

INTERIM STATEMENT BY THE MANAGER FOR THE PERIOD 01.01.2015 – 31.03.2015

- **The net current result over Q1 2015 amounts to 18.2 million euros and 1.04 euros per share, which implies an increase per share of 9% over Q1 2014.**
- **For 2015, following the strong start to the year in combination with the recently announced acquisitions, WDP aims to achieve an increase of the net current result per share to 4.50 euros¹, implying an increase by 10% compared to 2014.**

1. Summary²

- The net current result per share³ over Q1 2015 increases by 9.1% to 1.04 euros compared to 0.96 euros in Q1 2014. The net current result over Q1 2015 amounts to 18.2 million euros, an increase of 18.4% in comparison with Q1 2014 (15.4 million euros).
- The occupancy rate⁴ was 97.6% on 31 March 2015, stable compared to 97.6% at the end of 2014. The average duration (until the first termination date) of the rental contracts of the WDP portfolio is 6.8 years (including solar panels).
- On 31 March 2015, the gearing ratio was 54.3% compared to 55.8% on 31 December 2014. The fair value of the portfolio⁵ amounts to 1,663.5 million euros compared to 1,567.3 million euros at the end of 2014.
- The NAV (EPRA)⁶ on 31 March 2015 is 41.5 euros compared to 39.2 euros on 31 December 2014.

¹ Previously announced: increase to at least 4.40 euros. See the press release of 11 February 2015.

² As a consequence of IFRS 11 Joint Arrangements coming into effect, the results and effect on the balance sheet of the joint venture WDP Development RO, in which WDP holds 51%, were incorporated with effect from 1 January 2014 according to the equity accounting method. With regards to the statistics in connection with the reporting on the portfolio, the proportionate part of WDP in the portfolio of WDP Development RO is shown (51%).

³ Based on the weighted average number of outstanding shares during Q1 2015, i.e. 17,438,644.

⁴ The occupancy rate is calculated on the basis of the rental values of the leased buildings and the unleased premises and includes incomes from solar panels. Projects under construction and/or renovation are not taken into account.

⁵ The portfolio value is composed of investment properties, investment properties under development for own account with the purpose of being rented out, assets held for sale and the fair value of the solar panels. If the solar panels are not taken into consideration, the portfolio value amounts to 1,098.2 million euros compared to 1,095.2 million euros at the end of 2014.

⁶ Financial performance indicator calculated according to the Best Practices Recommendations of EPRA (European Public Real Estate Association). See also www.epra.com.

- At the end of April 2015, the Board of Directors of the manager of WDP has opted to offer again for the possibility of an optional dividend. Shareholders are invited to make their choice and communicate this to their financial institution by 22 May 2015. The expected proceeds from the optional dividend will immediately be deployed in the recently announced transaction regarding the sites of The Greenery in the Netherlands⁷.
- After the recently announced acquisitions, the investment volume within the context of the 2013-16 growth plan is approximately 600 million euros. With this package of investments, around 75% of the forecast envisaged growth of the portfolio (around 800 million euros to 2.0 billion euros) has been identified and WDP is on track to achieve the recently increased aims within the 2013-16 growth plan⁸.
- Increase in guidance for an expected increase of the net current result per share for 2015 to 4.50 euros⁹ (around 82 million euros), namely an increase by 10% compared to 2014. On the basis of this, a dividend is proposed for 2015 (payable in 2016) of 3.60 euros gross per share (another increase, now by 6% - for the fourth year in a row), based on a distribution level of 80%.

⁷ See press release of 29 April 2015.

⁸ See press release of 11 February 2015.

⁹ Previously announced: increase to at least 4.40 euros. See the press release of 11 February 2015.

2. Operational and financial activities during Q1 2015

2.1. Occupancy rate and rentals

WDP has been able to maintain the high occupancy rate (97.6% at the end of 2014). On 31 March 2015, the portfolio achieved an occupancy rate of 97.6%. Of the 11% of leases with a maturity date in 2015, 85% could already be extended (compared to over 70% at the start of the year). This confirms the confidence of the clients.

2.2. Acquisitions and disposals

2.2.1. Acquisitions

Belgium

Bornem, Sluisweg 32: concerning the previously announced¹⁰ strategic XXL site in Bornem, in particular a multimodal FMCG campus for DHL Supply Chain, in total around 100,000 m², located on concession land near the Willebroek container terminal. The site consists of around 72,000 m² warehouse space that has already been completed and around 18,000 m² warehouse space under construction, with completion projected in the fourth quarter of 2015. There is also an agreement with the professional property developer MG Real Estate concerning the possible future realisation of a third phase of around 13,000 m² (on the basis of leasing to DHL Supply Chain).

The acquisition of this site has been achieved through the acquisition by WDP of 100% of the shares in the company MLB NV¹¹, which owns the rights to this site. The price paid for the shares of MLB NV was based on the total investment value of the real estate held by this company of around 58 million euros. The real estate generates an expected annual income flow of some 4.3 million euros¹². These shares were transferred to WDP in exchange for new shares in WDP, by means of a contribution in kind of the MLB NV shares in WDP, achieved on 31 March 2015.¹³ The new shares were issued following a capital increase, by a decision of the Board of Directors of the manager of WDP making use of the authorised capital. The transaction has led to an increase of the shareholders' equity by 48.0 million euros, of which an amount of (approximately) 5.5 million euros has been allocated to the *Capital* item and an amount of (approximately) 42.5 million euros to the *Issues Premiums* item.

