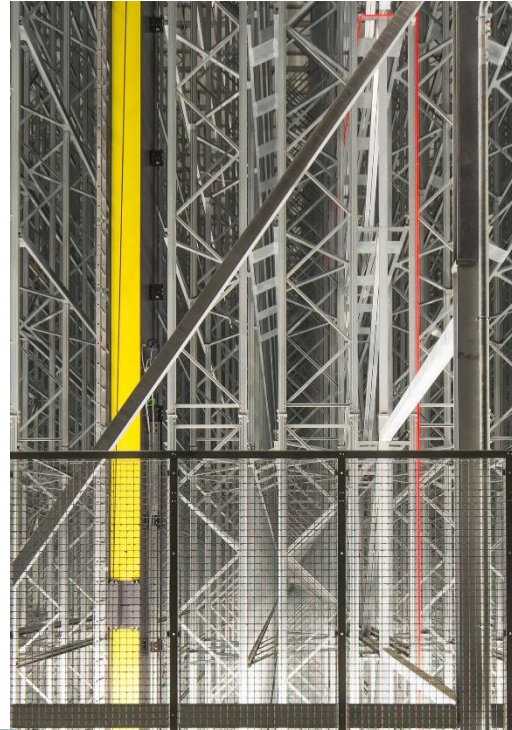




WDP

WAREHOUSES
WITH BRAINS



PRESS RELEASE

Regulated information
Inside Information

Wednesday 22 April 2020



01.01.2020-31.03.2020

Interim statement

- EPRA Earnings for Q1 2020 amount to 38.1 million euros, an increase of 14% compared to Q1 2019. The EPRA Earnings per share amount to 0.22 euros, an increase of 7% compared to Q1 2019.
- Over the course of the first quarter of 2020, a new investment package of approx. 110 million euros was secured within the context of the 2019-23 growth plan.
- Having a robust balance sheet with solid financial ratios, a strong liquidity position, as well as a property portfolio that is crucial to the supply chain and is characterised by a diversified, high-quality client base, WDP believes it is well positioned to weather the crisis caused by the Covid-19 pandemic.
- WDP confirms the envisaged gross dividend of 0.80 euro (payable in 2021, an increase of 8% year-on-year), based on anticipated EPRA Earnings per share of 0.95 to 1.00 euro (taking into account the estimated impact of the Covid-19 crisis, previously 1.00 euro). This outlook is based on the current knowledge and assessment of the crisis.

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1. Summary

- The EPRA Earnings¹ for Q1 2020 amount to 38.1 million euros, marking an increase of 14.0% compared to 2019 (33.4 million euros). The EPRA earnings per share² for Q1 2020 amount to 0.22 euros, an increase of 6.7% compared to 0.21 euros from 2019.
- The occupancy rate³ was 98.1% on 31 March 2020, stable compared to 98.1% on 31 December 2019. The average duration (until the first termination date) of the lease contracts in the WDP portfolio is 6.0 years (including solar panels).
- As at 31 March 2020, the loan-to-value⁴ came to 44.5% and the gearing ratio (proportionate) to 46.4%, compared to 45.0% and 46.7%, respectively, as at 31 December 2019. WDP has a strong liquidity buffer of more than 550 million euros in unused credit facilities.
- Within the context of the 2019-23 growth plan, an investment volume of approx. 110 million euros could be identified in the first quarter of 2020, which brings the total within the growth plan to 650 million euros.
- During this unprecedented Covid-19 crisis, WDP's priority is the health and safety of its staff and all its partners. #TeamWDP is fully operational via a digital environment and modern communication tools, and is available to assist its clients and navigate through this crisis together with all stakeholders. WDP believes it is well positioned in terms of its balance sheet strength, liquidity, portfolio, client base and diversification in order to cope with this crisis and the associated volatile macroeconomic and finance climate.
- For 2020, WDP anticipates EPRA Earnings of 0.95 to 1.00 euro per share (previously 1.00 euro), mainly driven by the anticipated delay in the delivery of projects under development as well as an anticipated increase in the provision for doubtful debtors. Based on this outlook, the dividend for 2020 (payable in 2021) is projected as initially foreseen at 0.80 euro gross per share, marking an increase of 8% over 2019. This outlook is based on the current knowledge and assessment of the crisis, albeit subject to the duration and evolution of the Covid-19 pandemic and the nature and effectiveness of the corresponding government measures.

In accordance with the guidelines issued by ESMA (the European Securities and Markets Authority), the Alternative Performance Measures (APM) used by WDP must be defined in a footnote on their first mention in this press release. This definition will also be accompanied by a symbol (▣) so the reader can easily recognise it as an APM definition. Chapters 9 and 10 of this press release also give a reconciliation of these indicators.

¹ ▣ EPRA Earnings: this figure is the underlying result of the core activities and indicates the degree to which the current dividend payments are supported by the profit. This result is calculated as the net result (IFRS) exclusive of the result on the portfolio, the changes in the fair value of financial instruments and depreciation and write-down on solar panels. See also www.epra.com.

² ▣ The EPRA Earnings per share are the EPRA Earnings based on the weighted average number of shares.

³ The occupancy rate is calculated based on the rental values of the leased properties and the unleased space and includes income from solar panels. This does not include projects under development or renovations.

⁴ ▣ The loan-to-value is obtained from the IFRS statements by dividing the net financial debts by the sum of the fair value of the property portfolio, the fair value of the solar panels and financing for and holdings in associated companies and joint ventures.



2. Operational and financial activities during 2020

2.1 Occupancy rate and leasing activity

On 31 March 2020, the property portfolio achieved an occupancy rate of 98.1%, which is stable compared to 98.1% at the end of 2019. Out of the 13% of leases reaching their next expiry date in 2020, 68% have been successfully extended today (90% of which with existing clients). This reaffirms the trust customers have in WDP. The further expansion of logistics is crucial for many companies. As a consequence, WDP notes that clients are not trying to get out of their commitments (in comparison with the crisis period in 2009) and notices that the clients and all companies in general are considering how they can best overcome this unprecedented crisis. After the crisis, further investments in the supply chain will still be required.

2.2 Acquisitions and divestments

2.2.1 Acquisitions

WDP has not concluded any acquisitions over the course of the first quarter of 2020.

2.2.2 Disposals

Leuven, Vaart 25-26

Responding to the demand for more accommodation in this part of the city, the existing Hungaria building is to be converted into a residential tower block under a cooperation agreement with project developer L.I.F.E. As part of this project, WDP and L.I.F.E. are selling this site in phases.⁵ 76% of the surface area has already been sold. The phased delivery of I Love Hungaria started in the autumn of 2019.

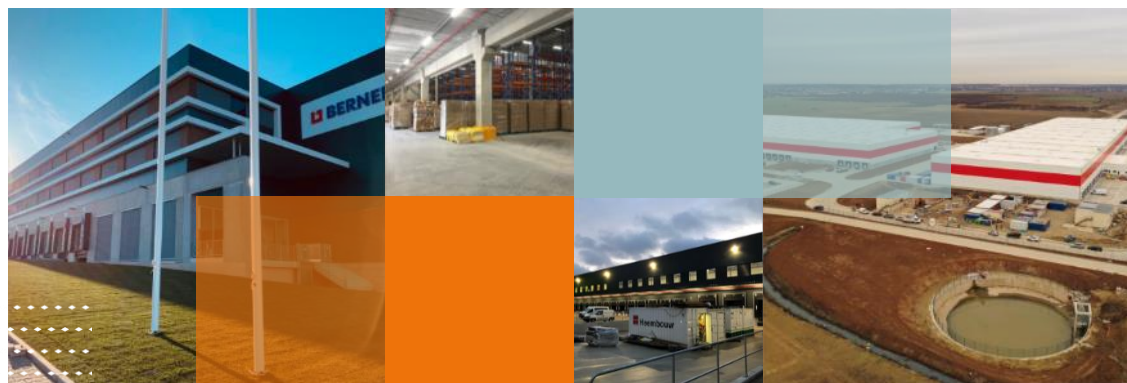
The site in **Drunen** was also sold in the course of 2020. An amount of 3.9 million euros in *Assets held for sale* is currently recognised in the balance sheet. This relates to the remaining part of the site in **Anderlecht** and a small site in **Puurs** in Belgium.

⁵ See the [press release](#) of 30 April 2015.

2.3 Projects completed over the course of the first quarter of 2020

As announced, WDP successfully delivered the following pre-leased projects during 2020, with a total surface area of 182,000 m². The initial gross rental yield for all of these completed projects amounts to 6.9%, with an investment budget of approx. 129 million euros. The average term of the lease contracts amounts to 9.6 years.

