



WDP

WAREHOUSES WITH BRAINS

2019 INTERIM FINANCIAL REPORT

Wednesday 31 July 2019, 07.00 am
Regulated information
Inside information
(with regard to point 2.4.8 of this report)



www.wdp.eu

2019 Interim financial report

- ▶ The EPRA Earnings for H1 2019 amount to 73.2 million euros, an increase of 12.5% compared to H1 2018. The EPRA Earnings per share amount to 3.16 euros, an increase of 7.5% compared to H1 2018.
- ▶ WDP reaffirms its ambition to achieve an EPRA Earnings per share of 6.50 euros for 2019, as well as a target gross dividend of 5.20 euros – an 8%-increase each.
- ▶ Over the course of the first half of 2019, new investments for a total amount of 325 million euros have been secured within the framework of the new 2019-23 growth plan.
- ▶ WDP and VIB Vermögen are planning – throughout a joint venture – an expansion of their activities in the German regions of North Rhine-Westphalia, Bremen and Hamburg.
- ▶ Extraordinary General Meeting with respect to intended conversion of legal form to public limited company ('NV').
- ▶ WDP proposes 7:1 share split.
- ▶ Since 18 March 2019, WDP has been part of the BEL 20 index.

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Summary

- ▶ EPRA Earnings¹ for H1 2019 amount to 73.2 million euros, an increase of 12.5% over H1 2018 (65.1 million euros). The EPRA Earnings per share² for H1 2019 amount to 3.16 euros, an increase of 7.5% over the figure of 2.94 euros from H1 2018.
- ▶ The net result (IFRS) – Group share for H1 2019 amounts to 174.9 million euros, driven in part by a change of 151.2 million euros (or +4.1%) in the underlying value of the property portfolio. The net result (IFRS) – Group share per share for H1 2019 amounts to 7.56 euros, compared to 4.26 euros in H1 2018.
- ▶ The occupancy rate³ was 97.1% on 30 June 2019, compared to 97.5% on 31 December 2018. The average duration (until the first termination date) of the lease agreements and until the maturity date of the WDP portfolio is 5.9 years and 7.3 years, respectively (including solar panels).
- ▶ As at 30 June 2019, the loan-to-value⁴ came to 50.8% and the gearing ratio (proportionate) to 52.1%, compared to 50.0% and 51.8%, respectively, as at 31 December 2018.
- ▶ The EPRA NAV⁵ was 76.7 euros on 30 June 2019, compared to 71.2 euros on 31 December 2018. The IFRS NAV was 72.1 euros on 30 June 2019, compared to 68.5 euros on 31 December 2018.
- ▶ Over the course of the first half of 2019, approx. 325 million euros in investments were secured. These projects mark an excellent start for the newly announced 2019-23 growth plan.
- ▶ WDP and VIB Vermögen have signed a letter of intent for expansion of their respective logistics property portfolios in Germany in the regions of North Rhine-Westphalia, Bremen and Hamburg, throughout a joint venture to be established.
- ▶ In the exact same year that WDP is celebrating the twentieth anniversary of its listing on the Brussels stock exchange, the company is included in the BEL 20. This inclusion took effect on 18 March 2019.
- ▶ As previously announced⁶, WDP intends to convert its legal form from a partnership limited by shares ('Comm. VA') with a statutory manager, to a public limited company ('NV') with a

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 6.9 and 6.10 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.

⁵ ▣ 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 investment properties over the long term. See also www.epra.com.

⁶  See the [press release](#) of 24 April 2019, 12.00 pm.

single-tier Board of Directors, under the recently adopted Belgian Code of Companies and Associations. Here, WDP will exercise the 'early opt-in'. Moreover, WDP wants to renew the authorisation for authorised capital and own share purchases, and to submit a proposal for a 7:1 share split.

- ▶ For 2019, WDP confirms its ambition for EPRA Earnings of 6.50 euros per share (an increase of 8%). Based on the outlook, a dividend of 5.20 euros gross per share is proposed for 2019 (payable in 2020), marking another increase, this time of 8% over 2018.⁶ For the 2019-23 period, the aim is to achieve an annual increase of 6% in the EPRA Earnings, to 8.00 euros in 2023.⁷

⁷ These profit forecasts are based on the current situation, barring presently unforeseen circumstances (such as a substantial deterioration in the economic and financial climate), and a normal number of hours of sunshine.

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1. Statement on the interim financial report

In accordance with Article 13(§2) of the Belgian Royal Decree of 14 November 2007 setting obligations on issuers of financial instruments admitted to trading on a regulated market, De Pauw SA, managed and permanently represented by Tony De Pauw, declares that to its knowledge:

- ▶ the condensed interim financial statements, drawn up in accordance with the applicable standards for interim financial statements, give a true and fair view of the group's equity and financial position and the results of WDP and of the companies included in the consolidation;
- ▶ the interim financial report gives a faithful overview of the main events during the first six months of the current financial year, their impact on the condensed financial statements, the main risk factors and uncertainties for the remaining months of the financial year, and the main transactions between the associated parties and their possible effect on the condensed financial statements should these transactions be of significant importance and not concluded under normal market conditions.

2. Interim management report

2.1 Consolidated key figures

Key figures		
Operational	30.06.2019	31.12.2018
Fair value of property portfolio (including solar panels) (in million euros)	3,776,5	3,449,6
Gross initial yield (including vacancies) ¹ (in %)	6,4	6,7
Net initial yield (EPRA) ² (in %)	5,6	6,0
Average lease term (until first break) ³ (in years)	5,9	5,8
Occupancy rate ⁴ (in %)	97,1	97,5
Like-for-like rental growth ⁵ (in %)	1,6	1,7
Operating margin ⁶ (in %)	91,5	91,6
Financial	30.06.2019	31.12.2018
Loan-to-value (in %) ⁷	50,8	50,0
Gearing ratio (proportional) (in line with the GVV/SIR Royal Decree) (in %)	52,1	51,8
Interest Coverage Ratio ⁸ (in x)	4,5	4,6
Average cost of debt (in %) ⁹	2,3	2,4
Average remaining duration of outstanding debt (in years)	4,3	4,4
Average remaining duration of long-term credit facilities (in years)	4,9	5,3
Hedge ratio ¹⁰ (in %)	81	91
Average remaining term of hedges ¹¹ (in years)	6,7	7,3
Result (in million euros)	30.06.2019	30.06.2018
Property result	104,6	90,1
Operating result (before the result on the portfolio)	95,8	82,5
Financial result (excluding change in the fair value of financial instruments) ¹²	-19,8	-15,5
EPRA Earnings ¹³	73,2	65,1
Result on the portfolio (including share joint ventures) - Group share ¹⁴	151,2	35,3
Change in the fair value of financial instruments - Group share	-45,9	-3,5
Depreciation and write-down on solar panels (including share joint ventures) - Group share	-3,6	-2,6
Net result (IFRS) - Groupe share	174,9	94,2
Details per share (in euros)	30.06.2019	30.06.2018
EPRA Earnings ¹⁵	3,16	2,94
Result on the portfolio (including share joint ventures) - Group share ¹⁶	6,53	1,59
Change in fair value of the financial instruments - Group share	-1,98	-0,16
Depreciation and write-down on solar panels - Group share	-0,15	-0,12
Net result (IFRS) - Group share	7,56	4,26
IFRS NAV ¹⁷	72,1	56,9
EPRA NAV ¹⁸	76,7	59,3
EPRA NNAV ¹⁹	71,8	56,5

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 H1 2019 and H1 2018.

⁷ The loan-to-value is obtained from the IFRS statements by dividing the net financial debt 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 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.

⁹ 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.

¹⁰ 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 gereguleerde vastgoedvenootschappen or 'GVV-Wet').

¹¹ The remaining duration of debt at fixed rate and interest rate hedges entered into to hedge the debt against interest rate fluctuations.

¹² 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.

¹³ 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.

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 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.

¹⁵ The EPRA Earnings per share is the EPRA earnings based on the weighted average number of shares.

¹⁶ 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.

¹⁷ 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.

¹⁸ 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.

¹⁹ EPRA NNAV: 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.

2.2 EPRA metrics

EPRA key performance measures ¹	30.06.2019	31.12.2018
EPRA Earnings (in euros per share) ²	3,16	2,94
EPRA NAV (in euros per share) ³	76,7	71,2
EPRA NNNAV (in euros per share) ⁴	71,8	68,2
EPRA Net Initial Yield (in %)	5,6	6,0
EPRA Topped-up Net Initial Yield (in %)	5,6	6,0
EPRA vacancy rate (in %)	3,1	2,7
EPRA cost Ratio (incl. direct vacancy costs) (in %) ⁵	9,8	9,5
EPRA cost Ratio (excl. direct vacancy costs) (in %) ⁵	9,3	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 H1 2019 and H1 2018.

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 NNNAV: 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.

2.3 Notes on the consolidated results for the first half of 2019

2.3.1 Summary

The EPRA Earnings of WDP for the first half of 2019 amount to 73.2 million euros. This result marks an increase of 12.5% over the result of 65.1 million euros over the same period in 2018. The EPRA Earnings per share came to 3.16 euros, an increase of 7.5% compared to 2.94 euros in the same period last year.

This increase in the EPRA Earnings primarily stems from strong growth in the WDP portfolio in 2018-19 by means of pre-leased projects in the growth markets of the Netherlands and Romania. In addition, operating and financial costs continue to be actively managed and kept under control.

2.3.2 Notes on consolidated profit and loss

Over the first half of 2019 (analytical schedule)

Consolidated results (in euros x 1 000)	H1 2019	H1 2018	Δ y/y (abs.)	Δ y/y (%)
Rental income, net of rental-related expenses	98.006	83.688	14.318	17,1%
Indemnification related to early lease terminations	611	2	609	n.r.
Income from solar energy	7.886	7.227	658	9,1%
Other operating income/costs	-1.871	-818	-1.053	n.r.
Property result	104.631	90.100	14.532	16,1%
Property charges	-3.558	-3.127	-432	13,8%
General company expenses	-5.312	-4.486	-826	18,4%
Operating result (before the result on the portfolio)	95.761	82.486	13.274	16,1%
Financial result (excluding change in the fair value of the financial instruments)	-19.752	-15.542	-4.210	27,1%
Taxes on EPRA Earnings	-856	-532	-324	n.r.
Deferred taxes on EPRA Earnings	-353	-450	97	n.r.
Share in the result of associated companies and joint ventures	244	214	30	n.r.
Minority interests	-1.841	-1.114	-728	65,3%
EPRA Earnings	73.203	65.063	8.141	12,5%
Change in the fair value of investment properties (+/-)	152.357	36.550	115.808	n.r.
Result on disposal of investment property (+/-)	-220	-348	128	n.r.
Deferred taxes on the result on the portfolio (+/-)	-2.305	-933	-1.372	n.r.
Share in the result of associated companies and joint ventures	1.599	485	1.114	n.r.
Result on the portfolio	151.431	35.753	115.678	n.r.
Minority interests	-268	-498	230	n.r.
Result on the portfolio - Group share	151.163	35.255	115.908	n.r.
Change in the fair value of financial instruments	-45.921	-3.482	-42.438	n.r.
Change in the fair value of financial instruments	-45.921	-3.482	-42.438	n.r.
Minority interests	0	0	0	n.r.
Change in the fair value of financial instruments - Group share	-45.921	-3.482	-42.438	n.r.
Depreciation and write-down on solar panels	-3.903	-2.709	-1.194	n.r.
Share in the result of associated companies and joint ventures	0	0	0	n.r.
Depreciation and write-down on solar panels	-3.903	-2.709	-1.194	n.r.
Minority interests	338	66	272	n.r.
Depreciation and write-down on solar panels - Group share	-3.565	-2.643	-922	n.r.
Net result (IFRS)	176.652	95.738	80.914	n.r.
Minority interests	-1.771	-1.546	-225	n.r.
Net result (IFRS) - Group share	174.881	94.192	80.688	n.r.

Key ratios (in euros per share)	H1 2019	H1 2018	Δ y/y (abs.)	Δ y/y (%)
EPRA Earnings ¹	3,16	2,94	0,22	7,5%
Result on the portfolio - Group share ¹	6,53	1,59	4,94	n.r.
Change in the fair value of financial instruments - Group share ¹	-1,98	-0,16	-1,83	n.r.
Depreciation and write-down on solar panels - Group share ¹	-0,15	-0,12	-0,03	n.r.
Net result (IFRS) - Group share ¹	7,56	4,26	3,30	n.r.
EPRA Earnings ²	3,13	2,89	0,24	8,3%

Weighted average number of shares	23.141.593	22.116.435	1.025.158	4,6%
Number of outstanding shares at the end of the period	23.391.315	22.506.602	884.713	3,9%

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 Comm.VA.

Over the second quarter of 2019 (analytical schedule)

Consolidated results (in euros x 1 000)	Q2 2019	Q2 2018	Δ y/y (abs.)	Δ y/y (%)
Rental income, net of rental-related expenses	48.907	42.490	6.417	15,1%
Indemnification related to early lease terminations	421	2	419	n.r.
Income from solar energy	5.512	5.297	215	4,1%
Other operating income/costs	589	952	-363	n.r.
Property result	55.429	48.741	6.687	13,7%
Property charges	-1.762	-1.617	-145	9,0%
General company expenses	-2.623	-2.287	-336	14,7%
Operating result (before the result on the portfolio)	51.044	44.837	6.206	13,8%
Financial result (excluding change in the fair value of the financial instruments)	-10.080	-8.023	-2.057	25,6%
Taxes on EPRA Earnings	-200	-445	245	n.r.
Deferred taxes on EPRA Earnings	-123	-225	102	n.r.
Share in the result of associated companies and joint ventures	125	118	7	n.r.
Minority interests	-964	-672	-292	n.r.
EPRA Earnings	39.803	35.590	4.213	11,8%
Change in the fair value of investment properties (+/-)	128.026	23.975	104.052	n.r.
Result on disposal of investment property (+/-)	14	-226	241	n.r.
Deferred taxes on the result on the portfolio (+/-)	-1.236	-359	-877	n.r.
Share in the result of associated companies and joint ventures	2.092	485	1.606	n.r.
Result on the portfolio	128.896	23.874	105.022	n.r.
Minority interests	-116	-143	27	n.r.
Result on the portfolio - Group share	128.780	23.731	105.049	n.r.
Change in the fair value of financial instruments	-29.956	-6.954	-23.003	n.r.
Change in the fair value of financial instruments	-29.956	-6.954	-23.003	n.r.
Minority interests	0	0	0	n.r.
Change in the fair value of financial instruments - Group share	-29.956	-6.954	-23.003	n.r.
Depreciation and write-down on solar panels	-2.693	-1.635	-1.057	n.r.
Share in the result of associated companies and joint ventures	0	0	0	n.r.
Depreciation and write-down on solar panels	-2.693	-1.635	-1.057	n.r.
Minority interests	305	33	272	n.r.
Depreciation and write-down on solar panels - Group share	-2.387	-1.603	-785	n.r.
Net result (IFRS)	137.013	51.547	85.466	n.r.
Minority interests	-774	-782	8	n.r.
Net result (IFRS)	136.239	50.765	85.474	n.r.

Key ratios (in euros per share)	Q2 2019	Q2 2018	Δ y/y (abs.)	Δ y/y (%)
EPRA Earnings ¹	1,71	1,60	0,11	7,0%
Result on the portfolio - Group share ¹	5,55	1,07	4,48	n.r.
Change in the fair value of financial instruments - Group share ¹	-1,29	-0,31	-0,98	n.r.
Depreciation and write-down on solar panels - Group share ¹	-0,10	-0,07	-0,03	n.r.
Net result (IFRS) - Group share ¹	5,87	2,28	3,58	n.r.
EPRA Earnings ²	1,70	1,58	0,12	7,6%

Weighted average number of shares	23.220.914	22.222.416	998.498	4,5%
Number of outstanding shares at the end of the period	23.391.315	22.506.602	884.713	3,9%

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 based on the consolidated result. Dividend is distributed on a statutory basis by WDP Comm. VA.