Furthermore, at the beginning of February, WDP was able to sign an agreement in principle concerning the acquisition of two PV installations with a combined installed capacity of 3MWp on the roof of the above-mentioned MLB site in Bornem. This acquisition, with a total investment value of

¹⁰ See press release of 22 December 2014.

¹¹ 'MLB' stands for 'Maritime Logistics Bornem NV'.

¹² After deduction of the concession compensation and including the payment for the building rights for the hiring of the roof.

¹³ See the press release of 31 March 2015 – 12.30 pm.

around 8 million euros and an annualised revenue of around 1 million euros, will be realised by the acquisition of 100% of the shares in the companies Suncop 1 NV and Suncop 2 BVBA. This transaction is subject to due diligence and a number of customary conditions with planned closing in the middle of May 2015.

Asse, Z4 Broekooi 290: this site, formerly owned by the British logistics investor Segro, with direct access since located on the Brussels ring road, is a warehouse with offices totalling approximately 26,000 m² on a plot of 5 ha, fully leased to paper and packaging company Antalis. This transaction has an investment budget of approximately 11 million euros¹⁴. The lease contract today has still one year to run after which WDP intends to redevelop the site, in whole or in part, on the basis of pre-leasing.

The Netherlands

Moerdijk, Transitoweg 5: in Februari 2015, WDP has acquired this site, previously owned by the Railway Pension Fund and currently leased to a retailer. The site in full ownership concerns a building consisting of warehouses with office space of more than 41,000 m² with cross-dock facilities, located on the harbour of Moerdijk which, among other facilities, has a terminal for sea transport. This transaction has an investment budget of approximately 18 million euros¹⁵, with an expected initial gross rental yield of 8.1%.

All these purchases have taken place at prices in accordance with the fair value as determined in the valuation reports of the independent property experts.

2.2.2. Disposals

During the first quarter of 2015, the sale was realised of the seventh floor of the Asar Tower in Anderlecht, Frans Van Kalkenlaan 9.

Currently, an amount of 1.0 million euros is recognised on the balance sheet as *Assets held for sale*. This concerns a plot of land in Wieze that will be sold.

2.3. Projects that were completed during the first quarter of 2015

As announced, WDP was able to realise the following pre-leased projects in Belgium and the Netherlands during the first quarter of 2015.

Belgium

Vilvoorde, Havendoklaan 10: in the Cargovil zone, a warehouse of approximately 7,000 m² is being developed on a plot adjacent to the WDP site at Havendoklaan 12, for the benefit of the logistics service provider Intertrans. The investment budget amounts to 5 million euros.

¹⁴Including transaction costs.

¹⁵Including transaction costs.

The Netherlands

Schiphol, Schiphol Logistics Parc (Pudongweg 3): a project of more than 14,000 m² based on a lease contract with Kuehne + Nagel, which centralises several of its activities here and has also set up the site as its headquarters. The project will be BREEAM certified with a planned score *Very Good*. The total investment in the first phase, amounts to around 16 million euros.

2.4. Developments under construction

Belgium

Londerzeel, Nijverheidsstraat 13: redevelopment into a state-of-the-art deep-freeze warehouse with 30,000 pallet spaces for Lantmännen Unibake, an international bakery group, based on a lease contract of twenty years with planned completion in the third quarter of 2015. The investment is estimated at around 18 million euros.

The Netherlands

Harderwijk, Archimedesstraat 9: a new construction project tailor-made for Alcoa. This is a new distribution centre with storage totalling more than 17,000 m² (excluding offices and mezzanine) that will be realised on a plot recently purchased by WDP. Alcoa prefers this location, in view with its strategic location relative to its Dutch and German clients. For this project, WDP foresees a phased completion from the second quarter of 2015 onwards, with final delivery in August later this year, based on a long-term lease contract of ten years fixed. The investment budget amounts to circa 16 million euros.

Zwolle, Paderbornstraat 21: a new BREEAM certified e-commerce warehouse (planned score: *Excellent*) with a surface area of around 35,000 m², tailor-made for wehkamp.nl, the Netherlands' largest online department store. The cooperation is based on a fixed fifteen year lease contract, which commences as soon as the entire distribution centre is operational (scheduled for Q3 2015). The project requires an investment by WDP of circa 30 million euros for phase 1 of the building. In addition, the tenant wehkamp.nl will itself invest more than 70 million euros in equipping it.

Tiel, Medel 1A: extension of a second phase of the development of this site by means of a project under construction that shall include more than 16,000 m² warehouse space and offices on a plot of land with expansion opportunities (namely another 16,000 m² of warehouse space and offices). The completion of this second phase will be phased in during the course of the second half of 2015. The project will be BREEAM certified with a planned *Very Good* score. Logistics service provider Kuehne + Nagel has the intention of expanding the entire site in Tiel to a FMCG¹⁶ campus from which various major retailers in the Netherlands can be supplied in order to bundle their logistic streams and thus optimise their respective supply chains. The investment for this second phase amounts until today to

¹⁶ 'FMCG' stands for 'Fast Moving Consumer Goods'.

a total of around 15 million euros¹⁷.