Location	Tenant	Delivery date	Lettable area (in m ²)	Investment budget (in million euros)
2019-23				
BE Heppignies, rue de Capilône 6C	Cora	1Q20	32.000	16
BE			32.000	16
2019-23				
NL Eindhoven, Park Forum	Brocacef	1Q20	10.000	10
NL Kerkrade, Steenbergstraat	Berner Produkten	1Q20	28.000	25
NL Maastricht, Habitatsingel 59	Sligro	1Q20	16.000	16
NL Nieuwegein, Brigadedok	Caldic	1Q20	15.000	12
NL			69.000	64
2016-20				
RO Bucharest - Stefanestii de Jos	Auchan	1Q20	77.000	45
RO Sibiu	Aeronamic Eastern Europe	1Q20	4.000	4
RO			81.000	49
Total			182.000	129



PROJECTS COMPLETED



2.4 Projects under development

WDP expects the total of projects under development, representing an investment volume of approximately 466 million euros⁶ and boasting a total surface area of around 637,000 m², to generate an initial gross rental yield of around 6.9% (an initial gross rental yield of around 6.1% in Western Europe and 8.4% in Romania). This pipeline is fully pre-let (97%) and the average term of the lease contracts amounts to 9.8 years.

2.4.1 Projects identified during the first quarter of 2020⁷

The Netherlands

Heerlen, Argostraat 14-16

Expansion of the existing warehouse site with an area of approximately 26,000 m² for the distribution of healthcare products by a renowned 3PL company. This new part is expected to be completed at the end of 2020. The investment budget by WDP comes to approx. 14 million euros.

Luxembourg

Eurohub Sud

Construction of the announced fourth building at this site with an area of 25,000 m², with completion expected in the course of the second quarter of 2021. The commercialisation of this space has been launched. The investment budget for this new warehouse is approx. 13 million euros in total. Its completion will be the final step in the redevelopment of the multimodal logistics zone Eurohub Sud. WDP Luxembourg will have a total of approximately 100,000 m² of new-build warehouses at this location in its portfolio.

Romania

Craiova

A new warehouse of approx. 58,000 m² is being built for Profi, which is already a WDP client in Romania. After delivery - scheduled for the second quarter of 2021 - the retailer will lease this site on the basis of a ten-year contract. WDP projects an investment budget of some 33 million euros.

Timisoara

Also for Profi, WDP is developing a warehouse site in Timisoara, to be completed by the end of 2021. This new distribution centre will have an area of approx. 57,000 m² and will be operational

⁶ 283 million euros of which is yet to be invested.

⁷ Based on 100% of the investment in the fully consolidated entities (including WDP Romania) and prorated for the joint ventures (in particular: 55% for WDP Luxembourg).

by the end of 2021. Profi is signing on to a ten-year lease for this. The amount invested by WDP comes to approx. 38 million euros.

2.4.2 Summary of all projects under development⁸

Location	Tenant	Planned delivery date pre-Covid-19	Planned delivery date	Lettable area (in m ²)	Investment budget (in million euros)
2019-23					
BE Asse - Mollem, Zone 5 nr. 191, 192, 320, 321	AMP	1Q20	2Q20	9.000	4
BE Courcelles, rue de Liège 25	Conway	4Q20	1Q21	2.190	2
BE Geel, Hagelberg 12	Distrilog	4Q20	3Q21	8.000	4
BE Heppignies	fully let	1Q21	4Q21	2.000	5
BE Lokeren, Industrierrein E17/4	Barry Callebaut	3Q21	3Q21	60.000	92
BE Londerzeel, Weversstraat 27-29	Colruyt	4Q20	4Q20	20.000	9
BE Nijvel, rue de l'industrie 30	WEG	4Q20	4Q20	2.000	1
BE				103.190	116
2016-20					
LU Bettembourg (Eurohub Sud 3)	Trendy Foods / Sobolux / Fedex	1Q20	2Q20	25.000	12
2019-23					
LU Bettembourg (Eurohub Sud 4)	In commercialisation	n.r.	2Q21	25.000	13
LU				50.000	25
2019-23					
NL Bleiswijk, Prismalaan 17-19	CEVA Logistics	2Q20	2Q20	22.000	13
NL Bleiswijk, Prismalaan West 31	Boland	1Q21	1Q21	16.400	18
NL Bleiswijk, Snelliuslaan 13	Drake & Farrell	3Q20	3Q20	17.000	16
NL Breda, Heilaarstraat 263	Lidl	3Q20	3Q20	5.000	3
NL Den Haag, Westvlietweg	CEVA Logistics	2Q21	3Q21	26.000	19
NL Heerlen, Argonstraat 14-16	3PL	n.r.	4Q20	26.000	14
NL Nieuwegein, Divisiedok 1	Bol.com	3Q20	3Q20	12.500	15
NL Ridderkerk, Nieuw Reijerwaard	Kivits Groep Holding	4Q20	4Q20	26.000	30
NL Rozenburg, Incheonweg	Various	1Q20	2Q20	10.000	4
NL 's-Hertogenbosch, Ketelaarskampweg - Zandzuigerstraat	Sanitairw ink.nl / Spierings Smart Logistics / ID Logistics	3Q20	3Q20	55.000	33
NL				215.900	165
2016-20					
RO Buzau	Ursus Breweries	3Q20	4Q20	21.000	13
RO Deva	Carrefour	3Q20	4Q20	45.000	24
2019-23					
RO Bucharest - Stefanestii de Jos	Decathlon	4Q20	1Q21	10.000	5
RO Bucharest - Stefanestii de Jos	Alcar	3Q20	3Q20	10.000	5
RO Bucharest - Stefanestii de Jos	Lecom	2Q20	2Q20	2.600	1
RO Bucharest - Stefanestii de Jos	Aggreko	1Q20	2Q20	2.000	2
RO Craiova	Profi	n.r.	2Q21	58.000	33
RO Slatina	Pirelli	3Q20	3Q20	62.000	40
RO Timisoara	Profi	n.r.	4Q21	57.000	38
RO				267.600	160
Total				636.690	466

The above summary of the projects under development takes into account a delay in the delivery as a consequence of the Covid-19 crisis and concerns an assessment of the development of the new-build projects based on the current situation. Together with its building partners, WDP endeavours to keep the construction sites operational wherever possible and where permitted by the government, whilst prioritising on everyone's safety and health. The concrete challenges are safety measures

⁸ Based on 100% of the investment in the fully consolidated entities (including WDP Romania) and prorated for the joint ventures (in particular: 55% for WDP Luxembourg).

imposed by the government in each country, the supply of building materials and the availability of an adequate workforce.



PROJECTS UNDER DEVELOPMENT

2.5 Ambition of a total PV portfolio of 100 MWp over the medium term

WDP currently holds a total installed capacity of 80 MWp spread across 85 sites, implying that approximately one third of the buildings have access to locally produced green electricity. Over the medium-term, WDP will strive for a total PV portfolio of 100 MWp.

2.5.1 Realisations in the course of 2020

- Solar panel project in the Netherlands

The second phase of the solar panel project in the Netherlands is under development and offers additional capacity of 25 MWp in total, of which 15 MWp was installed in 2019. The installation of another 5 MWp has been scheduled.

- Solar panel project in Flanders

Following the past installation of solar panels in Flanders, with a total capacity of around 20 MWp between 2008 and 2012, WDP has launched a new initiative to install solar panels on the roofs of its Flemish warehouses. In the first phase, additional capacity of 5 MWp was installed during 2019. Installation of another 5 MWp is scheduled.

2.6 Status in relation to policy regarding Dutch REIT status

2.6.1 History

Since 1 November 2010, WDP has held FBI (Fiscale Beleggingsinstelling) status via its subsidiary, WDP Nederland N.V. (WDP NL). The conditions for FBI qualification depend, among other things, on the activities of the subsidiary as well as its shareholder structure; for example, at least 75% of a non-listed FBI such as WDP NL must be owned by natural persons, tax-exempt entities or a listed FBI. At the time, the Dutch tax authorities confirmed in a fiscal ruling that WDP NL's parent entity, WDP as a GVV/SIR (regulated real estate company) and formerly as a BEVAK (real estate investment company with fixed capital) is an entity that is exempt from income tax. This is because the corporation tax payable by WDP is as good as zero in both absolute and relative terms, as its activities are de facto exempt from corporation tax⁹.

Over the past few years, WDP NL was in talks — at the request of the Dutch administration — regarding a different approach to the shareholder test. Even though WDP was and remains of the opinion that the relevant policies, regulations and jurisprudence has not changed, it has constructively cooperated in examining whether WDP itself — in relation to the shareholder test — could qualify as an FBI. Hence, WDP is of the opinion — aside from the fact that it is not subject to corporate tax, taking into account the fiscal transparency model of a GVV/SIR — that as a GVV/SIR, it is operating under a regime that is objectively comparable to that of an FBI and that it should be able to pass this shareholder test. Negotiations between WDP and the Dutch tax administration to investigate how this could be implemented in concrete terms to ensure the continued application of WDP NL's FBI status have always been held in a constructive atmosphere.