Property result

The property result amounts to 104.6 million euros for the first half of 2019, an increase of 16.1% compared to last year (90.1 million euros). This increase is driven by continued portfolio growth in 2018-19, primarily through new pre-leased projects in the growth markets of the Netherlands and Romania. Based on an unchanged portfolio, the rental income rose by +1.6%⁸, mainly driven by the indexing of leases. The property result also includes 7.9 million euros in income from solar panels (compared to 7.2 million euros in the same period last year, when the installed capacity was smaller).

Gross rental income by country (in euros x 1 000)		Belgium	Netherlands	France	Romania	Total IFRS	Luxembourg ¹
I.	Rental income	35.591	45.693	3.469	14.127	98.880	615
III.	Rental charges ²	-300	80	33	-76	-263	7
Rental income, net of rental-related expenses		35.291	45.773	3.502	14.051	98.617	622

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

² The heading *Rental charges* mainly consists of *Provisions for trade receivables*.

Operating result (before the result on the portfolio)

The operating result (before the result on the portfolio) amounts to 95.8 million euros for the first half of 2019, an increase of 16.1% compared to the same period last year (82.5 million euros). Property and other general expenses amounted to 8.9 million euros for the first half of the year, an increase of 1.3 million euros compared to the costs for the same period in 2018. The overhead trend for the company is in line with the underlying portfolio growth. WDP succeeded in further controlling costs, with the operating margin for the first half of 2019 coming to 91.5%, in line with the average in recent years.

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

The financial result (excluding change in the fair value of financial instruments)⁹ amounts to -19.8 million euros for the first half of 2019, an increase over last year (-15.5 million euros) due to higher outstanding financial debt, and the recurring cost of 1.1 million euros for the leasehold land, which in accordance with IFRS 16, is accounted for in the *Financial result* instead of in the *Rental income, net of rental-related expenses* starting in 2019.

⁸ 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.

⁹ Financial result (exclusive of change in the fair value of the 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.

The total financial debt (as per IFRS) amounted to 1,894.2 million euros on 30 June 2019, compared to 1,601.9 million euros in the same period last year. The average cost of debt in the first half of 2019 was 2.3%, compared to 2.4% for 2018.

Share in the result of associated companies and joint ventures

The result of 0.2 million euros for the first half of 2019 is primarily from the underlying result of the core activities of the Luxembourg joint venture.

EPRA Earnings

The EPRA Earnings of WDP for the first half of 2019 amount to 73.2 million euros. This result marks an increase of 12.5% over the result of 65.1 million euros in 2018. The EPRA Earnings per share is up 7.5% year-on-year, including an increase of 4.5% in the weighted average number of outstanding shares.

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

The result on the portfolio (including share joint ventures) – Group¹⁰ share for the first half of 2019 amounts to +151.2 million euros, or +6.53 euros per share¹¹. For the same period last year, this result amounted to +35.3 million euros or +1.59 euros per share. This yields the following results by country for the first half of 2019: Belgium (+86.3 million euros), the Netherlands (+59.8 million euros), France (+2.4 million euros), Romania (+1.1 million euros) and Luxembourg (+1.6 million euros).

The revaluation of 151.2 million euros marks an increase in value of the underlying portfolio of 4.1%, mainly driven by sustained investor interest in logistics properties.

Change in the fair value of financial instruments – Group share

The change in the fair value of financial instruments – Group share¹² amounts to -45.9 million euros or -1.98 euros per share for the first half of 2019 (compared to -3.5 million euros or -0.16 euros per share in 2018). This negative impact stems from the change in fair value of the interest rate hedges concluded (Interest Rate Swaps) as at 30 June 2019, as a result of a decrease in long-term interest rates during the first half of 2019.

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.

¹⁰ 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.

¹¹ 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.

¹² 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.

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 historic cost price, plus accumulated depreciations. If it does not, then it is entered in the profit and loss account. The depreciation component and write-down amount to -3.6 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.

Net result (IFRS) – Group share

The EPRA Earnings along with the result on the portfolio (including share joint ventures), 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 174.9 million euros in the first half of 2019 (compared to 94.2 million euros in the same period last year).

The difference between the net result (IFRS) - Group share of 174.9 million euros and the EPRA Earnings of 73.2 million euros is attributable to the negative change in the fair value of the interest hedging instruments, the positive fluctuation in the value of the portfolio and the depreciation and write-down on the solar panels.

2.3.3 Notes on the consolidated balance sheet for 30 June 2019

Consolidated balance sheet (in euros x 1 000)	30.06.2019	31.12.2018	Δ y/y (abs.)	Δ y/y (%)
Intangible fixed assets	288	252	37	n.r.
Investment property	3.612.286	3.299.864	312.422	9,5%
Other tangible fixed assets (including solar panels)	120.961	120.426	535	0,4%
Financial fixed assets	4.743	7.877	-3.134	-39,8%
Trade receivables and other fixed assets	5.219	4.972	247	5,0%
Deferred taxes - assets	0	0	0	n.r.
Participations in associated companies and joint ventures	18.034	10.636	7.398	69,6%
Fixed assets	3.761.531	3.444.026	317.505	9,2%
Assets held for sale	10.396	739	9.657	n.r.
Trade receivables	19.959	9.987	9.971	n.r.
Tax receivables and other current assets	38.783	18.990	19.793	n.r.
Cash and cash equivalents	2.732	1.724	1.008	n.r.
Accruals and deferrals	4.968	7.867	-2.899	n.r.
Current assets	76.837	39.307	37.530	n.r.
Total assets	3.838.368	3.483.333	355.035	n.r.
Capital	179.245	176.684	2.561	1,4%
Issue premiums	686.874	646.286	40.587	6,3%
Reserves	646.232	428.767	217.465	50,7%
Net result for the financial year	174.881	328.784	-153.903	-46,8%
Shareholders' equity attributable to Group shareholders	1.687.232	1.580.521	106.710	6,8%
Minority interests	41.924	29.994	11.929	39,8%
Shareholders' equity	1.729.155	1.610.516	118.640	7,4%
Long-term liabilities	1.690.695	1.577.336	113.359	7,2%
Long-term financial liabilities	1.544.547	1.476.586	67.961	4,6%
Other long-term liabilities	146.148	100.750	45.398	45,1%
Short-term liabilities	418.518	295.481	123.037	41,6%
Short-term financial liabilities	349.694	221.165	128.529	58,1%
Other short-term liabilities	68.824	74.316	-5.492	-7,4%
Liabilities	2.109.213	1.872.817	236.396	12,6%
Total liabilities	3.838.368	3.483.333	355.035	10,2%

Key ratios	30.06.2019	31.12.2018	Δ y/y (abs.)	Δ y/y (%)
(in euros per share)				
IFRS NAV	72,1	68,5	3,6	5,2%
EPRA NAV	76,7	71,2	5,6	7,8%
Share price	148,0	115,2	32,8	28,5%
Premium/Discount with respect to EPRA NAV	92,9%	61,9%	31,0%	n.r.
(in euros x million)				
Fair value of the portfolio (including solar panels) ¹	3.776,5	3.449,6	326,8	9,5%
Loan-to-value	50,8%	50,0%	0,8%	n.r.
Gearing ratio (proportional) ²	52,1%	51,8%	0,3%	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's/SIR's.

Property portfolio¹³

According to independent property experts Stadim, JLL, Cushman & Wakefield, CBRE and BNP Paribas Real Estate, the fair value¹⁴ of the WDP property portfolio according to IAS 40 amounted to 3,659.3 million euros on 30 June 2019, compared to 3,332.3 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 panels¹⁵, the total portfolio value grew to 3,776.5 million euros compared to 3,449.6 million euros at 2018 year-end.

This value of 3,659.3 million euros includes 3,364.9 million euros in completed properties (standing portfolio). The projects under development account for a value of 198.7 million euros. In addition, WDP also holds land reserves in Courcelles, Westerlo, Asse-Zellik, 's Hertogenbosch, Breda and Schiphol in Belgium and the Netherlands respectively and several land reserves in Romania, at a fair value of 95.7 million euros.

The investments made in solar panels were valued at a fair value of 117.1 million euros as at 30 June 2019.

The overall portfolio is valued at a gross rental yield of 6.4%¹⁶. The gross rental yield after deduction of the estimated market rental value for the unleased parts is 6.2%.

Liabilities

The group's shareholders' equity (IFRS) amounted to 1,687.2 million euros on 30 June 2019, compared to 1,580.5 million euros at the end of 2018.

The shareholders' equity excluding the fair value of the financial assets and liabilities (excluding the cumulative mark-to-market (M-t-M) value of the interest rate hedges included in IFRS shareholders' equity), amounted to 1,785.1 million euros on 30 June 2019, compared to 1,632.5 million euros at 2018 year-end. This increase is a consequence of the capital base growth thanks to profit generation during 2019, the payment of the dividend for the 2018 financial year and the capital increase following the optional dividend. In addition, the property portfolio also enjoyed value growth, as estimated by the independent experts.

NAV per share

The EPRA NAV per share amounted to 76.7 euros on 30 June 2019. This marks an increase of 5.5 euros compared to an EPRA NAV per share of 71.2 euros on 31 December 2018 following the profit generation, dividend pay-out and revaluation of the portfolio.

¹³ Under IFRS 11 *Joint arrangements*, the joint ventures (mainly WDP Luxembourg, in which WDP retains 55%) are incorporated using the equity accounting method. WDP's share in the portfolio of WDP Luxembourg (55%) appears in the statistics in the reporting on the portfolio.

¹⁴ For the precise valuation method used, please refer to the BE-REIT press release dated 10 November 2016.

¹⁵ Investments in solar panels are valued in compliance with IAS 16 by applying the revaluation model.

¹⁶ 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).

The IFRS NAV per share¹⁷ came to 72.1 euros on 30 June 2019, compared to 68.5 euros on 31 December 2018.

Debt

The total (long-term and short-term) financial debts had increased to 1,894.2 million euros by 30 June 2019, compared to 1,697.8 million euros at the end of December 2018, mainly due to the realisation of the pre-leased project developments and the dividend pay-out. The short-term financial debt of 350 million euros mainly includes the traditional commercial paper programme (170 million euros), as well as the long-term debt maturing within the year (141 million euros).

The balance sheet total rose from 3,483.3 million euros on 31 December 2018 to 3,838.4 million euros by the end of June 2019. The gearing ratio (proportionate) was largely steady at 52.1% as at 30 June 2019, compared to 51.8% on 31 December 2018. 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 holdings in joint ventures), came to 50.8% as at 30 June 2019.

The weighted average term of WDP's outstanding financial debt on 30 June 2019 was 4.3 years¹⁸. If only the total drawn and undrawn long-term loans are taken into account, the weighted average term amounts to 4.9 years¹⁹. On 30 June 2019, the total amount of undrawn and confirmed long-term credit facilities was approx. 200 million euros²⁰.

The average cost of debt was 2.3% in the first half of 2019. The Interest Coverage Ratio²¹ is equal to 4.5x for the same period, compared to 4.6x for the entire 2018 financial year. The hedge ratio²², 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 81%, with a weighted average hedged term of 6.7 years.

2.4 Transactions and realisations

2.4.1 Occupancy rate and leasing activity

On 30 June 2019, the property portfolio achieved an occupancy rate of 97.1%, compared to 97.5% at the end of 2018. Out of the 15% of leases reaching their next expiry date in

¹⁷ 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.

¹⁸ Including the short-term debts, these mainly consist of the commercial paper programme, which is fully hedged with backup facilities.

¹⁹ 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 5.2 years.

²⁰ Excluding the credit facilities to hedge the commercial paper programme.

²¹ Defined as operating result (before the result on the portfolio), divided by interest charges, minus interest and dividend collection, minus compensation for financial leasing and similar items.

²² 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').

2019, 85% have been successfully extended (over 75% of which with existing customers). This reaffirms the trust customers have in WDP.

2.4.2 Acquisitions and divestments

2.4.2.1 Acquisitions

The first half of 2019 saw the completion of two acquisitions, with a total investment volume of 44 million euros. All of these acquisitions were made at prices in line with the fair value determined in the valuations from the independent property experts. WDP generates an overall gross initial rental yield of approx. 6.1% on this²³.

Acquisitions completed during the second quarter of 2019

The Netherlands



ZWOLLE, GALVANIWEG: in June 2019, WDP has acquired this logistics site with an area of 52,000 m². The duration of the lease with the existing user is fifteen years. The investment budget amounts to approx. 38 million euros.



CLUJ-NAPOCA: acquisition of a site of some 80,000 m² for future development. The investment budget amounts to around 6 million euros.

17

Summary of all acquisitions during 2019

Location	Tenant	Lettable area (in m ²)	Investment budget (in million euros)
2019-23			
NL Zwolle, Galvaniweg	end user	52.000	38
NL		52.000	38
2019-23			
RO Cluj-Napoca	land reserve	80.000	6
RO		80.000	6
Total		132.000	44

2.4.2.2 Disposals

LEUVEN, VAART 25-35: anticipating the need for more housing in this part of the city, WDP entered into a partnership agreement with project developer L.I.F.E. to convert the existing Hungaria building into a residential tower block. As part of this project, WDP

²³ Excluding land reserve.

along with L.I.F.E. are selling this site in phases.²⁴ 71% of the surface area has already been sold. I Love Hungaria is scheduled for phased delivery starting in the autumn of 2019.

The sites in **SINT-NIKLAAS, BOORTMEERBEEK (LEUVENSESTEENWEG 238)** and part of the site in **ANDERLECHT** were also sold during the first half of 2019. An amount of 11.4 million euros in *Assets held for sale* is currently recognised in the balance sheet. This covers the site in **LEUVEN – WILSELE** and part of the site in **ANDERLECHT**.

2.4.3 Projects completed during the first half of 2019

As announced, WDP successfully delivered the following pre-leased projects during the first half of 2019, for a total surface area of 110,910 m². The initial gross rental yield for all of these completed projects is 6.3%, with an investment budget of approx. 85 million euros.

Location	Tenant	Delivery date	Lettable area (in m ²)	Investment budget (in million euros)
<i>2016-20</i>				
NL Arnhem, Bedrijvenpark Ijsseloord 2	Bunzl	2Q19	20.250	18
NL Barendrecht, Dierensteinweg 30 (C-D)	The Greenery	1Q19	23.700	10
NL Bleiswijk, Prismalaan West 43	Hoogsteder	2Q19	8.000	7
NL Bleiswijk, Maansteenweg/Spectrumlaan	Konings-Zuivel	2Q19	8.000	6
NL Heinenoord, Bedrijvenpark Hoekse Waard	VCKG Holding / New Corp Logistics	1Q19	22.075	18
NL Zwolle	Altrex	2Q19	3.885	2
NL Zwolle	wehkamp	1Q19	25.000	24
NL			110.910	85
Total			110.910	85



²⁴  See the press release from 30 April 2015.

2.4.4 Projects under development

WDP expects the total of projects under development (representing an investment volume of 478 million euros²⁵) and boasting a total surface area of 685,300 m², to generate an initial gross rental yield of around 7.4%, of which 6.2% in Western Europe and 8.7% in Romania.

2.4.4.1 Projects identified during the second quarter of 2019

Belgium



LOKEREN, INDUSTRIAL PARK E17/4: WDP will build a unique logistics warehouse site for Barry Callebaut on this new industrial park. This site will accommodate the new Global Distribution Centre (GDC) for Barry Callebaut. The warehouse site will consist of a new logistics low bay and a fully automated high bay (together totalling over 60,000 m²). Delivery is slated for during the third quarter of 2021. For this project, WDP projects an investment budget of approx. 100 million euros (including the automation investments) and returns in line with market returns for this kind of high-end project. Barry Callebaut will lease this new GDC under a long-term rental contract

The Netherlands



KERKRADE, STEENBERGSTRAAT: construction of a new turn-key European distribution centre for Berner Produkten, a tools and materials wholesaler that will use this site for distribution in the Benelux and Rhine-Ruhr regions. After delivery, slated for the first quarter of 2020, the new premises will span some 28,000 m² and will be leased by Berner Produkten under a fifteen-year agreement. The investment amount for WDP comes to 25 million euros.



ROZENBURG, INCHEONWEG 11-13: the existing WDP site will be fitted out with a parking garage with some 390 parking places, for various clients. Delivery is projected for the end of the third quarter 2020. The investment budget for this project comes to 4 million euros.



