



**WDP**

WAREHOUSES WITH BRAINS

## PRESS RELEASE

Wednesday 24 April 2019, 07.00 am  
Regulated information

[www.wdp.eu](http://www.wdp.eu)

## Interim statement of the manager for the period 01.01.2019 – 31.03.2019

- ▶ The EPRA Earnings for Q1 2019 amount to 33.4 million euros, an increase of 13% compared to Q1 2018. The EPRA Earnings per share amount to 1.45 euros, an increase of 8% compared to Q1 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 – both marking an increase of 8%.
- ▶ Over the course of the first quarter of 2019, a new investment package of approx. 125 million euros was secured.
- ▶ Since 18 March 2019, WDP has been included in the BEL 20 index.

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## 1. Summary

- ▶ The EPRA Earnings<sup>1</sup> for Q1 2019 amount to 33.4 million euros, marking an increase of 13.3% compared to 2018 (29.5 million euros). The EPRA earnings per share<sup>2</sup> for Q1 2019 amount to 1.45 euros, an increase of 8.2% compared to 1.34 euros from 2018.
- ▶ The net result (IFRS) – Group share for Q1 2019 amounts to 38.6 million euros, driven in part by a change of 22.4 million euros (or +0.7%) in the underlying value of the property portfolio. The net result (IFRS) – Group share per share for Q1 2019 amounts to 1.68 euros, compared to 1.97 euros in 2018.
- ▶ The occupancy rate<sup>3</sup> was 97.3% on 31 March 2019, compared to 97.5% on 31 December 2018. The average duration (until the first termination date) of the lease contracts in the WDP portfolio is 5.7 years (including solar panels).
- ▶ As at 31 March 2019, the loan-to-value<sup>4</sup> came to 49.9% and the gearing ratio (proportionate) to 51.8%, compared to 50.0% and 51.8%, respectively, as at 31 December 2018.
- ▶ The EPRA NAV<sup>5</sup> was 73.5 euros on 31 March 2019, compared to 71.2 euros on 31 December 2018. The IFRS NAV was 70.2 euros on 31 March 2019, compared to 68.5 euros on 31 December 2018.
- ▶ Over the course of the first quarter of 2019, approx. 125 million euros in investments were secured. These projects mark an excellent start for the newly announced 2019-23 growth plan.
- ▶ The Board of Directors of the manager of WDP intends to offer once again an optional dividend. The issue price and all other details will be announced later today after the meeting of the Board of Directors and the Annual General Meeting of WDP. The expected proceeds from the optional dividend will be used immediately for the projects under development.
- ▶ 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. The inclusion took effect on 18 March 2019.

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 7 and 8 of this press release also give a reconciliation of these indicators.

<sup>1</sup> ▣ 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](http://www.epra.com).

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

<sup>3</sup> 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.

<sup>4</sup> ▣ 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.

<sup>5</sup> ▣ 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](http://www.epra.com).



- ▶ For 2019, WDP confirms its ambition for EPRA Earnings of 6.50 euros per share (an increase of 8%). Based on this outlook, the dividend for 2019 (payable in 2020) is projected at 5.20 euros gross per share, also marking an increase of 8% compared to 2018.<sup>6</sup>

<sup>6</sup> These growth and profit targets 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.



## 2. Operating and financial activities during Q1 2019

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### 2.1 Occupancy rate and leasing activity

On 31 March 2019, the property portfolio achieved an occupancy rate of 97.3%, compared to 97.5% at the end of 2018. Out of the 15% of leases reaching their next expiry date in 2019, 80% have already been successfully extended (more than 75% of which with existing clients). This reaffirms the trust customers have in WDP.

### 2.2 Acquisitions and divestments

#### 2.2.1 Acquisitions

No acquisitions were concluded over the course of the first quarter of 2019.

#### 2.2.2 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 along with L.I.F.E. are selling this site in phases.<sup>7</sup> 69% of the surface area has already been sold. I Love Hungaria is scheduled for phased delivery starting in the autumn of 2019.

