous financial years	53,806	78,229
C.	**COMPENSATION FOR THE CAPITAL IN ACCORDANCE WITH ARTICLE 27, §1, (1)**	**37,298**	**28,750**
D.	**COMPENSATION FOR CAPITAL, OTHER THAN C**	**14,960**	**18,003**
E.	**RESULT TO BE TRANSFERRED**	**172,272**	**147,055**

Distribution obligation in accordance with the Vastgoedbevak/Sicafi Royal Decree of 7 December 2010

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
NET RESULT	**81,239**	**35,072**
Depreciation and amortisation (+)	342	350
Write-downs (+)	625	549
Reversals of write-downs (-)	-175	-526
Reversals of transferred and incorporated rents (-)	0	0
Other non-monetary components (+/-)	-36,570	4,891
Result from property sales (+/-)	11	-101
Movements in the fair value of property (+/-)	1,150	-4,297
ADJUSTED RESULT (A)	**46,622**	**35,938**
Gains and losses from property realised during the financial year (+/-)	4,577	-240
Gains realised during the financial year exempt from mandatory distribution, subject to their reinvestment within a period of four years (-)	-4,577	240
Gains realised on property previously exempt from mandatory distribution that were not reinvested within a period of four years (+)	0	0
NET GAINS FROM PROPERTIES COMPLETED NOT EXEMPT FROM MANDATORY DISTRIBUTION (B)	**0**	**0**
TOTAL (A+B) X 80%	**37,298**	**28,750**
REDUCTION IN LIABILITIES (-)	**0**	**0**
DISTRIBUTION OBLIGATION	**37,298**	**28,750**

Non-distributable shareholders' equity in accordance with Section 617 of the Companies Code

IN EUROS (X 1,000)	31 DEC. 13	31 DEC. 12
Paid-up capital, or, if this is higher, called-up capital	124,918	117,415
Issue premiums unavailable under the articles of association	177,058	138,429
Reserve for the positive balance of the movements in the fair value of the property	172,656	164,649
Reserve for the impact on the fair value of estimated transfer duties and costs for the hypothetical sale of investment property	-17,548	-15,237
Reserves for the balance of movements in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS	-49,629	-70,466
Other reserves declared unavailable by the Annual General Meeting	14,738	18,334
NON-DISTRIBUTABLE SHAREHOLDERS' EQUITY IN ACCORDANCE WITH SECTION 617 OF THE COMPANIES CODE	**422,193**	**353,124**
Net asset	526,599	449,652
Proposed dividend payment	-52,258	-46,753
NET ASSET AFTER DISTRIBUTION	**474,302**	**402,899**
REMAINING MARGIN AFTER DISTRIBUTION	**52,108**	**49,775**



11

Permanent document

1. Basic information

1.1. Company name (Article 1 of the Articles of Association)

'Warehouses De Pauw', abbreviated 'WDP'.

1.2. Legal form, formation and publication [1]

The company was established as a Naamloze Vennootschap, a type of public limited company, under the name *Rederij De Pauw* by deed executed before Paul De Ruyver, civil-law notary in Liedekerke, Belgium, on 27 May 1977, published in the Appendices to the Belgian Official Gazette of 21 June 1977 under number 2249-1. This public limited company served as a holding company in which the property assets of nine companies were combined by means of a general merger and demerger transaction. At the same time, the name of the company was changed to *Warehousing & Distribution De Pauw* and it was converted into a Commanditaire Vennootschap op Aandelen, a type of limited partnership with share capital. The corresponding amendments to the articles of association were made conditionally, by deed executed by Siegfried Defrancq, civil-law notary in Asse-Zellik, Belgium, on 20 May 1999, standing in for Jean-Jacques Boel, civil-law notary in Asse, Belgium, legally impeded, on 20 May 1999, as published in the Appendices to the Belgian Official Gazette on 16 June under number 990616-21, and ratified by two deeds dated 28 June 1999, executed before the aforementioned civil-law notary and published in the Appendices to the Belgian Official Gazette on 20 July 1999 under numbers 990720-757 and 758.

Since 28 June 1999, WDP Comm. VA has been registered with the Financial Services and Markets Authority (FSMA) as a *vastgoedbeleggingsvennootschap met vast kapitaal naar Belgisch recht*, a type of closed end fund under Belgian law, commonly referred to as a *Vastgoedbevak/Sicafi* under Belgian law. It is consequently subject to the regulations governing a *vastgoedbeleggingsvennootschap met vast kapitaal* as provided for in the Act of 3 August 2012 relating to certain forms of group management of investment portfolios, along with the Royal Decree of 7 December 2010 relating to *Vastgoedbevaks/Sicafis* (the *Vastgoedbevak/Sicafi Royal Decree*).

The company name was changed to *Warehouses De Pauw* at the Extraordinary General Meeting of 25 April 2001, as set down by deed executed before the aforementioned civil-law notary Siegfried Defrancq, standing in for the aforementioned civil-law notary Jean-Jacques Boel, legally impeded, and published in the Appendices to the Belgian Official Gazette of 18 May 2001 under number 20010518-652.

WDP's Articles of Association have since been amended repeatedly, most recently on 4 December 2013. This deed was published in the Appendices to the Belgian Official Gazette of 30 December 2013 under number 13195491.

The Articles of Association of WDP and its manager, De Pauw NV, were amended to comply with the new *vastgoedbevak* Royal Decree on 27 April 2011.

1 See also *2. History and milestones* on page 14.

1.3. Registered office of the company (Article 3 of the Articles of Association)

The company has its registered office at Blakebergen 15, 1861 Meise (Wolvertem), Belgium. The registered office can be transferred within Belgium by decision of the manager without amending the Articles of Association, provided the language laws are duly respected.

1.4. Company number

The company is registered with the Crossroads Bank for Enterprises, Brussels district, under the company registration number 0417.199.869.

1.5. Duration (Article 2 of the Articles of Association)

The duration of the company is unlimited.

1.6. Corporate object (Article 4 of the Articles of Association)

Article 4 of the Articles of Association stipulates that the sole object of the company is the collective investment of publicly raised funds in property in accordance with the applicable regulations for *Vastgoedbevaks/Sicafis*.