BLEISWIJK, SNELLIUSLAAN: for logistics service provider Drake & Farrell, a new warehouse totalling around 17,000 m² will be built, with delivery scheduled for the third quarter of 2020. Drake & Farrell will lease this new site for a term of five and a half years. The investment budget amounts to around 16 million euros.



BLEISWIJK, PRISMALAAN WEST: during the first quarter of 2021, Boland, a specialist in party supplies, is expected to move into a newly built warehouse of over 16,000 m² under a ten-and-a-half-year lease. The budget for this new construction project amounts to approx. 18 million euros.

²⁵ Cost to come: 300 million euros.

Romania

NEW

BUCHAREST, DRAGOMIRESTI: development of a logistics warehouse of approx. 3,800 m² for existing WDP client Arcese, with delivery expected during the third quarter of 2019. Arcese will lease this warehouse for a seven-year term. The investment budget for WDP comes to approx. 2 million euros.

NEW

BUCHAREST, DRAGOMIRESTI: this is also the site of a new construction project for a warehouse of around 10,000 m² for Mediapost, under a five-year lease. WDP forecasts an investment of approx. 5 million euros for this development. Delivery is slated for during the third quarter of 2019.

2.4.4.2 Summary of all projects under development

Location	Tenant	Delivery date	Lettable area (in m ²)	Investment budget (in million euros)
BE Tongeren, Heersterveldweg 17 2019-23	GLS	4Q19	5.000	8
BE Heppignies, rue de Capilône 6	Cora	1Q20	32.000	16
BE Lokeren	Barry Callebaut	3Q21	60.000	92
BE WDPort of Ghent	Distrilog	4Q19	10.000	4
BE			107.000	120
2016-20				
LU Bettembourg (Eurohub Sud)	Trendy Foods / Sobolux / end user	1Q20	25.000	12
LU			25.000	12
2016-20				
NL Breda 2019-23	Lidl	3Q19	55.000	27
NL Bleiswijk, cluster I - hal C	Drake & Farrell	3Q20	17.000	16
NL Bleiswijk, cluster II	Boland	1Q21	16.400	18
NL Eindhoven, Park Forum	Brocacef	1Q20	10.000	10
NL Kerkrade, Steenbergstraat	Berner Produkten	1Q20	28.000	25
NL Nieuwegein, Het Klooster	Caldic	1Q20	15.000	12
NL Nieuwegein, Het Klooster	logistics company	3Q21	12.500	15
NL Rozenburg, Incheonweg	Various	1Q20	10.000	4
NL			163.900	128
2016-20				
RO Brazi	Carrefour	3Q19	11.000	5
RO Bucharest - Stefanestii de Jos (4)	Metro	1Q20	58.000	33
RO Bucharest - Stefanestii de Jos (5)	LPP	3Q19	22.000	10
RO Bucharest - Stefanestii de Jos (6)	Kitchen Shop	3Q19	2.500	2
RO Bucharest - Stefanestii de Jos (7)	Auchan	1Q20	77.000	45
RO Buzau	Ursus Breweries	4Q19	21.000	13
RO Deva	Carrefour	4Q19	45.000	24
RO Sibiu (3)	Aeronamic Eastern Europe	3Q19	4.000	4
2019-23				
RO Bucharest - Dragomiresti	Arcese	3Q19	3.800	2
RO Bucharest - Dragomiresti	Mediapost	3Q19	10.000	5
RO Bucharest - Dragomiresti	4 cells in commercialisation	4Q19	20.000	11
RO Bucharest - Stefanestii de Jos (8)	Toya	4Q19	8.600	4
RO Oradea	Sogefi	4Q19	34.000	16
RO Paulesti (3)	Iron Mountain	4Q20	10.500	5
RO Slatina	Pirelli	2Q20	62.000	40
RO			389.400	219
Total			685.300	478



2.4.5 Sustainability

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

- ▶ Solar panel project in the Netherlands

The second phase of the solar panel project in the Netherlands is currently in execution, for a total investment of approx. 20 million euros and a total additional capacity of 25 MWp, 13 MWp of which is currently in execution, by the end of 2019.

- ▶ 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. The eventual aim is to double the company's current capacity in Flanders. In first phase, WDP intends to install an additional capacity of 10 MWp by the end of 2019. The total investment budget for this installation amounts to approx. 8 million euros.

After completion of the projects under development for which commercial agreements have been successfully concluded, WDP will have a total installed capacity of 85 MWp. Over the medium-term, WDP will strive for a total PV portfolio of 100 MWp.

2.4.6 Status in policy regarding Dutch REIT status

As part of the planned elimination of the dividend tax, the Dutch Government coalition agreement of October 2017 stated the intention that FBIs, including WDP through its subsidiary WDP Nederland N.V., would no longer be allowed to invest directly in Dutch real estate from 2020 onwards. In October 2018, the Dutch government announced that it would retain the dividend tax and keep the current FBI system intact.

In addition, WDP was in talks with the Dutch tax authority, which indicated to WDP that – as a shareholder in WDP Nederland N.V., which has FBI status – it is subject to a new

shareholder test (the conditions to qualify as an FBI depend on factors such as activities and shareholder structure). Considering the above, the talks between the Dutch tax authority and the company to flesh out the details have been suspended. No further evolution is available now.²⁶

2.4.7 Planned expansion of activities

WDP and VIB Vermögen have signed a letter of intent for expansion of their respective logistics property portfolios in Germany in the regions of North Rhine-Westphalia, Bremen and Hamburg. This planned expansion complements each of their existing activities; thanks to this partnership, they can offer their clients broader geographic coverage. In line with their core business, the investments are primarily 'develop and hold' and selective acquisitions of industrial, semi-industrial and logistics buildings. A 50/50 joint venture will be set up for this partnership. This joint venture is slated for implementation over the coming months.

North Rhine-Westphalia is the most densely populated region in Germany, characterised by strong, rapidly growing logistics activity, equipped with one of Europe's biggest transport hubs, with direct access to the major North Sea ports, and located at the crossroads of the main motorways in this heavily industrialised region. Moreover, the port of Hamburg is a leader in foreign trade, with direct links to destinations such as China.

2.4.8 Agenda of the Extraordinary General Meeting of 11 September 2019

As previously announced²⁷, WDP intends to convert its current legal form of a Belgian partnership limited by shares ('Comm. VA') with a statutory manager, to a Belgian public limited company ('NV') with a single-tier Board of Directors under the recently adopted Belgian Code of Companies and Associations, which no longer includes the Comm. VA as a legal form.

Here, WDP is exercising the 'early opt-in'. For this purpose, the company is convening an Extraordinary General Meeting (EGM) to be held on 11 September 2019 at 9.00 am (or on 30 September 2019 at 9.00 am if the requested quorum is not presented), at the registered office of the company. The meeting will be announced on Friday 9 August 2019 via the customary channels, and all corresponding documents and reports will be available that day on the WDP website: www.wdp.eu.

Moreover, WDP wants to renew the mandate for authorised capital and purchase of own shares, and to submit a proposal to split the share.

²⁶ For information purposes, 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 current EPRA Earnings per share. In any case, it would never be applied retroactively.

²⁷  See the [press release](#) of 24 April 2019, 12.00 pm.

Thus, the following agenda items will be submitted to this EGM for approval:

1. Mandate for authorised capital and purchase of own shares

The manager proposes to replace the existing mandate for authorised capital and purchase of own shares with a new mandate granted to the governing body of the company. This renewal of the mandate for authorised capital will, amongst others, take into account the option that was recently introduced in the Belgian GVV/SIR Act to realise a capital increase through an accelerated bookbuild (ABB), subject to certain legal restrictions²⁸.

2. Conversion of legal form

Next, a proposal will be submitted for approval of a voluntary early conversion from the Comm. VA form to the SA legal form. This conversion will take effect on the date of publication of the EGM resolution, but no earlier than 1 October 2019 (or if the EGM must be rescheduled if the requested quorum is not presented or by absence of the manager, on 1 November 2019).

The main characteristics of WDP SA:

- ▶ a SA with a single-tier Board of Directors:


the option for a Belgian public limited company with a single-tier Board of Directors fits in with the current stage in the life cycle and growth of the company, which from corporate governance perspective also links up perfectly with the most widely accepted and transparent legal form in the Belgian legal system.

This conversion entails that directors will now be appointed by the shareholders of WDP SA, and no longer by the shareholder of the statutory manager, De Pauw SA, namely the management body RTKA (the family company of the Jos De Pauw family).

As part of this new governance structure, WDP opts for the creation of a management committee, as formalised in the new Corporate Governance Charter.

Due to the conversion, the current directors making up the Board of Directors of the manager will be nominated at the aforementioned EGM for appointment to the Board of Directors of WDP SA for the remainder of their terms. The EGM will also be asked to retain the current remuneration conditions with respect to their mandate of director as specified in the remuneration report (approved by the General Meeting of 24 April 2019) after the conversion. The Board of Directors of WDP Comm. VA will define the remuneration of the executive directors with respect to their executive mandate(s) for WDP within the new framework and their associated responsibilities.

- ▶ Each share confers one vote.
- ▶ Introduction of a binding nomination right:

²⁸  See also the [press release](#) for the BE-REIT Association of 26 April 2019.

Any natural person, legal entity or company (whether or not with legal personality) will have a binding right to nominate one member of the Board of Directors of the company for each stake of 10% of the shares in the company that this party holds individually and directly. By virtue of this binding nomination right, Tony De Pauw is nominated as director by the current reference shareholder of the company, the management body RTKA (the family company of the Jos De Pauw family). The management body RTKA, which holds over 20% of the shares in the company individually and directly, has also indicated that for now, it will not exercise its right to binding nominate a second director.

3. WDP share split

With a view to increasing the transferability, accessibility and attractiveness of the share, a split of the WDP share by a factor of 7 is proposed, as from 2 January 2020 (the first trading day of 2020). Along with the EGM invitation, an explanatory note will be published to clarify the practical aspects of this share split to the shareholders.

2.5 Management of financial resources

2.5.1 Financial key figures

Key financial data	30.06.2019	31.12.2018
Loan-to-value (in %) ¹	50,8	50,0
Gearing ratio (proportional) (in line with the GVV/SIR Royal Decree) (in %) ²	52,1	51,8
Interest Coverage Ratio ³ (in x)	4,5	4,6
Average cost of debt (in %)	2,3	2,4
Average remaining term of outstanding debts (in years)	4,3	4,4
Average remaining term of long-term credit facilities (in years)	4,9	5,3
Hedge ratio ⁴ (in %)	81	91
Average remaining term of interest rate hedges ⁵ (in years)	6,7	7,3

¹ The loan-to-value is obtained from the IFRS statements by dividing the net financial debt 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.

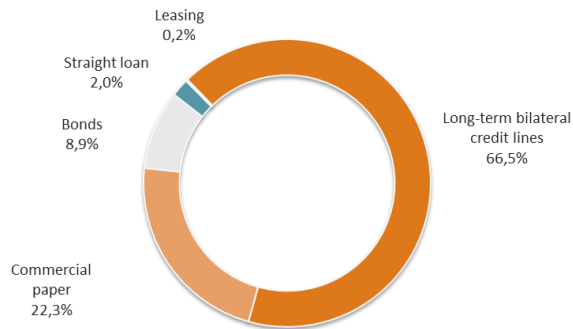
² Defined as operating result (before the result on the portfolio) divided by interest changes, minus interest and dividends collection, minus compensation for financial leasing and others.

³ 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 Investments Companies Act (Wet betreffende de Gereguleerde VastgoedVennootschappen or GVV-Wet).

⁴ Remaining term of debt at fixed rate and interest rate hedges entered into to hedge the debt against interest rate fluctuations.

2.5.2 Debt structure

Breakdown



On 30 June 2019, the total outstanding consolidated financial debt came to 1,894.2 million euros. This amount breaks down as follows:

- ▶ 1,256.6 million euros in traditional bilateral medium and long-term bank loans, distributed across seventeen banks;
- ▶ 169.9 million euros in commercial paper²⁹;
- ▶ 426.1 million euros in bond loans;
- ▶ 37.1 million euros in straight loans;
- ▶ 4.5 million euros in lease debts.

Maturity dates

The bulk of the debt instruments used are bullet type instruments, which implies that over the term, interest liabilities are due on the principal sum and that full repayment of the capital is due on the final expiry date. 18% of the debts are short-term debts (mainly straight loans, commercial paper and a bond loan maturing in 2020), while 82% have a term of more than one year and 31% fall due after more than five years.

The weighted average term of WDP's outstanding financial debt on 30 June 2019 was 4.3 years³⁰. If only the total drawn and undrawn long-term credits are taken into account, the weighted average term amounts to 4.9 years³¹. At 2018 year-end, this was 4.4 and 5.3 years, respectively.

On 30 June 2019, the total amount of undrawn and confirmed long-term credit facilities amounted to approx. 200 million euros³². Regarding the maturity dates of the long-term

²⁹ The commercial paper is hedged with backup lines and untapped credit lines to serve as collateral for financing if subscription or extension of commercial paper appears to be impossible or only possible to a limited degree.

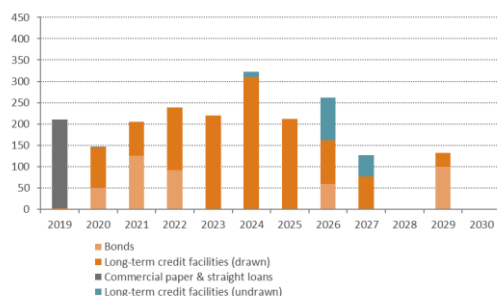
³⁰ Including the short-term debts, these mainly consist of the commercial paper programme, which is fully hedged with backup facilities.

³¹ 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 would be executed every time, the weighted average term of long-term credits amounts to 5.2 years.

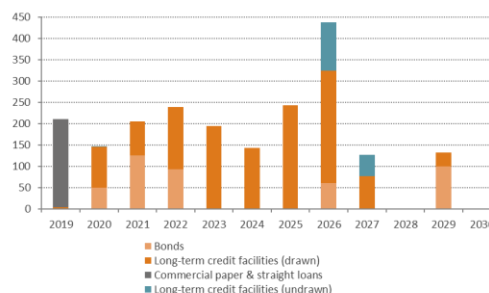
³² Excluding the credit facilities to hedge the commercial paper programme.

debts in 2019, these respective credit facilities have all been extended. In addition, WDP is in concrete negotiation for the extension of the credit facilities maturing in 2020.

DEBT MATURITY DATES (MINIMUM TERM)¹



DEBT MATURITY DATES (MAXIMUM TERM)¹



¹ For some credits, at the request of the company, the lender may decide to extend the credit by means of an extension option. In the case of a minimum term, it is assumed that these extension options would not be exercised; in the case of a maximum term, it is assumed that they would be exercised each time.

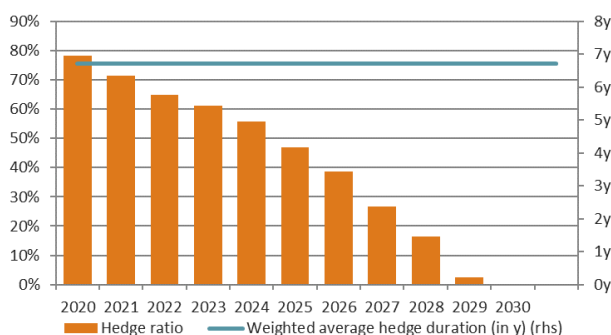
Hedges

The hedge ratio, which measures the percentage of financial debt with a fixed or floating interest rate that are subsequently hedged by means of Interest Rate Swaps (IRS), comes to 81%, with a weighted average hedged term of 6.7 years.

The weighted average cost of debt for WDP was 2.3% in the first half of 2019. The average cost of debt

amounted to 2.3% in 2018. The Interest Coverage Ratio is equal to 4.5x for the first half of 2019, compared to 4.6x for the entire 2018 financial year.

CHANGES IN HEDGE RATIO



Implementation of the financing strategy

▶ New credit facility

During the first semester of 2019, WDP secured additional credit lines of approx. 66 million euros.

▶ WDP received the Green Bond Pioneer Certificate of Recognition, awarded by the Climate Bonds Initiative, for its issue of a green bond.



▶ Hedge extension

WDP secured extensions until 2029 at a lower interest rate for a total notional amount of 110 million euros in hedges with maturity dates in 2022-24. The overall impact of these extensions is an annual saving of around 1 million euros starting from 2020. This extension was realised in a cash neutral manner, namely without any payments in case of termination or any other costs.