Soesterberg, Centurionbaan: on a new industrial estate alongside the A28, WDP will establish a new industrial building for Hypsos, a specialist in live communications. A warehouse with offices of more than 7,200 m² is being developed on a plot of more than 1.1 ha. It will be a high-end building, customised for the tenant, based on a long-term lease contract with scheduled completion in the fourth quarter of 2015. The investment budget amounts to 7 million euros.

Romania¹⁸

Braila: WDP is realising a building of approximately 16,000 m² warehouse space on a concession land located near the Danube in Braila. After phased completion (scheduled in the autumn of 2015), the space will be leased by the Japanese Yazaki, a leading international supplier to the automotive industry, based on a long-term lease contract of fifteen years, with the option to extend. Today, the tenant Yazaki is already active with several locations in Romania. This project requires an investment of around 9 million euros¹⁹.

Brasov: an agreement could be concluded with Inter Cars, currently tenant of a new WDP warehouse in Brasov, for a doubling of its area on this site. WDP anticipates completing this additional 5,000 m² with an investment budget of around 2 million euros²⁰ at the end of the fourth quarter of 2015.

2.5. Management of financial resources

No new financing operations were realized in the first quarter of 2015.

2.6. Significant events after the balance sheet date

The optional dividend

The Board of Directors of the manager decided to offer once again the optional dividend to the shareholders. The shareholders were informed at the Annual General Meeting that was held on 29 April 2015 of the specific conditions of this optional dividend.²¹

For the payment of the dividend over 2014 of 3.40 euros gross or 2.55 euros net per share, the shareholders thus have the choice between:

- **Payment of the dividend in cash:**

Coupon no. 24 gives an entitlement to a dividend of 3.40 euros gross or 2.55 euros net per share (after deduction of 25% withholding tax)²².

¹⁷ Excluding transaction costs and in line with the estimates of the independent property experts.

¹⁸ Both projects will be realized via WDP Development RO, a 51-49 joint venture with entrepreneur and Romania specialist Jeroen Biermans.

¹⁹ On the basis of 100% of the investment.

²⁰ On the basis of 100% of the investment.

²¹ See press release dated 29 April 2015.

▪ **Investment of the dividend in return for new WDP shares:**

A subscription can be made for one new share by the investment of 26 no. 24 coupons (each for the amount of the net dividend of 2.55 euros, or in total 66.30 euros).

These options were determined based on the average of the volume-weighted average price (VWAP) of the WDP share during the last five trading days preceeding the Annual General Meeting on Euronext Brussels, that is from 22 April 2015 to 28 April 2015, being 73.01 euros. Since the new shares will be dividend-entitled as from 1 January 2015, the gross dividend of 3.40 euros for the fiscal year 2014 was subsequently deducted, which results in an adjusted average stock price of 69.61 euros. The ultimate issue price of 66.30 euros per share thus includes a discount of 4.8% compared to the adjusted average price (calculated on the basis of VWAP).

▪ **Combination of payment options:**

A combination of the contribution in kind of dividend rights in exchange for the issue of new shares, and a payment of the dividend in cash.

Shareholders are invited to make their choice and communicate this to their financial institution before 22 May 2015, either the issue of new shares in return for the investment of dividend rights, or the payment of the dividend in cash or a combination of the two foregoing payment modalities. The actual dividend payment shall thus take place on Friday 29 May 2015 – before market. The newly created shares will be listed immediately as from this date and will be tradable as from that moment. The results of the optional dividend will also be made public on this day.

Long-term partnership with The Greenery

As previously announced²³, WDP and The Greenery, a marketing and distribution company for fruit and vegetables, have entered into a partnership for the acquisition, the redevelopment and the further expansion of the sites of The Greenery located in Barendrecht and Breda. This concerns an initial investment for WDP of around 46 million euros for the acquisition of both sites now, plus and an additional investment of around 26 million euros spread over the coming years for the development of 60,000 m² new warehouse for The Greenery. On the one hand at Barendrecht, WDP will develop a new warehouse along the Dierensteinweg for the expansion of the existing Retail DC of The Greenery. The new development project will accommodate the logistics activities of Hagé International, the import division of The Greenery. For the existing packaging laundry of Euro Pool System, where the cleaning of crates is performed by The Greenery, a second new building will be realised. Completion of both buildings, totalling approximately 40,000 m², is planned for the end of 2016. On the other hand, in Breda, a new warehouse of around 20,000 m² will be developed by WDP. The location is partially organised as *Zachtfruit DC* for The Greenery. The completion of this

²² See article 269 of the 'Wetboek van de inkomstenbelastingen 1992', as amended by article 84 of the Programme Act of 27 December 2012.