Property means:

- property as defined in Articles 517 and seq. of the Belgian Civil Code and rights in rem on said property;
- voting shares issued by property companies that are exclusively or jointly supervised by the *Vastgoedbevak/Sicafi*;
- options on properties;
- shares in public or institutional *Vastgoedbevaks/Sicafis*, on condition of joint or exclusive supervision of institutional *Vastgoedbevaks/Sicafis*;
- participation rights in foreign collective property investment institutions on the list drawn up by the FSMA;
- participation rights in collective property investment institutions registered in another Member State of the European Economic Area and not on the list drawn up by the FSMA, insofar as they are subject to comparable supervision to the supervision imposed on public *Vastgoedbevaks/Sicafis*;
- property certificates as described in the applicable financial legislation;
- rights ensuing from contracts by which the *Vastgoedbevak/Sicafi* is given the lease of one or more goods or granted other analogous user rights;
- as well as all other goods, shares or rights that are defined as property by the applicable regulations pertaining to *Vastgoedbevaks/Sicafis*.

Within the limits of its investment policy, as defined in Article 5 of the Articles of Association and in accordance with the applicable legislation relating to Vastgoedbevaks/Sicafis, the company may involve itself in:

- the acquisition, purchase, building (without prejudice to the prohibition on acting as a property developer, except on an occasional basis), renovation, fitting out, letting, sub-letting, management, exchange, sale, contribution, transfer, allotment, inclusion of properties as described above into a system of co-ownership, granting or obtaining of rights of superficies, usufruct, long leases or other corporate or private rights to property as described above;
- the acquisition, transfer and lending of securities;
- taking on leases of properties with or without an option to buy; and, on an incidental basis, leasing properties with or without an option to buy;
- the company may not act as a property developer within the meaning of the applicable legislation pertaining to *Vastgoedbevaks/Sicafis* except on an occasional basis.

In accordance with the applicable Vastgoedbevak/Sicafi regulations, the company may also:

- invest in securities, other than fixed assets and liquid assets on an incidental or provisional basis. The holding of securities must be compatible with the short- or medium-term goals of the investment policy as described in Article 5 of the Articles of Association. The securities must be admitted to a Belgian or foreign regulated market, as defined in the applicable financial laws. The liquid assets may be held in any currency in the form of deposits on demand or term deposits or any money-market instrument whose funds are readily available;
- grant mortgages or other securities or guarantees to finance the property activities of the *Vastgoedbevak/Sicafi* or its group, within the limits stipulated in the applicable regulations pertaining to *Vastgoedbevaks/Sicafis*;
- provide loans to a subsidiary (excluding the amounts owed to the company pursuant to the disposal of property, provided they are paid within the usual terms);
- conduct transactions in authorised hedging instruments (as defined in the *Vastgoedbevak/Sicafi* Royal Decree), insofar as such transactions are part of a policy established by the *Vastgoedbevak/Sicafi* to hedge financial risks, not including speculative transactions.

The company may acquire, rent or lease, transfer or exchange all movable or immovable property, materials and accessories and generally conduct all commercial or financial transactions directly or indirectly related to its corporate object and the use of all related intellectual rights and commercial properties.

With due consideration for the applicable regulations pertaining to *Vastgoedbevaks/Sicafis*, the company can take a share in all existing or future companies and undertakings in Belgium or abroad with an corporate object identical to its own or of such a nature that it pursues or facilitates its own object, by means of cash contribution or contribution in kind, merger, demerger or other corporate restructuring, subscription, participation, financial intervention or any other method.

Any amendment to the company's Articles of Association requires the prior approval of the FSMA.

1.7. Investment policy (Article 5 of the Articles of Association)

The purpose of the investment policy with the framework of achieving the corporate object, as stipulated in the company's Articles of Association, is to minimise and spread the investment risks in an appropriate way, whereby the company shall orient its investment policy towards a diversified property portfolio, with, primarily, investments in semi-industrial and industrial buildings intended for production, distribution, storage and other logistics functions, in favourable locations, as well as in land intended for such buildings and in property intended for other functions belonging to such buildings. Additionally, investments will also be made in other property and other property types.

The buildings envisaged are spread throughout Belgium, with the emphasis on the Benelux and the European Union and the growth zones that could become part of that in the future. For more information on the investment policy and strategy, see *4. Strategy* on page 21.

In accordance with the *Vastgoedbevak/Sicafi* Royal Decree, investments in securities must be undertaken in accordance with the criteria stipulated in Articles 47 up to and including 87 of the Royal Decree of 12 November 2012 relating to specific collective investment funds.

1.8. Locations where documents can be consulted by the public

In accordance with statutory provisions, the company's separate and consolidated financial statements are filed with the National Bank of Belgium.

The company's Articles of Association can be consulted at the Commercial Court clerk's office in Brussels.

The company's annual financial reports and Articles of Association are also available at the head offices and can be consulted for informational purposes online at www.wdp.be. However, the printed Dutch version is the only legally valid version of the annual financial report. Other information found at the company's website or any other website is not part of the annual financial report. The electronic version of the annual financial report may not be reproduced or made available to anyone in whatever location, nor may the text be printed for further circulation. Registered shareholders and any other person who so requests receive a copy of the annual financial report every year.

The financial reporting and the convocation of shareholders to the General Meetings are published in the financial press insofar as legally required. They may also be consulted online at www.wdp.be. WDP follows the statutory provisions and guidelines of the FSMA in this regard. Resolutions relating to the appointment and discharge of members of the Board of Directors are published in the Appendices to the Belgian Official Gazette. The most recent version of the Corporate governance report is also available online at www.wdp.be.

Any interested party can consult the press releases and statutory financial information on this website.

2. Authorised capital

2.1. Subscribed capital (Article 6 of the Articles of Association)

The subscribed capital of WDP Comm. VA amounts to 128,955,100.73 euros and is represented by 16,079,247 ordinary shares, each representing 1/16,079,247 of the capital. None of these shares entitles the holder to any special voting right or other right.

2.2. Authorised capital (Article 7 of the Articles of Association)

The manager is authorised to increase the authorised capital on one or several occasions, on the dates and under the conditions it will determine, by 100,521,811.63 euros. This authorisation is valid for five years effective 16 May 2011 and can be renewed. The manager has already used this authorisation granted to him to increase the capital on two occasions, as a consequence of which the available balance of the authorised capital is still 81,622,749.06 euros.

These increases in capital can be achieved through cash contribution, contribution in kind or through the conversion of reserves, including any retained profits and issue premiums, as well as all components of shareholders' equity under the company's separate IFRS financial statements (drawn up on the basis of the applicable regulations for *Vastgoedbevaks/Sicafis*) that are eligible for conversion in capital, and creation of new securities, in accordance with the rules stipulated in the Companies Code, applicable regulations relating to *Vastgoedbevaks/Sicafis* and the current Articles of Association.