The site in **SINT-NIKLAAS** and part of the site in **ANDERLECHT** were also sold during the first quarter of 2019.

### 2.3 Projects completed during the first quarter of 2019

As announced, WDP successfully delivered the following pre-leased projects during the first quarter of 2019, for a total surface area of 71,000 m<sup>2</sup>. The initial gross rental yield for all of these completed projects is 6.3%, with an investment budget of approx. 52 million euros.

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<sup>7</sup> See the press release of 30 April 2015.

Location	Tenant	Delivery date	Lettable area (in m <sup>2</sup> )	Investment budget (in million euros)
2016-20				
NL Barendrecht, Dierensteinweg 30 (C-D)	The Greenery	1Q19	23.700	10
NL Heinenoord, Bedrijvenpark Hoekse Waard	VCKG Holding / New Corp Logistics	1Q19	22.075	18
NL Zwolle	wehkamp	1Q19	25.000	24
NL			70.775	52
Totaal			70.775	52



## 2.4 Projects under development

WDP expects the total of projects under development of approx. 336 million euros<sup>8</sup> with a total surface area of approx. 560,000 m<sup>2</sup> to generate an initial gross rental yield of around 7.7%<sup>9</sup>.

### 2.4.1 Projects identified during the first quarter of 2019

#### Belgium



**HEPPIGNIES, RUE DE CAPILÔNE 6:** WDP is building a new distribution centre for Belgian hypermarket chain Cora on its existing site in Heppignies. After delivery, slated for the first quarter of 2020, the Cora warehouse will have a total area of around 32,000 m<sup>2</sup>, to be leased for a six-year term. The investment budget for this project amounts to approx. 16 million euros.



**WDPORT OF GHENT:** the existing Distrilog Group site in the Port of Ghent will be expanded with an area of some 10,000 m<sup>2</sup> by the end of 2019. The lease term for the expansion is in line with the lease for the overall site. WDP projects an investment budget of some 4 million euros.

<sup>8</sup> 139 million euros of which has thus far been invested.

<sup>9</sup> The gross yield is 6.4% for the Benelux region and 8.7% for Romania.

## The Netherlands

NEW

**NIEUWEGEIN, HET KLOOSTER (1):** the existing building of around 37,500 m<sup>2</sup> will be leased and expanded with an area of 12,500 m<sup>2</sup> for a logistics company, with delivery planned for the third quarter of 2021. The investment budget for this expansion is 15 million euros for WDP. The premises will be leased under a five-year contract.

NEW

**NIEUWEGEIN, HET KLOOSTER (2):** WDP has broken ground on a brand-new, state-of-the-art distribution centre of over 15,000 m<sup>2</sup> for Caldic Ingredients, an international distributor and producer of ingredients for the food industry. Delivery of this new facility is scheduled for the first quarter of 2020. The projected investment budget amounts to approx. 12 million euros. Caldic will lease the site under a ten-year lease.

NEW

**EINDHOVEN, PARK FORUM:** to accommodate further growth, the existing Brocacef site will be doubled in size, with construction of a new warehouse of approx. 10,000 m<sup>2</sup>. Delivery is slated for during the first quarter of 2020. Brocacef is signing on to a ten-year lease for this. The investment budget for this project amounts to approx. 10 million euros.

## Romania

**SLATINA:** WDP will expand the existing production facility of automotive tyre producer Pirelli, with a newly built state-of-the-art warehouse spanning approx. 62,000 m<sup>2</sup>. After completion, scheduled for the second quarter of 2020, Pirelli will lease the new logistics facility for a fixed term of fifteen years. The investment budget amounts to around 40 million euros.

NEW

**PAULESTI (3):** construction is underway for a new distribution centre for Iron Mountain, measuring around 10,500 m<sup>2</sup>, with phased delivery by the fourth quarter of 2021. Iron Mountain will lease the premises for a twelve-year term. The investment budget for WDP comes to approx. 4.5 million euros.

