PRESS RELEASE
REGULATED INFORMATION

Friday 27 January 2023

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Online press conference

Friday 27 January 2023
3PM CET

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Annual results for the period 01.01.2022 to 31.12.2022

2022 | Strong profit growth and strengthening of financial fundamentals

- EPRA Earnings per share of 1.25 euros, up +13% in line with guidance.
- Target dividend +14% to 1.00 euros per share.
- Robust balance sheet, strong liquidity position and diversified property portfolio with an inflation-proof cash flow profile (CPI-linked rental contracts and financial debt fully hedged on the long

2022-25 | Confirmation of profit target 2025

- Expected EPRA Earnings per share of 1.35 euros for 2023, +8% year-on-year.
- Ambitioned target of an EPRA Earnings per share of 1.50 euros in 2025 confirmed.
- WDP is responding to the changed market conditions (such as the sharply increased cost of capital, persistently high construction prices and high inflation): increased emphasis on profitability through selectivity in real estate projects, increasing importance of organic growth opportunities (mainly via rent indexation) and focus on the accelerated roll-out of WDP Energy.
- The logistics sector remains crucial to several industries and is fundamentally sound, even within the context of a turbulent macroeconomic environment.

“The new reality that set the scene in 2022 highlights once again the agile profile of #TeamWDP. We succeed in generating continued strong profit growth by swiftly adapting as an organization to a rapidly evolving market. We were also able to promptly provide an answer to the accelerated energy transition with a well-thought-out ‘Energy as a business’ strategy. With our robust cash flow, solid balance sheet and liquidity, we are ready to respond to market opportunities. The critical role of the infrastructure we provide to our customers supports our 2025 ambitions.

Joost Uwents – CEO WDP

1. Summary

- **EPRA Earnings**: 236.3 million euros over 2022, i.e. an increase of 17% compared to 2021 (201.2 million euros). EPRA Earnings per share over 2022 amounts to 1.25 euros, an increase of 13% compared to 1.10 euros in 2021. This was mainly driven by pre-let new construction projects and organic growth via the indexation of leases as well as by newly realised acquisitions and some non-recurring income.
- **Occupancy rate and property market:** with 99.1% as per 31 December 2022 (98.5% as per 31 December 2021) the portfolio remains quasi fully let. This result is partly due to continued healthy market dynamics leading to further upward pressure on market rents. In addition, approximately 500,000 m² of pre-let new construction projects were successfully completed in 2022.
- **Portfolio:** revaluation of -127.3 million euros or -2.0% over 2022, mainly due to an increase in the gross yield on the property portfolio of +50bps, partly compensated by the increase in estimated market rent values (+11% in 2022), as well as unrealised capital gains on the projects. The property portfolio is valued at an EPRA NIY of 5.0%, +30bps year-on-year.
- **Robust balance sheet:** the loan-to-value at 31 December 2022 amounts to 35.4% and the net debt / EBITDA (adj.) to 7.1x, against respectively 36.7% and 7.9x as of 31 December 2021. This favourable development was mainly driven by the substantial strengthening of equity by almost 700 million euros in 2022. That way, capacity was created capacity to respond to investment opportunities. Furthermore, an extra buffer is provided in case of any further negative revaluations due to rising interest rates. With a hedge ratio of 97% (and an average of 87% until 2027), WDP is moreover highly resistant against further interest rate fluctuations.
- **Active financial management:** in 2022, liquidity was strengthened by, amongst others, issuing approximately 1 billion euros of new loans at a fixed cost of 1.5%. The company's creditworthiness was also emphasized by obtaining a Baa1 (Moody's) and BBB+ (Fitch) credit rating. WDP has a robust liquidity profile with unused and confirmed credit lines of 1.7 billion euros. Moreover, financial debts are fully hedged against rising interest rates on a long-term basis (7 years on average).
- **ESG benchmarking:** at the end of 2022, WDP renewed its inclusion in the DJSI Europe Index and the company has been included in the DJSI World Index. These indices respectively represent European top 10 and the world's top 20 sustainable real estate companies.
- **WDP ENERGY:** because of the current energy crisis and focus on profitability, sustainability investments are scaled up: WDP expects to invest approximately 150 million euros in energy projects in 2023-24 (mainly through an expansion of solar capacity as well as a first Green Mobility Hub).
- **Growth plan 2022-25:** in 2022 an investment volume of approximately 530 million euros was identified (Q4 2022: 100 million euros), consisting of new projects and land as well as acquisitions of existing buildings, and investments in energy transition in addition to the strategic 10% stake in Catena.

  WDP remains focused on its long-term profit target of EPRA Earnings per share of 1.50 euros in 2025. However, the parameters underlying this growth plan have changed due to changed market conditions (such as a sharply increased cost of capital, persistently high construction costs and high inflation). To continue creating long-term value for its shareholders, it is important for us a company to adapt to these changed market conditions, implying a more selective approach towards new investments, that we will further focus on internal growth opportunities and that we will accelerate the roll-out of WDP ENERGY – of course while maintaining a solid financial position. Our organic growth (mainly via rent indexation) and the energy projects will therefore increasingly contribute to the result, compared to external growth.

- **2023 outlook:** expected EPRA earnings of 1.35 euros per share for 2023 (up +8% from 1.25 euros per share in 2022). Based on this outlook, we forecast a similar increase in the gross dividend per share of 1.08 euros for 2023 (payable in 2024).

  This 2023 outlook and the targets set out in the 2022-25 growth plan are based on current knowledge and situation and notwithstanding unforeseen circumstances due to the evolution of external factors, such as a weakening macroeconomic outlook, high market volatility and a sharply increased cost of capital.

2. Operational activities during 2022

OCCUPANCY RATE

99.1%

LEASE AGREEMENTS

14% MATURING IN 2022

- ☑ 100% renewed
- ☑ Confirmation of trust

12% MATURING IN 2023

- ☑ 40% already renewed

PROJECTS

	EXECUTED	ONGOING	POTENTIAL
SURFACE AREA	**495,000 m²**	**715,000 m²**	**~1,500,000 m²** GLA development potential
INVESTMENTS	**300 million euros**	**578 million euros**	
INITIAL GROSS RENTAL YIELD	**6.7%** **6.1%** in Western Europe **8.2%** in Romania	**6.2%** **5.8%** in Western Europe **7.7%** in Romania	
AVERAGE LEASE TERM	**11** years	**13** years	

ACQUISITIONS

174 million euros

2.1. Standing portfolio and market trends

The rental market for logistics property continues to be characterised by persistent long-term structural trends (mainly due to investments in inbound and outbound, in sustainability as well as for supply chain optimisation). These trends, albeit normalized post-covid, still lead to additional investments and thus demand for modern logistics real estate. There is also the effect of increased demand for temporary storage due to rising inventories at companies because of reduced consumption due to the cooling economy, on top of the fact that current warehouses were well-stocked following recent supply chain disruptions. These market dynamics are reflected in the WDP property portfolio being almost entirely full (the occupancy rate is 99.1% as per 31 December 2022 – 98.5% as per 31 December 2021). The 14% of contracts maturing in 2022 have been renewed of which 90% existing customers and the balance let to new customers.

Only a limited percentage of logistics property in the market is readily available, leading to upward pressure on market rents (+11% on average in 2022). WDP can automatically capture this evolution in part through contractual rent indexation: thus, around 6.5% of the average inflation of 8% in 2022 can be passed on with the impact distributed through 2022-23.

Despite the current uncertain macroenvironment and the potential cyclical impact on demand for logistics space, the logistics sector remains fundamentally sound given the critical infrastructure it provides to companies. In addition, there is continued scarcity of both land and available buildings, and a balanced development activity.

2.2. Acquisitions and disinvestments

2.2.1 Acquisitions

During 2022, some acquisitions were identified with a total investment volume of approximately 174 million euros. All these acquisitions were realised at fair value prices as per valuation reports prepared by the independent property experts. WDP generates an overall initial gross rental yield of approximately 4.8%.[1]

[1] Excluding land reserves.

2.2.2 Overview of all acquisitions during 2022

Location		Tenant	Lettable area (in m²)	Investment budget (in million euros)
BE	Sint-Katelijne-Waver	land reserve	6,518	2
BE	Blandain	Sedis Logistics	100,000	120
BE			**106,518**	**122**
NL	Den Bosch	Fat Boy	5,623	6
NL			**5,623**	**6**
RO	Cluj (Apahida)	land reserve	84,436	6
RO	Popesti Leordeni	land reserve	65,000	4
RO	Arad	Various	42,125	11
RO	Târgu Lapus	Taparo	13,158	5
RO	Baia Mare	Techtex	18,883	11
RO	Almaj Dolj	land reserve	68,912	3
RO	Timisoara 2	land reserve	92,174	4
RO	Dumbravita (Timis)	land reserve	50,991	2
RO			**435,679**	**46**
Total			**547,820**	**174**

2.3. Projects completed during 2022

WDP successfully delivered the following pre-let projects with a total lettable surface area of 495,000 m² during 2022. The initial gross rental yield on the total of these completed projects amounts to 6.7%[2], with an investment amount of approximately 300 million euros. The average lease term is 10.6 years.

Location		Tenant	Delivery date	Lettable area (in m²)	Investment budget (in million euros)
	2019-23				
BE	Geel, Hagelberg 12	Distrilog	1Q22	8,000	4
BE	Heppignies	Trafic	1Q22	2,000	5
BE	WDPort of Ghent	X2O Badkamers / Exterioo	4Q22	150,000	23
BE				**160,000**	**32**
	2019-23				
DE	Gelsenkirchen	Dokas / Imperial	2Q22	46,000	13
DE				**46,000**	**13**
	2019-23				
NL	Bleiswijk	Fully let	3Q22	17,200	13
NL	Breda	Helmer	1Q22	13,000	10
NL	Breda	Nassau Sneltransport Breda	2Q22	1,500	3
NL	Breda, The Bay	Fully let	3Q22	47,860	48
NL	Oss, Keltenweg	Movianto	4Q22	13,500	12
NL	Veghel	Alloga / Alliance Healthcare	3Q22	71,000	68
NL	Zoetermeer	Leen Menken Foodservice Logistics	4Q22	6,000	9
	2022-25				
NL	Hasselt	Scania	4Q22	7,000	6
NL				**177,060**	**168**
	2019-23				
RO	Buzau	Metro	2Q22	3,750	6
RO	Deva - Calan	Auchan	2Q22	25,000	19
RO	Roman	Profi	2Q22	12,000	14
RO	Timisoara	Profi	3Q22	57,000	38
	2022-25				
RO	Bucharest - Stefanestii de Jos (2)	Alcar	3Q22	4,780	4
RO	Timisoara	Bulung	4Q22	9,773	6
RO				**112,303**	**86**
Total				**495,363**	**299**

[2] This represents an initial gross rental yield of approximately 6.1% in Western Europe and 8.2% in Romania.


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105
106
107

2.4. Projects under development

WDP expects to generate an initial gross rental yield of approximately 6.2% from all of the ongoing projects amounting to around 578 million euros, with a lettable surface area of approximately 715,000 m².[3] This pipeline is 95% pre-let and the average term of the leases is 12.7 years.

2.4.1 Projects identified during the fourth quarter of 2022

Belgium

Lokeren, Brandstraat 30

stow Robotics, the world leader in industrial storage solutions, will further expand its high-end manufacturing operations at the site that WDP acquired in 2021 through a sale-and-lease-back operation with DPG Media Services. The part of the buildings previously set up for the printing activities of DPG Media Services will be transformed into a campus for stow Robotics with a multi-level production unit, an R&D centre, a showroom and offices for sales and after-sales. stow Robotics will have a total area of approximately 24,000 m² at this site under a long-term lease (expected completion in Q3 2023). The investment for WDP is around 2 million euros.

Lokeren, Brandstraat 30

A land reserve was also acquired at the same location in 2021 on which a new distribution centre of around 9,200 m² will be developed under a long-term lease. Its completion is scheduled for the third quarter of 2024. The expected investment budget for the development (excluding land) is around 13 million euros.

Asse – Mollem

Redevelopment of an existing obsolete site of over 6,900 m² to be leased for a period of nine years after completion – anticipated during the first quarter of 2024. The redevelopment involves an investment of approximately 5 million euros.

Romania

Timisoara

New construction warehouse totalling over 33,000 m² for production and storage leased on the basis of a long-term lease to an international technology company, represents a 32 million euros investment by WDP. Completion is scheduled for mid-2023.