These discussions were subsequently suspended when the Dutch coalition agreement of October 2017 included a resolution to no longer permit direct investment in Dutch property through FBIs — including WDP, via its subsidiary, WDP Nederland N.V. — from 2020 in relation to the planned abolition of dividend tax. At the start of October 2018, the Dutch government announced that it would retain the dividend tax and also keep the current FBI system intact.

2.6.2 Recent developments

Recently, the Dutch Tax and Customs Administration indicated that, for now, it will not provide specific details on the shareholder test, partly because this depends on the outcome of thousands of appeals between the Dutch authorities and foreign investment funds concerning the reclaim of the dividend tax. A ruling from the European Court of Justice and then the Dutch Supreme Court is expected during the course of 2020.

⁹ The limited amount of corporation tax paid is related to non-deductible expenditures.

Furthermore, the Dutch government is currently investigating whether specific adjustments to the property FBI regime are possible and feasible by means of an evaluation, and possibly through policy and/or regulation amendments in 2021.

2.6.3 New development

In a new letter to WDP and as communicated previously¹⁰, the Dutch tax authorities have indicated that they will withdraw the previously granted tax ruling with effect from 1 January 2021, and that from that moment onward, “WDP NL must comply with all requirements applicable in the Netherlands for FBI status, including the shareholder tests”.

2.6.4 WDP vision

WDP is of the opinion that the facts and circumstances and the legal framework in which the tax ruling was granted have not changed, and that — in the absence of any material changes to the policies and/or regulations on FBIs — WDP NL continues to be entitled to FBI status. WDP wishes to maintain constructive and open dialogue with the Dutch tax authorities, but will also contemplate about next steps. In addition, WDP, its advisors and the other companies in its sector will closely monitor all developments in relation to the FBI regime, for which the strategy and policy of the Dutch government is currently unclear.

WDP would like to point out that the business environment facilitated by the FBI regime has resulted in WDP investing around 2 billion euros in the Netherlands over the past ten years, and would like to draw attention to a selection of notable figures: i) around 1 billion euros of this total has found its way towards liquidity on the Dutch property market, largely via sale-and-lease-back agreements with Dutch companies in the aftermath of the financial crisis, when bank finance was unavailable in the Netherlands but WDP was able to attract international capital through its FBI status, ii) over 1 billion euros made its way directly into the construction sector with an immediate impact on the real economy, and iii) solar panels were installed on nearly half of the sites, resulting in a total capacity of 40 MWp — a development supporting the Netherlands in the realisation of its climate objectives.

WDP favours a simple and transparent solution, focusing on maintaining — with a few adjustments — the property FBI for stock-listed companies as is the case in other EU member states in which a REIT regime applies. This way, a competitive business environment can be created for the property sector, in which the necessary investments are made in infrastructure and in which that infrastructure is made more sustainable. One example of such an environment is the thriving Belgian REIT sector and its contribution to society.

Over time and via the EPRA (European Public Real Estate Association), WDP believes that steps can be taken towards an EU REIT, which may be able to strike the right balance between facilitating cross-border investments and protecting national interests such as safeguarding the tax base.

¹⁰ See the [press release](#) of 22 February 2020.

2.6.5 Financial impact

WDP estimates the difference between the fiscally transparent status of an FBI and the normal taxation regime (pro forma) to be no more than 3% of expected EPRA Earnings per share (0.95 to 1.00 euro for 2020).

2.7 Management of financial resources

- New IFC financing package of 205 million euros

WDP and IFC, part of the World Bank Group, have signed a new financing package of approx. 205 million euros. The loans will be structured as term loans with a duration of up to 9 years, which will exclusively be used to finance new logistics projects in Romania that are EDGE¹¹-certified.

- New financing

During the first quarter of 2020, WDP also secured additional financing of around 100 million euros.

¹¹ EDGE stands for Excellence in Design for Greater Efficiencies and is a certification programme for green buildings, which mainly focuses on the efficient use of resources. EDGE helps developers and future owners reduce energy and water consumption or the energy withdrawn in materials quickly and cost efficiently. EDGE certificates are issued all over the world and are an initiative of IFC, which is part of the World Bank Group.



3. Financial results

3.1 Summary

The EPRA Earnings of WDP for Q1 2020 amount to 38.1 million euros. This result represents an increase of 14.0% compared to the result of 33.4 million euros in Q1 2019. The EPRA Earnings per share come to 0.22 euros, an increase of 6.7% over the same period last year.

This increase in the EPRA Earnings primarily stems from strong growth in the WDP portfolio in 2019-20 by means of pre-leased projects in the growth markets of the Netherlands and Romania. In addition, operational and financial costs were actively managed and kept under control.

3.2 Key figures

	31.03.2020	31.12.2019
Operational		
Fair value of property portfolio (including solar panels) (in million euros)	4.290,6	4.175,8
Gross initial yield (including vacancies) ¹ (in %)	6,3	6,3
Net initial yield (EPRA) ² (in %)	5,6	5,6
Average lease term (until first break) ³ (in years)	6,0	6,0
Occupancy rate ⁴ (in %)	98,1	98,1
Like-for-like rental growth ⁵ (in %)	2,0	1,4
Operating margin ⁶ (in %)	89,9	90,9
Financial		
Loan-to-value (in %) ⁷	44,5	45,0
Gearing ratio (proportional) (in line with the GVV/SIR Royal Decree) (in %)	46,4	46,7
Net debt / EBITDA (adjusted) ⁸ (in x)	8,0	8,0
Interest Coverage Ratio ⁹ (in x)	4,6	4,5
Average cost of debt ¹⁰ (in %)	2,1	2,2
Average remaining duration of outstanding debt (in years)	4,5	4,2
Average remaining duration of long-term credit facilities (in years)	5,3	4,8
Hedge ratio ¹¹ (in %)	83,5	84,9
Average remaining term of hedges ¹² (in years)	7,0	7,1
Result (in million euros)		
Property result	53,7	49,2
Operating result (before the result on the portfolio)	48,3	44,7
Financial result (excluding change in the fair value of financial instruments) ¹³	-8,8	-9,7
EPRA Earnings ¹⁴	38,1	33,4
Result on the portfolio (including share joint ventures) - Group share ¹⁵	32,8	22,4
Change in the fair value of financial instruments - Group share	-16,0	-16,0
Depreciation and write-down on solar panels (including share joint ventures) - Group share	-1,1	-1,2
Net result (IFRS) - Group share	53,7	38,6
Details per share (in euros)		
EPRA Earnings ¹⁶	0,22	0,21
Result on the portfolio (including share joint ventures) - Group share ¹⁷	0,19	0,14
Change in fair value of the financial instruments - Group share	-0,09	-0,10
Depreciation and write-down on solar panels - Group share	-0,01	-0,01
Net result (IFRS) - Group share	0,31	0,24
IFRS NAV ¹⁸	12,5	10,0
EPRA NAV ¹⁹	13,2	10,5
EPRA NNNAV ²⁰	12,5	10,0

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

3. Including the solar panels which are included in the remaining weighted average term of the green energy certificates.

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

5. Like-for-like rental growth: 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.

6. The operating margin, obtained by dividing the operating result (before the result on the portfolio) by the property result.

Based on the comparison between Q1 2020 and Q1 2019.

7. 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.

8. The net debt / EBITDA (adjusted) is calculated starting from the proportional accounts: in the denominator taking into account the trailing-twelve-months EBITDA but 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).

9. 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.

10. 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.

11. 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 geregelende vasgoedvennootschappen or 'GVV-Wet').

12. The remaining duration of debt at fixed rate and interest rate hedges entered into to hedge the debt against interest rate fluctuations.

13. Financial result (excluding change 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.

14. EPRA Earnings: this is the underlying result of core activities and indicates the degree to which the current dividend payments are supported by the profit. This result is calculated as the net result (IFRS) exclusive of the result on the portfolio, the change in the fair value of financial instruments and depreciation and write-down on solar panels. See also www.epra.com.

15. Result on the portfolio (including share joint ventures) - Group share: realised and unrealised capital gains/loss 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.

16. The EPRA Earnings per share is the EPRA earnings based on the weighted average number of shares.

17. Result on the portfolio (including share joint ventures) - Group share per share: this is the result on the portfolio based on the weighted average number of shares.

18. 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.

19. EPRA NAV: this is the NAV that was 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 real estate investments over the long term. See also www.epra.com.