Financial risks

In 2019, WDP has again continuously monitored the potential impact of financial risks and has taken the necessary measures to manage these risks. These involve the counterparty risk (insolvency or credit risks with financial partners), liquidity risk (the non-availability of financing or very costly financing options) and risks relating to interest rates, budget, contractual agreements and exchange rates.

For a detailed overview of financial and other risks, their limiting factors and control, see Chapter 5. *Risk factors*.

2.6 Outlook

WDP confirms its forecast of an EPRA Earnings per share of 6.50 euros in 2019, an increase of 8% over 2018. Based on this outlook, WDP intends to propose a gross dividend of 5.20 euros for 2019, payable in 2020, also marking an increase of 8%, based on a low pay-out rate.

The main driver of these forecasts is the strong portfolio growth in 2018 thanks to pre-leased new construction projects and solar power projects, which will yield full returns in 2019. In addition, WDP currently holds a strong pre-leased project development pipeline of approx. 685,000 m² and a projected investment of 478 million euros, which will also start to contribute to the 2019 result.

In 2019, 15% of the contracts will reach their next maturity date, 85% of which have already been extended. Based on information currently available and the current rental market situation, WDP projects a minimum average occupancy rate of 96% for 2019.

The projected growth in 2019 based on continued execution of the project development pipeline takes into account a forecast gearing ratio of around 53% for 2019 year-end and an average cost of debt of 2.2%.

3. Property report

3.1 Review of the consolidated property portfolio³³

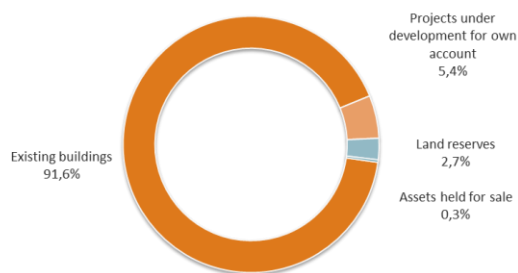
3.1.1 Description of the portfolio as at 30 June 2019

The independent property experts Stadim, JLL, Cushman & Wakefield, CBRE and BNP Paribas Real Estate assess the fair value³⁴ of the WDP property portfolio (including *Assets held for sale* and excluding solar panels) in accordance with IAS 40 at 3,659.3 million euros as at 30 June 2019. The fair value at the end of 2018 amounted to 3,332.3 million euros.

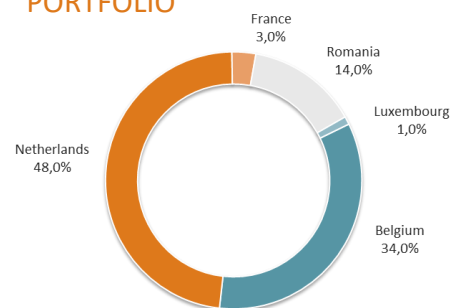
The portfolio breaks down as follows:

Fair value (in million euros)	Belgium	Netherlands	France	Romania	Luxembourg	Total
Existing buildings	1.211,2	1.634,6	121,8	356,7	29,2	3.353,5
Projects under development for own account	17,0	72,1	0,0	107,6	2,0	198,7
Land reserves	15,5	38,7	0,5	41,1	0,0	95,7
Assets held for sale	11,4	0,0	0,0	0,0	0,0	11,4
Total	1.255,1	1.745,4	122,3	505,3	31,3	3.659,3

BREAKDOWN OF THE FAIR VALUE OF THE PORTFOLIO BY DESIGNATED USE



GEOGRAPHICAL BREAKDOWN OF THE FAIR VALUE OF THE PORTFOLIO



³³ WDP's share in the portfolio of WDP Luxembourg (55%) appears in the statistics in the reporting on the portfolio.

³⁴ Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties (-): these are the transfer costs to be paid in the event of a hypothetical disposal of the investment properties. The fair value at which the investment properties are valued consists of the investment value minus the transaction costs. The average theoretical local transfer taxes deducted from the investment value are as follows for the different countries: Belgium: 2.5%, Netherlands: 6.1%, France: 5.1%, Luxembourg: 7.0% and Romania: 1.5%.

Portfolio statistics by country	Belgium	Netherlands	France	Luxemburg	Romania	Total
Number of lettable sites	82	94	7	2	25	210
Gross lettable area (in m ²)	1.793.700	2.026.737	192.675	32.547	623.774	4.669.432
Land (in m ²)	3.532.054	3.813.814	428.461	56.007	4.197.853	12.028.188
Fair value (in million euros)	1.255,1	1.745,4	122,3	31,3	505,3	3.659,3
% of total fair value	34%	48%	3%	1%	14%	100%
% change in fair value (YTD)	6,8%	3,4%	2,1%	7,8%	0,8%	4,1%
Vacancy rate (EPRA) ^{1,2}	5,5%	1,9%	2,4%	2,1%	0,9%	3,1%
Average lease length till first break (in y) ²	4,1	6,4	3,6	9,4	6,3	5,5
WDP gross initial yield ³	6,2%	6,1%	6,3%	6,6%	8,0%	6,4%
Effect of vacancies	-0,4%	-0,1%	-0,2%	-0,1%	-0,1%	-0,2%
Adjustment gross to net rental income (EPRA)	-0,3%	-0,4%	-0,1%	-0,6%	-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%	5,3%	5,8%	5,5%	7,6%	5,6%

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

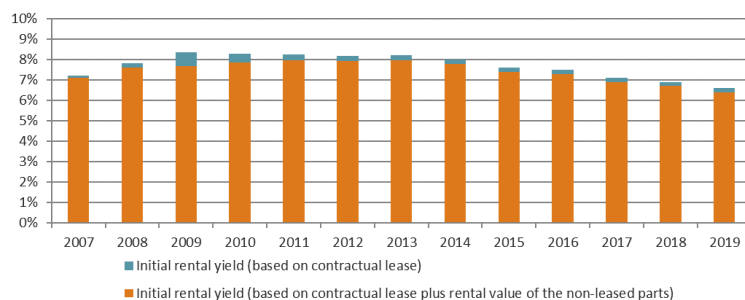
² Excluding solar panels.

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).

3.1.2 Changes in fair value during the first half of 2019

In the first half of 2019, WDP invested in new acquisitions, for a total amount of 63.2 million euros. In addition, 114.4 million euros were invested for the completion of pre-leased projects for own account. Furthermore, 5.4 million euros in property was sold.

HISTORIC GROSS RENTAL YIELD OF THE WDP PORTFOLIO



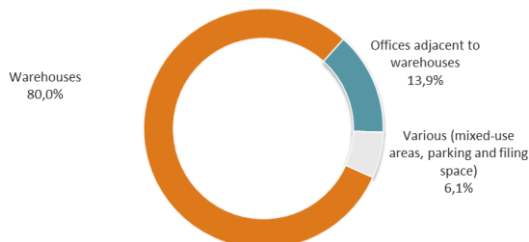
The change in the valuation of the investment properties amounted to an additional +151.2 million euros during the first half of 2019. The gross rental yield based on the contractual rents, after addition of the estimated market rental value of the unleased parts, is 6.4% as at 30 June 2019, stable compared to 6.7% at the end of 2018.

3.1.3 Value and composition of the rental portfolio

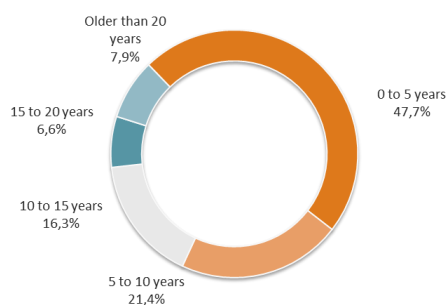
The total surface area comprises 1,202.8 hectares, including 107.8 hectares granted in concession. The balance of 1,095.0 hectares has a fair value of 1,071.9 million euros, or 30% of the total fair value. This gives an average land value of 98 euros/m², excluding transaction costs. This area also includes the land reserves, particularly in Belgium, the Netherlands and Romania.

Designated use at 30 JUN. 19	Built surface (in m ²)	Estimated rental value (in million euros)	Estimated rental value per m ² (in euros)	% of total rental value
Warehouses	3.683.812	171,2	46,5	80%
Offices adjacent to warehouses	328.717	29,7	90,3	14%
Commercial space	0	0,0	0,0	0%
Various (mixed-use areas, parking and filing space)	656.903	13,2	20,0	6%
Total	4.669.432	214,1	45,8	100%

BREAKDOWN OF TOTAL RENTAL VALUE BY INTENDED USE

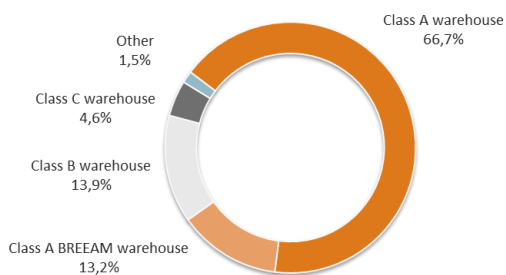


BREAKDOWN OF FAIR VALUE BY AGE¹

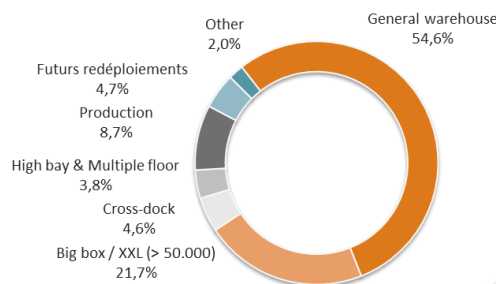


¹ Buildings undergoing significant renovations are considered new once their renovations are complete.

BREAKDOWN OF PROPERTY PORTFOLIO BY PROPERTY QUALITY TYPE (BASED ON FAIR VALUE)



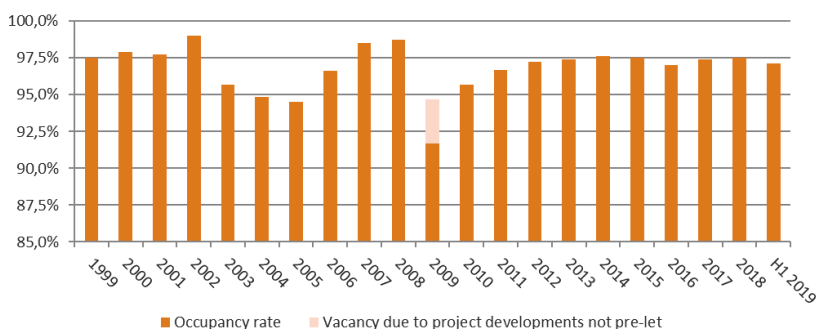
BREAKDOWN OF PROPERTY PORTFOLIO BY PROPERTY TYPE (BASED ON FAIR VALUE)



3.1.4 Rental situation of the available buildings

The occupancy rate of the WDP portfolio amounted to 97.1% on 30 June 2019, compared to 97.5% at the end of 2018 (including solar panels)³⁵. This attests to the success of WDP's commercial strategy, which aims to develop long-term relationships with clients and supports the company's performance with a high operating margin.

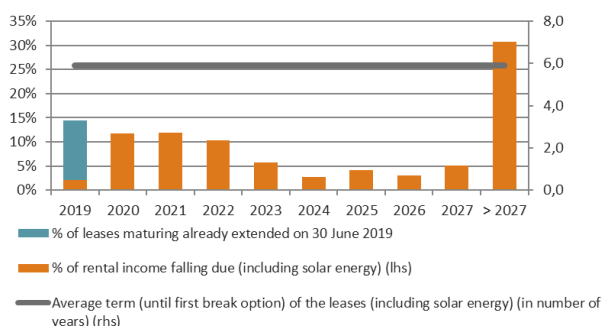
HISTORICAL OCCUPANCY RATE OF THE WDP PORTFOLIO (INCLUDING SOLAR PANELS)



WDP's practice of building long-term partnerships together with its clients is also reflected in the fact that the average residual term to the expiry date of a lease contract is 7.0 years. When the first termination date is taken into account, the average remaining duration is 5.5 years.

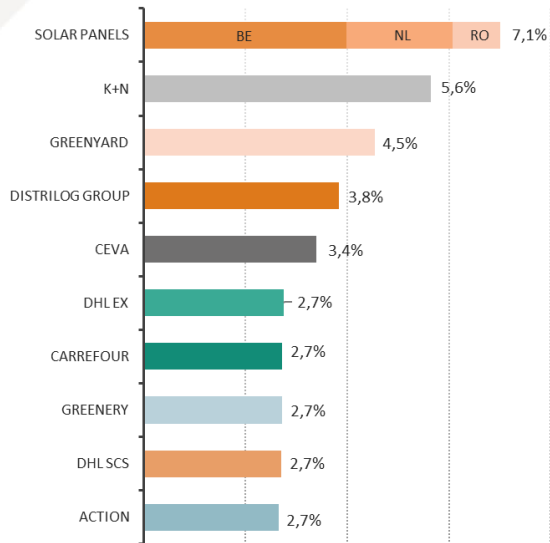
If income from solar panels is taken into account, the average remaining term to the final expiry date is 7.3 years. When the first termination date is taken into account, the average remaining duration is 5.9 years.

LEASE EXPIRY DATES (UNTIL EARLIEST TERMINATION DATE)

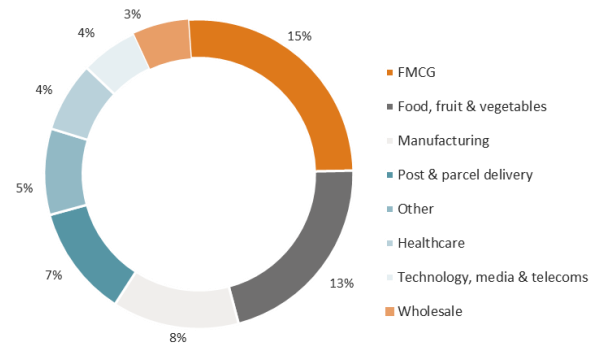


³⁵ Excluding solar panels, the occupancy rate is 96.9%.

TOP-10 TENANTS



RENTAL INCOME AS AT 30 JUNE 19 BY TENANT CATEGORY



3.1.5 Overview of projects under development³⁶

	Country	Type	Lettable area (en m ²)	Projected delivery		Tenant	Investment budget (in million euros) ¹	Projected yield
					Pre-leased			
Tongeren, Heersterveldweg 17	BE	New development	5.000	4Q19	100%	GLS	8	
Heppignies, rue de Capilône 6	BE	New development	32.000	1Q20	100%	Cora	16	
Lokeren	BE	New development	60.000	3Q21	100%	Barry Callebaut	92	
WDPort of Ghent	BE	New development	10.000	4Q19	100%	Distrilog	4	
BE			107.000				120	
Bettembourg (Eurohub Sud)	LU	New development	25.000	1Q20	100%	Trendy Foods / Sobolux / end user	12	
LU			25.000				12	
Breda	NL	New development	55.000	3Q19	100%	Lidl	27	
Bleiswijk, cluster I - hal C	NL	New development	17.000	3Q20	100%	Drake & Farrell	16	
Bleiswijk, cluster II	NL	New development	16.400	1Q21	100%	Boland	18	
Eindhoven, Park Forum	NL	New development	10.000	1Q20	100%	Brocacef	10	
Kerkrade, Steenbergstraat	NL	New development	28.000	1Q20	100%	Berner Produkten	25	
Nieuwegein, Het Klooster	NL	New development	15.000	1Q20	100%	Caldic	12	
Nieuwegein, Het Klooster	NL	New development	12.500	3Q21	100%	logistics company	15	
Rozenburg, Incheonweg	NL	New development	10.000	1Q20	100%	Various	4	
NL			163.900				128	
Brazi	RO	New development	11.000	3Q19	100%	Carrefour	5	
Bucharest - Stefanestii de Jos (4)	RO	New development	58.000	1Q20	100%	Metro	33	
Bucharest - Stefanestii de Jos (5)	RO	New development	22.000	3Q19	100%	LPP	10	
Bucharest - Stefanestii de Jos (6)	RO	New development	2.500	3Q19	100%	Kitchen Shop	2	
Bucharest - Stefanestii de Jos (7)	RO	New development	77.000	1Q20	100%	Auchan	45	
Buzau	RO	New development	21.000	4Q19	100%	Ursus Breweries	13	
Deva	RO	New development	45.000	4Q19	100%	Carrefour	24	
Sibiu (3)	RO	New development	4.000	3Q19	100%	Aeronamic Eastern Europe	4	
Bucharest - Dragomiresti	RO	New development	3.800	3Q19	100%	Arcese	2	
Bucharest - Dragomiresti	RO	New development	10.000	3Q19	100%	Mediapost	5	
Bucharest - Dragomiresti	RO	New development	20.000	4Q19	100%	4 cells in commercialisation	11	
Bucharest - Stefanestii de Jos (8)	RO	New development	8.600	4Q19	100%	Toya	4	
Oradea	RO	New development	34.000	4Q19	100%	Sogefi	16	
Paulesti (3)	RO	New development	10.500	4Q20	100%	Iron Mountain	5	
Slatina	RO	New development	62.000	2Q20	100%	Pirelli	40	
RO			389.400				219	
Total			685.300				478	7,4%

¹ For the redevelopment projects, this does not factor in the value of the redevelopment projects before the start of the renovation. Taking into account the proportionate share of WDP in the portfolio of WDP Luxembourg (55%).