NEW

**BUCHAREST - STEFANESTII DE JOS (8):** after delivery during the fourth quarter of 2019, telecom provider Toya will move into a new distribution centre of approx. 8,600 m<sup>2</sup> under a long-term ten-year lease. WDP projects an investment of some 3.5 million euros.

NEW

**ORADEA:** located in the western part of the country in Oradea, WDP will build and lease a new warehouse of around 34,000 m<sup>2</sup> for automotive supplier Sogefi (planned delivery date: end of 2019), under a fifteen-year lease. WDP projects an investment budget of some 16 million euros.

## 2.4.2 Summary of all projects under development<sup>10</sup>

Location	Tenant	Delivery date	Lettable area (in m²)	Investment budget (in million euros)
<b>2016-20</b>				
BE Tongeren, Heersterveldweg 17	GLS	4Q19	5.000	8
<b>2019-23</b>				
BE Heppignies, rue de Capilône 6	Cora	1Q20	32.000	16
BE WDPort of Ghent	Distrilog	4Q19	10.000	4
BE			47.000	28
<b>2016-20</b>				
LU Bettembourg (Eurohub Sud)	Trendy Foods / Sobolux / end user	1Q20	25.000	12
LU			25.000	12
<b>2016-20</b>				
NL Arnhem, Bedrijvenpark Ijsseloord 2	Bunzl	2Q19	20.250	18
NL Bleiswijk, Maansteenweg/Spectrumlaan	Hoogsteder	2Q19	8.000	7
NL Bleiswijk, Maansteenweg/Spectrumlaan	Konings-Zuivel	2Q19	8.000	6
NL Breda	Lidl	3Q19	55.000	27
NL Zwolle	Altrex	3Q19	3.885	2
<b>2019-23</b>				
NL Eindhoven, Park Forum	Brocacef	1Q20	10.000	10
NL Nieuwegein, Het Klooster	Caldic	1Q20	15.000	12
NL Nieuwegein, Het Klooster	logistics company	3Q21	12.500	15
NL			132.635	98
<b>2016-20</b>				
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	2Q19	22.000	10
RO Bucharest - Stefanestii de Jos (6)	Kitchen Shop	2Q19	2.500	2
RO Bucharest - Stefanestii de Jos (7)	Auchan	1Q20	77.000	45
RO Buzau	Ursus Breweries	3Q19	21.000	10
RO Deva	Carrefour	4Q19	45.000	24
RO Sibiu (3)	Aeronamic Eastern Europe	2Q19	4.000	4
<b>2019-23</b>				
RO Bucharest - Stefanestii de Jos (8)	Toya	4Q19	8.600	4
RO Oradea	Sogefi	4Q19	34.000	16
RO Paulesti (3)	Iron Mountain	4Q21	10.500	5
RO Slatina	Pirelli	2Q20	62.000	40
RO			355.600	198
Total			560.235	336



<sup>10</sup> Based on 100% of the investment in the fully consolidated entities (including WDP Romania) and prorated for the joint ventures (in particular, 55% for WDP Luxembourg).



## 2.5 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 company aims to double its current capacity in Flanders. In first phase, WDP intends to install an additional capacity of 10 MWp by the summer 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 strives for a total PV portfolio of 100 MWp.

## 2.6 Status 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 early October of 2018, the Dutch government announced that it would retain the dividend tax and keep the 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). In light of 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 at the moment.<sup>11</sup>

<sup>11</sup> 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.

## 2.7 Management of financial resources

- ▶ New credit facility

During the first quarter of 2019, WDP secured additional credit lines of around 11 million euros.

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



### 3. Financial results

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#### 3.1 Summary

The EPRA Earnings of WDP for Q1 2019 amount to 33.4 million euros. This result represents an increase of 13.3% compared to the result of 29.5 million euros in Q1 2018. The EPRA Earnings per share come to 1.45 euros, an increase of 8.2% over 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, operational and financial costs were actively managed and kept under control.