In such cases, in the event of an increase in capital decided on by the manager, the manager must place the issue premiums into a blocked account, which will constitute the guarantee for third parties on the same basis as the capital, and cannot be reduced or closed without a decision of the General Meeting deciding as regarding amendment of the Articles of Association, with due regard for the procedure for the reduction of the authorised capital, except in the event of a capital conversion as provided for above.

Notwithstanding the application of sections 592 to 598 and 606 of the Companies Code, the manager is authorised to restrict or cancel the pre-emptive right, including when this occurs for the benefit of one or more individuals specified other than employees of the company or any of its subsidiaries, to the extent that the current shareholders are granted a priority allocation right for the allocation of new shares. Notwithstanding the application of sections 595 to 599 of the Companies Code, the special provisions under the *Vastgoedbevak/Sicafi* Royal Decree relating to the cancellation or restriction of the pre-emptive right do not apply to cash contribution with a restriction or cancellation of the pre-emptive right, in addition to non-cash contribution relating to the distribution of an optional dividend, insofar as this is made payable to all shareholders.

The issue of securities based on non-cash contribution is subject to compliance with the special conditions relating to non-cash contributions (see *2.4. Changes to capital*), including the option to deduct an amount matching the portion of the non-distributed gross dividend. However, these special rules regarding capital increases in kind do not apply to the contribution of the right to dividend as part of the distribution of an optional dividend, insofar as this is made payable to all shareholders.

2.3. Buyback of shares (Article 10 of the Articles of Association)

The manager is authorised to acquire, accept as security and sell shares of the company without prior resolution of the General Meeting if this acquisition or disposal is necessary to protect the company from a serious and imminent loss. This authorisation is valid for three years effective 16 May 2011 and can be renewed on condition of a resolution of the General Meeting in accordance with the requirements regarding quorum and majority stipulated in Section 559 of the Companies Code.

In addition, the manager may, for a period of five years from 27 April 2011, acquire, accept as security and redispose of (even outside the stock exchange) shares of the company at a share price that may not be less than 0.01 euro per share (acquisition and acceptance as security) or 75% of the closing price on the trading day preceding the date of the transaction (disposal) and that may not exceed 70.00 euros per share (acquisition and acceptance as security) or 125% of the closing price on the trading day preceding the date of the transaction (disposal) without the company being authorised to hold over 20% of the total number of shares issued.

The manager of WDP, De Pauw NV, used the aforementioned authorisation under the Articles of Association on 3 July 2009 to acquire 1,490 of the shares of the company on Euronext. These shares were transferred to the personnel of WDP on 6 July 2009 under an incentive programme. These shares were purchased for 28.106 euros per share.

At 31 December 2013 WDP Comm. VA did not hold any shares of the company. The manager of De Pauw NV held 1,720 shares on that date. These 1,720 shares are not part of the incentive programme.

2.4. Change to the capital (Article 11 of the Articles of Association)

Except for the option to use the authorised capital by a decision of the manager, the capital increase or capital reduction can only be decided on by an Extraordinary General Meeting, subject to the manager's consent and in due compliance with the applicable regulations pertaining to *Vastgoedbevaks/Sicafis*.

In accordance with the *Vastgoedbevak/Sicafi* Royal Decree, in the event of a share issue in exchange for a contribution in kind, notwithstanding Sections 601 and 602 of the Companies Code the following conditions must be fulfilled:

- the identity of the party making the contribution must be stated in the reports provided for by Section 602 of the Companies Code, as well as the notifications of General Meetings in which a resolution is to be made about the contribution in kind;
- the issue price cannot be less than the lowest value of (a) a net asset value dating from no earlier than four months prior to the date of the contribution agreement, or, at the discretion of the public vastgoedbevak, prior to the date of the deed of capital increase and

(b) the average price over the thirty days prior to this same date (in the latter case, where appropriate less the non-distributed gross dividend to which the new shares may not give a right);

- unless the issue price and the relevant terms are determined no later than on the first working day following the date on which the contribution agreement was entered into and are announced to the general public, stating the term within which the capital increase will come into effect, the deed of capital increase will be executed within a maximum term of four months;
- the report provided for in the first bulletpoint above must also state the impact of the proposed contribution on the situation of former shareholders and, specifically, on their share in the profit, the net asset value, and the capital, as well as the impact on voting rights.

These rules regarding contributions in kind apply with the necessary modifications to mergers, demergers and similar transactions.

In compliance with the *Vastgoedbevak/Sicafi* Royal Decree, in the event of cash contribution and without prejudice to Sections 592 to 598 of the Companies Code, the pre-emptive right may be limited or cancelled if the current shareholders are granted a priority allocation right for the allocation of new shares.

3. Controlling interest in the company (Article 14 of the Articles of Association)

The statutory manager De Pauw NV, represented by its permanent representative, has the controlling interest in WDP Comm. VA. Since 1 September 2002 this permanent representative is Mr Tony De Pauw, in accordance with Section 61, §2 of the Companies Code. The shares of De Pauw NV are entirely held by the Jos De Pauw family, represented by Tony De Pauw on the Board of Directors of De Pauw NV.

For an explanation of the notion of control, see *2. Some background information: the Commanditaire Vennootschap* in *5.7. Management report – Corporate Governance* on page 78.

4. Statutory auditor (Article 20 of the Articles of Association)

Deloitte Bedrijfsrevisoren, a *Burgerlijke Vennootschap*, a type of private limited liability partnership in the form of a CVBA, a type of limited liability cooperative, and a member of the *Instituut van de Bedrijfsrevisoren*, established at Berkenlaan 8b, 1831 Diegem, was appointed statutory auditor of WDP Comm. VA on 25 April 2007. On 24 April 2013 the statutory auditor, represented by its permanent representative Ms Kathleen De Brabander, was reappointed until the General Meeting of 2016.

The statutory auditor's remit includes auditing WDP Group's consolidated financial statements and the separate financial statements of WDP Comm. VA.

In France, Deloitte & Associés, represented by Mr Pierre-Marie Martin, with offices at 67, rue de Luxembourg, 59777 Euralille, was appointed statutory auditor for the subsidiary WDP France SARL.

In the Netherlands, Deloitte Accountants BV, represented by Mr Jef Holland, and having its registered office at Orlyplein 1, NL-1040 HC Amsterdam, was appointed statutory auditor of the subsidiaries WDP Nederland NV and WDP Development NL NV.