The anticipated out-of-pocket cost for completion of these projects is estimated at approx. 478 million euros, approx. 178 million euros³⁷ of which had already been spent as at 30 June 2019. WDP expects to generate a weighted average return on the total investment of around 7.4%.

³⁶ See also 2.4.4 Interim management report – Transactions and realisations – Projects under development.

³⁷ The indicated amount differs from the previously reported amount of 199 million euros due to a number of projects that will be sold and the value of the existing sites before the start of their redevelopment.

3.2 Review of the logistics property market in Belgium, Luxembourg, the Netherlands, France and Romania

Belgium and Luxembourg

The first quarter of 2019 saw considerable uptake: 25% more than the same period last year. Uptake of existing space is appearing somewhat higher than the uptake of built-to-suit projects. The number of transactions is lower, though at the same time the areas are larger than last year. Most built-to-suit transactions took place in Wallonia, along the Antwerp-Ghent corridor. The vacancy rate for existing sites has fallen in recent years, fluctuating at around 3% for this region. Speculative developments are still being avoided, mainly due to the risk-aversion from investors and the sustained preference for projects involving custom sites. Rents remain steady (between 45 and 55 euros per m² per year in Belgium and between 60 and 70 euros per m² per year in Luxembourg), a trend that is expected to continue in the future. In terms of investors, logistics property investments are up compared to last year. Prime yield for logistics properties is around 5%, driven by the limited supplies. The prime yield for semi-industrial sites remains steady however (around 6.75% in Q1 2019).

The Netherlands

The Dutch logistics sector is one of the most active, mature and extensive in Europe, supported by the region's role as a logistics access point to Europe, and offers high-quality infrastructure and highly dynamic user markets. Uptake continues to increase, and mainly involves new custom-built warehouses. This entails rapid growth of logistics hubs. The vacancy rate for existing sites continues to decrease, fluctuating around 3.5% in the first quarter of 2019. On the investment market as well, we see a year-on-year increase in investments in industrial and logistics properties. It is noteworthy that the largest group of investors is from abroad. Once again, this has everything to do with the unique location of the Netherlands. The high demand for distribution centres boosts prime initial returns (to 4.25% in the first quarter of this year). In the current market, suboptimal properties are also fetching a higher price. The commissioning of new logistics properties in the Netherlands has been on the upswing for years now and shows no signs of abating. Most projects are once again in the south of the country (provinces of North Brabant and Limburg). The focal point for industrial property uptake continues to be the Randstad region. E-commerce and e-fulfilment are creating demand for special distribution centres. The low unemployment rate is also pushing the sector towards automation. High-end rents fluctuate at around 85 euros per m² per year, and average rents at around 45-60 euros. Persistent demand from investors implies downward pressure on yields.

France

The recently noted uptake remains highly regionalised in France: mainly the regions of Lille and Lyon are enjoying an increase, unlike areas such as Paris and Marseille. The supply of existing buildings remains limited. However, investor confidence is growing, prompting another uptick in the development of new buildings since 2018. Rents fluctuated around 56 euros per square metre per year in the high-end region of Paris, around 45 euros in the Lyon region, and 38 to 41 euros around Lille. The logistics sector is enjoying increased interest from investors opting for investments in property portfolios. In general, the prime yield for logistics properties lies at around 4.50%.

Romania

The trend identified at the end of 2018 continues: the industrial and logistics sector in Romania and the number of property developments continue to grow, driven by economic growth and the expansion of roadways and infrastructure. In the first quarter of 2019, barely 5% of the existing space was available. Most new transactions are built-to-suit projects. Depending on the region, the rents fluctuate between 35 and 45 euros per m² per year, and the prime top yields at around 7.75% with continued downward pressure. 40% of leases are in the region around Bucharest, and the other 60% are distributed across the main regional cities.

Sources: CBRE, BNP Paribas Real Estate, Cushman & Wakefield and JLL

3.3 Conclusions of the property experts

Dear Sirs,

We are pleased to present you with our estimate of the value of the property portfolio of WDP Comm. VA as of 30 June 2019.

WDP appointed us as independent property experts to determine the investment value and fair value of its property portfolio. Estimates were made taking into account both the observations and definitions mentioned in the reports, and the guidelines of the International Valuation Standards issued by the IVSC.

The fair value is defined in standard IAS 40 as the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. IVSC deems these conditions to be met if the above-mentioned definition of market value is respected. The market value must reflect the current lease contracts, the current gross margin of self-financing (or cash flow) the reasonable assumptions relating to potential rental income and the expected costs.

In this context, the transaction costs must be adjusted to the actual situation on the market. The fair value is calculated by adjusting the investment value based on customary transaction costs.

As property experts, we possess relevant and recognised credentials as well as up-to-date experience with properties of a type and location similar to those of the properties in WDP's property portfolio.

In giving an estimate of the properties, we took into account both the current rental agreements and all rights and obligations arising from these agreements.

Each property was valued separately. The estimates do not account for any potential capital gain that might be realised by offering the portfolio on the market in its entirety. Our estimates also do not account for marketing costs specific to a transaction, such as estate agents' fees or publicity costs. In addition to an annual inspection of these properties, our estimates are also based on the information provided by WDP regarding the rental situation, surface areas, sketches or plans, rental charges and taxes associated with each property concerned, compliance and environmental pollution. The information provided was deemed accurate and complete. Our estimates assume that undisclosed items are not such that they would affect the value of the property.

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

Based on the above statements, we can confirm that the fair value of the property portfolio of WDP (excluding solar panels but including assets held for sale) on 30 June 2019 amounted to 3,659,319,361 euros (three billion, six hundred and fifty-nine million, three hundred and nineteen thousand, three hundred and sixty-one euros)³⁸.

Yours faithfully,

PHILIPPE JANSSENS

Managing Director
Stadim

ROD SCRIVENER

National Director, Valuation & Advisory
Jones Lang LaSalle Belgium

HERO KNOL

Director
CBRE Netherlands

FRANK ADEMA

International Partner - Head of Valuation &
Advisory - The Netherlands
Cushman & Wakefield

JEAN-CLAUDE DUBOIS

Director of the International department
BNP Paribas Real Estate

FRANK WEYERS

Associate Director, Valuation & Advisory
Jones Lang LaSalle Luxembourg

OVIDIU ION

Head of Valuation
CBRE Romania

³⁸ We obtain this value by adding up the values confirmed by the individual property experts.

4. Shares and bonds

4.1 The share

4.1.1 Price and volume

Proud new member of



Figures per share	30 JUN. 19	31 DEC. 18	31 DEC. 17
Number of shares in circulation on closing date	23.391.315	23.061.390	22.009.277
Free float	75%	75%	75%
Market capitalisation (in euros)	3.461.914.620	2.656.672.128	2.056.326.750
Traded volume in shares	4.442.592	5.949.511	4.990.398
Average daily volume (in euros)	4.822.186	2.543.078	1.776.938
Free float velocity ¹	52,5%	34,4%	30,4%
Stock exchange price			
highest	148,0	124,0	98,0
lowest	114,0	93,3	82,1
closing	148,0	115,2	93,4
EPRA NAV (IFRS) ² (in euros)	76,7	71,2	58,3
IFRS NAV ³ (in euros)	72,1	68,5	56,3
Dividend payout ratio	n.r.	82%	82%
EPRA Earnings/share ⁴ (in euros)	3,16	6,00	5,60
EPRA Earnings/share ⁵ (in euros)	3,13	5,83	5,52
Gross dividend/share (in euros)	n.r.	4,80	4,50
Net dividend/share (in euros)	n.r.	3,36	3,15

¹ The number of shares traded per half-year divided by the total number of free float shares at the end of term and then extrapolated to a term of twelve months.

² 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 property investments over the long term. See also www.epra.com.

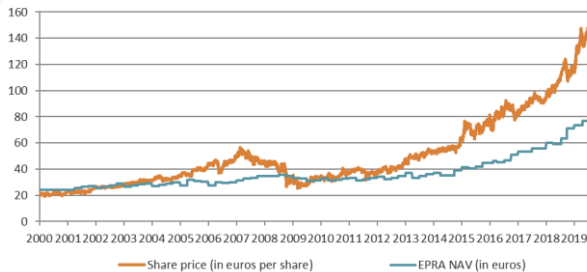
³ IFRS NAV: the IFRS NAV is calculated as shareholder equity as per IFRS divided by the number of dividend-entitled shares on the balance sheet date. It pertains to the net value according to GVV/SIR legislation.

⁴ On the basis of the pro-rata-temporis basis for the weighted average number of shares over the period.

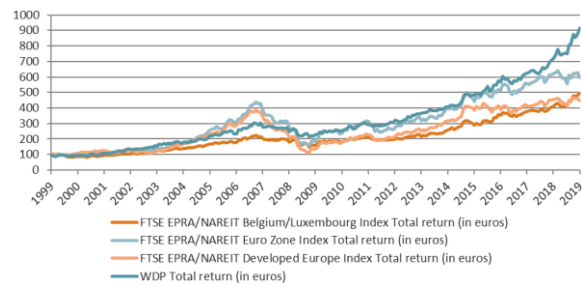
⁵ On the basis of the number of shares entitled to dividend at the end of each period.

4.1.2 Long-term price trend and return

SHARE PRICE VERSUS EPRA NAV



WDP SHARE RETURN VERSUS EPRA INDICES



4.1.3 WDP in BEL 20

Since 18 March 2019, WDP has been part of the BEL 20 index. The BEL 20 index is the leading share index of Euronext Brussels and comprises Belgian companies listed on the Brussels exchange with the largest free float market capitalisation, with shares of adequate liquidity.

4.2 Bonds

Emittent	ISIN code	Nominal amount (in million euros)	Term (in years)	Maturity date	Coupon	Issue price	Indicative price 30 JUN. 19
Listed bonds							
WDP Comm. VA	BE0002248178	37,1	10	1 April 2026	2,50%	100,0%	102,9%
WDP Comm. VA	BE0002249184	22,9	10	1 April 2026	Euribor 3M + 2,00%	100,0%	98,7%
WDP Comm. VA	BE0002234038	54,4	7	2 July 2022	2,50%	99,4%	101,9%
WDP Comm. VA	BE0002235043	37,8	7	2 July 2022	Euribor 6M + 1,75%	100,0%	98,7%
WDP Comm. VA	BE0002216829	125,0	7	13 June 2021	3,38%	101,9%	104,4%
WDP Comm. VA	BE0002192582	50,0	7	18 March 2020	3,80%	99,9%	101,7%
Unlisted bonds							
WDP Comm. VA	n.r.	100,0	11	29 March 2029	2,62%	100,0%	n.r.

4.3 Shareholding

Shareholding	Number of shares (declared)	Date of the statement	(in %)
Free float	17.576.254		75,14%
BlackRock-related companies ¹	659.847	29.12.2016	2,82%
AXA Investment Managers S.A. ¹	676.998	02.11.2018	2,99%
Other shareholders under the statutory threshold ²	16.239.409	04.12.2018	69,42%
Family Jos De Pauw (reference shareholder) ²	5.815.060	17.05.2019	24,86%
De Pauw NV ²	1	04.12.2018	0,00%
Total	23.391.315		100,00%

¹ The percentage is determined under the assumption that the total number of shares has not changed since the most recent declaration of transparency, and taking into account the total number of outstanding shares in WDP.

² The number of publicly held shares was determined under the assumption that the total number of shares retained by shareholders obligated to report major holdings by virtue of the Belgian Act of 2 May 2007 on disclosure of major holdings in issuers whose shares are admitted for trading on a regulated market and with various provisions has not changed since their most recent declaration of transparency.

³ On 26 October 2012, the reference shareholder, the Jos De Pauw family, assigned all of its shares, held in joint ownership, in joint ownership under the family company structure RTKA, which institutionalised the existing joint ownership. The holders of voting rights are the members of the Management Body of the management body RTKA, namely Robert, Tony, Kathleen and Anne De Pauw, to the exclusion of all other right holders in respect to the participation. Members of this Board of Directors act in mutual consultation with De Pauw NV, which is fully controlled by the members of RTKA's Board of Directors. This table shows the reference shareholder's shareholding at present.

4.4 Financial calendar


23 October 2019	Publication of Q3 2019 results
31 January 2020	Publication of 2019 annual results
29 April 2020	Annual General Meeting
4 May 2020	Ex-dividend date 2019
5 May 2020	Dividend record date 2019



EURONEXT
IPO: 28/06/1999
Listing: continuous
ISIN code: BE0003763779
Liquidity provider: Kempen & Co and KBC Securities

5. Risk factors

WDP's strategy is to create as much stability as possible for the investors with respect to both dividend and long-term income. The management and Board of Directors of WDP are aware of the specific risks associated with the management of a property portfolio and do their utmost to keep them under control and they try to minimise risk as much as possible.

The Management and Board of Directors of WDP confirm the validity of the risks the company may face, their potential impact and the strategy used to mitigate potential impact, as set out in the WDP  [2018 Annual financial report](#).

6. Condensed consolidated financial statements for the first half of 2019

6.1 Condensed consolidated profit and loss statement

Income statement (in euros x 1 000)	H1 2019	FY 2018	H1 2018
Rental income	98.880	175.822	84.061
Costs related to leases	-263	-1.816	-371
Net rental result	98.617	174.006	83.690
Recovery of property costs	0	0	0
Recovery of rental charges and taxes normally paid by the tenant on let properties	13.065	10.978	8.207
Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease	0	54	0
Rental charges and taxes normally paid by the tenant on let properties	-16.240	-13.175	-10.098
Other income and charges related to leases	9.189	16.061	8.300
Property result	104.631	187.923	90.100
Technical costs	-2.184	-4.059	-2.011
Commercial costs	-378	-831	-458
Property management costs	-997	-1.381	-657
Property charges	-3.558	-6.271	-3.127
Property operating results	101.073	181.652	86.973
General company expenses	-5.312	-10.097	-4.486
Other operating income and expenses (depreciation and write-down on solar panels)	-3.903	-4.937	-2.709
Operating result (before the result on the portfolio)	91.858	166.618	79.777
Result on disposals of investment properties	-220	787	-348
Change in the fair value of investment properties	152.357	213.811	36.550
Operating result	243.994	381.215	115.979
Financial income	726	324	184
Net interest charges	-19.547	-32.517	-15.420
Other financial charges	-931	-819	-306
Change in the fair value of financial assets and liabilities	-45.921	-9.027	-3.482
Financial result	-65.673	-42.039	-19.025
Share in the results of associated companies and joint ventures	1.843	466	699
Result before taxes	180.165	339.642	97.653
Taxes	-3.513	-5.796	-1.915
Net result	176.652	333.846	95.738
Attributable to:			
Minority interests	-1.771	5.063	1.546
Shareholders of the Group	174.881	328.784	94.192
Weighted average number of shares	23.141.593	22.379.427	22.116.435
Net result per share (in euros)	7,56	14,69	4,26
Diluted net result per share (in euros)	7,56	14,69	4,26

6.2 Condensed consolidated statement of overall income

in euros (x 1 000)

	H1 2019	H1 2018
I. Net result	176.652	95.738
II. Other elements of the overall result (recoverable through profit and loss)	-330	1.424
Revaluation on solar panels	-330	1.424
Revaluation on solar panels in joint ventures	0	0
Overall result	176.321	97.162
Attributable to:		
Minority interests	1.603	1.546
Shareholders of the Group	174.718	95.616

6.3 Other components of comprehensive income

in euros (x 1 000)

	H1 2019	H1 2018
EPRA Earnings	73.203	65.063
Result on the portfolio (including share joint ventures) - Group share ¹	151.163	35.255
Change in the fair value of financial instruments - Group share	-45.921	-3.482
Depreciation and write-down on solar panels (including share joint ventures) - Group share	-3.565	-2.643
Net result (IFRS) - Group share	174.881	94.192

in euros per share²

	H1 2019	H1 2018
EPRA Earnings	3,16	2,94
Result on the portfolio (including share joint ventures) - Group share ¹	6,53	1,59
Change in the fair value of financial instruments - Group share	-1,98	-0,16
Depreciation and write-down on solar panels (including share joint ventures) - Group share	-0,15	-0,12
Net result (IFRS) - Group share	7,56	4,26

¹ Including deferred taxes on portfolio result.