20. EPRA NNNAV: this is the EPRA NAV adjusted to include the fair value of (i) financial instruments, (ii) debts and (iii) deferred taxes. See also www.epra.com.

3.3 EPRA-metrics

EPRA KEY PERFORMANCE MEASURES¹

	31.03.2020	31.12.2019
EPRA Earnings (in euros per share) ²	0,22	0,21
EPRA NAV (in euros per share) ³	13,2	12,8
EPRA NNNNAV (in euros per share) ⁴	12,5	12,2
EPRA Net Initial Yield (in %)	5,6	5,6
EPRA Topped-up Net Initial Yield (in %)	5,6	5,6
EPRA vacancy rate (in %)	2,0	2,1
EPRA cost Ratio (incl. direct vacancy costs) (in %) ⁵	10,2	9,5
EPRA cost Ratio (excl. direct vacancy costs) (in %) ⁵	9,8	9,1

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

2. ▽EPRA Earnings: this is the underlying result of core activities and indicates the degree to which the current dividend payments are supported by the profit. This result is calculated as the net result (IFRS) exclusive of the result on the portfolio, the change in the fair value of financial instruments and depreciation and write-down on solar panels. See also www.epra.com.

Based on the comparison between Q1 2020 and Q1 2019.

3. ▽EPRA NAV: this is the NAV that was 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 real estate investments over the long term. See also www.epra.com.

4. ▽EPRA NNNNAV: EPRA NAV adjusted to include the fair value of (i) financial instruments, (ii) debts and (iii) deferred taxes. See also www.epra.com.

5. ▽EPRA Cost Ratio: administrative and operating costs (including and excluding direct vacancy costs) divided by the gross rental income. See also www.epra.com.

3.4 Notes on the profit and loss account over the course of the first quarter of 2020 (analytical schedule)

3.4.1 Property result

The property result amounts to 53.7 million euros for the first quarter of 2020, an increase of 9.2% compared to last year (49.2 million euros). This increase is driven by continued portfolio growth in 2019-20, primarily through new pre-leased projects in the growth markets of the Netherlands and Romania. With an unchanged portfolio, the rental income rose by +2.0%¹², mainly driven by the indexing of leases, as well as an increase in the occupancy rate. The property result also includes 2.7 million euros in income from solar panels, compared to 2.4 million euros last year, on the basis of a higher installed capacity.

GROSS RENTAL INCOME BY COUNTRY

(in euros x 1 000)	Belgium	Netherlands	France	Romania	Total IFRS	Luxembourg ¹
I. Rental income	17.594	26.355	1.761	8.046	53.756	435
III. Costs related to leases ²	303	78	-95	-11	275	-3
Rental income, net of rental-related expenses	17.897	26.433	1.665	8.035	54.031	432

1. Taken into account the proportional share in WDP's rental income for Luxembourg (55%).

2. The heading *Costs related to leases* mainly consists of *Provisions for trade receivables*.

¹² ▽Like-for-like rental growth: this is the organic growth in gross rental income year-on-year with an unchanged portfolio, exclusive of project developments, acquisitions and sales during these two comparison periods.

3.4.2 Operating result (before the result on the portfolio)

The operating result (before the result on the portfolio) amounts to 48.3 million euros over the first quarter of 2020, an increase of 7.9% compared to the same period last year (44.7 million euros). Property and other general company expenses amounted to 5.4 million euros for the first quarter of 2020, an increase of 1.0 million euros compared to the costs for the same period in 2019. The overhead trend for the company is in line with the underlying portfolio growth. WDP is managing to keep the costs under control, with an operating margin of 89.9% in the first quarter of 2020, which is in line with the average of the previous years (as a reminder, the operating margin is always slightly lower in the first quarter due to IFRIC 21).

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

The financial result (excluding changes in the fair value of the financial instruments)¹³ amounts to -8.8 million euros for the first quarter of 2020, a decrease over last year (-9.7 million euros), in spite of higher outstanding financial debts, due to the positive effect of the extension of the lower interest of the interest rate hedges and fixed-rate debts that saves 4 million euros annually from 2020. This financial result includes the recurrent costs of the concession land of -0.6 million euros which, in accordance with IFRS 16, are recognised as of the 2019 financial year via the *Financial result*.

The total financial debt (as per IFRS) amounted to 1,882.4 million euros as at 31 March 2020, compared to 1,743.3 million euros in the same period last year. The average cost of debt in the first quarter of 2020 was 2.1%, compared to 2.2% in 2019.

3.4.4 Share in the result of associated companies and joint ventures

The result of 0.1 million euros for the first quarter of 2020 primarily stems from the underlying result of the core activities of the Luxembourg joint venture.

3.4.5 EPRA Earnings

The EPRA Earnings of WDP for Q1 2020 amount to 38.1 million euros. This result marks an increase of 14.0% over the result of 33.4 million euros in 2019. The EPRA Earnings per share are up 6.7% year-on-year, to 0.22 euro, including an increase of 6.9% in the weighted average number of outstanding shares.

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

The result on the portfolio (including share joint ventures and after tax) – Group share¹⁴ for the first quarter of 2020 amounts to +32.8 million euros, or +0.19 euro per share¹⁵. For the same period last

¹³ Financial result (exclusive of change in the fair value of financial instruments): this is the financial result according to IFRS exclusive of the change in the fair value of financial assets and liabilities, and reflects the actual financial expenses of the company.

¹⁴ Result on the portfolio (including share joint ventures) – Group share: realised and unrealised capital gains/loss with respect to the latest valuation by the property experts, taking into account the effective or deferred capital gains tax due, including WDP's proportionate share in the portfolio of affiliated companies and joint ventures.

¹⁵ Result on the portfolio (including share joint ventures) per share – Group share: this is the result on the portfolio (including share joint ventures) based on the weighted average number of shares.

year, this result amounted to +22.4 million euros or +0.14 euro per share. This breaks down as follows by country for the first quarter of 2020: Belgium (+9.0 million euros), The Netherlands (+20.2 million euros), France (+0.9 million euros), Romania (+2.3 million euros) and Luxembourg (+0.5 million euros).

The revaluation of the portfolio (excluding deferred taxes on the portfolio result and the result on disposal of investment property) amounts to 35.3 million euros. This revaluation is mainly driven by the unrealised gains on the projects (both completed and under development). The yields and therefore the valuations for the underlying existing portfolio remained stable in the first quarter of 2020.

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

The change in the fair value of financial assets and liabilities – Group share¹⁶ amounts to -16.0 million euros or -0.09 euro per share for the first quarter of 2020 (compared to -16.0 million euros or -0.10 euros per share in 2019). This negative impact stems from the change in fair value of the interest rate hedges concluded (Interest Rate Swaps) as at 31 March 2020, as a result of a decrease in long-term interest rates during 2020.

The change in the fair value of these interest rate hedges has been fully accounted for in the profit and loss account, not in shareholders' equity. Since this impact involves a non-cash and unrealised item, it is excluded from the financial result in the analytical presentation of the results and is shown separately in the profit and loss account.

3.4.8 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 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 then revaluated at fair value. This revaluation is recognised directly in the shareholders' equity to the extent 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 amounts to -1.1 million euros. Since this impact involves a non-cash and unrealised item, it is excluded from the financial result in the analytical presentation of the results and is shown separately in the profit and loss account.

3.4.9 Net result (IFRS) – Group share

The EPRA Earnings along with the result on the portfolio, the change in the fair value of financial instruments and the depreciation and write-down on solar panels result in a net result (IFRS) – Group share of 53.7 million euros in the first quarter of 2020 (compared to the same period last year, when this figure was 38.6 million euros).

¹⁶ The change in the fair value of financial assets and liabilities – Group share (non-cash item) is calculated based on the mark-to-market (M-t-M) value of the interest rate hedges concluded.

The difference between the net result (IFRS) – Group share of 53.7 million euros and the EPRA Earnings of 38.1 million euros is mainly attributable to the negative variation of the fair value of the interest rate hedges and the positive fluctuation in the value of the portfolio.

3.5 Notes on the balance sheet as at 31 March 2020¹⁷

3.5.1 Property portfolio

According to independent property experts Stadim, JLL, Cushman & Wakefield, CBRE and BNP Paribas Real Estate, the fair value¹⁸ of the WDP property portfolio according to IAS 40 amounted to 4,168.1 million euros on 31 March 2020, compared to 4,054.8 million euros at the start of the financial year (including the *Assets held for sale*). Together with the valuation at fair value of the investments in solar panels¹⁹, the total portfolio value grew to 4,290.6 million euros compared to 4,175.8 million euros at 2019 year-end.

This value of 4,290.6 million euros includes 3,846.7 million euros in completed properties (standing portfolio).²⁰ The projects under development account for a value of 222.1 million euros. In addition, WDP also holds land reserves in, amongst others, Heppignies, Heerlen, Schiphol, Bleiswijk and Breda as well as the land bank in Romania, at a fair value of 99.3 million euros.