Almaj Dolj

Erkut is a supplier to the Ford plant in Craiova. Based on Erkut's activities, WDP will develop a new distribution centre of over 6,200 m² in Almaj Dolj (near Craiova). WDP anticipates an investment of around 4.5 million euros to complete this new building. The property is expected to be available during the second quarter of 2023. To this end, Erkut will enter into a seven-year lease commitment.

[3] This represents an initial gross rental yield of approximately 5.8% in Western Europe and 7.7% in Romania.

Slatina

Expansion of the existing complex by an area of over 48,300 m² (anticipated completion in Q3 2024 based on an investment of approximately 36 million euros), based on a long-term lease commitment.

Sibiu

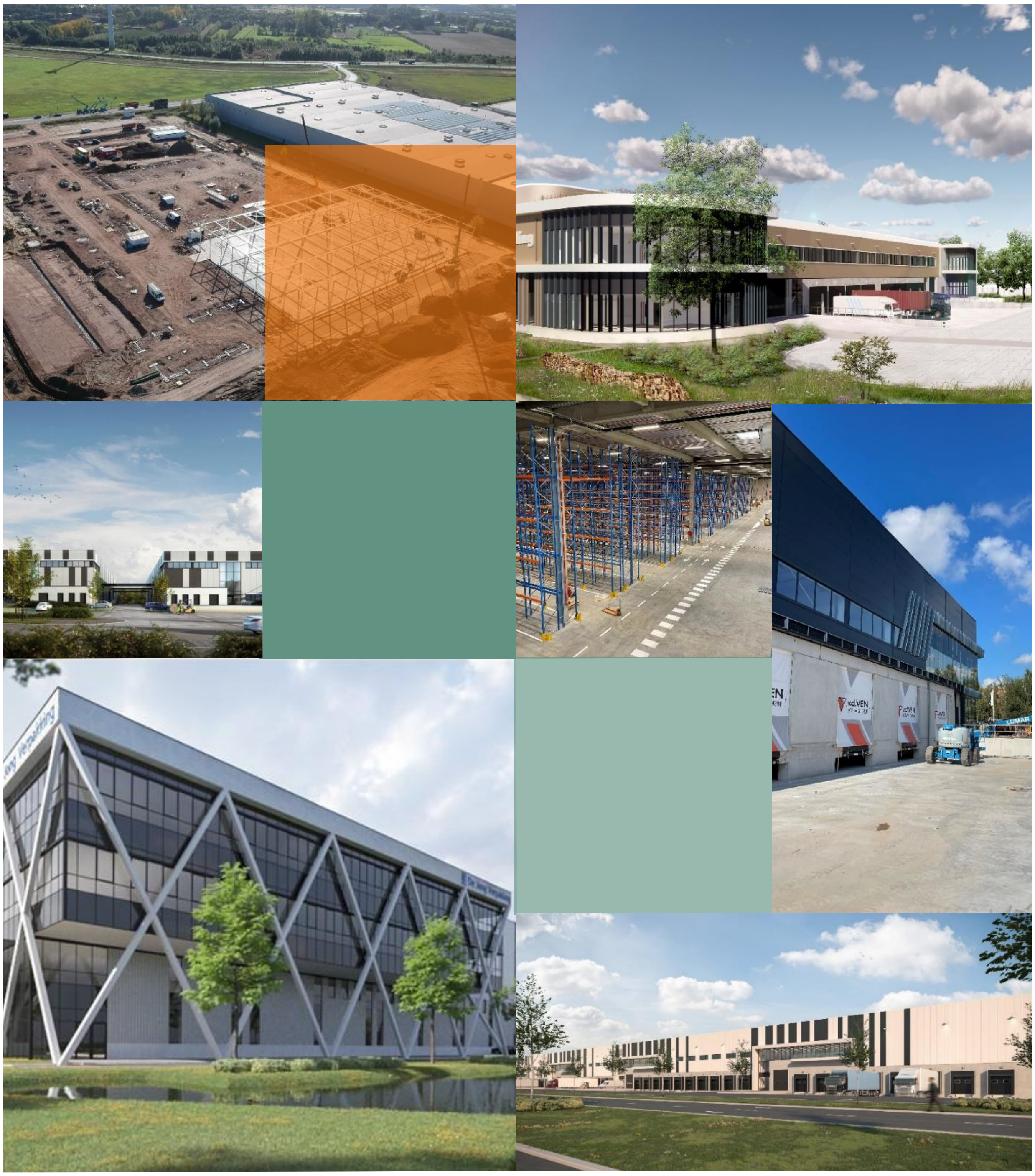
Expansion of the existing site for Siemens by over 8,700 m² on a 10-year lease. This new development is expected to be completed during the first quarter of 2024 and involves an investment for WDP of approximately 6 million euros.

2.4.2 Overview of all projects under development[4]

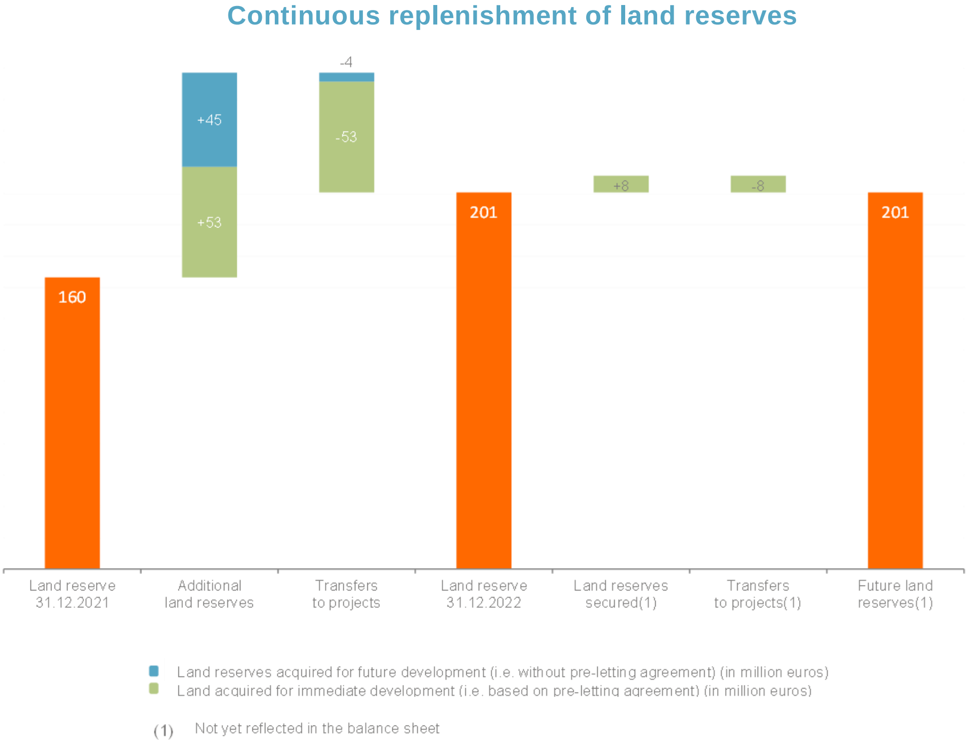
Location		Tenant	Planned delivery date	Lettable area (in m²)	Investment budget in million euros)
	2019-23				
BE	Antwerp Region	Fully let	2Q24	4,152	11
BE	Bornem	Fully let	3Q24	19,200	27
BE	Courcelles, rue de Liège 25	DHL	2Q23	2,885	6
BE	Gent	Sligro	2Q23	21,127	15
	2022-25				
BE	Asse - Mollem	Fully let	1Q24	6,913	5
BE	Genk, Bosdel	Fully let	1Q25	30,000	29
BE	Gent	Uselect	2Q23	11,590	9
BE	Liège - Trilogiport	Logistics service provider	2Q23	34,457	21
BE	Lokeren, Brandstraat 30	Fully let	3Q24	9,204	13
BE	Lokeren, Brandstraat 30	stow Robotics	3Q23	23,839	2
BE				**163,367**	**138**
	2019-23				
LU	Bettembourg (Eurohub Sud 4)	Multi-tenant	1Q23	25,000	13
LU	Contern	Fully let	1Q24	15,000	10
LU				**40,000**	**23**
	2019-23				
NL	Amsterdam, Hornweg	Dynalogic	1Q23	13,700	11
NL	Barendrecht,	Ahold	2Q23	26,700	24
NL	Breda, Heilaarstraat 263	Lidl	2Q23	31,000	22
NL	De Lier, Jogchem van der Houtweg	De Jong Verpakking	1Q23	83,000	54
NL	Kerkrade, Van Swietenstraat /	In commercialisation	3Q24	29,500	29
NL	Zuid-Limburg	Fully let	3Q23	31,000	24
NL	Zwolle	wehkamp	3Q23	33,000	26
NL	Zwolle	E-commerce project	4Q23	21,000	31
	2022-25				
NL	Breda	In commercialisation	2Q24	25,768	20
NL	Veghel	Alliance Health Care	4Q23	16,000	19
NL	Zwolle	Fully let	2Q24	18,000	25
NL				**328,668**	**284**
	2019-23				
RO	Slatina	Pirelli	1Q23	25,000	15
	2022-25				
RO	Almaj Dolj	Erkut	2Q23	6,242	5
RO	Bucharest - Stefanestii de Jos (2)	Fully let	1Q23	12,864	11
RO	Bucharest - Stefanestii de Jos (2)	E-Pantofi	1Q23	34,402	21
RO	Sibiu	Siemens	1Q24	8,761	6
RO	Slatina	Fully let	3Q24	48,335	36
RO	Târgu Lapus	Taparo	3Q23	14,656	8
RO	Timisoara	Fully let	2Q23	33,031	32
RO				**183,291**	**133**
Total				**715,326**	**578**

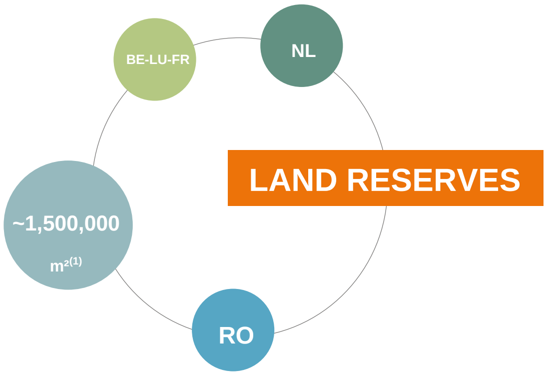
of which as of 31 December 2022
337 million euros must still be invested.

[4] Based on 100% of the investment for the fully consolidated entities (including WDP Romania) and the proportionate share for the joint ventures (i.e. 55% for Luxembourg and 29% for the WDPort of Ghent Big Box – X²O Badkamers/Exterioo). The lettable area for joint ventures is always shown on a 100% basis.



2.5. Further potential





(1) Buildable-surface area.

2.6. Gradual geographical expansion

2.6.1 Strategic partnership with Catena[5]

WDP has taken a 10% stake in Swedish-listed logistics real estate company Catena. Catena and WDP intend this strategic collaboration to achieve a wider geographical distribution for their clients so that customer service can also be provided in the regions located between those where both companies currently operate to optimise their customers' flows of goods. Moreover, this collaboration between Catena and WDP is aimed at exchanging knowledge on sustainability, project development, and the general activities of both companies to further optimise the fully integrated focus on the customer. It will also further embed their competitive position within the European logistics property market.

2.6.2 Complete consolidation of WDP Deutschland[6]

WVI GmbH (WDP's former 50/50 joint venture with VIB Vermögen AG for the joint expansion of both companies in North Rhine-Westphalia, Bremen and Hamburg) became a fully consolidated, wholly-owned subsidiary of WDP (WDP Deutschland GmbH) in mid-2022. The acquisition of the shares of VIB Vermögen AG (based on a valuation of the property portfolio of 90 million euros on a 100% basis)

[5] See press release of 29 March 2022.
[6] Through its wholly-owned subsidiary WDP Invest NV/SA.

by WDP occurred under normal market conditions and according to the terms and conditions set out in the joint venture agreement.

This acquisition of shares reflects WDP's ambition for future investments and operational activities in Germany, as confirmed by the objectives in the 2022-25 growth plan.

2.6.3 New project in France

In the port of Dunkirk, WDP has taken out an option on a concession related to a plot of land of 17 hectares with 90,000 m^2 buildable area. Plans for the construction of a state-of-the-art distribution centre have been drawn up and WDP has started commercialisation. The port offers direct access to French waterways, railways and the international road network. The port is part of Norlink Ports, a network of 3 maritime and 20 inland ports.