² Calculated on the weighted average number of shares.

6.4 Condensed consolidated balance sheet as at 30 June 2019

Balance sheet - Assets (in euros x 1 000)	30.06.2019	31.12.2018	30.06.2018
Fixed assets	3.761.531	3.444.026	2.973.428
Intangible fixed assets	288	252	182
Investment property	3.612.286	3.299.864	2.823.785
Other tangible fixed assets (including solar panels)	120.961	120.426	115.737
Financial fixed assets	4.743	7.877	17.324
Trade receivables and other fixed assets	5.219	4.972	5.302
Deferred taxes - assets	0	0	0
Participations in associated companies and joint ventures	18.034	10.636	11.098
Current assets	76.837	39.307	60.196
Assets held for sale	10.396	739	17.862
Trade receivables	19.959	9.987	17.019
Tax receivables and other current assets	38.783	18.990	16.606
Cash and cash equivalents	2.732	1.724	1.320
Accruals and deferrals	4.968	7.867	7.389
Total assets	3.838.368	3.483.333	3.033.624

Balance sheet - Liabilities (in euros x 1 000)	30.06.2019	31.12.2018	30.06.2018
Shareholder's equity	1.729.155	1.610.516	1.307.929
I. Shareholder's equity attributable to the parent company shareholders	1.687.232	1.580.521	1.281.228
Capital	179.245	176.684	172.680
Issue premiums	686.874	646.286	588.163
Reserves	646.232	428.767	426.193
Net result for the financial year	174.881	328.784	94.192
II. Minority interests	41.924	29.994	26.701
Liabilities	2.109.213	1.872.817	1.725.695
I. Non-current liabilities	1.690.695	1.577.336	1.430.043
Provisions	357	359	351
Non-current financial liabilities	1.544.547	1.476.586	1.377.891
Other non-current financial liabilities	138.797	96.184	51.190
Trade payables and other non-current liabilities	0	0	0
Deferred taxes - Liabilities	6.995	4.207	610
II. Current liabilities	418.518	295.481	295.652
Current financial liabilities	349.694	221.165	223.995
Other current financial liabilities	168	168	0
Trade payables and other current debts	44.963	47.314	52.511
Other current liabilities	10.174	7.724	6.117
Accrued charges and deferred income	13.518	19.110	13.029
Total liabilities	3.838.368	3.483.333	3.033.624

6.5 Condensed consolidated cash flow statement

in euros (x 1 000)	H1 2019	H1 2018
Cash and cash equivalents, opening balance	1.724	1.231
Net cash flows concerning operating activities	82.423	111.365
1. Cash flows concerning operations	81.986	111.410
Profit/loss from operating activities	198.986	112.889
Profit for the year	176.652	95.738
Interest charges	19.547	15.420
Interest received	-726	-184
Income tax	3.513	1.915
Adjustments to non-monetary items	-98.619	-26.774
Depreciations and write-downs on fixed assets	4.393	3.139
Impairments of trade receivables	344	-209
Carried interest charges	4.187	2.482
Interest capitalised during construction	1.396	2.007
Carried interest income	239	132
Increase (+)/decrease (-) in provisions	-2	-303
Changes in the fair value of investment properties	-152.357	-36.550
Increase (+)/decrease (-) in deferred taxes	-675	92
Changes in fair value of financial derivatives	45.921	3.482
Share in the result of associated companies and joint ventures	-1.843	-699
Increase(+)/decrease (-) in disposals	-220	-348
Increase (+)/decrease (-) in working capital requirements	-18.380	25.295
2. Cash flows concerning other operating activities	437	-45
Interest received classified by operating activities	487	52
Income tax paid/received	-50	-97
Net cash flows concerning investment activities	-185.229	-153.205
1. Investments	-195.186	-224.069
Payments regarding purchases of real estate investments	-190.101	-144.594
Payments regarding purchases of shares of real estate companies	0	-75.397
Acquisitions of other tangible and intangible fixed assets	-5.084	-4.077
2. Disposals	5.630	8.135
Receipts from sale of investment properties	5.630	8.135
Receipts from sale of shares of real estate companies	0	0
3. Debt and equity financing provided to joint ventures	4.327	62.729
Financing provided to joint ventures	-5.673	-10.271
Repayment of financing provided to joint ventures	10.001	73.000
4. Acquisition of a joint venture	0	0
Net cash flows concerning financing activities	103.814	41.929
1. Loan acquisition	419.515	411.678
2. Loan repayment	-223.025	-297.613
3. Interest paid	-25.129	-19.910
4. Dividends paid ¹	-67.547	-52.226
5. Capital increase	0	0
Net increase (+) or decrease (-) in cash and cash equivalents	1.008	89
Cash and cash equivalents, closing balance	2.732	1.320

¹ This only relates to cash-out, because of the optional dividend that was offered in 2019 and 2018, with 56% and 68% of the shareholders respectively opting for distribution in shares rather than cash.

6.6 Condensed statement of changes in the consolidated equity

in euros (x 1 000)

	01 JAN. 19	Allocation of result from the 2018 financial year	Net result for the first half year	Minority interests ¹	Changes in the fair value of solar panels	Capital increases ²	Dividends distributed	Other	30 JUN. 19
Total equity capital	1.610.516	0	176.652	10.001	-330	43.149	-110.695	-137	1.729.155
Minority interests	29.994		1.771	10.001	168			-10	41.924
Total equity capital attributable to shareholders of the Group	1.580.521	0	174.881	0	-498	43.149	-110.695	-127	1.687.231
Subscribed capital	176.684					2.561			179.245
Issue premiums	646.286					40.588			686.874
Reserves	428.767	328.784			-498		-110.695	-127	646.231
Net result for the period	328.784	-328.784	174.881						174.881

¹ This concerns the minority interest of the capital increase in WDP Romania SRL that took place in June 2019.

² Relating the capital increase following the optional dividend.

in euros (x 1 000)

	01 JAN. 18	Allocation of result from the 2017 financial year	Net result for the first half year	Minority interests ¹	Changes in the fair value of solar panels	Capital increases ²	Dividends distributed	Other	30 JUN. 18
Total shareholders' equity	1.238.439	0	95.738	24.654	1.424	46.815	-99.042	-99	1.307.929
Minority interests	0		1.546	25.141	8			6	26.701
Total shareholders' equity attributable to shareholders of the Group	1.238.439	0	94.192	-487	1.416	46.815	-99.042	-105	1.281.228
Subscribed capital	168.873					3.807			172.680
Issue premiums	545.154					43.009			588.163
Reserves	289.256	235.156		-487	1.416		-99.042	-105	426.193
Net result for the period	235.156	-235.156	94.192						94.192

¹ This concerns the creation of a minority interest as a result of the integral consolidation of WDP Development RO.

² Relating the capital increase following the optional dividend.

6.7 Notes

I. General information on the company

WDP is a public Regulated Real Estate Company and takes the legal form of a Commanditaire Vennootschap op Aandelen (partnership limited by shares) under Belgian law. Its registered office is at Blakebergen 15, 1861 Meise (Wolvertem) in Belgium. The telephone number is +32 (0)52 338 400.

The condensed interim financial statements of the company as of 30 June 2019 include the company and its subsidiaries.

WDP is listed on Euronext Brussels and Amsterdam.

II. Basis of presentation

The condensed interim financial statements are drawn up in accordance with the IFRS standard IAS 34 *Interim Financial Reporting* and with the legal and administrative regulations applicable in Belgium. These standards include all new and revised standards and interpretations published by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) insofar as they apply to the activities of the group and are effective for financial years commencing on or after 1 January 2019.

The condensed interim financial statements are presented in thousands of euros, rounded to the nearest thousand. The 2018 and 2019 financial years are presented here. For the historical financial information for the 2017 financial year, please refer to the annual reports for 2018 and 2017. Accounting methods were consistently applied for the financial years presented.

Standards and interpretations applicable for the annual period beginning on or after 1 January 2019

- ▶ IFRIC 23 *Uncertainty over Income Tax Treatments*
- ▶ Amendments to IAS 19 *Plan Amendment, Curtailment or Settlement*
- ▶ Amendments to IAS 28 *Long term interests in Associates and Joint Ventures*
- ▶ Amendments to IFRS 9 *Prepayment Features with Negative Compensation*
- ▶ Annual improvements to IFRS Standards 2015-2017 Cycle

Standards and interpretations published, but not yet applicable for the annual period beginning on 1 January 2019

A number of new standards, amendments to standards and interpretations have not yet been adopted in 2019, but they can be adopted prior to their effective dates. WDP has

not yet adopted these. The impact of their adoption – insofar as these new standards, revised versions or existing standards and interpretations are relevant to WDP – on the consolidated financial statements for 2019 and the following years is presented below.

- ▶ Amendments to IAS 1 and IAS 8 *Definition of Material* (applicable for annual periods beginning on or after 1 January 2020, but not yet endorsed in the EU)
- ▶ Amendments to IFRS 3 *Business Combinations* (applicable for annual periods beginning on or after 1 January 2020, but not yet endorsed in the EU)
- ▶ Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (the effective date has been deferred indefinitely, and therefore the endorsement in the EU has been postponed)
- ▶ Amendments to references to the Conceptual Framework in IFRS standards (applicable for annual periods beginning on or after 1 January 2020, but not yet endorsed in the EU)
- ▶ IFRS 14 *Regulatory Deferral Accounts* (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in the EU)
- ▶ IFRS 17 *Insurance Contracts* (applicable for annual periods beginning on or after 1 January 2021, but not yet endorsed in the EU)

III. Segmented information – Operating result

in euros (x 1 000)

	H1 2019					Total IFRS	Luxembourg ³
	Belgium	The Netherlands	France	Romania	Unallocated amounts		
I. Rental income ¹	35.591	45.693	3.469	14.127	0	98.880	615
III. Rental charges	-300	80	33	-76	0	-263	7
Rental income, net of rental-related expenses	35.291	45.773	3.502	14.051	0	98.617	622
IV. Recovery of property costs	0	0	0	0	0	0	0
V. Recovery of rental charges normally paid by the tenant on let properties	6.594	897	1.235	4.339	0	13.065	43
VI. Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease	0	0	0	0	0	0	0
VII. Rental charges and taxes normally paid by the tenant on let properties	-7.003	-3.267	-1.301	-4.669	0	-16.240	-43
VIII. Other income and charges related to leases ²	5.593	1.939	64	1.593	0	9.189	10
Property result	40.475	45.341	3.500	15.315	0	104.631	632
IX. Technical costs	-927	-1.166	-63	-28	0	-2.184	-13
X. Commercial costs	-298	-1	-35	-44	0	-378	-2
XII. Property management costs	-722	-151	-13	-112	0	-997	-2
Property charges	-1.947	-1.317	-110	-184	0	-3.558	-17
Property operating results	38.528	44.024	3.391	15.131	0	101.073	615
XIV. General company expenses	0	0	0	0	-5.312	-5.312	-186
XV. Other operating income and expenses (depreciation and write-down on solar panels)	-1.588	-624	0	-1.691	0	-3.903	0
Operating result (before result on the portfolio)	36.940	43.400	3.391	13.439	-5.312	91.858	429
XVI. Result on disposals of investment properties	-220	0	0	0	0	-220	0
XVIII. Change in the fair value of	86.528	59.824	2.529	3.477	0	152.357	2.443
Operating result	123.247	103.224	5.920	16.916	-5.312	243.994	2.872

(in euros x 1 000)

	H1 2018						
	Belgium	The Netherlands	France	Romania	Unallocated amounts	Total IFRS	Luxembourg ³
I. Rental income ¹	33.720	39.863	3.404	7.074	0	84.061	467
III. Rental charges	-670	234	64	0	0	-371	-29
Rental income, net of rental-related expenses	33.051	40.097	3.468	7.074	0	83.690	438
IV. Recovery of property costs	0	0	0	0	0	0	0
V. Recovery of rental charges normally paid by the tenant on let properties	5.691	996	1.100	421	0	8.207	12
VI. Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease	0	0	0	0	0	0	0
VII. Rental charges and taxes normally paid by the tenant on let properties	-6.123	-2.309	-1.096	-570	0	-10.098	-12
VIII. Other income and charges related to leases ²	5.459	1.557	64	1.220	0	8.300	7
Property result	38.078	40.341	3.535	8.145	0	90.100	445
IX. Technical costs	-881	-753	-110	-267	0	-2.011	-11
X. Commercial costs	-318	-74	-68	1	0	-458	-4
XII. Property management costs	-696	47	-2	-7	0	-657	0
Property charges	-1.894	-780	-180	-272	0	-3.127	-15
Property operating results	36.184	39.561	3.355	7.873	0	86.973	430
XIV. General company expenses	0	0	0	0	-4.486	-4.486	-145
XV. Other operating income and expenses (depreciation and write-down on solar panels)	-1.323	-1.058	0	-329	0	-2.709	0
Operating result (before result on the portfolio)	34.861	38.503	3.355	7.544	-4.486	79.777	285
XVI. Result on disposals of investment properties	-348	0	0	0	0	-348	0
XVIII. Change in the fair value of investment properties	10.946	19.612	2.569	3.423	0	36.550	1.122
Operating result	45.459	58.115	5.924	10.966	-4.486	115.979	1.407

¹ The maximum tenant risk within the WDP portfolio was 10% and the maximum risk per site 5%. See also 3.1. *Property Report - Review on the consolidated property portfolio*.

² In the first half year 2019, income from solar energy totalled 7.885 million euros against 7.227 million euros in the first half year 2018. This income was generated in Belgium (4.747 million euros), the Netherlands (1.920 million euros) and Romania (1.218 million euros). They belong to *Other income and charges related to leases*.

³ The joint venture WDP Luxembourg is recognised using the equity method in accordance with IFRS 11 Joint arrangements. Table shows the operating result (before general costs and according to the 55% share of WDP) and makes the reconciliation with the 55% share.

The basis for reporting per segment within WDP is the geographical region. This segmentation basis reflects the geographical markets in Europe in which WDP is active. WDP's business is subdivided in five regions.

This segmentation is important for WDP since the nature of its business, its customers, etc. represent similar economic characteristics within these segments. Business decisions are taken at this level, and different key performance indicators (such as rental income, occupancy rates, etc.) are monitored in this manner.

A second segmenting basis is not considered relevant by WDP as the business mainly focuses on the leasing of logistics sites.

IV. Segmented information – Assets³⁹

in euros (x 1 000)

	30.06.2019						
	Belgium	The Netherlands	France	Romania	Total IFRS	Luxembourg	Other joint ventures
Investment properties	1.239.330	1.745.383	122.270	505.303	3.612.286	31.254	4.390
Existing buildings	1.211.187	1.634.602	121.796	356.673	3.324.257	29.229	0
Projects under development for own account	12.619	72.128	0	107.556	192.304	2.025	4.390
Land reserves	15.524	38.654	474	41.074	95.725	0	0
Assets held for sale	10.396	0	0	0	10.396	0	994
Other tangible fixed assets	63.894	41.316	-162	15.914	120.961	0	0
Tangible fixed assets for own use	2.191	168	-162	1.628	3.825	0	0
Other: solar panels	61.702	41.148	0	14.285	117.136	0	0

in euros (x 1 000)

	31.12.2018						
	Belgium	The Netherlands	France	Romania	Total IFRS	Luxembourg	Other joint ventures
Investment properties	1.150.603	1.582.434	119.547	447.279	3.299.864	27.498	2.298
Existing buildings	1.119.197	1.443.905	119.073	354.029	3.036.204	26.870	0
Projects under development for own account	13.369	92.781	0	52.052	158.202	627	2.298
Land reserves	18.038	45.748	474	41.198	105.457	0	0
Assets held for sale	739	0	0	0	739	0	1.881
Other tangible fixed assets	65.962	38.699	0	15.766	120.426	0	0
Tangible fixed assets for own use	2.237	196	0	627	3.060	0	0
Other: solar panels	63.725	38.502	0	15.138	117.366	0	0

³⁹ Includes property developments in compliance with the IAS 40 standard.

V. Information on subsidiaries

Share of equity	30 JUN. 19	30 JUN. 18
Fully consolidated companies		
Name and full address of the registered offices		
WDP France SARL - rue Cantrelle 28 - 36000 Châteauroux - Frankrijk	100%	100%
WDP Nederland N.V. - Hoge Mosten 2 - 4822 NH Breda - Netherlands with participation in WDP Development NL N.V. - Hoge Mosten 2 - 4822 NH Breda - Netherlands ¹	100%	100%
WDP Romania SRL – Baia de Arama Street 1, building C1, 1st floor, office no. 19, district 2 – Bucharest – Romania ²	80%	80%
Eurologistik 1 Freehold BVBA - Blakebergen 15 - 1861 Wolvertem - Belgium ³	100%	100%
BST-Logistics NV - Nijverheidsstraat 13 - 2260 Westerlo - Belgium ⁴	100%	50%
Joint ventures		
I Love Hungaria NV - Mechelsesteenweg 64, Bus 401 - 2018 Antwerp - Belgium ⁵	50%	50%
WDP Luxembourg SA - Parc Logistique Eurohub Sud - 3434 Dudelange - Luxembourg ⁶	55%	55%

¹ WDP Development NL N.V. was founded in August 2011 as a permanent development company for own account of WDP Nederland N.V.

² As from January 2018, the participation in WDP Development RO SRL between the two shareholders (WDP/Jeroen Biermans) has changed from 51/49 to 80/20. As at 1 January 2018, WDP fully consolidated this activity in its IFRS statements rather than using the equity method as in the past. For more information regarding the impact on the consolidated balance sheet and the consolidated profit and loss account, we refer to *Condensed financial information (according to IFRS 12)* in the *Annual financial report 2017*.

³ On 7 June 2013 WDP acquired 100% of the shares in Eurologistik 1 Freehold BVBA, holding the rights to an existing logistic site in Vilvorde. This transaction is not deemed to be a business combination.

⁴ This joint venture was established in April 2017 between WDP Comm. VA and project developer Thys Bouwprojecten for the development of the building in Westerlo, Nijverheidsstraat 13. In early July 2018, WDP acquired the remaining 50% of the shares in Thys Bouwprojecten, making WDP the full owner of BST-Logistics NV. The directors of BST Logistics and the manager of WDP approved a merger proposal on 7 June 2019.

⁵ This joint venture was established in May 2015 between WDP Comm. VA and project developer L.I.F.E. NV for the redevelopment of the Hungaria building in Leuven.

⁶ This concerns a joint venture that has the rights to the Eurohub Sud site of which the Luxembourg government owns 45% and of which WDP acquired 55% of the share on 13 October 2017 with further development of the site in mind.

VI. Overview of future income

in euros (x 1 000)

30 JUN. 19 30 JUN. 18

Future rental income (including income from solar energy)
with final expiry date within

one year	193.708	171.002
more than one but less than five years	526.796	442.377
more than five years	617.637	567.683
Total	1.338.141	1.181.061

This table contains an overview of the rental income (including the income from solar energy) under the current agreements. This is based on the indexed rents to be received up to and including the final expiry date, as agreed to in the leases.

VII. Investment property⁴⁰

in euros (x 1 000)	30 JUN. 19						
	Belgium	Netherlands	France	Romania	Total IFRS	Romania	Luxemburg
Level according to IFRS	3	3	3	3			3
Fair value as at previous financial year-end	1.150.603	1.582.434	119.547	447.279	3.299.864	0	27.498
Investments	10.691	52.120	194	48.959	111.964	0	1.314
New acquisitions	6.600	51.005	0	5.588	63.193	0	0
Acquisition of investment properties by means of share-based payment transactions	0	0	0	0	0	0	0
Transfers to fixed assets held for sale	-15.092	0	0	0	-15.092	0	0
Disposals	0	0	0	0	0	0	0
Changes in the fair value	86.528	59.824	2.529	3.477	152.358	0	2.442
Fair value as at financial year-end	1.239.330	1.745.383	122.270	505.303	3.612.286	0	31.254

in euros (x 1 000)	31 DEC. 18						
	Belgium	Netherlands	France	Romania	Total IFRS	Romania	Luxemburg
Level according to IFRS	3	3	3	3			3
Fair value as at previous financial year-end	1.000.694	1.282.310	121.022	0	2.404.027	134.772	12.324
Investments	21.281	162.596	595	91.783	276.256	0	12.683
Initial recognition of the right of use for leases (IFRS 16)	24.000	16.166	0	1.285	41.451	0	1.978
New acquisitions	3.495	11.206	0	72.142	86.843	0	0
Acquisition of investment properties by means of share-based payment transactions	38.796	0	0	264.259	303.055	-134.772	0
Transfers to fixed assets held for sale	-14.633	0	-10.910	0	-25.543	0	0
Disposals	0	-35	0	0	-35	0	0
Changes in the fair value	76.969	110.191	8.839	17.811	213.811	0	513
Fair value as at financial year-end	1.150.603	1.582.434	119.547	447.279	3.299.863	0	27.498

⁴⁰ Includes property developments in compliance with the IAS 40 standard.

VIII. Statement of financial debt

in euros (x 1 000)	Included as of		< 1 year		1-5 years		> 5 years	
	30 JUN. 19	31 DEC. 18	30 JUN. 19	31 DEC. 18	30 JUN. 19	31 DEC. 18	30 JUN. 19	31 DEC. 18
Commercial paper	169.875	150.950	169.875	150.950	-	-	-	-
Straight loans	37.123	67.539	37.123	67.539	-	-	-	-
Roll over loans	90.604	634	90.604	634	-	-	-	-
Other	2.093	2.042	2.093	2.042	-	-	-	-
Current financial liabilities	349.694	221.165	349.694	221.165	-	-	-	-
Roll over loans	1.166.004	1.046.993	-	-	745.167	530.988	420.838	516.005
Bond	376.111	425.970	-	-	216.760	266.658	159.351	159.312
Other	2.431	3.623	-	-	2.149	3.274	283	349
Non-current financial liabilities	1.544.547	1.476.586	-	-	964.075	800.920	580.472	675.666
TOTAL	1.894.241	1.697.751	349.694	221.165	964.075	800.920	580.472	675.666

IX. Financial instruments

in euros (x 1.000)	30 JUN. 19					
	IFRS 13 balance sheet section	Level (IFRS 13)	Financial assets/ liabilities valued at fair value through profit or loss	Financial assets/ liabilities at amortised cost	Book value	Fair value
Financial fixed assets						
Assets at fair value through result – Permitted hedging instruments	I. E.		0	0	0	0
- Interest Rate Swap		2	0	0	0	0
Financial assets at amortised costs	I. E.	2	0	4.743	4.743	4.743
Long-term receivables			0	0	0	0
- Trade receivables and other non-current assets	I. G.	2	0	5.219	5.219	5.219
Short-term receivables			0	0	0	0
- Trade receivables	II. D.	2	0	19.959	19.959	19.959
- Cash and cash equivalents	II. F.	2	0	2.732	2.732	2.732
Accruals and deferrals on the assets: interest charges on loans and permitted hedging instruments			0	0	0	0
- Interest charges on loans		2	0	60	60	60
- Interest charges on permitted hedging instruments		2	0	0	0	0
Total			0	32.712	32.712	32.712
Financial liabilities						
Non-current financial liabilities			0	0	0	0
- Bond loan: private placement	I. B.	2	0	251.163	251.163	251.163
- Bond loan: retail bond	I. B.	1	0	124.948	124.948	124.948
- Bank debt	I. B.	2	0	1.166.004	1.166.004	1.166.004
- Other non-current financial liabilities	I. B.	2	0	2.431	2.431	2.431
Other non-current financial liabilities – Permitted hedging instruments	I.C.		0	0	0	0
- Interest Rate Swaps		2	0	0	0	0
- Interest Rate Swaps (forward start)		2	0	0	0	0
- Other non-current financial liabilities		3	0	40.914	40.914	40.914
Current financial liabilities			0	0	0	0
- Commercial paper	II. B.	2	0	169.875	169.875	169.875
- Bank debt	II. B.	2	0	127.727	127.727	127.727
- Other current financial liabilities	I. B. and II. B.	2	0	2.093	2.093	2.093
Other current financial liabilities – Permitted hedging instruments	II.C.		0	0	0	0
- Interest Rate Swaps		2	86.280	0	86.280	86.280
- Interest Rate Swaps (forward start)		2	11.577	0	11.577	11.577
- Other current financial liabilities		3	0	168	168	168
Trade payables and other current debts	II. D.	2	0	44.963	44.963	44.963
Accruals and deferrals on the liabilities: interest charges on loans and permitted hedging instruments			0	0	0	0
- Interest charges on loans		2	0	3.707	3.707	3.707
- Interest charges on permitted hedging instruments		2	541	0	541	541
Total			98.398	1.933.994	2.032.391	2.032.391

31 DEC. 18					
IFRS 13 balance sheet section	Level (IFRS 13)	Financial assets/liabilities valued at fair value through profit or loss	Financial assets/liabilities at amortised cost	Book value	Fair value
Financial fixed assets					
Assets at fair value through result – Permitted hedging instruments	I. E.	0	0	0	0
- Interest Rate Swap	2	3.252	0	3.252	3.252
Financial assets at amortised costs	I. E.	0	4.625	4.625	4.625
Long-term receivables		0	0	0	0
- Trade receivables and other non-current assets	I. G.	0	4.972	4.972	4.972
Short-term receivables		0	0	0	0
- Trade receivables	II. D.	0	9.987	9.987	9.987
- Cash and cash equivalents	II. F.	0	1.724	1.724	1.724
		0	0	0	0
Accruals and deferrals on the assets: interest charges on loans and permitted hedging instruments					
- Interest charges on loans	2	0	77	77	77
- Interest charges on permitted hedging instruments	2	0	0	0	0
Total		3.252	21.384	24.636	24.636
Financial liabilities					
Non-current financial liabilities					
- Bond loan: private placement	I. B.	0	301.038	301.038	302.889
- Bond loan: retail bond	I. B.	0	124.932	124.932	131.148
- Bank debt	I. B.	0	1.046.993	1.046.993	1.046.993
- Other non-current financial liabilities	I. B.	0	3.623	3.623	3.623
Other non-current financial liabilities – Permitted hedging instruments	I.C.	0	0	0	0
- Interest Rate Swaps	2	54.225	0	54.225	54.225
- Interest Rate Swaps (forward start)	2	963	0	963	963
- Other non-current financial liabilities	3	0	40.996	40.996	40.996
Current financial liabilities					
- Commercial paper	II. B.	0	150.950	150.950	150.950
- Bank debt	II. B.	0	68.173	68.173	68.173
- Other current financial liabilities	I. B. and II. B.	0	2.042	2.042	2.042
Other current financial liabilities – Permitted hedging instruments	II.C.	0	0	0	0
- Interest Rate Swaps	2	0	0	0	0
- Interest Rate Swaps (forward start)	2	0	0	0	0
- Other current financial liabilities	3	0	168	168	168
Trade payables and other current debts	II. D.	0	47.314	47.314	47.314
Accruals and deferrals on the liabilities: interest charges on loans and permitted hedging instruments		0	0	0	0
- Interest charges on loans	2	0	8.509	8.509	8.509
- Interest charges on permitted hedging instruments	2	502	0	502	502
Total		55.690	1.794.739	1.850.429	1.858.495

The whole of the financial instruments of the Group corresponds with the levels 1 and 2 in the hierarchy of the fair values. The valuation against fair value occurs regularly.

In the event of bankruptcy of one of both contracting parties, the net position of the derivatives shall be considered for the counterparty.

Level 1 in the hierarchy of the fair value prevents money investments, funds and cash equivalents regarding which the fair value is based on the share price.

Level 2 in the hierarchy of the fair value concerns the other financial assets and liabilities of which the fair value is based on observable inputs and other data that can be determined, directly or indirectly, for the assets or liabilities concerned. The valuation techniques concerning the fair value of the financial instruments at level 2 are the following: the fair value of the above financial assets and liabilities are valued at the book value except for bond loans where fair value is determined on the basis of a discounted cash flow model based on market interest rates since they are not traded frequently (level 2). Because the other financial liabilities are incurred at a floating interest rate, the fair value is very close to the book value.

Level 3 in the hierarchy of the fair value concerns the property portfolio of which the fair value is determined on the basis of non-observable inputs.

Classification according to IFRS	30 JUN. 19			
	Level (IFRS)	Notional amount in euros (x 1 000)	Interest rate (in %)	Duration (in year)
Interest Rate Swap	2	1.023.491	1,19	7,0
Interest Rate Swap (forward start)	2	150.000	0,90	9,5
Total		1.173.491	1,16	7,3

Classification according to IFRS	30 JUN. 18			
	Level (IFRS)	Notional amount in euros (x 1 000)	Interest rate (in %)	Duration (in year)
Interest Rate Swap	2	975.693	1,21	7,2
Interest Rate Swap (forward start)	2	25.000	0,97	10,2
Total		1.025.693	1,20	7,3

The Group uses derivatives to hedge the interest rate risk on its financial debts in order to reduce volatility in EPRA Earnings (which is the basis for the dividend) while also minimising the cost of debts. These hedges are managed centrally through a macro hedging policy. The group does not use any derivatives for speculative purposes, nor does it hold any derivatives for trading purposes. The derivatives currently employed by WDP do not qualify as hedging transactions. As a result, changes in the fair value are immediately included in the result.

These contracts are valued at fair value as per IFRS 9 on the balance sheet date. This information is received from the various financial institutions and verified by WDP by discounting the future contractual cash flows based on the corresponding interest rate curves.

Fair value is based on observable inputs, and as such, the IRS contracts fall under level 2 in the fair value hierarchy as defined in IFRS.

The fair value is calculated based on a discounted cash flow model using the relevant market interest rates indicated in the forward interest curve on the balance sheet date.

No changes in the fair-value hierarchy level took place in the first half of 2019. During this period, no hedging instruments were arranged prior to the expiry date. Several new hedging instruments were acquired.

X. Calculation of the gearing ratio and notes regarding changes in gearing

in euros (x 1 000)

	30.06.2019 (IFRS)	30.06.2019 (proportional)	31.12.2018 (IFRS)	31.12.2018 (proportional)
Non-current and current liabilities	2.109.213	2.133.195	1.872.817	1.893.778
To be excluded:				
- I. Non-current liabilities - A. Provisions	357	357	359	359
- I. Non-current liabilities - C. Other non-current financial liabilities - Permitted hedging instruments	97.857	97.857	55.188	55.188
- I. Non-current liabilities - F. Deferred taxes - Liabilities	6.995	9.036	4.207	5.405
- 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	13.518	13.594	19.110	19.062
Total debt	A 1.990.487	2.012.351	1.793.954	1.813.764
Total assets	3.838.368	3.862.350	3.483.333	3.504.293
To be excluded:				
- E. Financial fixed assets - Financial instruments at fair value through profit and loss - Permitted hedging instruments	0	0	3.252	3.252
Total assets	B 3.838.368	3.862.350	3.480.081	3.501.041
Gearing ratio	A/B 51,9%	52,1%	51,5%	51,8%

Additional notes on changes in the gearing ratio

As stipulated in the GVV/SIR legislation, notably in Article 24 of the Belgian Royal Decree on GVV/SIRs, when the (proportionate) consolidated gearing ratio of a GVV/SIR exceeds 50%, the GVV/SIR should draw up a financial plan with an implementation schedule describing the measures to be taken to prevent the gearing ratio from rising above 65% of consolidated assets. A report is appended to this financial plan by the statutory auditor in which he confirms that he has verified the method of preparation of the plan, particularly with regard to its economic basis, and that the figures contained in this plan agree with those in the accounts of the Regulated Property Company. The interim and annual financial reports should give an account of how the financial plan was implemented during the relevant period and how the GVV/SIR will implement the plan in the future.

1. Changes in gearing ratio

In the first half of 2019, WDP's consolidated gearing ratio (proportionate) rose from 51.8% on 31 December 2018 to 52.1% on 30 June 2019. This takes into account a total investment volume of approx. 177 million euros net and the dividend pay-out. This was made possible because the new investments were financed with a combination of both equity capital and borrowed capital. After all, the shareholders' equity was reinforced with approximately 43 million euros through the capital increase following the optional dividend. In addition, the property portfolio also enjoyed value growth, as estimated by the independent experts.

On the basis of the current gearing ratio of 52.1% as of 30 June 2019, WDP still had an additional investment potential of at least 1,420 million euros, without exceeding the

maximum gearing ratio of 65%. The potential for further investment amounts to at least 755 million euros before the 60% gearing ratio is exceeded.

On the other hand, the valuations of the portfolio also have an impact on the gearing ratio. Taking the current capital base into account, the maximum gearing ratio of 65% would only be exceeded in the case of a decrease in the value of the investment properties of approx. 765 million euros, or a 21% loss in a property portfolio on the order of 3,659.3 million euros. In this respect, WDP is of the opinion that the current gearing ratio is at an acceptable level and provides sufficient margin to absorb any decreases in value of the property. Moreover, the appraisal of the independent property experts in 2011-14 indicates stabilisation in the fair value of the portfolio, and since 2015-19 an upward trend has been identified.

2. Expected changes in the gearing ratio in 2019

In the course of 2019, WDP's gearing ratio is likely to change from 51.8% on 30 June 2019 to approximately 52.6% by 31 December 2019. This takes the following items into account:

- ▶ Implementation of the current investment programme and scheduled divestments⁴¹.
- ▶ The retained earnings, taking into account the profit forecast for 2019 of approx. 152 million euros, 73 million euros of which were already generated in H1 2019.

Over the medium-term, WDP intends to achieve a gearing ratio of between 50% and 55%, with the targets set based on an unchanged capital structure.

3. Conclusion

WDP therefore believes that the gearing ratio will not exceed 65% and that currently, in the light of prevailing economic and property trends, planned investments and the expected changes in the shareholders' equity of the company, no additional measures need to be taken.

If certain events require adjustments to WDP's policy, this will happen without delay and the shareholders will be informed of this by WDP in its periodic reports.

⁴¹ See also 2.4 *Interim management report – Transactions and realisations* and 6.4 *Condensed consolidated balance sheet as at 30 June 2019*.

XI. Transactions between affiliates

Before 2019, the manager, De Pauw NV, set the management fee for WDP Comm. VA to 1,650,000 euros⁴². This amount corresponds to the total market-level cost of the Board of Directors in 2019, including the bonus scheme for the executive management and the management of the GVV/SIR (see also 4.7 *Management report – Corporate governance* in the 📄 2018 Annual financial report).

XII. Rights and obligations not included in the balance sheet

WDP Comm. VA and its subsidiaries had established bank guarantees on 30 June 2019 for a total amount of 2,262,559 euros, the beneficiaries of which were classified into the following categories for the following amounts:

in euros	30 JUN. 19
Environmental	1.412.211
Rent and concession	842.369
Services	7.979

WDP Nederland N.V. has committed to purchasing land intended for the construction of industrial buildings in Zwolle, Nieuwegein, Schiphol and Bleiswijk, to be purchased at a pre-agreed price (32 million euros in total for all four parcels). The parcels should be purchased by 2019-year end, except for the parcel at Schiphol, which must be purchased by no later than 2 January 2020.

WDP has entered into various commitments within the framework of its ongoing investment programme related to projects and acquisitions, as indicated in the management report.


The parent company WDP Comm. VA has provided the following securities to its respective subsidiaries:

- ▶ A security for the commitments of WDP Nederland N.V. for an amount of 25 million euros in favour of ABN AMRO (short-term amounts financed through a straight loan of max. 25 million euros), 9.5 million euros of which has been used on 30 June 2019.
- ▶ A security for the commitments of WDP Romania SRL amounting to 44 million euros for EIB.
- ▶ A security for the commitments of WDP Luxembourg SA amounting to a maximum of 26.6 million euros for Banque et Caisse d'Epargne de l'Etat.

WDP has entered into the following commitments with financiers⁴³:

⁴² This amount will be prorated depending on the actual change-over date from the Comm. VA form to the NV form. See 2.4.8 *Agenda of the Extraordinary General Meeting of 11 September 2019*.

⁴³ The term 'financiers' means credit institutions as well as financiers through the debt capital markets.

- ▶ A commitment to various financiers to refrain from burdening the assets with collateral such as mortgages (negative pledge). WDP confirms that as at 30 June 2019, the property portfolio and other assets are not encumbered by any outstanding mortgages or other assets.
- ▶ WDP has committed to various financiers that it will continue to qualify as a GVV/SIR. For the conditions on this, please see the Belgian Act of 12 May 2014 and the Royal Decree of 13 July 2014. For further information, please see the  [2018 Annual financial report](#).
- ▶ For the financing of operations in the Netherlands through WDP Nederland N.V., WDP has entered into a commitment to continue to qualify as Fiscale Beleggingsinstelling (an 'FBI').
- ▶ For some financial institutions, WDP has committed to maintaining a minimum interest coverage ratio of 1.5x. For the first half of 2019, this ratio is 4.5x.
- ▶ For some financiers, WDP has agreed repay the credit if a change of control occurs and the financier consequently asks for repayment.
- ▶ For some financiers, WDP has committed to limiting projects that are not yet pre-leased (project developments not pre-let) to 15% of the book value of the portfolio⁴⁴. As at 30 June 2019, this ratio is 0.3%.

As of 30 June 2019, all covenants with regard to credit institutions and bondholders entered into by WDP had been complied with.

XIII. Significant events after the balance sheet date

No significant events have occurred after the balance sheet date.

⁴⁴ Except for one loan, for which this ratio is a maximum of 10%.

6.8 Statutory auditor's report

Report on the review of the consolidated interim financial information of Warehouses De Pauw Comm. VA for the six-month period ended 30 June 2019

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the consolidated condensed balance sheet as at 30 June 2019, the consolidated condensed income statement, the consolidated condensed statement of comprehensive income, the consolidated condensed cash flow statement and the condensed statement of changes in the consolidated equity for the period of six months then ended, as well as selective notes I to XIII.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Warehouses De Pauw Comm. VA ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting" as adopted by the European Union.

The consolidated condensed balance sheet shows total assets of 3 838 368 (000) EUR and the consolidated condensed income statement shows a consolidated profit (group share) for the period then ended of 174 881 (000) EUR.

The board of directors of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of the review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Warehouses De Pauw Comm. VA has not been prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Zaventem, 29 July 2019

THE STATUTORY AUDITOR

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL

Represented by Rik Neckebroeck

6.9 EPRA Performance measures⁴⁵

6.9.1 EPRA Earnings

in euros (x 1 000)

	H1 2019	H1 2018
Earnings per IFRS income statement	174.881	94.192
Adjustments to calculate the EPRA Earnings, exclude:		
I. Changes in value of investment properties, development properties held for investment and other interests	-148.454	-33.840
- Changes in the value of the real estate portfolio	-152.357	-36.550
- Depreciation and write-down on solar panels	3.903	2.709
II. Profit or losses on disposal of investment properties, development properties held for investment and other interests	220	348
VI. Changes in fair value of financial instruments and associated close-out costs	45.921	3.482
VIII. Deferred tax in respect of EPRA adjustments	2.305	933
IX. Adjustments (i) to (viii) to the above in respect of joint ventures	-1.599	-485
X. Minority interests in respect of the above	-70	432
EPRA Earnings	73.203	65.063
Weighted average number of shares	23.141.593	22.116.435
EPRA Earnings per share (EPS) (in euros)	3,16	2,94

6.9.2 EPRA NAV

in euros (x 1 000)

	30.06.2019	31.12.2018
IFRS NAV	1.687.232	1.580.521
IFRS NAV/share (in euros)	72,1	68,5
Diluted NAV, after the exercise of options, convertibles and other equity interests	1.687.232	1.580.521
Includes (+/-):		
(iv) Fair value of financial instruments	97.857	51.936
(v.a) Deferred tax	9.682	8.710
EPRA NAV	1.794.770	1.641.168
Number of shares	23.391.315	23.061.390
EPRA NAV per share (in euros)	76,7	71,2
EPRA NAV	1.794.770	1.641.168
Includes:		
i. Fair value of financial instruments	-97.857	-51.936
ii. Fair value of debt	-8.262	-8.066
iii. Deferred tax	-9.682	-8.710
EPRA NNNAV	1.678.969	1.572.455
Number of shares	23.391.315	23.061.390
EPRA NNNAV per share (in euros)	71,8	68,2

⁴⁵ EPRA is a registered trademark of the European Public Real-estate Association.

6.9.3 EPRA cost ratio

in euros (x 1 000)

		H1 2019	H1 2018
Include:			
I.	Administrative/operating expenses (IFRS)	12.389	9.295
	Correction IFRIC21	-1.549	-946
	Adjusted with costs of solar panels (including pro rata general costs)	-843	-409
	Other corrections	0	2
III.	Management fees less actual/estimated profit element	-489	-492
V.	Administrative/operating expenses of joint ventures expense	193	166
Exclude (if part of the above):			
VI.	Investment Property Depreciation	-151	-429
	EPRA costs (including direct vacancy costs)	A	9.549
IX.	Direct vacancy costs	-407	-396
	EPRA costs (excluding direct vacancy costs)	B	9.143
X.	Gross rental income less ground rent costs (IFRS)	98.350	83.269
	Correction IFRS16	-1.093	0
XII.	Gross rental income less ground rent costs of joint ventures	615	464
	Correction IFRS16	-56	0
	Gross rental income	C	97.816
	EPRA cost ratio (including direct vacancy costs)	A/C	9,8%
	EPRA cost ratio (excluding direct vacancy costs)	B/C	9,3%

6.9.4 EPRA NIY and EPRA TOPPED-UP NIY

in euros (x 1 000)

		30.06.2019	31.12.2018
	Investment property - wholly owned	3.612.286	3.299.864
	Investment property - share of joint ventures	35.644	29.796
	Assets held for sale	-11.390	2.620
	Less developments, land reserves and the right of use of concessions	-349.664	-318.257
	Completed property portfolio	3.286.876	3.014.022
	Allowance for estimated purchasers' costs	138.330	128.903
	Gross up completed property portfolio valuations	B	3.425.206
	Annualised cash passing rental income	203.112	195.387
	Property outgoings	-10.429	-6.271
	Annualised net rent	A	192.683
	Notional rent expiration of rent free period or other lease incentives	0	0
	Topped-up net annualised rent	C	192.683
	EPRA NIY	A/B	5,6%
	EPRA TOPPED-UP NIY	C/B	5,6%

6.10 Detailed calculation of the Alternative Performance Measures applied by WDP⁴⁶

6.10.1 Result on the portfolio (including share joint ventures)

in euros (x 1 000)

	H1 2019	H1 2018
Movement in the fair value of investment property	152.357	36.550
Result on disposal of investment property	-220	-348
Deferred taxation on result on the portfolio	-2.305	-933
Participation in the result of associated companies and joint ventures	1.599	485
Result on the portfolio	151.431	35.753
Minority interests	-268	-498
Result on the portfolio - Group share	151.163	35.255

6.10.2 Change in the gross rental income based on an unchanged portfolio

in euros (x 1 000)

	H1 2019	H1 2018
Properties owned throughout the two years	79.254	78.003
Development property	17.461	5.159
Acquisitions	2.618	930
Disposals	46	817
Total	99.379	84.909
To be excluded		
Rental income of joint ventures	-1.110	-848
Indemnification related to early lease terminations	611	0
Rental income (IFRS)	98.880	84.061

6.10.3 Operating margin

in euros (x 1 000)

	H1 2019	H1 2018
Property result (IFRS)	104.631	90.100
Operating result (before the portfolio result) (excluding depreciation and write-downs on solar panels)	95.761	82.486
Operating margin	91,5%	91,6%

⁴⁶ Excluding EPRA metrics, some of which are regarded as APMs and reconciled under Chapter 8. *EPRA Performance measures*.

6.10.4 Average cost of debt

in euros (x 1 000)	H1 2019	FY 2018
Financial result (IFRS)	-65.673	-42.039
To be excluded:		
Changes in fair value of financial assets and liabilities	45.921	9.027
Interest capitalised during construction	-1.396	-4.417
Interest cost related to leasing debts booked in accordance with IFRS 16	1.138	0
Other financial costs and revenues	-108	-324
To be included		
Interest expenses of joint ventures	-70	-87
Effective financial expenses (proportional) (A)	-20.188	-37.840
Average outstanding financial liabilities (IFRS)	1.769.657	1.571.037
Average outstanding financial liabilities of joint ventures	12.592	19.389
Average outstanding financial liabilities (proportional) (B)	1.782.249	1.590.425
Annualised Average cost of debt (A/B)	2,3%	2,4%

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

in euros (x 1 000)	H1 2019	H1 2018
Financial result	-65.673	-19.025
To be excluded:		
Changes in fair value of financial assets and liabilities	45.921	3.482
Financial result (excluding the changes in fair value of financial instruments)	-19.752	-15.542

6.10.6 Hedge ratio

in euros (x 1 000)	30.06.2019	31.12.2018
Notional amount of Interest Rate Swaps	1.173.491	1.174.618
Fixed-interest financial liabilities	6.685	7.072
Fixed-interest bonds	366.500	366.500
Fixed-interest financial liabilities at balance sheet date and hedging instruments (A)	1.546.676	1.548.190
Current and non-current financial liabilities (IFRS)	1.894.241	1.697.751
Proportional share in joint ventures in current and non-current financial liabilities	12.904	12.637
Financial liabilities at balance sheet date (B)	1.907.145	1.710.389
Hedge ratio (A/B)	81%	91%

6.10.7 Gearing ratio

in euros (x 1 000)		30.06.2019 (IFRS)	30.06.2019 (proportional)	31.12.2018 (IFRS)	31.12.2018 (proportional)
Non-current and current liabilities		2.109.213	2.133.195	1.872.817	1.893.778
To be excluded:					
- I. Non-current liabilities - A. Provisions		357	357	359	359
- I. Non-current liabilities - C. Other non-current financial liabilities - Permitted hedging instruments		97.857	97.857	55.188	55.188
- I. Non-current liabilities - F. Deferred taxes - Liabilities		6.995	9.036	4.207	5.405
- 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		13.518	13.594	19.110	19.062
Total debt	A	1.990.487	2.012.351	1.793.954	1.813.764
Total assets		3.838.368	3.862.350	3.483.333	3.504.293
To be excluded:					
- E. Financial fixed assets - Financial instruments at fair value through profit and loss - Permitted hedging instruments		0	0	3.252	3.252
Total assets	B	3.838.368	3.862.350	3.480.081	3.501.041
Gearing ratio	A/B	51,9%	52,1%	51,5%	51,8%

6.10.8 Loan-to-value

in euros (x 1 000)		30.06.2019 (IFRS)	31.12.2018 (IFRS)
Non-current and current financial liabilities		1.894.241	1.697.751
Cash and cash equivalents		2.732	1.724
Net financial debt	A	1.891.509	1.696.027
Fair value of the real estate portfolio (excluding right of use concessions)		3.580.219	3.259.152
Fair value of the solar panels		117.136	117.366
Financing of and participations in associated companies and joint ventures		22.777	15.460
Total portfolio	B	3.720.132	3.391.978
Loan-to-value	A/B	50,8%	50,0%



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 more than 200 sites at prime logistics locations for storage and distribution in Belgium, France, the Netherlands, Luxembourg and Romania. More information about WDP can be found at www.wdp.eu.

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