The remuneration of the statutory auditor is determined on the basis of market rates and independently of WDP in accordance with the code and the standards of the *Instituut van de Bedrijfsrevisoren* and in accordance with the applicable stipulations with regard to the independence of the statutory auditor described in the Companies Code.

The fees for the duties of the statutory auditor of WDP Comm. VA and its subsidiaries with regard to the financial year 2013 were 99,350 euros (ex. VAT). During the financial year 2013, total fees were paid for other statutory audits and other consultancy work (including due diligence) of 218,675 euros (ex. VAT).

5. Financial service (paying agent)

ING Belgium NV
Legal Financial Markets
Mr Marc Sanders
Marnixlaan 24
1000 Brussels
+ 32 2 547 31 40
marc.sanders@ing.be

The fees for the financial services (excluding those for the statutory auditor) are determined based on market rates, as a percentage on the volume of the transactions concerned (such as distribution of dividends, optional dividends, etc.) and are independent of the company.

The total fees paid for the financial services in the financial year 2013 were 110,710 euros (ex. VAT).

6. Property expert

Under the applicable regulations pertaining to *Vastgoedbevaks/Sicafis*, the expert appraises all the buildings operated by the *Vastgoedbevak/Sicafi* and its subsidiaries at the end of every financial year. The book value of the buildings listed on the balance sheet is adjusted to these values.

Furthermore, at the end of each of the first three quarters of the financial year, the expert updates the total valuation prepared at the end of the previous year based on market trends and the specific features of the property in question. The expert also appraises the property of the *Vastgoedbevak/Sicafi* and its subsidiaries if the *Vastgoedbevak/Sicafi* wishes to perform a transaction such as the issue of shares or a merger.

Each property to be acquired or to be transferred by the *Vastgoedbevaks/Sicafis* or any of its subsidiaries is appraised by the expert prior to the transaction. The expert's appraisal will serve as a minimum price (in the event of disposal) or a maximum price (in the event of acquisition) for the *Vastgoedbevak/Sicafi* if the other party is a person closely involved in the *Vastgoedbevak/Sicafi* (as provided for by the applicable regulations for *Vastgoedbevaks/Sicafis*) or if the proposed transaction would benefit such persons in any way.

The *Vastgoedbevak/Sicafi* Royal Decree of 7 December 2010 contains legal obligations regarding the method to be used by property experts to guarantee their necessary impartiality when appraising the property. There is stronger emphasis on the impartiality requirement for experts, and the Decree specifies that the expert's remuneration may not be based on the property appraised. In addition, *Vastgoedbevaks/Sicafis* are required to ensure the replacement of the experts they appoint based on a double rotation requirement. For instance, the *Vastgoedbevak/Sicafi* may appoint the expert only for a renewable term of three years. Furthermore, the expert may be contracted to appraise a given property for no more than three years, followed by a compulsory cooling-off period of three years. This means that experts who have already completed a 3-year period can only be appointed for an additional 3-year period if, during this period, they appraise a different portion of the assets of the *Vastgoedbevak/Sicafi* or its subsidiaries. Separate rules apply if the expert is a legal entity.

The experts appointed by WDP Comm. VA are:

→ Stadim CVBA, Uitbreidingsstraat 10-16 (Antwerp Gate 2), 2600 Antwerp, Belgium, represented by Mr Philippe Janssens;

→ Cushman & Wakefield Inc, Kunstlaan 58, Box 7, 1000 Brussels, Belgium, represented by Mr Kris Peetermans;

→ DTZ Zadelhoff, Apollolaan 150, 1077 BG Amsterdam, Netherlands, represented by Mr Frans Van Hoeken;

→ BNP Paribas Real Estate, 167 quai de la Bataille de Stalingrad, 92867 Issy-Les-Moulineaux Cedex, France, represented by Mr Jean-Claude Dubois.

These natural persons are legal representatives of the legal entities with which the contracts were signed.

Fees paid to property experts are not based on the value of the property but rather represent fixed fees for each property to be appraised and/or variable remuneration based on the surface area to be appraised. The new contracts comply with the new regulations and the appointment of the property experts was approved by the FSMA.

The fees of property experts in 2013 were 256,231 euros (ex. VAT).

7. Insurance cover

WDP and its subsidiaries are required to underwrite appropriate insurance for all their immovable properties.

This insurance must comply with the usual market conditions. WDP has currently insured 100% of its buildings at their new-build value.

The total premiums paid in 2013 were 946,000 euros (490,000 euros for Belgium, 286,000 euros for the Netherlands, 78,000 euros for France, 13,000 euros for the Czech Republic (sold in Q2 2013), 7,000 euros for Romania, 52,000 euros for the solar panels in Belgium and 20,000 euros for the solar panels in Romania).

The insured value of the property portfolio (including solar panels) was 1,034 million euros (of which 582 million euros for Belgium, 333 million euros for the Netherlands, 66 million euros for France, 12 million euros for Romania, 24 million euros for the solar panels in Belgium and 17 million euros for the solar panels in Romania). The insured value of the Czech Republic portfolio was 29 million euros.

8. Foreign structures

In order to manage its foreign property assets as effectively as possible, WDP Comm. VA has created subsidiaries in various European countries (these subsidiaries do not have the status of *Institutionele Vastgoedbevak/Sicafi Institutionnelle*).

The group's companies share the following characteristics:

- The company structure is the local equivalent of a private limited liability company (*BVBA*), with the exception of WDP Nederland, which has held the status of *Naamloze Vennootschap (NV)* (a type of public company limited by shares) since 29 October 2010, and with the exception of WDP Development NL, which also has the status of *Naamloze Vennootschap (NV)*.

- WDP has a 100% holding in all foreign subsidiaries, except for WDP Development RO (51%).

- Subsidiaries' results are subject to local corporate tax, except WDP Nederland, which has *FBI* status (*Fiscale Beleggingsinstelling*), and WDP France, which has *SIIC* status (*Société d'Investissement Immobilier Cotée*) providing transparency with regard to tax matters. More information on *FBI* status and *SIIC* status is given in *12. General information regarding the Vastgoedbevak/Sicafi, the FBI and the SIIC* on page 249 of this annual report.

- Net profits can be distributed to WDP, with the withholding tax or exemption from withholding tax based on the parent-subsidiary guideline and the relevant double taxation treaties between Belgium and the various countries in which WDP is active. The results of the foreign subsidiaries are included in the consolidation, after elimination of the depreciation on the property and with settlement of deferred taxes on capital gains.