²³ See the press release of 29 April 2015.

expansion is planned during the course of the fourth quarter of 2016. In the intervening period, the logistics operation of The Greenery *Zachtfruit* will remain housed in the current location. Leases of existing tenants on this site will remain active. WDP will redevelop the acquired part of the site in the future. Excluding the future expansion after redevelopment, WDP foresees a net initial yield for this transaction of at least 7% from acquisition date.

Redevelopment of Hungaria site in Leuven

Alongside the Vaartkom in Leuven, WDP owns an attractively located and iconic building, *Hungaria*, which function was constantly adapted to reflect the needs of the people and businesses around it. Following the need for housing facilities in this part of town, WDP entered into a cooperation agreement with project developer L.I.F.E. to convert the existing Hungaria building, which currently houses various smaller retailers and offices, into a residential tower. *I love Hungaria* will be completed in the spring of 2018. Following this project, WDP intends to sell this site in phases together with L.I.F.E.²⁴

²⁴ See press release of 30 April 2015.

3. Financial results

3.1. Summary

The net current result of WDP for Q1 2015 amounts to 18.2 million euros. This result represents an increase of 18.4% compared to the result of 15.4 million euros in Q1 2014. This strong increase in the net current result is driven by the further growth of the WDP portfolio in 2014-15 on the one hand and a decrease of the average cost of debt on the other. In addition, operational and financial costs were actively managed and kept under control.

The net current result per share amounts to 1.04 euros, an increase of 9.1%, compared to 0.96 euros over the same period last year, taking into account the weighted average number of outstanding shares over this period²⁵.

²⁵ The weighted average number of outstanding shares during Q1 2015 amounts to 17,438,644. The 681,828 new shares were created in response to the acquisition of the site in Bornem in March 2015.

3.2. Key figures

KEY FIGURES			
OPERATIONAL		31.03.2015	31.12.2014
Fair value of property portfolio (solar panels inclusive) (in million euros)		1 663,5	1 567,3
Gross initial yield (incl. vacancies) ¹ (in %)		8,0	8,0
Net initial yield (EPRA) ² (in %)		7,3	7,3
Average lease term (until first break) ³ (in y)		6,8	7,1
Occupancy rate ⁴ (in %)		97,6	97,6
Like-for-like rental growth ⁵ (in %)		-0,8	0,0
Operating margin ⁶ (in %)		91,7	91,2
FINANCIAL		31.03.2015	31.12.2014
Gearing ratio ⁷ (in %)		54,3	55,8
Interest Coverage Ratio ⁸ (in x)		3,5	3,3
Average cost of debt (in %)		3,1	3,5
Average remaining duration of outstanding debt (in y)		3,3	3,5
Average remaining duration of long term credit facilities (in y)		3,9	4,1
Hedge ratio ⁹ (in %)		80	82
Average remaining term of hedges ¹⁰ (in y)		6,6	6,7
RESULT (in million euros)		31.03.2015	31.03.2014
Property result		26,8	23,4
Operating result (before result on the portfolio)		24,6	21,3
Financial result (excl. IAS 39)		-6,2	-5,7
Net current result (incl. participation joint ventures) (EPRA)		18,2	15,4
Result on the portfolio (incl. participation joint ventures) (IAS 40)		0,1	1,1
Revaluation of financial instruments (incl. participation joint ventures) (IAS 39)		-2,9	-5,9
Write-down and depreciation of solar panels (incl. participation joint ventures) (IAS 16)		-0,7	0,0
Net result (IFRS)		14,6	10,6
DETAILS PER SHARE (in euros)		31.03.2015	31.03.2014
Net current result (EPRA) ^{2,11}		1,04	0,96
Result on the portfolio (IAS 40)		0,01	0,07
Revaluation of financial instruments (IAS 39)		-0,17	-0,37
Write-down and depreciation of solar panels (IAS 16)		-0,04	0,00
Net result (IFRS)		0,84	0,66
NAV (IFRS) ¹¹		37,3	33,4
NAV (EPRA) ^{2,11}		41,5	36,9
NNNAV (EPRA) ²		36,8	33,5

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

² Financial performance indicators calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. See also www.epra.com.

³ Including solar panels that are taken into account at the remaining weighted average duration of green energy certificates.

⁴ Calculated based on the rental values of leased properties and the non-leased surfaces, including the income from solar panels. Projects under construction and/or renovation projects are not considered.

⁵ Evolution of the net rental income on a constant portfolio basis. Calculated according to the EPRA Best Practices Recommendations. See also www.epra.com.

⁶ The operating margin is calculated by dividing the operating result (before result on the portfolio) by property result. Based on the comparison between Q1 2015 and Q1 2014.

⁷ For the method of calculating the gearing ratio, refer to the RD of 13 July 2014 on Regulated Real Estate Companies.

⁸ Defined as operating result (before result on the portfolio) divided by interest changes, minus interest and dividends collection, minus compensation for financial leasing and others.

⁹ Percentage of debt at fixed interest cost or debts covered against fluctuations in interest rates by derivative financial products.

¹⁰ Remaining term of interest rate hedges entered into to hedge the debt against interest rate fluctuations.

¹¹ NAV = Net Asset Value before profit distribution for the current financial year.