3. Value creation and ESG

3.1. Climate Action Plan

Download the complete plan

The WDP Climate Action Plan outlines the ambitious path that WDP will take to achieve net zero throughout its entire value chain (scope 1, 2 and 3) by 2050, taking into account a 1.5 °C scenario and the ambitious objectives of the EU Green Deal. This plan provides a clear framework that addresses both climate risks and business opportunities.

We strive to achieve the maximum impact in collaboration with all of our stakeholders. Our objectives are not therefore limited solely to our operating activities. We want our property portfolio – WDP's core product – to become carbon-free throughout its entire cycle and thus throughout our value chain (from development, through the operational phase of the building to its end-of-life), in close collaboration with our suppliers and customers).

M.A.D.E. for future: the objective of this climate action plan is clearly linked to the WDP core business namely **Material use**, **Adaptation**, **Decarbonisation** and **Electrification**. The plan is the basis for the rollout of three tracks, each with clear, ambitious and transparent objectives: **WDP Energy** in terms of energy efficiency and the production of renewable energy, **WDP Decarb+** in terms of CO_2 reduction and **WDP Green** with a view to green financing and green-certified warehouses.

The net-zero targets within the WDP Climate Action Plan were defined in line with these Science-Based Targets and as such are validated and approved by the SBTi.[7]

[7] The SBTi validation procedure sees WDP as a 'small or medium-sized enterprise', such that only the scope 1 and 2 objectives were taken into account. The WDP Climate Action Plan assumes a net zero objective for scope 1, 2 and 3.

		Target	2021	2022
WDP Energy	WDP electricity procurement green[8]	100% by 2023	56%	90%
	Renewable energy capacity	250 MWp by 2025	95 MWp	113 MWp
	Energy monitoring system[9]	100% by 2025	73%	78%
	LED coverage[9]	100% by 2030	40%	60%
			2020 base year	**2022**
WDP Decarb+	Scope 1 & 2 corporate offices[10]	Net-zero by 2025	25 $kgCO_2e/m^2$	3 $kgCO_2e/m^2$
	Scope 1 & 2 car park	Net-zero by 2030	1,150 $kgCO_2e$/FTE	2,074 $kgCO_2e$/FTE
	Scope 3 leased assets (downstream)[10]	Net-zero by 2040	17 kgCO2e/m²	On track
	Scope 3 capital goods (upstream)	Net-zero by 2050	270 kgCO2e/m²	On track
			2021	**2022**
WDP Green	Adoption of recommendations[11]	TCFD by 2024		On track
	Green certified assets	>75% by 2025	29%	39%
	Green financing	>75% by 2025	36%	58%

3.2. WDP Energy out of the starting blocks

The EU Green Deal expects transportation to decarbonise and switch to e-mobility to attain a fully sustainable supply chain. Moreover, the energy transition has gained momentum as a result of current geopolitical tensions and the subsequent energy crisis. WDP's Energy as a Business strategy primarily aims to respond to the accelerated and evolving customer energy needs to ensure its sites are more self-sufficient and decarbonised by increasing the use of green energy production and technology.

Indeed, WDP firmly believes that warehouse sites can play a crucial role in the decarbonisation of its client's supply chain. Scaling up renewable energy capacity by installing solar panels creates a solid basis for the further roll-out of other energy-related infrastructure such as batteries and charging points for electrical vehicles. WDP also sees a trend towards electrification of the trucks of their clients and their suppliers. This on-site power generation must be accompanied by

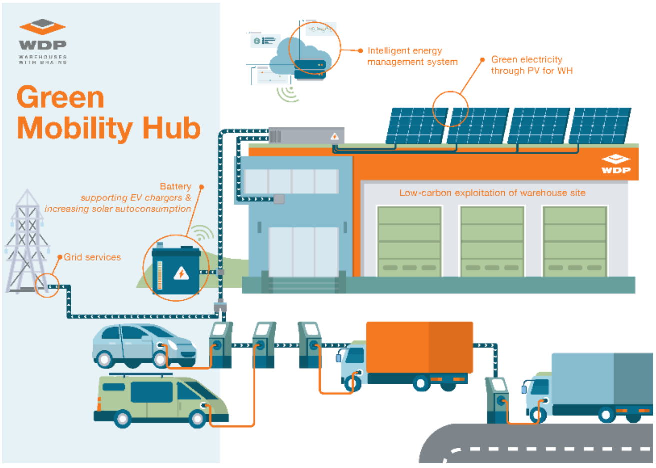
[8] With regard to the contracts that WDP has under its own management.
[9] For relevant buildings.
[10] Market-based.
[11] Compliance with TCFD by 2024 (Annual Report 2023). For more info on the other benchmarks and ratings: see *3.4 ESG benchmark performance*.

innovative technological hardware solutions, such as batteries and well-thought-out energy flow management, so that our customers can make their transport and operations more sustainable and economical.

Thus in 2022, WDP announced the installation of a Green Mobility Hub at one of its existing sites and the further expansion of its solar panel park, together accounting for an investment of approximately 150 million euros in the period 2023-24.

3.2.1 Existing site in Zellik becomes Green Mobility Hub[12]

The site leased by VPD in Zellik is being converted into a Green Mobility Hub. Note that logistics provider VPD handles last-mile operations from this site for numerous non-food retailers who expect CO_2-neutral services within their supply chain. Thus, this Green Mobility Hub will provide the energy production and infrastructure needed for the decarbonisation of transport and operations on-site by the customer. This will also support the wider community. WDP envisages an investment of 4 million euros for this project.



3.2.2 Substantial expansion of solar capacity

WDP intends to use solar panels to achieve a power capacity of 250 MWp by 2025. During 2022, the preparation and installation for about 55 MWp were started which must increase green energy production to a total capacity of about 150 MWp during 2023. Almost half of the currently planned additional solar power capacity will be generated on a single site, namely on the roof of the multimodal logistics park WDPort of Ghent at North Sea Port in the port of Ghent, which is under construction. This site will be equipped with a rooftop solar panel array covering no less than 150,000 m². The implementation of these energy projects involves an investment of 40 million euros.

Besides the previously announced investment in energy projects, WDP has identified an additional investment volume of over 100 million euros (mainly through the expansion of solar capacity in 2023-24). Over the next two years, WDP thus expects to invest approximately 150 million euros in energy projects with a targeted IRR (Internal Rate of Return) of circa 8%.[13]

[12] See the press release of 29 September 2022.
[13] Approximately 100 million euros of this amount was not yet reflected in the announced investment volume within the 2022-25 growth plan (due to it being in the start-up phase).

3.2.3 Team Energy & Sustainability shape new business line

The Energy as a Business strategy is driven by an enthusiastic WDP Energy & Sustainability team led by Elke Van Den Broucke, WDP's Head of Energy & Sustainability since early 2022. In 2022, this team brings together expertise, innovation, and resources and was expanded further with creative business developers, experienced project managers, and sustainability engineers. Together they will provide the crucial execution power and innovative approach that WDP's ambitious climate plan demands.

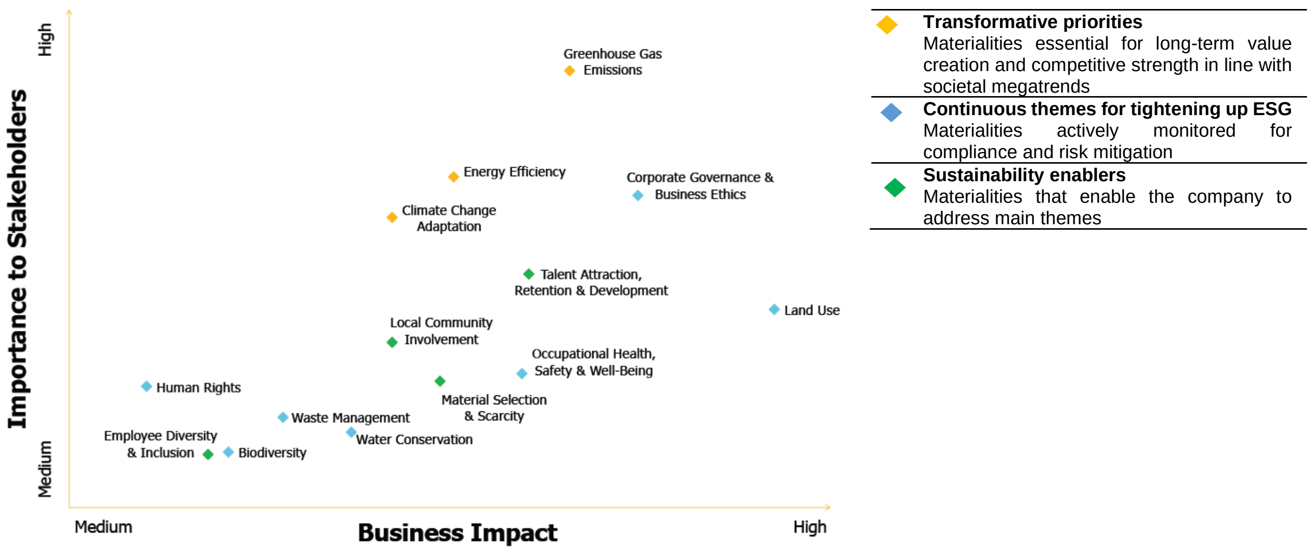
3.3. The materiality matrix sets the direction

Driven by WDP's increased ESG maturity and the launch of the Climate Action Plan, the materiality matrix was reviewed and the ESG strategy tightened up.

3.3.1 Materiality refresh

This matrix was set up based on a double materiality analysis, where the effects of WDP's business were examined on various sustainability aspects, as well as how such aspects affect the development, performance, and position of the company. This exercise actively involved all stakeholder groups in workshops and interviews, resulting in a new materiality matrix where most identified materialities are maintained although prioritised differently. Four new materialities were also added, two are no longer mentioned and two others were merged into one material theme.

3.3.2 The materiality matrix 2022



3.4. ESG benchmark performance

3.4.1 Inclusion in DJSI World index

WDP scored 75/100 in the 2022 S&P Global Corporate Sustainability Assessment, notably +12 points compared to the previous year (date score: 23 September 2022). This score ensured that WDP was once again a part of the DJSI Europe index since December 2022 and has also joined the DJSI World index. These indices respectively represent European top 10 and the world's top 20 sustainable real estate companies.

3.4.2 Overview

Besides the desired DJSI score, WDP's benchmark performance closely matches its stated ambitions. All targets were met (generally earlier than initially set), except for ISS ESG, where a score of Prime C by 2023 is targeted.

EPRA sBPR Gold	Gold
MSCI	AA
ISS ESG	Not Prime C-
CDP Driving Sustainable Economies	B
Dow Jones Sustainability Indexes	Inclusie DJSI Europe and DJSI World

4. Financial results

+17%

236.3 million euros
EPRA Earnings

6.7 billion euros
Fair value of the portfolio

91.3%
Operating margin

+13%

1.25 euros
EPRA Earnings per share

99.1%
Occupancy rate

4.0%
Like-for-like rental growth

5.5 year(s)
Average term of the leases

20.7 euros
EPRA NTA per share

4.1. Consolidated key figures and EPRA performance indicators

Consolidated key figures

Operational	31.12.2022	31.12.2021
Fair value of property portfolio (including solar panels) (in million euros)	6,656.0	6,054.3
Gross initial yield (including vacancies)[1] (in %)	5.7	5.2
Net initial yield (EPRA) (in %)	5.0	4.7
Average lease term (until first break) (in years)	5.5	5.6
Occupancy rate[2] (in %)	99.1	98.5
Like-for-like rental growth (in %)♦	4.0	1.4
Operating margin (in %)♦	91.3	90.7
Financial	**31.12.2022**	**31.12.2021**
Loan-to-value (in %)♦	35.4	36.7
Gearing ratio (proportionate) (in line with the GVV/SIR Royal Decree) (in %)	37.6	38.1
Net debt / EBITDA (adjusted) (in x)♦	7.1	7.9
Interest Coverage Ratio[3] (in x)	5.9	5.6
Average cost of debt (in %)♦	1.9	2.0
Average remaining duration of outstanding debt (in years)	5.6	4.5
Weighted average maturity of all drawn and undrawn credit lines	5.6	4.6
Hedge ratio (in %)♦	97.4	82.9
Average remaining term of hedges[4] (in years)	6.6	6.3
Result (in million euros)	**31.12.2022**	**31.12.2021**
Property result	319.6	278.4
Operating result (before the result on the portfolio)	291.8	252.6
Financial result (excluding change in the fair value of financial instruments)♦	-43.4	-39.9
EPRA Earnings♦	236.3	201.2
Result on the portfolio (including share joint ventures) - Group share♦	-101.9	730.5
Change in the fair value of financial instruments - Group share	224.6	52.4
Depreciation and write-down on solar panels (including share joint ventures) - Group share	-7.2	-1.8
Net result (IFRS) - Groupe share	351.7	982.3
Details per share (in euros)	**31.12.2022**	**31.12.2021**
EPRA Earnings♦	1.25	1.10
Result on the portfolio (including share joint ventures) - Group share♦	-0.54	4.00
Change in fair value of the financial instruments - Group share	1.19	0.29
Depreciation and write-down on solar panels - Group share	-0.04	-0.01
Net result (IFRS) - Group share	1.86	5.38
IFRS NAV[5]	20.9	19.0
EPRA NTA♦	20.7	20.1
EPRA NRV♦	22.6	21.7
EPRA NDV♦	21.8	19.0

The Alternative Performance Measures (APM), for example the EPRA key performance measures, used by WDP, are accompanied by a symbol (♦). Their definition and reconciliation can be consulted in the Annexes of this document.