In the choice of financing methods (group loans versus bank loans), account is always taken of the effect of this financing on the consolidated gearing of WDP (the maximal gearing that is to be respected at the consolidated level is 65%, in accordance with Article 53, paragraph 1 of the *Vastgoedbevak/Sicafi* Royal Decree.

This same maximum gearing also applies at the separate level for *Vastgoedbevaks/ Sicafis*). The deferred group loans do not affect the Group's gearing at unconsolidated level, although bank loans do.

In applying this financing strategy (in addition to the gearing), two important tax principles that vary from country to country must be taken into account:

- The rules regarding companies' *thin capitalisation*[1] obligation;
- The *withholding tax* percentage to be deducted from interest on outstanding group loans paid out in the country of origin.

In France, WDP Comm. VA is represented by its permanent establishment (*établissement stable*) at rue Cantrelle 28, F-36000, Châteauroux.

WDP Nederland NV maintains another fully owned subsidiary: WDP Development NL NV, Princenhagelaan 1-A2 Herenkantoor B, 4813 DA Breda / Postbus 9770, 4801 LW Breda.

9. Key dates in WDP's history

For an overview of the key events in WDP's history, see the first part of this annual report in *2. History and milestones* on page 14.

1 Thin capitalisation refers to excessive use of borrowed capital for a company to maximise the tax deductibility of interest expenses. Limits are usually set in local tax regulations by capping the tax deductibility of interest expenses on the part of the debt deemed to be excessive.

12

General information regarding the Vastgoedbevak/Sicafi, the FBI and the SIIC

1. Vastgoedbevak/Sicafi

A public *Vastgoedbevak/Sicafi* (a type of closed-end property investment company with fixed capital):

- is a collective institution for direct or indirect investment in property;
- is subject to the provisions of the *Vastgoedbevak/Sicafi* Royal Decree;
- must be established as a *Naamloze Vennootschap*, a type of company limited by shares, or a *Commanditaire Vennootschap op Aandelen*, a type of partnership limited by shares;
- is listed on the stock market and at least 30% of its shares must be traded in the market;
- is limited in its activities to property investment;
- is excluded from acting directly or indirectly as a property developer (other than on an occasional basis);
- can maintain subsidiaries controlled exclusively or jointly that may or may not assume the status of *Institutionele Vastgoedbevak/Sicafi institutionnelle* (a type of institutional closed-end property investment company).

Vastgoedbevaks/Sicafis are regulated by the FSMA and are required to comply with stringent rules regarding conflicts of interest. As well as Section 523 (conflicts of interest for directors) and Section 524 (conflicts of interest involving associates) of the Companies Code, which apply to all listed companies, there are special rules for *Vastgoedbevaks/Sicafis* regarding functional conflicts of interest (pursuant to Section 18 of the *Vastgoedbevak/Sicafi* Royal Decree).

For additional information regarding each of these procedures, please refer to *5.7. Management Report – Corporate Governance* on page 78 of this annual financial report.

2. Special regulations applicable to Vastgoedbevaks/Sicafis

Immovable property

As a general rule, to properly spread the investment risk, any building / property complex may account for no more than 20% of the total assets. The FSMA may permit a departure in certain cases (if the *Vastgoedbevak/Sicafi* demonstrates that such a departure[1] is in the interest of the shareholders or if it has shown that such a departure is justified because of the specific characteristics of the investment and particularly its nature and scale, and always on the condition that the consolidated liabilities of the *Vastgoedbevak/Sicafi* do not exceed 33% of the consolidated assets). This departure must be accounted for in the prospectus and in the periodic reports prepared by the *Vastgoedbevak/Sicafi* until the departure no longer has any impact. WDP has not been granted such a departure until now, because the spread of its portfolio is deemed to be adequate.

Accounts

Under European Union law, like all other listed companies *Vastgoedbevaks/Sicafis* must prepare their consolidated financial statements in accordance with the international IAS/IFRS standards. Public *Vastgoedbevaks/Sicafis* and institutional *Vastgoedbevaks/Sicafis* (see below) are also required to prepare their separate financial statements in accordance with IAS/IFRS pursuant to the *Vastgoedbevak/Sicafi* Royal Decree. Given that property investments make up the largest part of the assets of a *Vastgoedbevak/Sicafi*, they must be valued at fair value pursuant to IAS 40.

1 See Article 39 of the Royal Decree of 7 December 2010.

Appraisal

The fair value of the property is appraised at the end of each financial year by an independent expert, who adjusts this fair value at the end of each quarter. The property is then included in the balance sheet in accordance with this appraised value. The buildings are not depreciated.

Result

By way of compensation for the capital, the company must pay an amount that is equal to at least the positive difference between the following amounts:

- 80% of the amount that is equal to the sum of the adjusted result and of the net gains on the development of property that has not been exempted from mandatory payment;
- the net reduction in the liabilities of the company in the course of the financial year.

Naturally, this obligation applies only if the company has reported a net result and if it has the flexibility to make payment in accordance with company law.

Liabilities and securities

The consolidated level of indebtedness and the separate level of indebtedness of the *Vastgoedbevak/Sicafi* is limited to 65% of total assets. A *Vastgoedbevak/Sicafi* or its subsidiaries are only permitted to provide mortgages or other securities or guarantees as part of their financing of property-related activities. The total amount covered by these mortgages, securities or guarantees may not exceed 50% of the total fair value of the property owned by the *bevak/sicafi* and its subsidiaries, and the mortgage, security or guarantee provided may relate to no more than 75% of the value of the encumbered property.

Institutionele Vastgoedbevak/ Sicafi Institutionnelle

Subsidiaries of a public *Vastgoedbevak/Sicafi* must always be controlled exclusively or jointly by the public *Vastgoedbevak/Sicafi*. These subsidiaries may take on the form of an *Institutionele Vastgoedbevak/Sicafi Institutionnelle* (whose funds can only be raised from institutional or professional investors). This ensures, for example, that a public *Vastgoedbevak/Sicafi* can develop specific projects together with a third party. The regulatory framework for the *Institutionele Vastgoedbevak/Sicafi Institutionnelle* is designed to avoid such a partnership in an *Institutionele Vastgoedbevak/Sicafi Institutionnelle* being in conflict with the interests of the shareholders of the public *Vastgoedbevak/Sicafi*. If a public *Vastgoedbevak/Sicafi* chooses the form of *Institutionele Vastgoedbevak/Sicafi Institutionnelle*, it is not authorised to maintain subsidiaries under Belgian law that assume the form of ordinary property companies. *Institutionele Vastgoedbevaks/Sicafis Institutionnelles* are partly regulated by the FSMA.