The investments made in solar panels were valued at a fair value of 122.4 million euros as at 31 March 2020.

The overall portfolio is currently valued at a gross rental yield of 6.3%²¹. The gross rental yield after deduction of the estimated market rental value for the unleased parts is 6.2%.

¹⁷ Under IFRS 11 *Joint arrangements*, the joint ventures (mainly WDP Luxembourg, in which WDP retains 55%) are incorporated using the equity accounting method. The statistics in the reporting on the portfolio, reflect WDP's proportionate share in the portfolio of WDP Luxembourg (55%).

¹⁸ For the precise valuation method used, please refer to the [BE-REIT press release](#) dated 10 November 2016.

¹⁹ Investments in solar panels are valued in compliance with IAS 16 by applying the revaluation model.

²⁰ Including a right of use of 47 million euros in relation to concession land in accordance with IFRS 16.

²¹ Calculated by dividing the annualised contractual gross (cash) rents and the rental value of the unleased parts by the fair value. The fair value is the value of the investment properties after deduction of transaction costs (mainly transfer tax).

PORTFOLIO STATISTICS BY COUNTRY

	Belgium	Netherlands	France	Luxembourg	Romania	Total
Number of lettable sites	79	93	7	2	59	240
Gross lettable area (in m ²)	1.817.668	2.159.388	192.235	33.007	952.996	5.155.294
Land (in m ²)	3.635.905	4.045.491	436.681	56.007	4.337.857	12.511.940
Fair value (in million euros)	1.353,0	1.983,5	126,4	42,8	662,4	4.168,1
% of total fair value	32%	48%	3%	1%	16%	100%
% change in fair value (YTD)	0,8%	1,0%	0,7%	2,0%	0,7%	0,9%
Vacancy rate (EPRA) ^{1,2}	4,2%	0,3%	2,2%	2,2%	2,3%	2,0%
Average lease length till first break (in y) ²	4,2	6,4	3,1	8,8	6,8	5,7
WDP gross initial yield ³	6,2%	5,9%	6,1%	6,4%	7,8%	6,3%
Effect of vacancies	-0,3%	0,0%	-0,1%	-0,2%	-0,2%	-0,1%
Adjustment gross to net rental income (EPRA)	-0,3%	-0,3%	-0,2%	-0,4%	-0,2%	-0,3%
Adjustments for transfer taxes	-0,1%	-0,3%	-0,3%	-0,4%	-0,1%	-0,2%
EPRA net initial yield ¹	5,5%	5,2%	5,5%	5,5%	7,3%	5,6%

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).

3.5.2 NAV per share

The EPRA NAV per share amounted to 13.2 euros on 31 March 2020. This marks an increase of 0.4 euros compared to an EPRA NAV per share of 12.8 euros on 31 December 2019 as a consequence of the profit generation and revaluation of the portfolio. The IFRS NAV per share²² came to 12.5 euros on 31 March 2020, compared to 12.2 euros on 31 December 2019.

3.6 Financial position

The total (long-term and short-term) financial debt has increased to 1,882.4 million euros as at 31 March 2020, compared to 1,854.8 million euros at the end of December 2019, mainly due to the realisation of the pre-leased project development pipeline. The short-term financial debt of 204.7 million euros mainly includes the commercial paper programme (181.8 million euros); the bond of 50 million euros with a maturity date in March 2020 has now been repaid from the available resources.

The balance sheet total rose from 4,222.8 million euros on 31 December 2019 to 4,339.8 million euros by the end of March 2020. The gearing ratio (proportionate) was steady at 46.4% as at 31 March 2020, compared to 46.7% on 31 December 2019. The loan-to-value, which compares the net financial debt to the portfolio value (based on the IFRS statements, including solar panels and financing to and participations in joint ventures), came to 44.5% as at 31 March 2020.

The weighted average term of WDP's outstanding financial debt on 31 March 2020 was 4.5 years²³. If only the total drawn and undrawn long-term loans are taken into account, the weighted average term

²² The IFRS NAV is calculated as shareholders' equity 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.

²³ Including the short-term debts, these mainly consist of the commercial paper programme, which is fully hedged with backup facilities.

amounts to 5.3 years²⁴. On 31 March 2020, the total amount of undrawn and confirmed long-term credit facilities amounted to more than 550 million euros²⁵.

The average cost of debt was 2.1% in the first quarter of 2020. The Interest Coverage Ratio²⁶ is equal to 4.6x for the same period, compared to 4.5x for the entire 2019 financial year. The hedge ratio²⁷, which measures the percentage of financial debt with a fixed or floating interest rate and subsequently hedges this by means of Interest Rate Swaps (IRS), comes to 83%, with a weighted average hedged term of 7.0 years.

²⁴ For some credits, at the request of the company, the lender may decide to extend the credit by means of an extension option. If this option is exercised every time, the weighted average maturity of long-term loans will be 5.5 years.

²⁵ Excluding the credit facilities to hedge the commercial paper programme.

²⁶ Defined as operating result (before result on the portfolio), divided by interest charges, minus interest and dividend collection, minus compensation for financial leasing and others.

²⁷  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 Act (the GVV/SIR Act).

4. Statements on Covid-19 and outlook for 2020

Further to the previously communicated statement in the [2019 Annual Financial Report](#) on the impact of Covid-19, WDP wishes to provide its stakeholders with the following additional information:

- **General:** our main focus is on the health and safety of the staff and all the partners of WDP. #TeamWDP is currently fully operational via a digital environment and modern communication tools, and is available to assist the clients and navigate through this crisis together with all stakeholders.
- **Financial:** WDP has a robust balance sheet with healthy metrics, such as a gearing ratio of 46.4% (compared to covenant at a maximum of 65%) and an Interest Coverage Ratio of 4.6x (compared to covenant at minimum of 1.5x). In terms of liquidity, the commercial paper programme is completely hedged, and WDP also holds 550 million euros of unused credit facilities, by means of which it can comfortably handle the projects under development (approx. 650,000 m², 97% pre-leased, and 283 million euros of which was still to be invested as at 31 March 2020) and the maturity dates of debts up to the end of 2021 (approx. 220 million euros). Moreover, the above does not take into account the potential annual impact of retained earnings and the optional dividend (in 2019, 85 million euros combined).
- **Portfolio and clients:** WDP can rely on a diversified, high-quality client base in terms of exposure per country, sector and location, which ensures a spreading of the risks. Furthermore, the warehouses are operational and functional, and in many cases critical for the supply chain and provisioning at this time of lockdown. WDP is aware of the challenges faced by its clients; a number of clients have indicated that they are struggling with short-term liquidity issues. WDP is currently working out a solution involving rearrangements and the extension of the payment terms with a number of clients in the portfolio (currently approximately 10%) on a case-by-case basis and only when there are well-founded reasons to do so – WDP has not granted any rent reduction, given the important role of the warehouses. In the coming quarters this will lead to a rise in client receivables.
- **Payment records of clients:** WDP has currently received 95% of the rent for March 2020 and 85% of the matured rent invoices of April 2020 (for the monthly rents) and the second quarter of 2020 (for the quarterly rents).
- **Projects under development:** due to the necessary safety measures and depending on each country, there will be delays in the execution of the development projects. WDP attempts to deal with this as well as it possibly can, together with its partners the clients and the construction companies, while prioritising on everyone's health and safety. Most of WDP's construction sites are still operational, subject to any inconvenience caused in some cases where there is a more limited capacity or a delayed supply of building materials.

- **Outlook for 2020:** on the basis of the above, WDP expects EPRA Earnings per share of between 0.95 and 1.00 euro compared to 1.00 euro previously, mainly due to the anticipated delay in the delivery of projects under development as well as an anticipated increase in the provision for doubtful debtors. Based on this outlook, WDP still intends to set a gross dividend of 0.80 euro for 2020 payable in 2021, which is an increase of 8% (as foreseen initially). WDP is still assuming an occupancy rate of at least an average of 97% for 2020 and a gearing ratio which remains below 50% (on the basis of the current portfolio valuation).
- **Long-term perspective:** WDP believes that, in the longer term, the structural tendencies will remain intact – such as changes in consumer behaviour (e.g. e-commerce), technological developments and the demand for sustainability, which lead to adapted consumption and distribution networks, and therefore a demand for logistics space. WDP considers that these changes will be strengthened by this crisis because of an increased share in food e-commerce and a return to local production closer to the consumer. It is impossible to estimate now what the implications will be on the implementation of the 2019-23 business plan, as the consequences of the economic recession provoked by this crisis are not yet fully visible.
- **Disclaimer:** this outlook and these assumptions are based on the current situation, knowledge and assessment of the crisis, and are subject to the duration and development of the Covid-19 pandemic and the nature and effectiveness of the corresponding government measures.