1 Calculated by dividing 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).
2 Calculated based on the rental values for the leased properties and the non-leased surfaces. Ongoing projects and/or renovations are not considered.
3 Defined as operating result (before the result on the portfolio) divided by interest charges less interest and dividends collected less the fee for financial leasing and other.
4 The remaining duration of debt at fixed rate and interest rate hedges entered into to hedge the debt against interest rate fluctuations.
5 IFRS NAV: Net asset value before profit distribution of the current year in accordance with the IFRS balance sheet. The IFRS NAV is calculated as the shareholders' equity as per IFRS divided by the number of shares entitled to dividend on the balance sheet date.

EPRA key performance indicators

	31.12.2022	31.12.2021
EPRA NTA (in euros per share)	20.7	20.1
EPRA NRV (in euros per share)	22.6	21.7
EPRA NDV (in euros per share)	21.8	19.0
EPRA Net Initial Yield (in %)	5.0	4.7
EPRA Topped-up Net Initial Yield (in %)	5.0	4.7
EPRA vacancy rate (in %)	0.9	1.5
EPRA Cost Ratio (incl. direct vacancy costs) (in %)	10.0	10.5
EPRA Cost Ratio (excl. direct vacancy costs) (in %)	9.7	10.2

The definition and reconciliation of the Alternative Performance Measures (APM), for example the EPRA key performance measures, used by WDP, are to be consulted in the Annexes of this document.

4.2. Notes to the profit and loss account as of 31 December 2022 (analytical schedule)

4.2.1 Property result

The property result amounts to 319.6 million euros for 2022, an increase of 14.8% compared to last year (278.4 million euros). This increase is driven by continued portfolio growth in 2021-22, primarily through new pre-let projects. Without changes to the portfolio, rental income levels increased by 4.0% driven by the indexation of leases. As a result of rising inflation, WDP saw this like-for-like rental growth (broken down as 2.0% in Q1, 4.0% in Q2, 4.5% in Q3 and 5.5% in Q4) accelerating throughout the year as leases continued to be indexed.

The property result also includes 22.9 million euros of income from solar panels – compared to 17.8 million euros last year, based on higher income due to a higher installed capacity and higher income due to organically higher electricity prices.

Other operating income and expenses include some non-recurring income of approximately 7 million euros.

Gross rental income by country

(in euros x 1,000)	Belgium	The Netherlands	France	Germany[1]	Romania	Total IFRS	Luxembourg[1]	Germany[1]
I. Rental income	91.133	131.749	7.131	1.716	61.522	293.250	3.395	462
III. Costs related to leases[2]	158	273	-207	-7	-528	-310	-5	7
Rental income, net of rental-related expenses	**91.291**	**132.023**	**6.924**	**1.709**	**60.994**	**292.940**	**3.390**	**469**

1 Taking into account the proportional share in WDP's rental income for Luxemburg (55%). WDP Deutschland is completely consolidated as of 1 July 2022, for the first half year equity method was applied.
2 The heading Costs related to leases consists of Provisions for trade receivables and Rent to be paid for leased premises.

4.2.2 Operating result (before the result on the portfolio)

The operating result (before result on portfolio) amounts to 291.8 million euros over 2022, up by 15.5% compared to the same period last year (252.6 million euros). The property and other general expenses amount to 27.8 million euros over 2022, up year-on-year, in line with portfolio growth. The operating margin remains high at 91.3%, up from 90.7% in the same period last year.

4.2.3 Financial result (excluding changes in the fair value of the financial instruments)

The financial result (excluding changes in the fair value of financial instruments) amounts to -43.4 million euros over 2022, an increase of 9.0% compared to last year (-39.9 million euros) due to higher average outstanding financial liabilities as well as the significant strengthening of the liquidity position (especially through additional free credit lines). The higher amount was partly compensated by the positive impact of a slightly lower average cost of debt. This financial result includes the recurring expense related to -3.0 million euros for land under concession, which in accordance with IFRS 16 will be accounted for through the *Financial result*.

Total financial debts (in accordance with IFRS) are 2,401.9 million euros as per 31 December 2022, compared to 2,193.7 euros in the same period last year. The average interest rate is 1.9% over 2022, down 10 basis points compared to the same period in 2021 (2.0%).

4.2.4 Share of EPRA Earnings from associated companies and joint ventures

The result of 8.7 million euros over 2022, primarily relates to the contribution in connection with the participation in Catena as of Q2 2022 that is recognised in the IFRS accounts via the equity accounting method.

4.2.5 EPRA Earnings

WDP's EPRA Earnings for 2022 amounts to 236.3 million euros. This result marks an increase of 17.4% compared to the result of 201.2 million euros in 2021. The EPRA Earnings per share are up 13.2% year-on-year to 1.25 euros, including an increase of 3.7% in the weighted average number of outstanding shares. This increase in EPRA Earnings was mainly driven by pre-let new construction projects and organic growth via the indexation of leases as well as by newly realised acquisitions and some non-recurring income.

4.2.6 Result on the portfolio (including the share of joint ventures) – Group share

The sharp rise in interest rates, more restrictive and more expensive capital and an uncertain macroeconomic outlook have led to a substantial fall back of liquidity in the property market. Indeed, the changed price expectation today creates a high bid/ask spread between buyers and sellers and has led to a significantly lower number of transactions in the investment market. On the other hand, there is sufficient interest and capital available for investment in logistics property because of its solid long-term fundamentals. However, the market is searching for a new balance given the new economic parameters. This trend has led to an adjustment in the yields applied by property appraisers as of Q4 2022.

The result on the portfolio (including the share of joint ventures and after tax) – Group share for 2022 amounts to -101.9 million euros or -0.54 euros per share. For the same period last year, this result amounted to +730.5 million euros or +4.00 euro per share. This breaks down by country as follows: Belgium (+41.9 million euros), the Netherlands (-178.0 million euros), France (+2.8 million euros), Romania (+25.9 million euros), Germany (-3.0 million euros), Luxembourg (+6.1 million euros), and Sweden (+2.4 million euros). The result for the Netherlands relates to an increase of the registration costs (transfer tax) from 8% to 10.4% as of 1 January 2023, which will be deducted by calculation of the fair value – WDP has recognised this impact of -61 million euros in the accounts as of 31 December 2022 (namely, Q4 2022).

The revaluation of the portfolio (excluding deferred taxes on the portfolio result and the result on sales of investment properties) amounts to -127.3 million euros over 2022, down by -2.0%. This is mainly due to an increase of the yield on the standing property portfolio of +50bps in the discount rate applied by the property valuers and an increase of the transfer tax in the Netherlands, partly compensated by the increase in estimated market rent values (+11% in 2022), as well as by unrealised capital gains on the projects. Over the first 9 months of the year, the portfolio result was positive, with a turnaround in Q4 when the negative portfolio revaluation was -407.5 million euros as the upward yield shift manifested itself during the last quarter, as did the increase of the transfer tax in the Netherlands. As per 31 December 2022, the property portfolio is valued at an EPRA NIY of 5.0%, +30bps year-on-year.

4.2.7 Change in the fair value of financial instruments – Group share

Changes in the fair value of financial assets and liabilities – Group share[14] amount to 224.6 million euros or 1.19 euros per share for 2022 (versus 52.4 million euros or 0.29 euros per share in 2021). This positive impact is due to the variation of the fair value of the interest rate hedges (Interest Rate Swaps) entered into on 31 December 2022 due to the strong increase in long-term interest rates during 2022.

The fair value variation has no impact on cash and is an unrealised item, so it is excluded from the financial result in the analytical presentation of results and presented separately in the profit and loss account.

4.2.8 Depreciation and write-down on solar panels (including share joint ventures) – Group share

The solar panels are valued on the balance sheet at fair value based on the revaluation model in accordance with IAS 16 *Tangible fixed assets*. In compliance with IAS 16, WDP must include a depreciation component in its IFRS accounts according to the residual service life of the PV installations. The depreciation is calculated based on the fair value from the previous balance sheet date. This newly calculated net book value is subsequently revalued at the fair value. This revaluation is booked directly in the equity insofar that it still exceeds the historical cost price, plus accumulated depreciations. If it does not, then it is entered in the profit and loss account. The depreciation component and write-down amount to -7.2 million euros. Since this impact of the depreciation and amortisation of solar panels involves a non-cash and unrealised item, it is excluded from the operating result in the analytical presentation of the results and is shown separately in the profit and loss account.

[14] Changes in the fair value of financial assets and liabilities – Group share (non-cash item) are calculated based on the mark-to-market (M-t-M) value of interest rate hedges concluded.

4.2.9 Net result (IFRS) – Group share

The EPRA Earnings along with the result on the portfolio, changes in the fair value of financial instruments and the depreciation and write-down on solar panels produce a net result (IFRS) – a Group share for 2022 of 351.7 million euros (compared to the same period last year, when this figure was 982.3 million euros).

The difference between the net result (IFRS) – Group share of 351.7 million euros and the EPRA Earnings of 236.3 million euro is mainly due to the positive variation of the fair value of interest rate hedging instruments, partly reduced by the negative revaluation of the portfolio.

When preparing the profit and loss account, a situation was taken into account as of 1 January 2021 in which WDP could not continue to qualify as FBI in the Netherlands, due to the current significant uncertainty in view of the tax ruling that was revoked as of 1 January 2021, as explained earlier.[15]

The impact on EPRA Earnings is approximately 1 million euros per quarter and +41.8 million euros on the portfolio result over 2022 via the reversal of deferred taxes on the property. WDP processes these commissions in its accounts out of a principle of prudence. Given that a tax ruling is not an absolute requirement to be able to apply for the FBI regime, and that WDP believes that it meets all the conditions and the circumstances and facts are unchanged, the company will continue to file its tax returns as an FBI.

In the announcement of the Dutch 2023 budget on 20 September 2022, WDP noted the declaration of intent to use a legislative amendment to exclude real estate from the Dutch FBI regime as of 1 January 2024. WDP is disappointed with this chosen path given the previously favourable report by the independent Dutch research institute SEO commissioned by the Dutch Ministry of Finance and given the social and economic contribution that can be made by listed REITs. In response to this report, the Finance Cabinet decided to postpone its entry into force to 1 January 2025.

However, this announcement has no direct impact on WDP because the company took the precaution of assuming a non-FBI scenario in the preparation of its accounts – and thus also for the 2022-25 growth plan. However, for the period prior to 1 January 2025 (specifically 2021-24), the competent authorities in the Netherlands have not yet taken a position. Nevertheless, WDP remains convinced that the company continues to meet all conditions within the current legislative framework and that the facts and circumstances remain unchanged in the period leading up to 1 January 2025 (should the Dutch government go ahead with plans to abolish the real estate FBI).

4.3. Notes to the balance sheet per 31 December 2022

4.3.1 Property portfolio[16]

According to independent property experts Stadim, JLL, Cushman & Wakefield, CBRE and BNP Paribas Real Estate, the fair value[17] of the WDP property portfolio as per 31 December 2022 according to IAS 40 amounted to 6,492.1 million euros, compared to 5,894.5 million euros at the start of the financial year (including *Assets held for sale*). Together with the valuation at fair value of the

[15] See the press release dated 29 January 2021.
[16] Under IFRS 11 *Joint arrangements*, the joint ventures are incorporated using the equity accounting method. With regard to portfolio reporting statistics, the proportionate share of WDP is shown for the portfolio in WDPort of Ghent Big Box (29%) and Luxembourg (55%).
[17] For the exact valuation method, we refer to the BE-REIT press release of 10 November 2016.

investments in solar panels[18], the total portfolio value amounts to 6,656.0 million euros, compared to 6,054.3 million euros at the end of 2021.