Tax system

Both public and institutional *Vastgoedbevaks/ Sicafis* are subject to corporate income tax at the standard rate, albeit with a reduced tax base, consisting of the sum of (1) the nonstandard or gratuitous benefits they have received and (2) expenses and costs that cannot be deducted as professional expenses and costs, not including impairments and losses on shares. In addition, they may be subject to the special taxation on commissions of 309% on commissions paid and remuneration not accounted for in individual tax forms and the combined tax return. The advance levy on dividends paid out by a public closed-end property investment company is in principle equal to 25%[2], and is 15% for a *Vastgoedbevak/Sicafi* whose property portfolio consists of more than 80% residential property (as of 1 January 2015). This advance levy generally does not apply to private individuals residing in Belgium.

Companies that request to be recognised as *Vastgoedbevak/Sicafi* or that merge with, or separate and transfer a portion of their immovable assets to a *Vastgoedbevak/Sicafi* are subject to an exit tax of 16.995% (16.5% plus the additional contribution of 3% due to the financial crisis). This exit tax represents the tax price these types of companies are required to pay in order to exit the civil-law tax regime. Under tax law, this transfer is treated as a (partial) distribution of the authorised capital by the company to the *Vastgoedbevak/Sicafi*. When distributing its authorised capital, a company must treat the positive difference between the payments in cash, securities or any other form, and the remeasured value of the paid-up capital (i.e. the surplus value available in the company) as a dividend. The Income Tax Code provides that the amount paid must be equal to the actual value of the authorised capital on the date on which this transaction was completed (Section 210, §2 Income Tax Code, 1992). The difference between the actual value of the authorised capital and the remeasured value of the paid-up capital is equated to a paid dividend. The previously taxed reserves may be deducted from this difference. The remainder is generally the taxable base subject to the rate of 16.995%.

Vastgoedbevaks/Sicafis are investment vehicles comparable to *Fiscale Beleggingsinstellingen (FBIs)* in the Netherlands, *Societes d'Investissement Immobilier Cotees (SIICs)* in France, and REITs (Real Estate Investment Trusts) in various countries, including the United States.

3. Fiscale Beleggingsinstelling (FBI)

WDP Nederland NV has been subject to the regulation for *Fiscale Beleggingsinstellingen (FBIs)* since 1 November 2010, which means it has been subject to a corporate income tax rate of 0% since that date. In order to be eligible for this regime, the company must satisfy the following conditions:

- WDP Nederland NV must be a *BV* (a type of private company limited by shares), an *NV* (a type of public company limited by shares) or a fonds voor gemene rekening (a type of mutual fund).
- The corporate object under the Articles of Association and the actual activities of WDP Nederland NV may exclusively be the investment of capital.
- The financing of the assets to be invested may not consist for more than 60% of borrowed capital (of the tax book value) in the case of immovable property. Other investments (not including immovable property) may only be funded with borrowed capital for 20% of their tax book value.

2 See also Article 84 of the Programme Act of 27 December 2012.

- From the date of application of the FBI regime, the operating profit of WDP Nederland NV must be placed at the disposal of the WDP Nederland shareholder within eight months of the end of the financial year.
- The profits distributed must be spread evenly among all shares.
- At least 75% of the shares in WDP must be held by an entity that is not subject to tax on profit.
- It is not permitted for 5% or more of shares to be held, either directly or indirectly, by natural persons.
- It is not permitted for 25% or more of shares to be held by individuals residing in the Netherlands or legal entities established in the Netherlands through funds located outside the Netherlands.

4. Société d'Investissement Immobilier Cotée (SIIC)

Since 2005, WDP has been subject to the *SIIC (Société d'Investissement Immobilier Cotée)* regime through its permanent establishment in France and its subsidiary WDP France SARL. This means it has also been subject to the 0% corporate tax rate since that date. In order to be eligible for this regime, the company must satisfy the following conditions:

- The parent company must have the structure of an *NV* or any other form of company limited by shares that is eligible to be listed on the stock exchange. This parent company must be listed on an exchange under EU law.
- The *SIIC*'s main activity must be restricted to the leasing of property. Property developments must not exceed 20% of the gross book value of the portfolio.
- Shares in WDP must not be held for more than 60% by a single investor or group of investors acting by mutual agreement.
- Profit generated from the leasing of buildings, the gains realised from the sale of buildings, the gains realised from the sale of securities in the partnerships or subsidiaries that are subject to corporate income tax and have opted for *SIIC* status, proceeds paid out by subsidiaries that have opted for *SIIC* status, and the shares in the profit in partnerships are exempt from corporate income tax.
- The distribution obligation for the result is 95% of the exempt profit from rental income, 60% of exempt profit from the sale of buildings and from securities of partnerships and subsidiaries subject to *SIIC* status, and 100% of the dividends distributed to them by their subsidiaries that are subject to corporate income tax and that have opted for *SIIC* status.
- Payment of a 19% exit tax on the latent gain on buildings owned by the *SIIC* or its subsidiaries that are subject to corporate income tax and that have opted for *SIIC* status, and on the securities held by partnerships not subject to corporate income tax.

13

Glossary

Advance levy on income from securities
Tax deducted by a bank or financial intermediary on the payment of a dividend. From 1 January 2013 the standard rate of the advance levy on dividend distributed by WDP was raised from 21% to 25%.

Acquisition price
This means the value of the property at the time of acquisition. Any transfer costs paid are included in the acquisition price. See also *Transfer costs*.

AIFMD (Alternative Investment Fund Managers Directive)
The Alternative Investment Fund Managers Directive is a proposed European Union law that will put hedge funds, private equity funds and real estate funds under the supervision of an EU regulatory body.

Bullet loan
A debt instrument with the designation *bullet* means that interest charges are payable for the principal drawn down during the term of the loan and that capital must be repaid on the final maturity date.

BREEAM (Building Research Establishment Environmental Assessment Method)
Sustainability certificate covering building performance over its entire life. The leading and most widely used sustainability certificate for buildings in Europe, BREEAM, unlike other standards, is based on a multi-criteria approach. During the certification process, a building's energy consumption is considered, along with land usage, environmental aspects, the construction process, water consumption, waste, pollution, transport, equipment and materials, health, and comfort.

As a total score, buildings receive a rating of *Acceptable*[1], *Pass*, *Good*, *Very Good*, *Excellent* or *Outstanding.*

Compliance Officer
The compliance officer is responsible for monitoring compliance with the code of conduct for financial transactions in the Corporate governance report (the *dealing code*).