5. Extraordinary General Meeting and Annual General Meeting of 29 April 2020

WDP refers to the notice convening the Extraordinary General Meeting and the annual General Meeting of 29 April 2020, as delivered to the registered shareholders and as published in the Belgian Official Gazette and De Standaard on 27 March 2020 and available on the [website](#) of the Company (hereafter: the Meetings). The Meetings will be held at 9.30 am (Extraordinary General Meeting) and at 10 am (annual General Meeting) at the Company's headquarters at Blakebergen 15, Wolveterm, Belgium.

Given the exceptional situation with regard to Covid-19 and to ensure that the health and safety of all those participating in the Meetings can be guaranteed, the Board of Directors emphasised in the notice that shareholders have the option to vote by proxy or remotely by letter. Furthermore, the Board of Directors also wishes to apply the options offered in Article 6 of *Royal Decree No. 4 regarding miscellaneous provisions concerning joint ownership and corporate and association law within the context of the fight against the Covid-19 pandemic* (hereafter: the Proxy Decree). The Board of Directors has thus decided to hold both the Extraordinary General Meeting and the annual General Meeting behind closed doors and therefore without the physical presence of shareholders or other persons who in other circumstances are entitled to attend these Meetings.

In concrete terms, this means the following for the shareholders:

1. The shareholders can only exercise their rights by doing the following prior to the Meetings:
 - either vote remotely by means of the [voting form](#) available on the WDP website;
 - or grant a proxy to Johanna Vermeeren, General Counsel of WDP, by means of the [proxy form](#) available on the WDP website. Only proxy forms with specific voting instructions will be taken into account in the vote.
2. The completed and duly signed [proxy forms and voting forms](#) must be sent to WDP by letter or by email to shareholdersmeetings@wdp.eu and must reach WDP on [Saturday 25 April 2020](#) at the latest. WDP would like to point out that a scanned or photographed copy of these documents will suffice. The specific voting instructions on valid proxy forms that WDP has already received but where the proxy holder is not Johanna Vermeeren will be taken into account, even though the proxy holder cannot be present at the Meetings.
3. In all other respects, the shareholders must continue to observe the admission formalities as set out in the notice, which includes respecting the deadline for [confirming participation](#), which is [Thursday 23 April 2020](#).
4. As was stated in the notice, the shareholders can ask questions to the Board of Directors or the statutory auditor in writing. These questions can be submitted by letter or via email to shareholdersmeetings@wdp.eu and must reach WDP on [Saturday 25 April](#) at the latest. The written

answers to these questions will be published on the Company's website as soon as possible, and no later than 29 April 2020 before the vote.

The notice with all its appendices is available on the [website](#) of WDP. These have remained unchanged in terms of the notice as published on 27 March 2020. Shareholders should however be aware of the changed participation formalities as set out above.

For the sake of clarity, it is emphasised that the agenda of both the Meetings (including the proposed dividend) remains unchanged.

More information about this is available in the notice or by contacting the Company directly via the contact details further down in this press release.



6. Financial calendar

23 APRIL 2020

Deadline for confirmation of participation in the Extraordinary General Meeting and in the annual General Meeting on 29 April 2020

25 APRIL 2020

Deadline for submission of proxy forms and voting forms for the Extraordinary General Meeting and in the annual General Meeting on 29 April 2020

29 APRIL 2020

Extraordinary General Meeting and annual General Meeting for the 2019 financial year

4 MAY 2020

2019 ex-dividend date

5 MAY 2020

2019 dividend record date

27 MAY 2020

2019 dividend payment date

31 JULY 2020

Publication of 2020 interim results and publication of 2020 Interim Financial Report

21 OCTOBER 2020

Publication of Q3 2020 results

29 JANUARY 2021

Publication of 2020 annual results

28 APRIL 2021

Annual General Meeting for the 2020 financial year

For any changes, please refer to the financial calendar on the [website](#) of WDP.

7. Financial statements – Key figures as at 31 March 2020 – analytical (results and balance sheet)

CONSOLIDATED RESULTS

(in euros x 1 000)	Q1 2020	Q1 2019	Δ y/y (abs.)	Δ y/y (%)
Rental income, net of rental-related expenses	54.031	49.099	4.931	10,0%
Indemnification related to early lease terminations	0	190	-190	n.r.
Income from solar energy	2.740	2.374	367	15,5%
Other operating income/costs	-3.064	-2.460	-605	n.r.
Property result	53.707	49.203	4.504	9,2%
Property charges	-2.252	-1.796	-456	25,4%
General company expenses	-3.185	-2.689	-496	18,4%
Operating result (before the result on the portfolio)	48.269	44.717	3.552	7,9%
Financial result (excluding change in the fair value of the financial instruments)	-8.815	-9.672	857	-8,9%
Taxes on EPRA Earnings	-230	-656	425	n.r.
Deferred taxes on EPRA Earnings	-250	-230	-20	n.r.
Share in the result of associated companies and joint ventures	139	119	20	n.r.
Minority interests	-1.048	-878	-170	19,3%
EPRA Earnings	38.066	33.400	4.665	14,0%
Change in the fair value of investment properties (+/-)	34.504	24.331	10.173	n.r.
Result on disposal of investment property (+/-)	-20	-235	214	n.r.
Deferred taxes on the result on the portfolio (+/-)	-1.612	-1.069	-543	n.r.
Share in the result of associated companies and joint ventures	504	-493	997	n.r.
Result on the portfolio	33.377	22.535	10.841	n.r.
Minority interests	-576	-152	-424	n.r.
Result on the portfolio - Group share	32.800	22.383	10.417	n.r.
Change in the fair value of financial instruments	-15.988	-15.964	-23	n.r.
Change in the fair value of financial instruments	-15.988	-15.964	-23	n.r.
Minority interests	0	0	0	n.r.
Change in the fair value of financial instruments - Group share	-15.988	-15.964	-23	n.r.
Depreciation and write-down on solar panels	-1.175	-1.210	35	n.r.
Share in the result of associated companies and joint ventures	0	0	0	n.r.
Depreciation and write-down on solar panels	-1.175	-1.210	35	n.r.
Minority interests	39	33	6	n.r.
Depreciation and write-down on solar panels - Group share	-1.136	-1.178	42	n.r.
Net result (IFRS)	55.327	39.639	15.689	n.r.
Minority interests	-1.585	-997	-588	n.r.
Net result (IFRS) - Group share	53.742	38.642	15.101	n.r.

KEY RATIOS

(in euros per share)	Q1 2020	Q1 2019	Δ y/y (abs.)	Δ y/y (%)
EPRA Earnings ¹	0,22	0,21	0,01	6,7%
Result on the portfolio - Group share ¹	0,19	0,14	0,05	n.r.
Change in the fair value of financial instruments - Group share ¹	-0,09	-0,10	0,01	n.r.
Depreciation and write-down on solar panels - Group share ¹	-0,01	-0,01	0,00	n.r.
Net result (IFRS) - Group share ¹	0,31	0,24	0,07	n.r.
EPRA Earnings ²	0,22	0,21	0,01	6,7%
Weighted average number of shares	172.489.205	161.429.730	11.059.475	6,9%
Number of outstanding shares at the end of the period	172.489.205	161.429.730	11.059.475	6,9%

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 on a statutory basis by WDP NV/SA.

CONSOLIDATED BALANCE SHEET

(in euros x 1 000)	31.03.2020	31.12.2019	Δ (abs.)	Δ (%)
Intangible fixed assets	507	422	84	n.r.
Investment property	4.115.842	4.002.340	113.502	2,8%
Other tangible fixed assets (including solar panels)	126.724	125.244	1.480	1,2%
Financial fixed assets	4.934	4.743	191	4,0%
Trade receivables and other fixed assets	3.947	4.162	-215	-5,2%
Deferred taxes - assets	0	0	0	n.r.
Participations in associated companies and joint ventures	20.550	19.707	843	4,3%
Fixed assets	4.272.504	4.156.619	115.885	2,8%
Assets held for sale	3.944	5.779	-1.834	n.r.
Trade receivables	25.135	15.364	9.771	n.r.
Tax receivables and other current assets	24.778	34.249	-9.471	n.r.
Cash and cash equivalents	3.801	3.604	197	n.r.
Accruals and deferrals	9.681	7.175	2.507	n.r.
Current assets	67.340	66.171	1.169	n.r.
Total assets	4.339.845	4.222.790	117.054	n.r.
Capital	185.746	185.746	0	0,0%
Issue premiums	876.849	876.849	0	0,0%
Reserves	1.042.860	647.590	395.270	61,0%
Net result for the financial year	53.742	393.732	-339.990	-86,4%
Shareholders' equity attributable to Group shareholders	2.159.198	2.103.917	55.281	2,6%
Minority interests	47.523	45.944	1.579	3,4%
Shareholders' equity	2.206.721	2.149.861	56.860	2,6%
Non-current liabilities	1.835.967	1.707.475	128.492	7,5%
Non-current financial liabilities	1.677.765	1.568.199	109.566	7,0%
Other non-current liabilities	158.202	139.276	18.926	13,6%
Current liabilities	297.157	365.454	-68.298	-18,7%
Current financial liabilities	204.677	286.629	-81.952	-28,6%
Other current liabilities	92.480	78.826	13.654	17,3%
Liabilities	2.133.124	2.072.929	60.194	2,9%
Total liabilities	4.339.845	4.222.790	117.054	2,8%

KEY RATIOS

(in euros per share)	31.03.2020	31.12.2019	Δ (abs.)	Δ (%)
IFRS NAV	12,5	12,2	0,3	2,6%
EPRA NAV	13,2	12,8	0,4	3,4%
Share price	26,2	23,2	3,0	12,9%
Premium/Discount with respect to EPRA NAV	98,3%	81,5%	16,8%	n.r.