3.3. EPRA-metrics

EPRA KEY PERFORMANCE MAESURES*	31/03/2015	31/12/2014
EPRA result (in euros per share)**	1,04	0,96
EPRA NAV (in euros per share)	41,5	39,2
EPRA NNNNAV (in euros per share)	36,7	34,6
EPRA Net Initial Yield (in %)	7,3	7,3
EPRA Topped-up Net Initial Yield (in %)	7,3	7,3
EPRA vacancy rate (in %)	2,6	2,6
EPRA Cost Ratio (incl. direct vacancy costs) (in %)	9,4	9,4
EPRA Cost Ratio (excl. direct vacancy costs) (in %)	9,2	9,1

* Financial performance indicator calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. Please see www.epra.com.

** Based on the comparison between Q1 2015 and Q1 2014.

3.4. Notes to the income statement on 31 March 2015

Property result

The *property result* amounts to 26.8 million euros in Q1 2015, an increase of 14.9% over the same period last year (23.4 million euros). This increase is a result of the further growth of the portfolio in 2014-15, primarily in Belgium and the Netherlands through acquisitions and the completion of pre-leased projects. With an unchanged portfolio, the level of rental incomes has decreased slightly year by year (-0.8%)²⁶. This result also includes 1.0 million euros of income from solar panels (as compared to 1.2 million euros in the same period last year when there was a higher level of solar irradiation).

Operational result (before the result on the portfolio)

The *operational result (before the result on the portfolio)* amounts to 24.6 million euros in the first quarter of 2015, an increase of 15.5% over the same period last year (21.3 million euros). Property and other general costs amounted to 2.2 million euros over the first quarter, representing an increase of 0.2 million euros compared to the costs in 2014. WDP succeeded in continuing to keep costs under control, as a result of which the operating margin²⁷ over Q1 2015 amounts to 91.7% – comparable to Q1 2014 (91.2%).

²⁶ Calculated according to EPRA Best Practices Recommendations. See also www.epra.com.

²⁷ The operating margin can be calculated by dividing the operating result (before the result on the portfolio) by the property result.

Financial result (excluding IAS 39 result)

The *financial result (excluding IAS 39 result)* amounts to -6.2 million euros over the first quarter of 2015, an increase compared to last year (-5.7 million euros). The total financial debt amounts to 883 million euros at 31 March 2015 compared to 709 million euros in the same period last year. The average cost of debt in the first quarter of 2015 was 3.1% compared to 3.5% in 2014, as a result of the recent extension of the existing hedging instruments, which improves visibility on the profits and provides an immediate cost saving.

Net current result (EPRA)

The *net current result (EPRA)* of WDP for the first quarter of 2015 amounts to 18.2 million euros. This result represents an increase of 18.4% compared to the result of 15.4 million euros in Q1 2014. This represents an increase per share of 9.1% from 0.96 to 1.04 euros.

Result on the portfolio (IAS 40)

The *result on the portfolio (IAS 40)* over the first quarter of 2015 amounts to +0.1 million euros or +0.01 euros per share²⁸. For the same period last year, this result amounted to +1.1 million euros or +0.07 euros per share. The result by country for the first quarter of 2015 is as follows: Belgium (+0.2 million euros), The Netherlands (+0.4 million euros), France (-0.5 million euros) and Romania (-0.0 million euros).

Revaluation of financial instruments (IAS 39)²⁹

The impact of *IAS 39* amounted to -2.9 million euros or -0.17 euros per share during the first quarter of 2015 (compared to -5.9 million euros or -0.37 euros per share in 2014). This negative impact is the result of the change in fair value of the interest rate hedges contracted (mainly Interest Rate Swaps) as of 31 March 2015, as a result of a continuing decrease of long-term interest rates during the first quarter of 2015.

The change in the fair value of these interest rate hedges is recognised in full in the income statement and not directly in the shareholder's equity. Since this effect involves a non-cash and unrealised item, it is removed from the financial result in the analytical presentation and is recognised separately in the income statement.

Depreciation and impairment of solar panels (IAS 16)

The solar panels are valued in 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 should include a depreciation component in its IFRS accounts according to the residual life of the PV installations. This

²⁸ Based on the weighted average number of outstanding shares during Q1 2015, i.e. 17,438,644.

²⁹ The impact of IAS 39 is calculated based on the mark-to-market (M-t-M) value of the interest rate hedges concluded.

is neutralised in the shareholders' equity, after which the change in fair value of the solar panels is then recognised directly in the shareholders' equity, unless the fair value falls below the original cost (in which case the depreciation is recognised in the result). The depreciation component is -0.7 million euros over the first quarter of 2015. Because this effect concerns a non-cash and unrealised item, it is removed from the financial result in the analytical presentation and is recognised separately in the income statement.

Net results (IFRS)

The net current result (EPRA) together with the result on the portfolio (IAS 40), the revaluation of financial instruments (IAS 39) and the depreciation of the solar panels (IAS 16), lead to a *net result (IFRS)* in the first quarter of 2015 of 14.6 million euros (compared to 10.6 million euros during the same period last year). In this context, the net current result (EPRA) forms the underlying profit of the operational core activity of the company and the basis for the dividend.