Contractual rent
The gross rent as contractually agreed in the lease on the date of signing.

Contribution in kind
The non-cash assets contributed to a company at the time of formation or when the capital is increased.

Corporate Governance Code 2009
Belgian Code drafted by the Corporate Governance Committee, including procedures and provisions relating to corporate governance, which must be complied with by companies under Belgian law whose shares are traded in a regulated market. The Belgian Corporate Governance Code is available online at www.corporategovernancecommittee.be.

Dealing Code
Code of Conduct containing rules that must be complied with by the members of the Board of Directors, the members of executive management and all employees of WDP Comm. VA and De Pauw NV who, by virtue of their position, possess information they know or should know is insider information.

Derivatives
As a lender, WDP wishes to protect itself from any rise in interest rates. This interest rate risk can be partially hedged by the use of derivatives (such as IRS contracts).

Discounted cash flow
This is a valuation method based on a detailed projected revenue flow that is discounted to a net current value at a given discount rate based on the risk of the assets to be valued.

1 This score applies solely to BREEAM In-Use.

Distribution rate
Percentage of the net current profit distributed as dividend over a given financial year.

Dividend yield
Gross dividend divided by the share price.

Due diligence
A comprehensive appraisal of the property-related, financial, tax, legal, accounting and administrative aspects of any acquisition and/or financing transaction, sometimes together with specialised external consultants.

E-level
A measure of the energy performance of a building and its permanent systems in standard conditions. The lower the E-level, the more energy-efficient the building.

EMIR (European Market Infrastructure Regulation)
The Regulation ensures that information on all European derivative transactions will be reported to trade repositories and be accessible to supervisory authorities, including the European Securities and Markets Authority (ESMA), to give policy makers and supervisors a clear overview of what is going on in the markets. The Regulation also requires standard derivative contracts to be cleared through Central Counterparties (CCPs) as well as margins for uncleared trades and establishes stringent organisational, business conduct and prudential requirements for these CCPs.

EPB
Flemish regulations relating to energy performance and air conditioning. The EPB index shows the energy performance of a building expressing the quantity of energy needed to fulfil the needs of normal use. Various factors that influence energy consumption are taken into account, such as insulation, heating system, ventilation and alternative energy sources.

EPRA (European Public Real Estate Association)
A pan-European association of listed property companies dedicated to promoting the industry, implementing *best practices* for accounting, reporting and corporate governance, delivering qualitative data to investors and a think tank dedicated to key issues facing the industry (www.epra.com).

ERP (Enterprise Resource Planning)
An integrated control software package for businesses.

Estimated rental value
Estimated rental value is the rental value determined by independent property experts.

Ex-Date
First date on which shares are traded on the stock exchange without entitlement to dividend, i.e. the day the coupon is redeemed.

Exit tax
Companies that apply for recognition as a *Vastgoedbevak/Sicafi* or that merge with a *Vastgoedbevak/Sicafi* are subject to the exit tax. This tax is equated to a liquidation tax on latent capital gains and tax-free reserves and is charged at 16.995% (i.e. the basic rate of 16.5% plus the supplementary 3.0% crisis tax).

Facility Management
Day-to-day management of the property portfolio, specifically the definition of the management policy for existing properties (maintenance, alteration and improvement work). WDP employs an internal team of facility managers who work exclusively for the company.

Fair value
The fair value is defined in IAS 40 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. IVSC (see also *International Valuation Standards Council*) considers these conditions to

have been met if the definition of market value set out above is complied with. In addition, market value must reflect current rental agreements, the current gross margin of self-financing (or cash flow), the reasonable assumptions in respect of potential rental income and expected costs.

FBI (Fiscale Beleggingsinstelling)
A special tax status in the Netherlands. Eligibility for this status is based on compliance with all the requirements.

Free float
Percentage of the shares held by the general public. According to the EPRA and NYSE Euronext definition, this is all shareholders who individually own less than 5% of the total number of shares.

FSMA (Financial Services and Markets Authority)
The FSMA succeeded the *Banking, Finance and Insurance Commission (CBFA)* on 1 April 2011. The FSMA supervises Belgium's financial industry alongside the National Bank of Belgium (NBB). According to the new supervision model implemented in 2011, the FSMA has powers in the following six areas: supervising financial markets and listed companies, overseeing compliance, overseeing products, supervising financial service providers and agents, overseeing supplementary pensions, and promoting better financial education.

Gearing ratio
Statutory ratio calculated on the basis of the *Vastgoedbevak/Sicafi* regulations by dividing the financial and other liabilities by the total assets. See the *Vastgoedbevak/Sicafi* Royal Decree of 7 December 2010 for the gearing ratio calculation method.

Gross dividend
Gross dividend per share is the dividend before deduction of advance levy on income from securities. See also *Advance levy on income from securities*.

GSC
These are green electricity certificates for alternative energy projects, including solar energy, granted by VREG (see also *VREG*) with a minimum certificate price for a period of 20 years, expressed in euros/MWh.

Hedge ratio
Percentage of the debt at fixed rate or hedged against interest rate fluctuations by means of derivative financial instruments.

IAS 39
A standard under IAS/IFRS for how a company should classify and value financial instruments on its balance sheet. Under IAS 39 a company must recognise all derivatives at fair value on the balance sheet.

IAS/IFRS
International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) drawn up by the International Accounting Standards Board (IASB).

Income capitalisation
This is a valuation technique used to determine the value of property by which the revenue flow is discounted in perpetuity at a given required return. Certain adjustments are then made to reflect the differences from full occupancy at market rates (such as sub- or over-letting, incentives and vacancies).

Indexation
The rent is contractually adjusted annually on the anniversary of the contract effective date on the basis of the inflation rate according to a benchmark index in each specific country.

Initial yield
The ratio of (initial) contractual rent of a purchased property to the acquisition price. See also *Acquisition price*.

Interest hedging
The use of derived financial instruments to protect debt positions against interest rate rises.

Investment value
The value of the portfolio, including transaction costs, as appraised by independent property experts. The fair value (see also *Fair value*) within the meaning of the IAS/IFRS reference schedule can be calculated by deducting an adjusted percentage of the registration fees and / or deducting the VAT.

IRS (callable)
These instruments represent a combination of a traditional Interest Rate Swap, whereby the company pays a fixed interest rate and receives a floating interest rate, and an option sold by WDP to the financial counterparty that allows to cancel this Interest Rate Swap from a specific date. The sale of this option enables the fixed interest rate component of the Interest Rate Swap to decrease during the term of the contract.