## 3.2 Key figures

Key figures		
Operational	31.03.2019	31.12.2018
Fair value of property portfolio (including solar panels) (in million euros)	3,544,5	3,449,6
Gross initial yield (including vacancies) <sup>1</sup> (in %)	6,7	6,7
Net initial yield (EPRA) <sup>2</sup> (in %)	6,0	6,0
Average lease term (until first break) <sup>3</sup> (in years)	5,7	5,8
Occupancy rate <sup>4</sup> (in %)	97,3	97,5
Like-for-like rental growth <sup>5</sup> (in %)	1,4	1,7
Operating margin <sup>6</sup> (in %)	90,9	91,0
Financial	31.03.2019	31.12.2018
Loan-to-value (in %) <sup>7</sup>	49,9	50,0
Gearing ratio (proportional) (in line with the GVV/SIR Royal Decree) (in %)	51,8	51,8
Interest Coverage Ratio <sup>8</sup> (in x)	4,3	4,6
Average cost of debt (in %) <sup>9</sup>	2,3	2,4
Average remaining duration of outstanding debt (in years)	4,5	4,4
Average remaining duration of long-term credit facilities (in years)	5,2	5,3
Hedge ratio <sup>10</sup> (in %)	88	91
Average remaining term of hedges <sup>11</sup> (in years)	7,1	7,3
Result (in million euros)	31.03.2019	31.03.2018
Property result	49,2	41,4
Operating result (before the result on the portfolio)	44,7	37,6
Financial result (excluding change in the fair value of financial instruments) <sup>12</sup>	-9,7	-7,5
EPRA Earnings <sup>13</sup>	33,4	29,5
Result on the portfolio (including share joint ventures) - Group share <sup>14</sup>	22,4	11,5
Change in the fair value of financial instruments - Group share	-16,0	3,5
Depreciation and write-down on solar panels (including share joint ventures) - Group share	-1,2	-1,0
Net result (IFRS) - Groupe share	38,6	43,4
Details per share (in euros)	31.03.2019	31.03.2018
EPRA Earnings <sup>15</sup>	1,45	1,34
Result on the portfolio (including share joint ventures) - Group share <sup>16</sup>	0,97	0,52
Change in fair value of the financial instruments - Group share	-0,69	0,16
Depreciation and write-down on solar panels - Group share	-0,05	-0,05
Net result (IFRS) - Group share	1,68	1,97
IFRS NAV <sup>17</sup>	70,2	58,2
EPRA NAV <sup>18</sup>	73,5	60,3
EPRA NNNNAV <sup>19</sup>	69,9	57,8

<sup>1</sup> 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).

<sup>2</sup> Financial performance indicator calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations van EPRA. See also [www.epra.com](http://www.epra.com).

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

<sup>4</sup> 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.

<sup>5</sup> 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.

<sup>6</sup> The operating margin, obtained by dividing the operating result (before the result on the portfolio) by the property result. Based on the comparison between Q1 2019 and Q1 2018.

<sup>7</sup> 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.

<sup>8</sup> 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.

<sup>9</sup> 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.

<sup>10</sup> 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 vastgoedenvenootschappen of 'GVV-Wet').

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

<sup>12</sup> 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.

<sup>13</sup> 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](http://www.epra.com).

<sup>14</sup> 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.

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

<sup>16</sup> 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.

<sup>17</sup> 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.

<sup>18</sup> 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](http://www.epra.com).

<sup>19</sup> EPRA NNNNAV: 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](http://www.epra.com).

### 3.3 EPRA metrics

EPRA key performance measures <sup>1</sup>	31.03.2019	31.12.2018
EPRA Earnings (in euros per share) <sup>2</sup>	1,45	1,34
EPRA NAV (in euros per share) <sup>3</sup>	73,5	71,2
EPRA NNNNAV (in euros per share) <sup>4</sup>	69,9	68,2
EPRA Net Initial Yield (in %)	6,0	6,0
EPRA Topped-up Net Initial Yield (in %)	6,0	6,0
EPRA vacancy rate (in %)	2,9	2,7
EPRA cost Ratio (incl. direct vacancy costs) (in %) <sup>5</sup>	9,6	9,5
EPRA cost Ratio (excl. direct vacancy costs) (in %) <sup>5</sup>	9,3	9,1

<sup>1</sup> Financial performance indicators calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. Please see [www.epra.com](http://www.epra.com).