3.5. Balance sheet

Additional notes to the balance sheet at 31 March 2015

Property portfolio³⁰

According to independent property experts Stadim, Cushman & Wakefield, DTZ Zadelhoff and BNP Paribas Real Estate, the fair value³¹ of the WDP property portfolio was, in compliance with IAS 40, 1,589.1 million euros on 31 March 2015 compared to 1,492.1 million euros at the start of the financial year (including *Assets held for sale*). Together with the valuation at fair value of the investments in solar panels³², the total portfolio value evolved to 1,663.5 million euros compared to 1,567.3 million euros at the end of 2014.

This value of 1,663.5 million euros includes 1,450.3 million euros in completed properties (*standing portfolio*). The projects under construction represent a value of 99.0 million euros including projects in Belgium at Londerzeel, in the Netherlands at Zwolle, Harderwijk and Tiel, and in Romania at Braila. In addition, there are ground reserves in Sint-Niklaas, Courcelles, Heppignies, Nivelles, Libercourt and the land bank in Romania for a fair value of 39.8 million euros.

The implemented investments in solar panels were valued as of 31 March 2015 at a fair value of 74.4 million euros.

³⁰ As a consequence of IFRS 11 Joint Arrangements coming into effect, the results and effect on the balance sheet of the joint venture WDP Development RO, in which WDP holds 51%, were incorporated with effect from 1 January 2014 according to the equity accounting method. With regards to the statistics in connection with the reporting on the portfolio, the proportionate part of WDP in the portfolio of WDP Development RO is shown (51%).

³¹ For the precise valuation method used, we refer to the BEAMA press release dated 6 February 2006 (<http://www.beama.be>).

³² The investments in solar panels are valued in compliance with IAS 16 by applying the revaluation model.

Overall, the portfolio is currently valued at a gross rental yield of 7.8%³³. The gross rental yield after addition of the estimated market rental value for the non-rented units is 8.0%.

PORTFOLIO STATISTICS BY COUNTRY	Belgium	Netherlands	France	Romania	Total
Number of lettable sites	69	40	8	3	120
Gross lettable area (in m ²)	1 467 289	961 329	145 538	15 579	2 589 735
Land (in m ²)	2 923 319	1 682 092	376 174	860 977	5 842 562
Fair value (in million euros)	803,5	674,6	80,3	29,6	1 588,1
% of total fair value	51%	42%	5%	2%	100%
% change in fair value for the first quarter of 2015	0,0%	0,1%	-0,6%	-0,1%	0,0%
Vacancy rate (EPRA) ^{1,2}	3,7%	1,1%	4,4%	0,0%	2,6%
Average lease length till first break (in y) ²	5,2	7,8	3,3	7,6	6,3
WDP gross initial yield ³	7,8%	8,1%	8,4%	8,9%	8,0%
Effect of vacancies	-0,3%	-0,1%	-0,3%	0,0%	-0,2%
Adjustment gross to net rental income (EPRA)	-0,3%	-0,2%	-0,2%	0,0%	-0,3%
Adjustments for transfer taxes	-0,2%	-0,4%	-0,3%	-0,1%	-0,3%
EPRA net initial yield ¹	7,1%	7,3%	7,6%	8,8%	7,3%

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 by fair value. The fair value is the value of the property investments after deduction of transaction costs (mainly transfer tax).

NAV per share

The NAV (EPRA) per share amounts on 31 March 2015 to 41.5 euros. This represents an increase of 2.3 euros compared to the net asset value of 39.2 euros on 31 December 2014. The NAV (IFRS) per share on 31 March 2015 is 37.3 euros compared to 35.2 euros on 31 December 2014.

3.6. Financial position³⁴

The total, non-current and current, financial debt increased from 863.8 million euros as at 31 December 2014 to 883.3 million euros at the end of March 2015. The debts and liabilities, as included in the calculation of the gearing ratio in compliance with the Royal Decree of 13 July concerning Regulated Real Estate Companies, increased from 720.2 million euros to 902.4 million euros. At the same time, the balance sheet total increased from 1,570.3 million euros as of 31 December 2014 to 1,662.3 million euros. The gearing ratio therefore evolved during the first quarter of 2015 to 54.3% compared to 55.8% at the end of December 2014.

³³ Calculated by dividing the annualised contractual gross (cash) rents by the fair value. The fair value is the value of property investments after deduction of transaction costs (mainly transfer tax).

³⁴ As a consequence of IFRS 1 Joint Arrangements coming into effect, the results and balance impact of the WDP Development RO joint venture, in which WDP retains 51%, are processed since 1 January 2014 according to the equity accounting method.

The weighted average duration of WDP's outstanding financial debts on 31 March 2015 amounted to 3.3 years.³⁵ If only the total drawn and undrawn long-term credits are taken into account, the weighted average duration amounts to at least 3.9 years.³⁶ On 31 March 2015, the total amount of undrawn and confirmed long-term credit facilities amounted to 100 million euros.³⁷ With regard to the maturity date of the long-term debts in 2015, these respective credit facilities have almost been fully extended. The average cost of debt in the first quarter of 2015 was 3.1%. The Interest coverage ratio³⁸ is equal to 3.5x for the same period, compared to 3.3x for the 2014 financial year. The hedge ratio that measures the percentage of financial debt with a fixed interest rate or with variable interest rates and then hedged, mainly by means of Interest Rate Swaps (IRSs), amounted to 80%, with a weighted average duration of the hedging of 6.6 years.