(in euros x million)

Fair value of the portfolio (including solar panels) ¹	4.290,6	4.175,8	114,8	2,7%
Loan-to-value	44,5%	45,0%	-0,6%	n.r.
Gearing ratio (proportional) ²	46,4%	46,7%	-0,2%	n.r.
Net debt / EBITDA (adjusted)	8,0x	8,0x	0,0x	n.r.

1. Including the proportional share of WDP in the portfolio of WDP Luxembourg (55%).

2. For the method used in the calculation of the gearing ratio, refer to the Belgian Royal Decree on GVV/SIRs.

8. Financial statement – Profit and loss account and balance sheet as at 31 March 2020 – IFRS

INCOME STATEMENT

(in euros x 1 000)	Q1 2020	FY 2019	Q1 2019
Rental income	53.756	202.748	49.124
Costs related to leases	275	184	165
Net rental result	54.031	202.932	49.289
Recovery of property costs	0	0	0
Recovery of rental charges and taxes normally paid by the tenant on let properties	10.989	18.226	10.151
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	-14.427	-21.238	-13.112
Other income and charges related to leases	3.114	16.646	2.874
Property result	53.707	216.566	49.203
Technical costs	-1.531	-4.552	-1.086
Commercial costs	-168	-656	-174
Property management costs	-553	-2.037	-536
Property charges	-2.252	-7.245	-1.796
Property operating results	51.454	209.321	47.407
General company expenses	-3.185	-11.034	-2.689
Other operating income and expenses (depreciation and write-down on solar panels)	-1.175	-6.526	-1.210
Operating result (before the result on the portfolio)	47.094	191.761	43.507
Result on disposals of investment properties	-20	10	-235
Change in the fair value of investment properties	34.504	285.353	24.331
Operating result	81.578	477.124	67.603
Financial income	220	453	272
Net interest charges	-8.832	-39.411	-9.634
Other financial charges	-202	-1.257	-310
Change in the fair value of financial assets and liabilities	-15.988	-29.883	-15.964
Financial result	-24.802	-70.099	-25.636
Share in the result of associated companies and joint ventures	643	3.117	-374
Result before taxes	57.419	410.142	41.593
Taxes	-2.092	-10.672	-1.954
Net result	55.327	399.470	39.639
Attributable to:			
Minority interests	1.585	5.738	997
Shareholders of the Group	53.742	393.732	38.642
Weighted average number of shares	172.489.205	164.047.016	161.429.730
Net result per share (in euros)	0,31	2,40	0,24
Diluted net result per share (in euros)	0,31	2,40	0,24

BALANCE SHEET - ASSETS

	31.03.2020	31.12.2019	31.03.2019
(in euros x 1 000)			
Fixed assets	4.272.504	4.156.619	3.534.217
Intangible fixed assets	507	422	238
Investment property	4.115.842	4.002.340	3.389.516
Other tangible fixed assets (including solar panels)	126724,477	125244,052	122064,009
Financial fixed assets	4.934	4.743	7.281
Trade receivables and other fixed assets	3.947	4.162	4.856
Deferred taxes - assets	0	0	0
Participations in associated companies and joint ventures	20.550	19.707	10.262
Current assets	67.340	66.171	60.843
Assets held for sale	3.944	5.779	4.127
Trade receivables	25.135	15.364	20.926
Tax receivables and other current assets	24.778	34.249	21.065
Cash and cash equivalents	3.801	3.604	5.241
Accruals and deferrals	9.681	7.175	9.484
Total assets	4.339.845	4.222.790	3.595.060

BALANCE SHEET - LIABILITIES

	31.03.2020	31.12.2019	31.03.2019
(in euros x 1 000)			
Shareholder's equity	2.206.721	2.149.861	1.650.675
I. Shareholder's equity attributable to the parent company shareholders	2.159.198	2.103.917	1.619.691
Capital	185.746	185.746	176.664
Issue premiums	876.849	876.849	646.286
Reserves	1.042.860	647.590	758.098
Net result for the financial year	53.742	393.732	38.642
II. Minority interests	47.523	45.944	30.984
Liabilities	2.133.124	2.072.929	1.944.386
I. Non-current liabilities	1.835.967	1.707.475	1.687.736
Provisions	357	357	357
Non-current financial liabilities	1.677.765	1.568.199	1.570.095
Other non-current financial liabilities	139.636	122.501	111.420
Trade payables and other non-current liabilities	3.037	3.061	0
Deferred taxes - Liabilities	15.172	13.357	5.864
II. Current liabilities	297.157	365.454	256.650
Current financial liabilities	204.677	286.629	173.222
Other current financial liabilities	168	168	168
Trade payables and other current debts	67.833	51.944	58.115
Other current liabilities	7.044	8.300	9.338
Accrued charges and deferred income	17.435	18.413	15.807
Total liabilities	4.339.845	4.222.790	3.595.060

9. EPRA Performance measures²⁸

EPRA EARNINGS

in euros (x 1 000)	Q1 2020	Q1 2019
Earnings per IFRS income statement	53.742	38.642
Adjustments to calculate the EPRA Earnings, exclude:		
I. Changes in value of investment properties, development properties held for investment and other interests	-33.329	-23.121
- Changes in the value of the real estate portfolio	-34.504	-24.331
- Depreciation and write-down on solar panels	1.175	1.210
II. Profit or losses on disposal of investment properties, development properties held for investment and other interests	20	235
VI. Changes in fair value of financial instruments and associated close-out costs	15.988	15.964
VIII. Deferred tax in respect of EPRA adjustments	1.612	1.069
IX. Adjustments (I.) to (VIII.) to the above in respect of joint ventures	-504	493
X. Minority interests in respect of the above	537	119
EPRA Earnings	38.066	33.400
Weighted average number of shares	172.489.205	161.429.730
EPRA Earnings per share (EPS) (in euros)	0,22	0,21

EPRA NAV

in euros (x 1 000)	31.03.2020	31.12.2019
IFRS NAV	2.159.198	2.103.917
IFRS NAV/share (in euros)	12,5	12,2
Diluted NAV, after the exercise of options, convertibles and other equity interests	2.159.198	2.103.917
Includes (+/-):		
(IV.) Fair value of financial instruments	97.806	81.819
(V.a) Deferred tax	19.719	17.769
EPRA NAV	2.276.723	2.203.505
Number of shares	172.489.205	172.489.205
EPRA NAV per share (in euros)	13,2	12,8
EPRA NAV	2.276.723	2.203.505
Includes:		
I. Fair value of financial instruments	-97.806	-81.819
II. Fair value of debt	718	-8.097
III. Deferred tax	-19.719	-17.769
EPRA NNNNAV	2.159.916	2.095.820
Number of shares	172.489.205	172.489.205
EPRA NNNNAV per share (in euros)	12,5	12,2

²⁸ EPRA is a registered trademark of the European Public Real-estate Association.