This value of 6,656.0 million euros includes 5,994.0 million euros in completed properties (standing portfolio).[19] Ongoing projects represent a value of 297.6 million euros. In addition, there are the land reserves at Genk, Breda, Sint-Katelijne-Waver and Schiphol, and land potential in Romania, representing a fair value of 200.6 million euros.

The investments made in solar panels are valued at a fair value of 163.9 million euros as per 31 December 2022.

Overall, the portfolio is valued at a gross rental yield of 5.7%[20]. The gross rental yield after deduction of the estimated market rent value for the non-let portions is 5.6%.

Portfolio statistics by country

	Belgium	The Netherlands	France	Luxembourg	Romania	Germany	Total
Number of lettable sites	95	111	7	4	65	2	284
Gross lettable area (in m²)	2,264,546	2,627,974	192,765	54,335	1,482,309	60,068	6,681,997
Land (in m²)	4,456,748	4,958,486	467,237	93,477	6,703,637	105,775	16,785,359
Fair value (in million euros)	2,189	2,847	179	89	1,109	79	6,492
% of total fair value	34%	44%	3%	1%	17%	1%	100%
% change in fair value (YTD)	2.0%	-7.7%	1.6%	10.2%	3.5%	-2.9%	-2.0%
Vacancy rate (EPRA)[1,2]	1.4%	0.3%	2.4%	0.1%	1.1%	0.0%	0.9%
Average lease length till first break (in y)[2]	4.9	5.7	2.9	7.4	6.0	6.2	5.5
WDP gross initial yield[3]	5.0%	5.7%	4.6%	5.0%	7.4%	4.4%	5.7%
Effect of vacancies	-0.1%	0.0%	-0.1%	0.0%	-0.1%	0.0%	-0.1%
Adjustment gross to net rental income (EPRA)	-0.2%	-0.3%	-0.1%	-0.3%	-0.1%	-0.1%	-0.3%
Adjustments for transfer taxes	-0.1%	-0.5%	-0.3%	-0.3%	-0.1%	-0.3%	-0.3%
EPRA net initial yield[1]	4.6%	4.8%	4.0%	4.4%	7.1%	4.0%	5.0%

1 Financial performance indicator 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 and the rental value of the unlet properties by fair value. The fair value is the value of the property investments after deduction of transaction costs (mainly transfer tax).

4.3.2 NAV per share

The EPRA NTA per share amounted to 20.7 euros as of 31 December 2022. This represents an increase of 0.6 euros (+3%) against an EPRA NTA per share of 20.1 euro on 31 December 2021 as a result of the EPRA Earnings generation (+1.25 euros), the strengthening of equity capital as a result of some contributions in kind and the ABB (+0.28 euro), the revaluation of the portfolio (including solar panels) (-0.58 euros) and other (+0.54 euros), and after the dividend distribution (-0.88 euros). IFRS NAV per share[21] amounts to 20.9 euros as of 31 December 2022 compared to 19.0 euros per 31 December 2021.

[18] Investments in solar panels are valued in accordance with IAS 16 by applying the revaluation model.
[19] Including a right of use of 72 million euros, related to the land held through a concession in accordance with IFRS 16.
[20] Calculated by dividing the annualised contractual gross (cash) rents and the rental value of the unlet parts by the fair value. The fair value is the value of the investment properties after deduction of transaction costs (mainly transfer tax).
[21] The IFRS NAV is calculated as the equity capital as per IFRS divided by the total number of shares entitled to dividend on the balance sheet date. This is the net value according to Belgian GVV/SIR legislation.

5. Management of financial resources

LOAN-TO-VALUE

35.4%

100%
FINANCING NEEDS COVERED

- ☑ 100% until at least the end of 2025
- ☑ 100% committed CAPEX 2023-24
- ☑ 100% commercial paper

GEARING RATIO

7.1x
Net debt / EBITDA (adjusted)

5.9x
Interest Coverage Ratio

LIQUIDITY

~ 1.7 billion euros
Undrawn credit facilities

1.9%
Cost of debt

MATURITY OF OUTSTANDING DEBT

5.6 years
Maturity of debt

97%
Hedge ratio

6.6 years
Maturity of hedges

GREEN FINANCING

1.4 billion euros

58%
of outstanding debt

CREDIT RATINGS – STABLE OUTLOOK

Baa1
Moody's

BBB+
Fitch

5.1. Financial position

Total financial liabilities (as per IFRS) increased to 2,401.9 million euros as of 31 December 2022 compared to 2,193.7 million euros at the end of December 2021. The current financial liabilities of 179.9 million euros include the commercial paper programme (168.9 million euros), short-term straight loans (10.2 million euros) and long-term financing maturing within the year (0.9 million euros).

The balance sheet total increased from 6,106.2 million euros as of 31 December 2021 to 7,053.8 million euro as of 31 December 2022. The loan-to-value, which compares the net financial debt with the portfolio value[22], is 35.4% as of 31 December 2022, compared to 36.7% as of 31 December 2021. The (proportional) gearing ratio declined further to 37.6% per 31 December 2022, compared to 38.1% per 31 December 2021. This favorable evolution was mainly driven by the firm reinforcing of equity capital increase (approximately 675 million euros via ABB's capital increase of 300 million euros, contribution in kind for 176 million euros, the sale of two pre-hedging instruments for 125 million euros and retained earnings for 74 million euros). WDP contracted these pre-hedging instruments at the start of 2022 to hedge the issuance of debt under the USPP for 500 million euros and the syndicated loan for 440 million euros. These hedging instruments were sold when these debts were issued to fix the total interest rate on the transaction (i.e. 1.5% fixed-cost both cases), and the amount received of 125 million (more specifically, the positive market value at the time of settlement) euros was recorded directly in equity and will be recognised in and distributed over the profit and loss over the term of these loans.

The weighted average term of WDP's outstanding financial debt as of 31 December 2022 amounts to 5.6 year[23]. This is a significant improvement compared to 4.5 years at the end of 2021.

Total undrawn and confirmed long-term credit lines have been reinforced significantly and amount to approximately 1.7 billion euros[24]. This provides WDP with ample funds to finance ongoing projects (337 million euros), planned energy projects (150 million euros) and financing maturing in 2023-24 (330 million euros), including a buffer to respond to market opportunities. This excludes expected cash flow through retained earnings and optional dividend and refinancing of loans.

The average cost of debt is 1.9% over 2022. The Interest Coverage Ratio[25] is equal to 5.9x for the same period, compared with 5.6x for the full financial year 2021. The hedge ratio, which measures the percentage of financial debt at a fixed or floating interest rate and is then hedged through Interest Rate Swaps (IRSes), is 97% with a weighted average hedging term of 6.6 years and averages 87% over the next five years.

5.2. Financing strategy during 2022

- Capital increase through contribution in kind for 37 million euros[26]

  At the beginning of 2022, WDP acquired three neighbouring sites in the Hoogveld industrial zone in Dendermonde with a contribution in kind against a payment of 1,159,074 new WDP shares. The transaction has led to a 36.8 million euros increase in equity capital.

[22] Based on IFRS statements including solar panels and receivables from and participations in joint ventures.
[23] Including the short-term debt: this mainly includes the commercial paper programme that is fully covered by back-up facilities.
[24] Excluding credit facilities to hedge the commercial paper programme already deducted in this amount.
[25] Defined as operating result (before result on the portfolio), divided by interest rates, minus interest and dividend collection, minus compensation for financial leasing and others.
[26] See press release of 10 March 2022.

- Placement of 500 million euros of green bonds via US private placement.[27]

  WDP has successfully placed 500 million euros of green unsecured notes via US private placement with 8 international investors. The effective interest rate for the Company for these ten-year bonds is 1.52% (including pre-hedges). The proceeds from these green bonds will be used exclusively for the financing and refinancing of eligible assets as defined in the WDP Green Finance Framework.

- Capital increase through contribution in kind for 19 million euros[28]

  WDP has become the owner of the Bornem site, with administrative buildings and accompanying land reserve from neighbouring owner Qualiphar through a contribution in kind against payment of 626,526 new WDP shares. The transaction has led to an 18.8 million euros increase in equity capital.

- Capital increase through contribution in kind for 120 million euros[29]

  WDP acquired seven logistics sites from SEDIMMO NV in Tournai accounting for an overall investment of approximately 120 million euros. This acquisition was achieved with a staggered contribution in kind of the sites to WDP. On 14 September 2022, the first part of this transaction was completed via a contribution in kind against payment of 2,398,747 new WDP shares. This first phase resulted in a 67.5 million euros bolstering of equity capital. The second – and concluding – part was implemented on 10 November 2022 via a contribution in kind against payment of 2,092,788 new shares, resulting in a 52.8 million euros reinforcement of equity capital.

- Capital increase through accelerated private placement for 300 million euros

  WDP launched a capital increase in cash within the authorised capital with the waiving of the statutory preferential right of the existing shareholders (insofar needed, partly in favour of WDP's current reference shareholder, the management body RTKA (the Family Jos De Pauw)) and without granting an irreducible allocation right to the existing shareholders. The capital increase was achieved through an exempt accelerated private placement with the composition of an order book (accelerated bookbuilding or ABB) with internationally qualified and/or institutional investors.

  The gross amount of this capital increase amounted to 300 million euros via the issue of 12,931,035 new shares at an issue price of 23.20 euros per share. The 12,931,035 new shares (including the 715,000 new shares to the Jos De Pauw family amounting to approximately 17 million), corresponds to approximately 6.84% of the outstanding capital prior to the capital increase. This issue price represents a discount of 5.9% from the last share price on Wednesday 19 October 2022 of 24.66 euros.

- Baa1 and BBB+ first-time issuer credit rating with Stable Outlook[30]

  WDP received first-time issuer credit ratings with Stable Outlook by to respectively Moody's and Fitch ratings, Baa1 and BBB+. These ratings reflect WDP's prudent financial policies and strong access to capital, as well as its commitment to a profit-based leverage ratio (net debt / EBITDA) and a diversified customer portfolio that aims at a long-term cash flow. The ratings are also supported by a high-

[27] See press release of 14 April 2022.
[28] See press release of 22 June 2022.
[29] See press releases of 14 September 2022 and 10 November 2022 and *2.2 Operating activities during 2022 - Acquisitions and disinvestments* in this press release.
[30] See press release dated 8 November 2022.

performing property portfolio with persistently high occupancy rate, retention and stable rental income (moreover, CPI-linked).

- Further reinforcing of liquidity through a syndicated loan of 440 million euros

  WDP managed to take out a syndicated loan facility with a consortium of international banks led by China Construction Bank for a total amount of 440 million euros. This loan (which was drawn as from 13 January 2023) will be used to finance the pre-let property projects and the Energy as a Business strategy in keeping with WDP’s Green Finance Framework. The effective fixed interest rate for this seven-year bullet loan maturing in 2030 is 1.5% (including pre-hedging fixed in early 2022).

6. Outlook

6.1. Outlook 2023

In 2023, WDP expects EPRA Earnings per share of 1.35 euros, up +8% year-on-year from 1.25 euros per share in 2022. Based on this outlook, a dividend per share of 1.08 euros gross is proposed for 2023 (payable in 2024), based on a comparable increase and a low payout rate of 80%.

Underlying assumptions

- Portfolio growth in 2022-23 primarily through pre-let new construction projects.
- An organic growth due to indexation clauses in its leases of 5%.
- A minimum average occupancy rate of 98% and stable payment behaviour of customers.
- A fiscal provision, should WDP not continue to qualify as an FBI in the Netherlands (4 million euros), is motivated by caution given the current significant uncertainty created by the withdrawal of the fiscal ruling as of 1 January 2021 by the Dutch tax authorities.[31]
- A loan-to-value – based on the current valuation of the portfolio – below 40% and an average cost of debt around 2%.

6.2. Growth plan 2022-25

GROWTH FOR FUTURE

In early 2022, WDP announced a strategic 2022-25 growth plan where the targeted growth should be supported by the structural demand for logistics space, internal growth and value creation within the existing portfolio and scaling up of its Energy as a business strategy.[32]

This four-year plan aspires to achieve an annual increase in EPRA Earnings per share of +8% to 1.50 euros in 2025. The dividend per share is expected to evolve synchronously towards 1.20 euros in 2025. Throughout 2022, the growth plan was able to record a strong progression of 13% per EPRA Earnings per share to 1.25 euros.