³⁵ Including the short-term debts: these mainly consist of the commercial paper programme which is fully covered by yearly revolving backup facilities.

³⁶ For some credits, the credit provider may decide to extend the credit by means of an extension option. If this option is to be executed, the weighted average term of the long-term credits is 4.4 years.

³⁷ Excluding the credit facility at the European Investment Bank for financing pre-leased projects in Romania and the credit facilities to hedge the commercial paper programme.

³⁸ Defined as operating result (before the result on the portfolio) divided by interest expenses minus interest income and dividends minus income from financial leases and similar.

4. Outlook

As announced at the start of the year, WDP expects a continued increase in the net current result. The net investment volume of around 275 million euros achieved in 2014 will fully contribute to the result in the 2015 financial year. In addition, several acquisitions have already been realised or planned in 2015 as well as several new construction projects being implemented with completion in 2015. In achieving this growth, account has been taken of a capital structure that remains constant with a debt ratio of circa 56%.

Based on the earnings generation in the first quarter of 2015 and the forecast for remainder of the financial year, WDP increases its ambition for an expected increase in the net current result with 10% to at least 4.50 euros per share³⁹ (circa 82 million euros), namely an increase by 10% compared to 2014⁴⁰. This expected growth should allow the dividend to rise yet again by 6% (for the fourth year in a row) to 3.60 euro gross per share, furthermore based on a low distribution level of 80%.

In 2015, 11% of the contracts will reach their next maturity date, of which more than 85% could already be extended (compared to 70% at the start of the year). Based on currently available information and the present rental market situation, WDP assumes a minimum average occupancy rate of 96% for 2015.

³⁹ Previously announced: increase to at least 4.40 euros. See the press release of 11 February 2015.

⁴⁰ This profit forecast is based on the current situation, barring presently unforeseen circumstances (such as a further deterioration of the economic and financial climate), and a normal number of hours of sunshine.

5. FINANCIAL STATEMENTS – Key figures as at 31 March 2015 – analytical (results and balance Sheet)

5.1. Consolidated results

	2015.MAR	2014.DEC	2014.MAR
CONSOLIDATED RESULTS			
<i>(in euros x 1 000)</i>			
Rental income, net of rental-related expenses	25 696	93 438	22 128
Income from solar energy	1 026	6 819	1 153
Other operating income/costs	122	1 567	74
Property result	26 844	101 824	23 354
Property charges	-832	-2 830	-700
General company expenses	-1 401	-5 535	-1 355
Operating result (before result on the portfolio)	24 611	93 458	21 299
Financial result (excl. IAS 39)	-6 234	-25 378	-5 722
Taxes on net current result	-25	-152	-23
Deferred tax on net current result	-150	-479	-125
Participation in the result of joint ventures	-7	-113	-57
NET CURRENT RESULT (EPRA)	18 195	67 337	15 372
RESULT ON THE PORTFOLIO (IAS 40)			
Movement in the fair value of investment property (+/-)	148	20 145	1 335
Result on disposal of investment property (+/-)		13	13
Participation in the result of associates and joint ventures	-38	-455	-204
Result on the portfolio (IAS 40)	110	19 703	1 144
REVALUATION OF FINANCIAL INSTRUMENTS (IAS 39)			
Revaluation of financial instruments	-2 920	-19 375	-5 875
Revaluation of financial instruments (IAS 39)	-2 920	-19 375	-5 875
DEPRECIATION OF SOLAR PANELS (IAS 16)			
Depreciation of solar panels	-633	-2 556	n.r.
Participation in the result of associates and joint ventures	-106	-360	n.r.
Depreciation of solar panels (IAS 16)	-740	-2 916	n.r.
NETTORESULTAAT (IFRS)	14 645	64 750	10 640

KEY RATIOS	2015.MAR	2014.DEC	2014.MAR
<i>(in euros)</i>			
Net current result (EPRA)/share*	1,04	4,10	0,96
Result for the portfolio (IAS 40)/share*	0,01	1,20	0,07
Revaluation of financial instruments (IAS 39)/share*	-0,17	-1,18	-0,37
Depreciation of solar panels (IAS 16)/share*	-0,04	-0,18	n.r.
Net result (IFRS)/share*	0,84	3,94	0,66
Net current result/share**	1,00	3,87	0,96
Proposed payment		59 291 390	
Dividend payout ratio (versus net current result)***		87,9%	
Gross dividend/share		3,40	
Net dividend/share		2,55	
Weighted number of shares	17 438 644	16 432 763	16 079 247
Number of outstanding shares at the end of the period	18 120 472	17 438 644	16 079 247

* Calculation based on the weighted average number of shares.

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

*** The dividend payout ratio is calculated based on the consolidated result. Dividend is distributed on a statutory basis by WDP Comm. VA.