<sup>2</sup> 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](http://www.epra.com). Based on the comparison between Q1 2019 and Q1 2018.

<sup>3</sup> 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](http://www.epra.com).

<sup>4</sup> EPRA NNNNAV: EPRA NAV adjusted to include the fair value of (i) financial instruments, (ii) debts and (iii) deferred taxes. See also [www.epra.com](http://www.epra.com).

<sup>5</sup> EPRA Cost Ratio: administrative and operating costs (including and excluding direct vacancy costs) divided by the gross rental income. See also [www.epra.com](http://www.epra.com).

### 3.4 Notes on the profit and loss account as at 31 March 2019 (analytical schedule)

#### 3.4.1 Property result

The property result amounts to 49.2 million euros for the first quarter of 2019, an increase of 19.0% compared to last year (41.4 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 +1.4%<sup>12</sup>, mainly driven by the indexing of leases. The property result also includes 2.4 million euros in income from solar panels, compared to 1.9 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 <sup>1</sup>
I. Rental income	17.716	22.576	1.668	7.163	49.124	236
III. Rental charges <sup>2</sup>	33	98	34	0	165	7
Rental income, net of rental-related expenses	17.749	22.675	1.702	7.163	49.289	243

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

<sup>2</sup> The heading *Rental charges* mainly consists of *Provisions for trade receivables*.

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



### 3.4.2 Operating result (before the result on the portfolio)

The operating result (before the result on the portfolio) amounts to 44.7 million euros in the first quarter of 2019, an increase of 18.8% compared to the same period last year (37.6 million euros). Property and other general company expenses amounted to 4.5 million euros for the first quarter of 2019, an increase of 0.8 million euros compared to the costs for the same period in 2018. The changes in the general company expenses are in line with the underlying portfolio growth. The operating margin for the first quarter of 2019 comes to 90.9%, in line with the average in recent years.

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

The financial result (excluding change in the fair value of financial instruments)<sup>13</sup> comes to -9.7 million euros for 2018, an increase compared to last year (-7.5 million euros) due to a higher amount of outstanding financial debt and the recurring cost for the leasehold land of 0.6 million euros, which is – in line with IFRS 16 – incorporated by means of the *Financial result*, instead of the *Rental income, net of rental-related expenses* as from the 2019 financial year.

The total financial debt (as per IFRS) amounted to 1,743.3 million euros as at 31 March 2019, compared to 1,497.9 million euros in the same period last year. The average cost of debt in the first quarter of 2019 was 2.3%, compared to 2.4% in 2018.

### 3.4.4 Share in the result of associated companies and joint ventures

The result of 0.1 million euros for the first quarter of 2019 primarily stems from the underlying result of the core activities of the Luxembourg joint venture.

### 3.4.5 EPRA Earnings

The EPRA Earnings of WDP for Q1 2019 amount to 33.4 million euros. This result marks an increase of 13.3% over the result of 29.5 million euros in 2018. The EPRA Earnings per share is up 8.2% year-on-year, to 1.45 euros, including an increase of 5% in the weighted average number of outstanding shares.

<sup>13</sup> Financial result (excluding 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.

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

The result on the portfolio (including share joint ventures) – Group<sup>14</sup> share for the first quarter of 2019 amounts to +22.4 million euros, or +0.97 euros per share<sup>15</sup>. For the same period last year, this result amounted to +11.5 million euros or +0.52 euros per share. This breaks down as follows by country for the first quarter of 2019: Belgium (+6.3 million euros), the Netherlands (+15.4 million euros), France (+0.6 million euros), Romania (+0.6 million euros) and Luxembourg (-0.5 million euros).

The revaluation of 22.4 million euros marks an increase in value of the underlying portfolio of 0.7%, mainly driven by sustained investor interest in logistics properties.

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

The change in the fair value of financial assets and liabilities – Group share<sup>16</sup> amounts to -16.0 million euros or -0.69 euros per share for the first quarter 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 31 March 2019, as a result of a decrease in long-term interest rates during 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.