WDP remains focused on the long-term profit target in its growth plan and remains alert and vigilant to achieve that goal. However, the parameters underlying this growth plan have changed due to changed market conditions (such as a sharply increased cost of capital, persistently high construction costs and high inflation). Even in a more challenging environment, WDP believes that it is well positioned to continue to create value for its shareholders through growth in EPRA Earnings per share and dividend per share, while maintaining a solid financial position. More specifically, we will prioritize profitability and be more selective about new investments, we will further focus on internal growth opportunities and we will accelerate the roll-out of WDP ENERGY. The contribution to the result of our organic growth (mainly via rent indexation) and the energy projects should therefore increase, compared to the share of external growth as originally foreseen in the growth plan.

To this end, WDP relies on an inflation-proof cash flow profile thanks to indexation clauses in the leases combined with rising market rents. For example, in 2023, WDP expects a positive impact on rents of

[31] For more information, see *4.2.9 Net result (IFRS) – Group share*.
[32] For a full description of the 2022-25 growth plan and its drivers, see the press release dated 28 January 2022.

+5% driven by indexation of contracts. Moreover, the cost of debt at 97% is almost fully hedged for an average term of 7 years and the average hedge ratio over the next 5 years amounts to 87%.

The logistics property sector remains fundamentally sound given the crucial role of logistics within the economy for various industries (both on the inbound and outbound sides of the supply chain), despite a possible cyclical reduction in demand due to macroeconomic uncertainty. Nevertheless, the upward pressure on market rents is further supported by limited availability (vacancy in the market <5% in all regions where WDP operates) and scarcity of land.

Since the last quarter, WDP has seen a high-level stabilisation for both construction prices and longer delivery times for new projects. For the new projects, WDP is charging higher rents. However, achieving the targeted returns remains a challenge for each individual project. To this extent it is important that the investments are calibrated to the changed economic parameters.

This 2023 outlook and the 2022-25 growth plan targets are based on current knowledge and situation and notwithstanding unforeseen circumstances due to the evolution of external factors, such as a weakening macroeconomic outlook, high market volatility and a sharply increased cost of capital.

7. Financial calendar

19 April 2023	Announcement of Q1 2023 results
26 April 2023	Annual General Meeting on the 2022 financial year
27 April 2023	2022 ex-dividend date
28 April 2023	Record date dividend 2022
17 May 2023	Payment date 2022 dividend
28 July 2023	Announcement of 2023 half-year results
18 October 2023	Announcement of Q3 2023 results

For any changes, reference is made to the financial agenda on the WDP website.

8. Financial statement – Key figures 31 December 2022 – analytical (results and balance sheet)

Profit and loss account

(in euros x 1,000)	FY 2022	FY 2021	∆ y/y (abs.)	∆ y/y (%)
Rental income, net of rental-related expenses	292,940	255,525	37,415	14.6%
Indemnification related to early lease terminations	0	435	-435	n.r.
Income from solar energy	22,902	17,754	5,148	29.0%
Other operating income/costs	3,782	4,731	-949	n.r.
Property result	**319,624**	**278,445**	**41,178**	**14.8%**
Property charges	-11,705	-9,082	-2,623	28.9%
General Company expenses	-16,078	-16,751	673	-4.0%
Operating result (before the result on the portfolio)	**291,841**	**252,613**	**39,228**	**15.5%**
Financial result (excluding change in the fair value of the financial instruments)	-43,449	-39,873	-3,577	9.0%
Taxes on EPRA Earnings	-13,573	-7,497	-6,076	n.r.
Deferred taxes on EPRA Earnings	0	84	-84	n.r.
Share in the result of associated companies and joint ventures	8,705	2,013	6,692	n.r.
Minority interests	-7,250	-6,150	-1,101	17.9%
EPRA Earnings	**236,273**	**201,190**	**35,083**	**17.4%**
Variations in the fair value of investment properties (+/-)	-157,754	825,957	-983,711	n.r.
Result on disposal of investment property (+/-)	519	6,410	-5,891	n.r.
Deferred taxes on the result on the portfolio (+/-)	34,389	-113,226	147,615	n.r.
Share in the result of associated companies and joint ventures	25,469	16,610	8,859	n.r.
Result on the portfolio	**-97,376**	**735,751**	**-833,128**	**n.r.**
Minority interests	-4,569	-5,292	723	n.r.
Result on the portfolio - Group share	**-101,945**	**730,459**	**-832,404**	**n.r.**
Change in the fair value of financial instruments	220,091	52,388	167,703	n.r.
Share in the result of associated companies and joint ventures	4,475	0	4,475	n.r.
Change in the fair value of financial instruments	**224,566**	**52,388**	**167,703**	**n.r.**
Minority interests	0	0	0	n.r.
Change in the fair value of financial instruments - Group share	**224,566**	**52,388**	**172,178**	**n.r.**
Depreciation and write-down on solar panels	-7,255	-1,423	-5,832	n.r.
Share in the result of associated companies and joint ventures	-5	0	-5	n.r.
Depreciation and write-down on solar panels	**-7,260**	**-1,423**	**-5,837**	**n.r.**
Minority interests	77	-349	426	n.r.
Depreciation and write-down on solar panels - Group share	**-7,182**	**-1,772**	**-5,410**	**n.r.**
Net result (IFRS)	**363,453**	**994,056**	**-630,603**	**n.r.**
Minority interests	-11,742	-11,791	49	n.r.
Net result (IFRS) - Group share	**351,711**	**982,266**	**-630,554**	**n.r.**

Key ratios

(in euros per share)	FY 2022	FY 2021	∆ y/y (abs.)	∆ y/y (%)
EPRA Earnings[1]	1.25	1.10	0.15	13.2%
Result on the portfolio - Group share[1]	-0.54	4.00	-4.54	n.r.
Change in the fair value of financial instruments - Group share[1]	1.19	0.29	0.90	n.r.
Depreciation and write-down on solar panels - Group share[1]	-0.04	-0.01	-0.03	n.r.
Net result (IFRS) - Group share[1]	1.86	5.38	-3.52	n.r.
EPRA Earnings[2]	1.16	1.08	0.08	7.0%
Proposed payout	203,980,363	163,619,515	40,360,848	24.7%
Dividend payout ratio (versus EPRA Earnings)[3]	86.3%	81.3%	5.0%	n.r.
Gross dividend	1.00	0.88	0.12	13.6%
Net dividend	0.70	0.62	0.08	13.6%
Weighted average number of shares	189,421,171	182,624,126	6,797,045	3.7%
Number of shares entitled to dividend	203,980,363	185,931,267	18,049,096	9.7%

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 in absolute terms based on the consolidated result. Dividend is distributed based on the statutory result by WDP NV/SA.

Profit and loss account

(in euros x 1,000)	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Rental income, net of rental-related expenses	70,239	71,345	74,832	76,525
Indemnification related to early lease terminations	0	0	0	0
Income from solar energy	3,624	8,061	6,638	4,579
Other operating income/costs	-2,037	2,561	925	2,333
Property result	**71,826**	**81,967**	**82,395**	**83,436**
Property charges	-3,279	-2,724	-2,625	-3,077
General Company expenses	-2,209	-4,808	-4,376	-4,685
Operating result (before the result on the portfolio)	**66,338**	**74,435**	**75,394**	**75,674**
Financial result (excluding change in the fair value of the financial instruments)	-10,071	-10,700	-11,715	-10,963
Taxes on EPRA Earnings	-2,053	-3,263	-3,559	-4,699
Deferred taxes on EPRA Earnings	0	0	0	0
Share in the result of associated companies and joint ventures	463	2,915	3,092	2,235
Minority interests	-1,679	-1,783	-1,898	-1,889
EPRA Earnings	**52,998**	**61,604**	**61,314**	**60,357**
Variations in the fair value of investment properties (+/-)	126,419	120,978	3,480	-408,631
Result on disposal of investment property (+/-)	-55	0	441	133
Deferred taxes on the result on the portfolio (+/-)	-29,182	-22,079	-1,199	86,848
Share in the result of associated companies and joint ventures	1,788	17,576	5,985	121
Result on the portfolio	**98,971**	**116,475**	**8,706**	**-321,530**
Minority interests	-109	-4,465	-697	702
Result on the portfolio - Group share	**98,862**	**112,011**	**8,009**	**-320,827**
Change in the fair value of financial instruments	74,268	55,779	65,272	24,772
Share in the result of associated companies and joint ventures	0	3,426	-33	1,083
Change in the fair value of financial instruments	**74,268**	**59,205**	**65,238**	**25,855**
Minority interests	0	0	0	0
Change in the fair value of financial instruments - Group share	**74,268**	**59,205**	**65,238**	**25,855**
Depreciation and write-down on solar panels	-1,702	-1,548	-1,671	-2,333
Share in the result of associated companies and joint ventures	0	1	7	-13
Depreciation and write-down on solar panels	**-1,702**	**-1,547**	**-1,664**	**-2,346**
Minority interests	19	19	19	19
Depreciation and write-down on solar panels - Group share	**-1,683**	**-1,528**	**-1,645**	**-2,327**
Net result (IFRS)	**226,215**	**237,520**	**135,492**	**-235,774**
Minority interests	-1,769	-6,229	-2,576	-1,168
Net result (IFRS) - Group share	**224,445**	**231,292**	**132,916**	**-236,941**

(in euros per share)	Q1 2022	Q2 2022	Q3 2022	Q4 2022
EPRA Earnings[1]	0.29	0.33	0.33	0.30
Result on the portfolio - Group share[1]	0.53	0.60	0.04	-1.61
Change in the fair value of financial instruments - Group share[1]	0.40	0.32	0.35	0.13
Depreciation and write-down on solar panels - Group share[1]	-0.01	-0.01	-0.01	-0.01
Net result (IFRS) - Group share[1]	1.21	1.24	0.71	-1.19
EPRA Earnings[2]	0.29	0.33	0.32	0.30
Weighted average number of shares	185,042,644	185,986,347	186,974,967	199,548,206
Number of shares entitled to dividend	185,931,267	186,557,793	188,956,540	203,980,363

1 Calculation based on the weighted average number of shares.

2 Calculation based on the number of shares entitled to dividend.

Consolidated balance sheet

(in euros x 1,000)	31.12.2022	31.12.2021	Δ (abs.)	Δ (%)
Intangible fixed assets	860	1,101	-241	n.r.
Investment property	6,351,916	5,795,243	556,673	9.6%
Other tangible fixed assets (including solar panels)	166,351	164,586	1,765	1.1%
Financial fixed assets	169,308	7,126	162,182	2275.9%
Trade receivables and other fixed assets	5,098	5,931	-833	-14.1%
Participations in associated companies and joint ventures	296,973	51,581	245,392	475.7%
Fixed assets	**6,990,506**	**6,025,568**	**964,937**	**16.0%**
Assets held for sale	8,624	286	8,338	n.r.
Trade receivables	14,814	14,840	-26	n.r.
Tax receivables and other current assets	22,657	50,292	-27,635	n.r.
Cash and cash equivalents	8,040	9,230	-1,189	n.r.
Accruals and deferrals	9,206	6,008	3,198	n.r.
Current assets	**63,342**	**80,657**	**-17,315**	**n.r.**
Total assets	**7,053,848**	**6,106,225**	**947,622**	**15.5%**

(in euros x 1,000)	31.12.2022	31.12.2021	Δ (abs.)	Δ (%)
Capital	215,006	196,378	18,628	9.5%
Issue premiums	1,660,132	1,206,266	453,866	37.6%
Reserves	2,046,525	1,125,420	921,105	81.8%
Net result for the financial year	351,711	982,266	-630,554	-64.2%
Shareholders' equity attributable to Group shareholders	**4,273,375**	**3,510,330**	**763,045**	**21.7%**
Minority interests	74,576	63,662	10,914	17.1%
Shareholders' equity	**4,347,951**	**3,573,992**	**773,959**	**21.7%**
Non-current financial debt	2,221,997	1,886,788	335,209	17.8%
Other non-current liabilities	165,205	257,154	-91,948	-35.8%
Non-current liabilities	**2,387,202**	**2,143,942**	**243,261**	**11.3%**
Current financial debt	179,904	306,891	-126,987	-41.4%
Other current liabilities	138,790	81,401	57,389	70.5%
Current liabilities	**318,694**	**388,292**	**-69,597**	**-17.9%**
Liabilities	**2,705,896**	**2,532,233**	**173,663**	**6.9%**
Total liabilities	**7,053,848**	**6,106,225**	**947,622**	**15.5%**

Key ratios

(in euros per share)	31.12.2022	31.12.2021	Δ (abs.)	Δ (%)
IFRS NAV	20.9	19.0	2.0	10.3%
EPRA NTA♦	20.7	20.1	0.6	3.0%
Share price	26.7	42.2	-15.5	-36.7%
Premium/Discount with respect to EPRA NTA	28.9%	109.8%	-80.9%	n.r.