IRS (Interest Rate Swap)
A transaction in which the parties swap interest rate payments for a given duration. WDP uses Interest Rate Swaps to hedge against interest rate increases by converting current interest payments into fixed interest payments.

IVSC (International Valuation Standards Council)
An independent body that develops global valuation standards that investors and other third parties or stakeholders must be able to trust.

Lease expiry date
The date on which a lease can be cancelled.

LED lights
LED lights consist of a group of LEDS (light-emitting diodes). They provide several advantages over traditional light bulbs, low-energy bulbs and fluorescent lights.

Liquidity
The average number of shares traded per trading day, measured over a specific period.

Market capitalisation
Closing price on the stock market, multiplied by the number of shares outstanding on that date.

Net Asset Value (NAV)
Net asset value for profit distribution for the current financial year.

Net current result
Net result excluding the portfolio result and the IAS 39 result.

Net dividend
This is equivalent to the gross dividend after deduction of 25% advance levy on income from securities. See also *Advance levy on income from securities*.

Occupancy rate
Calculation based on the rental values of leased properties and non-leased surfaces, including income from solar panels. Ongoing projects and / or renovations are not considered.

Operating margin
The operating margin is calculated by dividing net operating result (before the result on the portfolio) by the property result.

Optional dividend
In an optional dividend, the dividend receivable linked to a specific number of existing shares entitles the owner to a single new share at an issue price per share that may entail a discount on the list price (based on an average share price for a specific period or otherwise). The issue of shares as part of the optional dividend is subject to the general company law regarding capital increases. If a cash contribution is made in addition to a contribution in kind as part of the payment of an optional dividend, the special

provisions of Section 13, §1 of the Royal Decree of 7 December 2010 on capital increases in cash are declared not applicable under law if this optional dividend is made payable for all shareholders. The special rules regarding contributions in kind in a *Vastgoedbevak/Sicafi*, as provided for in Article 13, §2 of the Royal Decree of 7 December 2010 do not apply either, provided specific conditions are satisfied.

Partial demerger
The partial demerger is the legal act by which part of a company's capital, both the assets and liabilities, is transferred to an existing or new company without dissolution by transferring the shares of the transferee to the partners of the transferer (Section 677 of the Companies Code).

Portfolio value
Portfolio value consists of investment property, self-financed investment property in development for lease, assets held for sale and the *fair value* of the solar panels.

Project management
Management of building and renovation projects. WDP employs an internal team of project managers who work exclusively for the company.

Property expert
Independent property expert responsible for appraising the property portfolio.

Property portfolio
The property investments, including property for lease, property investments in development for lease and assets held for sale.

PV system
Photovoltaic or solar panel system. WDP has invested heavily in solar energy, installing solar panels at a number of sites.

Quality ratings of portfolio properties
The properties in the property portfolio are quality-rated in accordance with Class A BREEAM warehouse, Class A warehouse, Class B warehouse, Class C warehouse and Cross-dock warehouse.

Record date
Date on which the positions are closed to identify shareholders entitled to dividend not long after the *Ex-Date*.

REIT (Real Estate Investment Trust)
International name for a listed property investment company with a tax transparent status in the United States and other countries.

Result on the portfolio
Realised and non-realised changes in value compared to the most recent valuation of the expert, including the effective or latent capital gain tax payable in the countries where WDP does not have special tax status (as it does in Belgium, the Netherlands and France as a *Vastgoedbevak/Sicafi*, *FBI* and *SIIC* respectively).

Risk management
Identification of the main risks facing the company, including their potential impact and the development of a strategy to reduce this potential impact.

Royal Decree of 10 April 1995
Original Royal Decree on *Vastgoedbevaks/Sicafis*.

Royal Decree of 21 June 2006
Royal Decree on the accounting, financial statements and consolidated financial statements of public *Vastgoedbevaks/Sicafis*, amending the Royal Decree of 10 April 1995.

Royal Decree of 7 December 2010
Royal Decree amending the provisions of the Royal Decree of 10 April 1995 and the Royal Decree of 21 June 2006. Known as the *Vastgoedbevak/Sicafi* Royal Decree.

Sale value
The fair value at which a given property was sold.

SIIC (Société d'investissement Immobiliers Cotée)
A special tax status in France for listed real estate companies. Eligibility is based on compliance with specific requirements.

Sustainable business
Environmentally friendly sustainable warehouses policy designed to reduce carbon emissions of storage spaces in the portfolio and significantly reduce the energy bills of tenants.

TAPA (Technology Asset Protection Association)
The TAPA certificate is a recognised standard for freight protection that gives an organisation peace of mind that fixed requirements are fulfilled to ensure a secure network and secure storage of valuable goods.

Take-up
Total take-up of surface area by users in the rental market during a specific period.

Thin capitalisation
Refers to excessive use of borrowed capital for a company to maximise the tax deductibility of interest expenses. Limits are usually set in local tax regulations by limiting the tax interest rate deduction on the part of the debt deemed to be excessive.

Transfer costs
The transfer of title of a property is normally subject to the collection by the state of transfer duty, which makes up most of the transfer costs. The size of this duty depends on the transfer method, the status of the purchaser and the geographical location of the property.

Vastgoedbevak/Sicafi
A special tax status for listed companies in Belgium. Eligibility is based on compliance with specific requirements.

Velocity
The number of shares traded annually divided by the total number of shares at the end of the year.

Insider information
Any information not publicly disclosed that is accurate and directly or indirectly relates to one or more issuers of financial instruments or one or more financial instruments and that, if it were publicly disclosed, could significantly affect the price of those financial instruments (or financial instruments derived from them).

VREG
The regulator responsible for the Flemish liberalised electricity and gas market.

MIX
Paper from responsible sources
FSC® C008551
FSC
www.fsc.org

Find your WDP warehouses
on our **MOBILE APP**
mobile.wdp.eu

WDP Comm. VA
Blakebergen 15, B-1861 Wolvertem
T. +32 (0)52 338 400 | F. +32 (0)52 373 405
info@wdp.eu | www.wdp.eu
Company registration number: 0417.199.869

This annual financial report is a registration document in the sense of Article 28 of the Law of 16 June 2006 on public offering of investment instruments and the admission of investment instruments authorised to trading on a regulated market. It was approved by the FSMA in accordance with Article 23 of the aforementioned Law, on 18 March 2014.

WDP
WAREHOUSES WITH BRAINS

www.wdp.eu