EPRA COST RATIO

in euros (x 1 000)		Q1 2020	FY 2019
Include:			
I.	Administrative/operating expenses (IFRS)	-6.186	-21.546
	I-1. Impairments of trade receivables	151	-256
	I-2. Recovery of property charges	0	0
	I-3. Recovery of rental charges and taxes normally paid by the tenant on let properties	-899	-3.012
	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	-2.252	-7.245
	I-6. General company expenses	-3.185	-11.034
III.	Management fees less actual/estimated profit element	260	954
V.	Administrative/operating expenses of joint ventures expense	-168	-451
Exclude (if part of the above):			
VI.	Investment property depreciation	76	303
	Administrative/operating expenses related to solar panels	536	1.567
	EPRA costs (including direct vacancy costs)	A	-5.482
IX.	Direct vacancy costs	213	871
	EPRA costs (excluding direct vacancy costs)	B	-5.268
X.	Gross rental income (IFRS)	53.756	201.788
	Less net ground rent costs	-395	-1.633
XII.	Gross rental income of joint ventures	435	1.481
	Less net ground rent costs	-36	-112
	Gross rental income	C	53.760
	EPRA cost ratio (including direct vacancy costs)	A/C	10,2%
	EPRA cost ratio (excluding direct vacancy costs)	B/C	9,8%

EPRA NIY AND EPRA TOPPED-UP NIY

in euros (x 1 000)		31.03.2020	31.12.2019
	Investment property - wholly owned	4.115.842	4.002.340
	Investment property - share of joint ventures	47.353	46.099
	Less developments, land reserves and the right of use of concessions	-388.224	-318.257
	Completed property portfolio	3.774.970	3.611.775
	Allowance for estimated purchasers' costs	159.360	152.819
	Gross up completed property portfolio valuations	A	3.934.330
	Annualised cash passing rental income	231.268	220.990
	Property outgoing	-10.712	-10.644
	Annualised net rent	B	220.556
	Notional rent expiration of rent free period or other lease incentives	0	0
	Topped-up net annualised rent	C	220.556
	EPRA NIY	B/A	5,6%
	EPRA TOPPED-UP NIY	C/A	5,6%

10. Alternative Performance Measures²⁹

RESULT ON THE PORTFOLIO - GROUP SHARE

in euros (x 1 000)	Q1 2020	Q1 2019
Movement in the fair value of investment property	34.504	24.331
Result on disposal of investment property	-20	-235
Deferred taxation on result on the portfolio	-1.612	-1.069
Participation in the result of associated companies and joint ventures	504	-493
Result on the portfolio	33.377	22.535
Minority interests	-576	-152
Result on the portfolio - Group share	32.800	22.383

CHANGE IN THE GROSS RENTAL INCOME BASED ON AN UNCHANGED PORTFOLIO

in euros (x 1 000)	Q1 2020	Q1 2019
Properties owned throughout the two years	46.850	45.928
Development property	6.077	2.939
Acquisitions	1.263	54
Disposals	0	250
Total	54.191	49.171
To be excluded		
Rental income of joint ventures	-435	-236
Indemnification related to early lease terminations	0	190
Rental income (IFRS)	53.756	49.124

²⁹ Excluding EPRA metrics, some of which are regarded as APMs and reconciled under Chapter 9. *EPRA Performance measures*.

AVERAGE COST OF DEBT

in euros (x 1 000)	Q1 2020	FY 2019
Financial result (IFRS)	-24.802	-70.099
To be excluded:		
Changes in fair value of financial assets and liabilities	15.988	29.883
Interest capitalised during construction	-1.604	-3.471
Interest cost related to leasing debts booked in accordance with IFRS 16	583	2.300
Other financial costs and revenues	-220	-246
To be included		
Interest expenses of joint ventures	-43	-146
Effective financial expenses (proportional)	A -10.100	-41.778
Average outstanding financial liabilities (IFRS)	1.868.635	1.835.658
Average outstanding financial liabilities of joint ventures	19.302	21.189
Average outstanding financial liabilities (proportional)	B 1.887.936	1.856.847
Annualised average cost of debt	A/B 2,1%	2,2%

OPERATING MARGIN

in euros (x 1 000)	Q1 2020	Q1 2019
Property result (IFRS)	53.707	49.203
Operating result (before the portfolio result) (excluding depreciation and write-downs on solar panels)	48.269	44.717
Operating margin	89,9%	90,9%

FINANCIAL RESULT (EXCLUDING THE CHANGES IN FAIR VALUE OF FINANCIAL INSTRUMENTS)

in euros (x 1 000)	Q1 2020	Q1 2019
Financial result	-24.802	-25.636
To be excluded:		
Changes in fair value of financial assets and liabilities	15.988	15.964
Financial result (excluding the changes in fair value of financial instruments)	-8.815	-9.672

HEDGE RATIO

in euros (x 1 000)		31.03.2020	31.12.2019
Notional amount of Interest Rate Swaps		1.171.773	1.172.364
Fixed-interest financial liabilities		51.147	51.252
Fixed-interest bonds		366.500	366.500
Fixed-interest financial liabilities at balance sheet date and hedging instruments	A	1.589.420	1.590.116
Current and non-current financial liabilities (IFRS)		1.882.442	1.854.828
Proportional share in joint ventures in current and non-current financial liabilities		21.257	17.346
Financial liabilities at balance sheet date	B	1.903.698	1.872.174
Hedge ratio	A/B	83,5%	84,9%

GEARING RATIO

in euros (x 1 000)		31.03.2020 (IFRS)	31.03.2020 (proportional)	31.12.2019 (IFRS)	31.12.2019 (proportional)
Non-current and current liabilities		2.133.124	2.163.282	2.072.929	2.100.285
To be excluded:					
- I. Non-current liabilities - A. Provisions		357	357	357	357
- I. Non-current liabilities - C. Other non-current financial liabilities - Permitted hedging instruments		97.806	97.806	81.819	81.819
- I. Non-current liabilities - F. Deferred taxes - Liabilities		15.172	18.061	13.357	15.908
- 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		17.435	17.643	18.413	18.418
Total debt	A	2.002.353	2.029.415	1.958.984	1.983.784
Total assets		4.339.845	4.370.003	4.222.790	4.250.146
To be excluded:					
- E. Financial fixed assets - Financial instruments at fair value through profit and loss - Permitted hedging instruments		0	0	0	0
Total assets taken into account for the calculation of the gearing ratio	B	4.339.845	4.370.003	4.222.790	4.250.146
Gearing ratio	A/B	46,1%	46,4%	46,4%	46,7%

LOAN-TO-VALUE

in euros (x 1 000)

		31.03.2020 (IFRS)	31.12.2019 (IFRS)
Non-current and current financial liabilities		1.882.442	1.854.828
Cash and cash equivalents		-3.801	-3.604
Net financial liabilities	A	1.878.640	1.851.223
Fair value of the real estate portfolio (excluding right of use concessions)		4.075.474	3.963.820
Fair value of the solar panels		122.443	121.010
Financing of and participations in associated companies and joint ventures		25.484	24.450
Total portfolio	B	4.223.402	4.109.280
Loan-to-value	A/B	44,5%	45,0%

NET DEBT / EBITDA (ADJUSTED)

in euros (x 1 000)

		31.03.2020	31.12.2019
Non-current and current financial liabilities (IFRS)		1.882.442	1.854.828
- Cash and cash equivalents (IFRS)		-3.801	-3.604
Net debt (IFRS)	A	1.878.640	1.851.223
Operating result (before the result on the portfolio) (IFRS) (TTM)	B	195.349	191.761
+ Depreciation and write-down on solar panels		6.491	6.526
+ Share in the EPRA Earnings of joint ventures		630	610
EBITDA (IFRS)	C	202.469	198.897
Net debt / EBITDA	A/C	9,3x	9,3x

in euros (x 1 000)

		31.03.2020	31.12.2019
Non-current and current financial liabilities (proportional)		1.903.698	1.872.174
- Cash and cash equivalents (proportional)		-8.072	-4.433
Net debt (proportional)	A	1.895.626	1.867.741
- Projects under development x Loan-to-value		-99.188	-119.917
- Financing to joint ventures x Loan-to-value		-1.095	-1.065
Net debt (proportional) (adjusted)	B	1.795.344	1.746.759
Operating result (before the result on the portfolio) (IFRS) (TTM)	C	195.349	191.761
+ Depreciation and write-down on solar panels		6.491	6.526
+ Operating result (before the result on the portfolio) of joint ventures (TTM) ¹		1.146	1.026
Operating result (before the result on the portfolio) (proportional) (TTM)	D	202.985	199.313
Adjustment for normalized EBITDA ²		21.522	18.193
EBITDA (proportional) (adjusted)	E	224.507	217.506
Net debt / EBITDA (adjusted)	B/E	8,0x	8,0x

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, i.e. including the annualized impact of external growth in function of the realized disposals, acquisitions and projects.

More information



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WDP develops and invests in logistics property (warehouses and offices). WDP's property portfolio amounts to around 5 million m². This international portfolio of semi-industrial and logistics buildings is spread over around 250 sites at prime logistics locations for storage and distribution in Belgium, France, the Netherlands, Luxembourg, Germany and Romania.

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

Company number 0417.199.869 (Register of legal entities of Brussels, Dutch section)



11. Disclaimer

Warehouses De Pauw NV/SA, 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 Euronext.

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