(in euros x million)				
Fair value of the portfolio (including solar panels)[1]	6,656.0	6,054.3	601.8	9.9%
Loan-to-value♦	35.4%	36.7%	-1.3%	n.r.
Gearing ratio (proportional)[2]♦	37.6%	38.1%	-0.4%	n.r.
Net debt / EBITDA (adjusted)♦	7.1x	7.9x	-0.8x	n.r.

The Alternative Performance Measures (APM), for example the EPRA key performance measures, used by WDP, are accompanied by a symbol (♦). Their definition and reconciliation can be consulted in the Annexes of this document.
1 Based on 100% of the fair value for the fully consolidated entities (including WDP Romania) and the proportionate share for the joint ventures (i.e. 55% for Luxembourg and 29% for WDPort of Ghent Big Box).
2 For the method used to calculate the gearing ratio, please refer to the Belgian Royal Decree on GVVs/SIRs.

9. Financial statement – Income statement and balance sheet 31 December 2022 – IFRS[33]

Profit and loss account

in euros (x 1,000)	FY 2022	FY 2021	FY 2020
Rental income	293,250	255,098	228,401
Costs related to leases	-310	862	48
Net rental result	**292,940**	**255,960**	**228,449**
Recovery of property costs	0	0	0
Recovery of rental charges and taxes normally paid by the tenant on let properties	37,403	23,557	20,525
Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease	0	0	0
Rental charges and taxes normally paid by the tenant on let properties	-41,575	-27,900	-24,688
Other income and charges related to leases	30,856	26,828	18,417
Property result	**319,624**	**278,445**	**242,703**
Technical costs	-6,600	-5,807	-5,420
Commercial costs	-1,567	-896	-685
Property management costs	-3,539	-2,379	-2,219
Property charges	**-11,705**	**-9,082**	**-8,325**
Property operating results	**307,919**	**269,363**	**234,378**
General Company expenses	-16,078	-16,751	-14,314
Other operating income and expenses (depreciation and write-down on solar panels)	-7,255	-1,423	-7,270
Operating result (before the result on the portfolio)	**284,586**	**251,189**	**212,793**
Result on disposals of investment properties	519	6,410	408
Variations in the fair value of investment properties	-157,754	825,957	186,417
Operating result	**127,351**	**1,083,557**	**399,619**
Financial income	1,502	467	398
Net interest charges	-43,108	-38,513	-37,878
Other financial charges	-1,844	-1,827	-1,194
Change in the fair value of financial instruments	220,091	52,388	-31,049
Financial result	**176,642**	**12,516**	**-69,723**
Share in the result of associated companies and joint ventures	38,645	18,623	4,831
Result before taxes	**342,638**	**1,114,695**	**334,727**
Taxes	**20,815**	**-120,639**	**-6,126**
Net result	**363,453**	**994,056**	**328,601**
Attributable to:			
Minority interests	11,742	11,791	3,991
Shareholders of the Group	351,711	982,266	324,610
Weighted average number of shares	**189,421,171**	**182,624,126**	**173,802,120**
Net result per share (in euros)	**1.86**	**5.38**	**1.87**
Diluted net result per share (in euros)	**1.86**	**5.38**	**1.87**

[33] The statutory auditor Deloitte Bedrijfsrevisoren, represented by Rik Neckebroeck, has confirmed that the accounting information provided in the report does not give cause for any reservations on his part and is in accordance with the financial statements endorsed by the Board of Directors.

Balance sheet

(in euros x 1,000)	31.12.2022	31.12.2021	31.12.2020
Fixed assets	**6,990,506**	**6,025,568**	**4,728,536**
Intangible fixed assets	860	1,101	1,193
Investment property	6,351,916	5,795,243	4,566,601
Other tangible fixed assets (including solar panels)	166,351	164,586	126,719
Financial fixed assets	169,308	7,126	6,929
Trade receivables and other fixed assets	5,098	5,931	2,747
Participations in associated companies and joint ventures	296,973	51,581	24,346
Current assets	**63,342**	**80,657**	**61,869**
Assets held for sale	8,624	286	15,543
Trade receivables	14,814	14,840	12,073
Tax receivables and other current assets	22,657	50,292	17,232
Cash and cash equivalents	8,040	9,230	11,240
Accruals and deferrals	9,206	6,008	5,781
Total assets	**7,053,848**	**6,106,225**	**4,790,405**

(in euros x 1,000)	31.12.2022	31.12.2021	31.12.2020
Shareholders' equity	**4,347,951**	**3,573,992**	**2,403,793**
I. Shareholders' equity attributable to the parent company shareholders	**4,273,375**	**3,510,330**	**2,353,935**
Capital	215,006	196,378	188,130
Issue premiums	1,660,132	1,206,266	923,843
Reserves	2,046,525	1,125,420	917,352
Net result for the financial year	351,711	982,266	324,610
II. Minority interests	**74,576**	**63,662**	**49,858**
Liabilities	**2,705,896**	**2,532,233**	**2,386,612**
I. Non-current liabilities	**2,387,202**	**2,143,942**	**1,938,131**
Provisions	160	160	170
Non-current financial debt	2,221,997	1,886,788	1,740,284
Other non-current financial liabilities	52,359	118,103	175,938
Trade payables and other non-current liabilities	5,143	4,785	3,552
Deferred taxes - liabilities	107,544	134,105	18,187
II. Current liabilities	**318,694**	**388,292**	**448,481**
Current financial debt	179,904	306,891	379,170
Other current financial liabilities	183	183	171
Trade payables and other current debts	88,572	46,945	41,439
Other current liabilities	9,158	6,927	7,049
Accrued charges and deferred income	40,877	27,346	20,652
Total liabilities	**7,053,848**	**6,106,225**	**4,790,405**

Cash flow statement

in euros (x 1,000)	FY 2022	FY 2021
Cash and cash equivalents, opening balance sheet	**9,230**	**11,240**
Net cash flows concerning operating activities	**351,567**	**223,349**
Net result	363,453	994,056
Taxes[1]	-20,815	120,639
Net interest charges	43,108	38,513
Financial income	-1,502	-467
Gain(-)/loss (+) on disposals	-519	-6,410
Cash flows from operating activities before adjustment of non-monetary items, working capital and interest paid	**383,725**	**1,146,331**
Variations in the fair value of financial derivatives	-220,091	-52,388
Variations in the fair value of investment properties	157,754	-825,957
Depreciations and write-downs (addition/reversal) on fixed assets	8,893	3,155
Share in the result of associated companies and joint ventures	-38,645	-18,623
Other adjustments for non-monetary items	-797	2,683
Adjustments for non-monetary items	**-92,887**	**-891,130**
Increase (-)/decrease (+) in working capital	**60,729**	**-31,852**
Net cash flows concerning investment activities	**-732,620**	**-353,012**
Investments	**-489,851**	**-368,271**
Payments regarding acquisitions of real estate investments	-446,609	-360,636
Payments for acquisitions of shares in real estate companies	-29,196	0
Purchase of other tangible and intangible fixed assets	-14,046	-7,635
Disposals	**8,599**	**22,668**
Receipts from the disposal of investment properties	8,599	22,668
Investments in and financing provided to companies not fully controlled	**-251,368**	**-7,409**
Investments in and financing provided to entities not fully controlled	-252,587	-11,409
Repayment of financing provided to entities not fully controlled	1,219	4,000
Net cash flows concerning financing activities	**379,862**	**127,653**
Loan acquisition	**1,090,568**	**580,498**
Loan repayment	**-926,088**	**-517,152**
Dividends paid[2]	**-163,620**	**-86,818**
Capital increase	**297,119**	**196,893**
Interest paid[3]	**79,014**	**-45,768**
Dividends received	**2,869**	**0**
Net increase (+)/decrease (-) in cash and cash equivalents	**-1,190**	**-2,010**
Cash and cash equivalents, closing balance	**8,040**	**9,230**

1 Including the deferred taxes on the investment portfolio as well as the deferred income tax.

2 This is only the cash-out: after all, in 2021 an optional dividend was offered, with 58% of the shareholders opting for payout of the dividend in shares instead of cash.

3 This also includes the cash revenues from the sale of two pre-hedging instruments amounting to 125 million euros. See also Financial postion.

10. Appendices

10.1. EPRA Performance measures

EPRA earnings

Recurring earnings from the core operational activities. This figure is to be considered 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.

in euros (x 1,000)		FY 2022	FY 2021
Earnings per IFRS income statement		**351,711**	**982,266**
Adjustments to calculate the EPRA Earnings, exclude:			
I.	Changes in value of investment properties, development properties held for investment and other interests	165,008	-824,534
	- Changes in the value of the real estate portfolio	157,754	-825,957
	- Depreciation and write-down on solar panels	7,255	1,423
II.	Profit or losses on disposal of investment properties, development properties held for investment and other interests	-519	-6,410
VI.	Changes in fair value of financial instruments and associated close-out costs	-224,566	-52,388
VIII.	Deferred tax in respect of EPRA adjustments	-34,389	113,226
IX.	Adjustments (I.) to (VIII.) to the above in respect of joint ventures	-25,465	-16,610
X.	Minority interests in respect of the above	4,492	5,641
EPRA Earnings		**236,273**	**201,190**
Weighted average number of shares		189,421,171	182,624,126
EPRA Earnings per share (EPS) (in euros)		**1.25**	**1.10**

EPRA NAV indicators

The EPRA NAV metrics make adjustments to the IFRS NAV in order to provide stakeholders with the most relevant information on the fair value of the assets and liabilities. The three different EPRA NAV metrics are calculated based on the following rationales:

- EPRA NRV: the aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, including real estate transfer taxes.

- EPRA NTA: this is the NAV adjusted to include properties and other investments at their fair value and exclude certain line items that are not expected to take shape in a business model with investment properties over the long term.

- EPRA NDV: the EPRA Net Disposal Value provides the reader with a scenario of the disposal of the company's assets resulting in the settlement of deferred taxes and the liquidition of debt and financial instruments.

in euros (x 1,000)	31.12.2022			31.12.2021		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
IFRS NAV	**4,273,375**	**4,273,375**	**4,273,375**	**3,510,330**	**3,510,330**	**3,510,330**
IFRS NAV/share (in euros)	20.9	20.9	20.9	19.0	19.0	19.0
Diluted NAV at fair value (after the exercise of options, convertibles and other equity interests)	**4,273,375**	**4,273,375**	**4,273,375**	**3,510,330**	**3,510,330**	**3,510,330**
Exclude:						
(V) Deferred tax in relation to fair value gains of investments properties	114,066	114,066		138,091	138,091	
(VI) Fair value of financial instruments	-162,196	-162,196		66,636	66,636	
(VIII.b) Intangibles as per the IFRS balance sheet		-860			-1,101	
Subtotal	**4,225,245**	**4,224,384**	**4,273,375**	**3,715,057**	**3,713,956**	**3,510,330**
Include:						
(IX) Fair value of fixed interest rate debt			180,983			-518
(XI) Real estate transfer tax	389,740			301,417		
NAV	**4,614,985**	**4,224,384**	**4,454,358**	**4,016,474**	**3,713,956**	**3,509,812**
Number of shares	203,980,363	203,980,363	203,980,363	184,772,193	184,772,193	184,772,193
NAV/share (in euros)	**22.6**	**20.7**	**21.8**	**21.7**	**20.1**	**19.0**

EPRA cost ratio

Administrative/operating costs including or minus the direct vacancy costs, divided by gross rental income. This figure is to be considered a key indicator to enable meaningful measurement of the changes in operating costs of a real estate company.

in euros (x 1,000)		FY 2022	FY 2021
Include:			
I. Administrative/operating expenses (IFRS)		-32,837	-29,862
I-1. Impairments of trade receivables		-882	314
I-2. Recovery of property charges		0	0
I-3. Recovery of rental charges and taxes normally paid by the tenant on let properties		-4,172	-4,343
I-4. Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease		0	0
I-5. Property charges		-11,705	-9,082
I-6. General company expenses		-16,078	-16,751
III. Management fees less actual/estimated profit element		1,227	1,088
V. Administrative/operating expenses of joint ventures expense		-499	-450
Exclude (if part of the above):			
VI. Investment property depreciation		283	303
Administrative/operating expenses related to solar panels		2,231	2,115
EPRA costs (including direct vacancy costs)	**A**	**-29,595**	**-26,806**
IX. Direct vacancy costs		1,055	733
EPRA costs (excluding direct vacancy costs)	**B**	**-28,540**	**-26,073**
X. Gross rental income (IFRS)		293,250	254,663
Less net ground rent costs		-1,952	-1,697
XII. Gross rental income of joint ventures		3,857	3,157
Less net ground rent costs		-200	-163
Gross rental income	**C**	**294,955**	**255,960**
EPRA Cost Ratio (including direct vacancy costs)	**A/C**	**10.0%**	**10.5%**
EPRA Cost Ratio (excluding direct vacancy costs)	**B/C**	**9.7%**	**10.2%**

EPRA NIY and EPRA Topped-up NIY

The EPRA NIY relates to an annualised rental income based on the cash rents 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. It is a comparable measure around Europe for portfolio valuations. In the past, there has been debate about portfolio valuations across Europe. This measure should make it easier for investors to judge themselves, how the valuation of portfolio X compares with portfolio Y.

The EPRA TOPPED-UP NIY is a measure that incorporates an adjustment to the EPRA NIY in respect of the expiration of rentfree periods (or other unexpired lease incentives such as discounted rent periods and step rents) and provides detail on the calculation of the measure and reconciliation between the EPRA NIY and EPRA TOPPED-UP NIY.

in euros (x 1,000)		31.12.2022	31.12.2021
Investment property - wholly owned		6,351,916	5,795,243
Investment property - share of joint ventures		131,286	98,524
Less developments, land reserves and the right of use of consessions		-624,019	-560,523
Completed property portfolio		5,859,182	5,333,244
Allowance for estimated purchasers' costs		357,455	276,197
Gross up completed property portfolio valuations	**A**	**6,216,637**	**5,609,441**
Annualised cash passing rental income		329,045	275,059
Property outgoings		-15,246	-13,642
Annualised net rent	**B**	**313,799**	**261,416**
Notional rent expiration of rent free period or other lease incentives		0	0
Topped-up net annualised rent	**C**	**313,799**	**261,416**
EPRA NIY	**B/A**	**5.0%**	**4.7%**
EPRA TOPPED-UP NIY	**C/A**	**5.0%**	**4.7%**

10.2. Alternative Performance Measures[34]

Result on the portfolio (including the share of joint ventures) – Group share

This relates to the realised and unrealised capital gains/losses with respect to the latest valuation by the property expert, taking into account the effective or deferred capital gains tax due, including WDP's proportionate share in the portfolio of associated companies and joint ventures and excluding the minority interests.

in euros (x 1,000)	FY 2022	FY 2021
Movement in the fair value of investment property	-157,754	825,957
Result on disposal of investment property	519	6,410
Deferred taxation on result on the portfolio	34,389	-113,226
Participation in the result of associated companies and joint ventures	25,469	16,610
Result on the portfolio	**-97,376**	**735,751**
Minority interests	-4,569	-5,292
Result on the portfolio - Group share	**-101,945**	**730,459**

Changes in gross rental income with an unchanged portfolio

This is the organic growth of the gross rental income year-on-year on the basis of an unchanged portfolio, excluding development projects, acquisitions and disposals during both periods of this comparison.

in euros (x 1,000)	FY 2022	FY 2021	∆ y/y (%)
Properties owned throughout the two years	**246,114**	**236,724**	**4.0%**
Development projects	37,013	16,701	n.r.
Acquisitions	13,673	3,687	n.r.
Disposals	306	709	n.r.
Total	**297,106**	**257,821**	**n.r.**
To be excluded:			
Rental income of joint ventures	-3,857	-3,157	n.r.
Indemnification related to early lease terminations	0	435	n.r.
Rental income (IFRS)	**293,250**	**255,098**	**n.r.**

[34] Excluding the EPRA metrics, some of which are considered to be alternative performance measures (APM), and are reconciled under Chapter *10.1 EPRA Performance measures*.

Average cost of debt

This refers to the weighted average yearly interest rate for the reporting period, taking into account the average outstanding debt and the hedging instruments during that same period.

in euros (x 1,000)		FY 2022	FY 2021
Financial result (IFRS)		176,642	12,516
To be excluded:			
Changes in fair value of financial assets and liabilities		-220,091	-52,388
Interest capitalised during construction		-5,754	-5,169
Interest cost related to leasing debts booked in accordance with IFRS 16		2,780	2,475
Other financial costs and revenues		-1,437	148
To be included:			
Interest expenses of joint ventures		-339	-340
Effective financial expenses (proportional)	**A**	**-48,200**	**-42,758**
Average outstanding financial debt (IFRS)		2,475,410	2,079,952
Average outstanding financial debt of joint ventures		40,979	25,733
Average outstanding financial debt (proportional)	**B**	**2,516,390**	**2,105,685**
Annualised average cost of debt	**A/B**	**1.9%**	**2.0%**

Financial result (excluding changes in the fair value of financial instruments)

This is the financial result according to IFRS exclusive of the change in fair value of financial assets and liabilities, and reflects the actual financial expenses of the company.

in euros (x 1,000)	FY 2022	FY 2021
Financial result	176,642	12,516
To be excluded:		
Changes in fair value of financial instruments	-220,091	-52,388
Financial result (excluding the changes in fair value of financial instruments)	**-43,449**	**-39,873**

Operating margin

The operating margin, obtained by dividing the operating result (before the result on the portfolio) by the property result. Operating margin is a measure of profitability that can indicate how well the company is managing its operating property operations.

in euros (x 1,000)	FY 2022	FY 2021
Property result (IFRS)	319,624	278,445
Operating result (before the portfolio result) (excluding depreciation and write-downs on solar panels)	291,841	252,613
Operating margin	**91.3%**	**90.7%**

Hedge ratio

Percentage of fixed-rate and floating-rate debts hedged against interest rate fluctuations by means of derivatives. This economic parameter is not an obligatory parameter under the Belgian regulated real-estate investment companies Law (Wet betreffende de gereglementeerde vastgoedvennootschappen or 'GVV-Wet').

in euros (x 1,000)		31.12.2022	31.12.2021
Notional amount of Interest Rate Swaps		1,317,425	1,317,425
Fixed rate financial debt		1,071,328	526,424
Fixed-interest financial debt at balance sheet date and hedging instruments	**A**	**2,388,753**	**1,843,849**
Current and non-current financial debt (IFRS)		2,401,901	2,193,679
Proportional share in joint ventures in current and non-current financial debt		50,435	31,371
Financial debt at balance sheet date	**B**	**2,452,336**	**2,225,050**
Hedge ratio	**A/B**	**97.4%**	**82.9%**

Gearing ratio

Statutory ratio calculated based on the GVV/SIR legislation by dividing the financial and other liabilities by the total assets. For the method used in the calculation of the gearing ratio, refer to the RD on Regulated real Estate Companies.

in euros (x 1,000)		31.12.2022 IFRS	31.12.2022 Proportionate	31.12.2021 IFRS	31.12.2021 Proportionate
Non-current and current liabilities		2,705,896	2,787,834	2,532,233	2,581,715
To be excluded:					
- I. Non-current liabilities A. Provisions		160	160	160	160
- I. Non-current liabilities C. Other non-current financial liabilities - Permitted hedging instruments		0	0	67,821	67,821
- I. Non-current liabilities F. Deferred taxes - Liabilities		107,544	121,396	134,105	143,989
- II. Current liabilities A. Provisions		0	0	0	0
- II. Current liabilities E. Other current liabilities Other: Hedging instruments		0	0	0	0
- II. Current liabilities - F. Accruals and deferred income		40,877	41,493	27,346	27,823
Total debt	**A**	**2,557,315**	**2,624,785**	**2,302,801**	**2,341,923**
Total assets		7,053,848	7,135,786	6,106,225	6,155,707
To be excluded:					
- E. Financial fixed assets - Financial instruments at fair value through profit and loss - Permitted hedging instruments		162,196	162,196	1,184	1,184
Total assets taken into account for the calculation of the gearing ratio	**B**	**6,891,651**	**6,973,590**	**6,105,041**	**6,154,523**
Gearing ratio	**A/B**	**37.1%**	**37.6%**	**37.7%**	**38.1%**

Loan-to-value

The loan-to-value is obtained from the IFRS statements by dividing the net financial liabilities by the sum of the fair value of the property portfolio, the fair value of the solar panels and financing to and holdings in associated companies and joint ventures.

in euros (x 1,000)		31.12.2022 IFRS	31.12.2021 IFRS
Non-current and current financial debt		2,401,901	2,193,679
Cash and cash equivalents		-8,040	-9,230
Net financial debt	**A**	**2,393,860**	**2,184,449**
Fair value of the real estate portfolio (excluding right of use concessions)		6,299,386	5,739,753
Fair value of the solar panels		160,636	159,775
Financing of and participations in associated companies and joint ventures		304,085	57,523
Total portfolio	**B**	**6,764,107**	**5,957,051**
Loan-to-value	**A/B**	**35.4%**	**36.7%**

Net debt / EBITDA (adjusted)

The net debt / EBITDA (adjusted) is calculated starting from the proportional accounts (WDP's joint ventures are included for their proportionate share): in the denominator taking into account the trailing-twelve-months normalized EBITDA and adjusted to reflect the annualized impact of external growth; in the numerator taking into consideration the net financial indebtedness adjusted for the projects under development multiplied by the loan-to-value of the group (as these projects are not yet income contributing but already (partially) financed on the balance sheet). For associated companies only the dividends are taken into account.

in euros (x 1,000)		31.12.2022	31.12.2021
Non-current and current financial debt (IFRS)		2,401,901	2,193,679
- Cash and cash equivalents (IFRS)		-8,040	-9,230
Net debt (IFRS)	**A**	**2,393,860**	**2,184,449**
Operating result (before the result on the portfolio) (IFRS) (TTM)[1]	**B**	**284,586**	**251,189**
+ Depreciation and write-down on solar panels		7,255	1,423
+ Share in the EPRA Earnings of joint ventures		1,918	2,013
+ Dividends received from associated companies		3,375	0
EBITDA (IFRS)	**C**	**297,134**	**254,625**
Net debt / EBITDA	**A/C**	**8.1x**	**8.6x**

in euros (x 1,000)		31.12.2022	31.12.2021
Non-current and current financial debt (proportionate)		2,452,336	2,225,050
- Cash and cash equivalents (proportionate)		-8,424	-10,417
Net debt (proportional)	**A**	**2,443,912**	**2,214,633**
- Projects under development x Loan-to-value		-106,501	-106,549
- Financing to joint ventures x Loan-to-value		-1,503	-1,238
Net debt (proportional) (adjusted)	**B**	**2,335,908**	**2,106,846**
Operating result (before the result on the portfolio) (IFRS) (TTM)[1]	**C**	**284,586**	**251,189**
+ Depreciation and write-down on solar panels		7,255	1,423
+ Operating result (before the result on the portfolio) of joint ventures (TTM)[1]		3,259	2,692
+ Dividends received from associated companies (TTM)[1]		3,375	0
Operating result (before the result on the portfolio) (proportionate) (TTM)[1]	**D**	**298,474**	**255,305**
Adjustment for normalized EBITDA[2]		29,235	11,506
EBITDA (proportionate) (adjusted)	**E**	**327,709**	**266,811**
Net debt / EBITDA (adjusted)	**B/E**	**7.1x**	**7.9x**

1 For the calculation of this APM, it is assumed that the operating result (before the result on the portfolio) is a proxy for EBITDA. TTM stands for trailing 12 months and means that the calculation is based on financial figures for the past 12 months.
2 On a normalized basis and including the annualized impact of external growth in function of the realized disposals, acquisitions and projects.

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WDP develops and invests in logistics real estate (warehouses and offices). WDP has 7 million m² of properties in its portfolio. This international portfolio of semi-industrial and logistics buildings is spread over around 300 sites at prime logistics hubs for storage and distribution in Belgium, France, the Netherlands, Luxembourg, Germany and Romania.

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WDP NV/SA – BE-REIT (public regulated real estate company under Belgian law).

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Warehouses De Pauw NV/SA, abbreviated WDP, having its registered office at Blakebergen 15, 1861 Wolvertem (Belgium), is a public regulated real estate company under Belgian law and listed on Euronext.

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