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

The solar panels are valued on the balance sheet at fair value based on the revaluation model in accordance with IAS 16 *Tangible fixed assets*. In compliance with IAS 16, WDP must include a depreciation component in its IFRS accounts according to the residual life of the PV installations. The depreciation is calculated based on the fair value from the previous balance sheet date. This newly calculated net book value is then revaluated at fair value. This revaluation is recognised directly in the shareholders' equity to the extent that it still exceeds the historical cost price, plus accumulated depreciations. If it does not, then it is entered in the profit and loss account. The depreciation component and write-down amounts to -1.2 million euros. Since this impact involves a non-cash and

<sup>14</sup> Result on the portfolio (including portion for 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.

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

<sup>16</sup> 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.

unrealised item, it is excluded from the financial result in the analytical presentation of the results and is shown separately in the profit and loss account.

### 3.4.9 Net result (IFRS) – Group share

The EPRA Earnings along with the result on the portfolio, the change in the fair value of financial instruments and the depreciation and write-down on solar panels result in a net result (IFRS) - Group share of 38.6 million euros in the first quarter of 2019 (compared to the same period last year, when this figure was 43.4 million euros).

The difference between the net result (IFRS) - Group share of 38.6 million euros and the EPRA Earnings of 33.4 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.

## 3.5 Notes on the balance sheet as at 31 March 2019

### 3.5.1 Property portfolio<sup>17</sup>

According to independent property experts Stadim, JLL, Cushman & Wakefield, CBRE and BNP Paribas Real Estate, the fair value<sup>18</sup> of the WDP property portfolio according to IAS 40 amounted to 3,426.1 million euros on 31 March 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 panels<sup>19</sup>, the total portfolio value grew to 3,544.5 million euros, compared to 3,449.6 million euros at 2018 year-end.

This value of 3,544.5 million euros includes 3,164.1 million euros in completed properties (standing portfolio).<sup>20</sup> The projects under development account for a value of 153.7 million euros. In addition, WDP also holds land reserves in Courcelles, Heppignies, Asse-Zellik, Bleiswijk, 's-Hertogenbosch, Breda and Schiphol and the land bank in Romania, at a fair value of 108.3 million euros.

The investments made in solar panels are valued at a fair value of 118.5 million euros as at 31 March 2019.

<sup>17</sup> 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%) still appeared in the statistics in the reporting on the portfolio.

<sup>18</sup> For the precise valuation method used, please refer to the BE-REIT press release dated 10 November 2016.

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

<sup>20</sup> Including a right of use for 43 million euros, related to land held by way of a concession as per IFRS 16.

The overall portfolio is valued at a gross rental yield of 6.7%<sup>21</sup>. The gross rental yield after deduction of the estimated market rental value for the unleased parts is 6.5%.

Portfolio statistics by country	Belgium	Netherlands	France	Luxemburg	Romania	Total
Number of lettable sites	82	90	7	2	25	206
Gross lettable area (in m <sup>2</sup> )	1.827.241	1.942.014	192.574	32.574	623.749	4.618.152
Land (in m <sup>2</sup> )	3.524.281	3.610.991	428.461	56.007	4.197.853	11.817.592
Fair value (in million euros)	1.171,9	1.632,3	120,3	27,3	474,3	3.426,1
% of total fair value	34%	48%	4%	1%	14%	100%
% change in fair value (YTD)	0,5%	0,9%	0,5%	-2,0%	0,2%	0,7%
Vacancy rate (EPRA) <sup>1,2</sup>	4,8%	2,1%	2,5%	0,0%	0,8%	2,9%
Average lease length till first break (in y) <sup>2</sup>	4,1	5,8	3,7	7,6	6,8	5,3
WDP gross initial yield <sup>3</sup>	6,8%	6,3%	6,3%	7,4%	8,0%	6,7%
Effect of vacancies	-0,3%	-0,1%	-0,1%	0,0%	0,0%	-0,2%
Adjustment gross to net rental income (EPRA)	-0,2%	-0,3%	-0,2%	-0,7%	-0,2%	-0,3%
Adjustments for transfer taxes	-0,1%	-0,3%	-0,3%	-0,4%	-0,1%	-0,3%
EPRA net initial yield <sup>1</sup>	6,1%	5,6%	5,7%	6,3%	7,6%	6,0%

<sup>1</sup> Financial performance indicator calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. Please see [www.epra.com](http://www.epra.com).