5.2. Consolidated balance sheet

	2015.MAR	2014.DEC	2014.MAR
CONSOLIDATED BALANCE SHEET			
<i>(in euros x 1 000)</i>			
Intangible fixed assets	126	93	131
Investment properties	1 558 498	1 461 814	1 203 789
Other tangible fixed assets (incl. solar panels)	63 079	63 699	66 169
Financial fixed assets	13 589	13 573	23 314
Trade debtors and other fixed assets	4 426	4 500	6 726
Participation in joint ventures, equity method	3 302	3 333	2 617
Fixed assets	1 643 020	1 547 013	1 302 748
Assets intended for sale	991	1 346	1 231
Trade receivables	8 427	6 125	5 809
Tax receivables and other current assets	4 606	13 922	5 296
Cash and cash equivalents	1 471	234	1 038
Defferals and accruals	4 229	1 690	4 034
Current assets	19 723	23 318	17 408
TOTAL ASSETS	1 662 744	1 570 331	1 320 156
Capital	140 696	135 329	124 898
Share premiums	281 884	239 399	177 057
Reserves	238 799	174 016	224 543
Net result for the financial year	14 645	64 750	10 640
Equity	676 025	613 494	537 139
Long term liabilities	779 299	734 328	544 609
Long term financial debt	704 318	664 928	488 397
Other long term liabilities	74 981	69 400	56 212
Short term liabilities	207 420	222 509	238 408
Short term financial debt	178 963	198 886	220 346
Other short term liabilities	28 457	23 623	18 062
Liabilities	986 719	956 837	783 017
TOTAL LIABILITIES	1 662 744	1 570 331	1 320 156
KEY RATIOS			
<i>(in euros)</i>			
NAV (IFRS)/share	37,3	35,2	33,4
NAV (EPRA)/share	41,5	39,2	36,9
Share price	74,0	62,7	54,5
Premium/Discount with regard to NAV (EPRA)	78,4%	60,0%	47,7%
<i>(in euros x million)</i>			
Fair value of the portfolio (incl. solar panels)*	1 663,5	1 567,3	1 307,7
Debts and liabilities included in the gearing ratio	902,4	876,8	720,2
Balance total	1 662,7	1 570,3	1 320,2
Gearing ratio**	54,3%	55,8%	54,6%

* Including the proportional share of WDP in the portfolio of WDP Development RO (51%).

** For the method used in the calculation of the gearing ratio, refer to the RD on Regulated Real Estate Companies.

For more information, please contact:

WDP Comm. VA
Blakebergen 15
1861 Wolvertem
Belgium

www.wdp.be

investorrelations@wdp.be

Joost Uwents

CEO

T +32 (0) 52 338 400

M +32 (0) 476 88 99 26

joost.uwents@wdp.be

Mickael Van den Hauwe

CFO

T +32 (0) 52 338 400

M +32 (0) 473 93 74 91

mickael.vandenhauwe@wdp.be

Image gallery: www.wdp.be/relations/pressmedia

WDP develops and invests in logistics property (warehouses and offices). WDP's property portfolio amounts to more than 2 million m². This international portfolio of semi-industrial and logistics buildings is spread over more than 100 sites at prime logistics locations for storage and distribution in Belgium, France, the Netherlands and Romania. More information about WDP can be found at www.wdp.be.

*WDP Comm. VA – B-REIT (Public Regulated Real Estate Company under Belgian law).
Company number 0417.199.869 (Brussels Trade Register)*

Disclaimer

Warehouses De Pauw Comm.VA, abbreviated WDP, having its registered office at Blakebergen 15, 1861 Wolvertem (Belgium), is a public Regulated Real Estate Company, incorporated under Belgian law and listed on NSYE Euronext.

This press release contains forward-looking information, forecasts, beliefs, opinions and estimates prepared by WDP, relating to the currently expected future performance of WDP and the market in which WDP operates ("forward-looking statements"). By their very nature, forward-looking statements involve inherent risks, uncertainties and assumptions, both general and specific, and risks exist that the forward-looking statements will not prove accurate. Investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in, or implied by, such forward-looking statements. Such forward-looking statements are based on various hypotheses and assessments of known and unknown risks, uncertainties and other factors which seemed sound at the time they were made, but which may or may not prove to be accurate. Some events are difficult to predict and can depend on factors on which WDP has no control. Statements contained in this press release regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future.

This uncertainty is further increased due to financial, operational and regulatory risks and risks related to the economic outlook, which reduces the predictability of any declaration, forecast or estimate made by WDP. Consequently, the reality of the earnings, financial situation, performance or achievements of WDP may prove substantially different from the guidance regarding the future earnings, financial situation, performance or achievements set out in, or implied by, such forward-looking statements. Given these uncertainties, investors are advised not to place undue reliance on these forward-looking statements. Additionally, the forward-looking statements only apply on the date of this press release. WDP expressly disclaims any obligation or undertaking, unless if required by applicable law, to release any update or revision in respect of any forwardlooking statement, to reflect any changes in its expectations or any change in the events, conditions, assumptions or circumstances on which such forward-looking statements are based. Neither WDP, nor its representatives, officers or advisers, guarantee that the assumptions underlying the forward-looking statements are free from errors, and neither do they make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved.