

WDP STRENGTHENS ITS EQUITY BASE BY SOME 50 MILLION EUROS VIA AN (INDIRECT) CONTRIBUTION IN KIND OF A NEW DEVELOPMENT PROJECT IN TIEL (THE NETHERLANDS)

WDP signed a turnkey purchase agreement earlier this year for the acquisition of a logistics site in Tiel in the Netherlands. This purchase concerns the previously announced project totalling 32,000 m² that has meanwhile been completed, as well as the next phase being started up of 16,000 m², both intended for Kuehne + Nagel.

WDP aims to realise the acquisition of this site (land and buildings) via an (indirect) contribution in kind to WDP by the seller, whereby payment to the seller will be completed via the issue of new WDP shares. As a result, the company's equity base will be reinforced by some 50 million euros.

Strategic new location in Tiel (the Netherlands) following the FMCG¹ logistics of the future

Via its subsidiary WDP Netherlands N.V., WDP has signed a binding purchase agreement for the acquisition of the logistics site in Tiel (the Netherlands), delivered as a turnkey project, totalling approximately 48,000 m².

The site includes an initial phase already announced, consisting of a logistics site of some 32,000 m², which will be leased by Kuehne + Nagel on the basis of a fixed five-year lease.



¹ 'FMCG' stands for 'Fast Moving Consumer Goods'.

Meanwhile, the second phase extension of the development of this site has also been started by means of a project under construction that will include more than 16,000 m² of warehouse space and offices on a plot of land with expansion opportunities (specifically another 16,000 m² of warehouse space and offices). The delivery of this second phase will be phased in during the second half of 2015. The project will be BREEAM certified with a planned *Very Good* score. Logistics service provider Kuehne + Nagel has the intention to develop an FMCG campus on this site, from which various major retailers in the Netherlands can be supplied in order to combine its logistics flows for optimisation of its respective supply chains.

The investment currently amounts to a total of approximately 50 million euros².

The total transaction value is based on an expected initial gross rental yield of 7.75%. WDP plans the closing of the transaction on Tuesday 25 November 2014.

The seller of the site is a reputed Dutch construction company, Van de Ven, from which WDP has already acquired the properties of the *Lake Side Portfolio* in the past.

Planned (indirect) contribution in kind

In the context of the proactive management of its capital structure, WDP plans to realise the purchase of this entire site in Tiel on 25 November 2014 by means of an (indirect) contribution in kind in exchange for the issue of new WDP shares. This will proceed as follows:

- WDP Nederland N.V., a 100% subsidiary of WDP, has the right to pay the seller of the site using newly issued WDP shares. WDP intends to exercise this right on 25 November 2014.
- At that time, the ownership of the real estate concerned shall be transferred and a receivable in favour of the seller from WDP Nederland N.V. will be created. The receivable thus created will then be contributed in kind in WDP³ for a total amount of approximately 50 million euros⁴. On the consolidated balance sheet of WDP, as a result of the completion of this transaction, real estate is being booked on the asset side, financed in the liability side with new equity.
- As a result of the contribution on kind, the contributor (specifically the seller of the property), will receive new shares with a total issue price amounting to the contribution that corresponds with the value of the (indirectly) contributed real estate. These shares will then, at a price that is equal to the issue price, be sold by the contributor to the reference shareholder, the Jos De Pauw family⁵, following the realisation of the capital increase and the issue of the new shares.
- Keeping in mind the payment of the acquisition of a part of these shares by the reference shareholder, the Jos De Pauw family, at the request of WDP, will this evening organise a private

² Including transaction costs and in line with the estimates of the independent property expert.

³ For full clarity, there will be reference to the B-REIT WDP Comm.VA (Public Regulated Real Estate Company).

⁴ This amount relates to the total investment (including land and transaction costs).

⁵ Via the family company structure RTKA.

placement of a part of its existing shares with institutional investors for an amount of approximately 37.5 million euros. The Jos De Pauw family will acquire new shares up to the amount for which shares are placed. The remaining balance of the newly created shares, amounting to approximately 12.5 million euros, will be acquired by the Jos De Pauw family and is in line with their existing participation in WDP. ING België N.V. as Global Coordinator & Joint Bookrunner and Kempen & Co N.V. as Joint Bookrunner will supervise this placement. Accordingly, the trading of WDP shares on Euronext Brussels is being suspended temporarily as from this afternoon, 19 November 2014.

- The issue price of the new shares to be issued in the context of the contribution in kind and the associated capital increase will be equal to the issue price of the shares by the Jos De Pauw family⁶. By equalling the issue price to the placement price, no arbitrage profit is realised on the share price.

As a result of the possibility of paying in shares, WDP can actively manage its capital structure, and a buffer of credit facilities can be preserved, which will give WDP the opportunity to make additional debt-financed transactions in the future. After realising the transactions identified above, WDP expects a gearing ratio that will evolve to approximately 56% as at the end of 2014. WDP also confirms its ambition to realise an expected net current result for 2014 of 4.05 euros per share, in total around 67 million euros, an increase of 5% compared to 2013.

⁶ In the context of Section 37 of the Law of 12 May 2014 concerning the Regulated Real Estate Companies ('Gereguleerde Vastgoedvennootschappen – GVV/SIR'), WDP states that the sale of the shares of the Jos De Pauw family, and the payment of the corresponding placement commission by WDP, will be realised at normal market values, and that the agreements made in this connection with the Jos De Pauw family are in the interests of WDP. The intervention of the reference shareholder always enables WDP to conduct this transaction. This transaction takes place in the context of the entire transaction that is explained in this press release, which in its turn is in the context of the business strategy of WDP. After all, in this way WDP succeeds in acquiring strategically located logistics sites, with which at the same time the capital structure of WDP is strengthened and managed.

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

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

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