<sup>2</sup> Excluding solar panels.

<sup>3</sup> Calculated by dividing the annualised contractual gross (cash) rents and the rental value of the unlet properties by fair value. The fair value is the value of the property investments after deduction of transaction costs (mainly transfer tax).

### 3.5.2 NAV per share

The EPRA NAV per share amounted to 73.5 euros on 31 March 2019. This marks an increase of 2.3 euros compared to an EPRA NAV per share of 71.2 euros on 31 December 2018 as a consequence of the profit generation and revaluation of the portfolio. The IFRS NAV per share<sup>22</sup> came to 70.2 euros on 31 March 2019, compared to 68.5 euros on 31 December 2018.

## 3.6 Financial position

The total (long-term and short-term) financial debts had increased to 1,743.3 million euros by 31 March 2019, compared to 1,697.8 million euros at the end of December 2018, due to execution of the pre-leased project developments. The short-term financial debt of 173 million euros mainly includes the commercial paper programme (138 million euros).

The balance sheet total rose from 3,483.3 million euros on 31 December 2018 to 3,595.1 million euros by the end of March 2019. The gearing ratio (proportionate) was steady at 51.8% as at 31 March 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 49.9% as at 31 March 2019.

<sup>21</sup> 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).

<sup>22</sup> 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.

The weighted average term of WDP's outstanding financial debt on 31 March 2019 was 4.5 years<sup>23</sup>. If only the total drawn and undrawn long-term loans are taken into account, the weighted average term amounts to 5.2 years<sup>24</sup>. On 31 March 2019, the total amount of undrawn and confirmed long-term credit facilities amounted to approx. 250 million euros<sup>25</sup>.

The average cost of debt was 2.3% in the first quarter of 2019. The Interest Coverage Ratio<sup>26</sup> is equal to 4.3x for the same period, compared to 4.6x for the entire 2018 financial year. The hedge ratio<sup>27</sup>, 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 88%, with a weighted average hedged term of 7.1 years.

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

<sup>24</sup> 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 5.4 years.

<sup>25</sup> Excluding the credit facilities to hedge the commercial paper programme.

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

<sup>27</sup> ▀ 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 Law').



## 4. Outlook<sup>28</sup>

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WDP confirms its ambition for 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. 560,000 m<sup>2</sup> and a projected investment of 336 million euros, which will contribute partly to the 2019 result.

In 2019, 15% of the contracts will reach their next maturity date, 80% 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%.

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<sup>28</sup> 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.

## 5. Financial statements – Key figures as at 31 March 2019 – analytical (results and balance sheet)

### 5.1 Consolidated results

Consolidated results (in euros x 1 000)	Q1 2019	Q1 2018	Δ y/y (abs.)	Δ y/y (%)
Rental income, net of rental-related expenses	49.099	41.198	7.901	19,2%
Indemnification related to early lease terminations	190	0	190	n.r.
Income from solar energy	2.374	1.930	444	23,0%
Other operating income/costs	-2.460	-1.769	-690	n.r.
<b>Property result</b>	<b>49.203</b>	<b>41.358</b>	<b>7.844</b>	<b>19,0%</b>
Property charges	-1.796	-1.510	-287	19,0%
General company expenses	-2.689	-2.200	-489	22,3%
<b>Operating result (before the result on the portfolio)</b>	<b>44.717</b>	<b>37.649</b>	<b>7.068</b>	<b>18,8%</b>
Financial result (excluding change in the fair value of the financial instruments)	-9.672	-7.519	-2.153	28,6%
Taxes on EPRA Earnings	-656	-86	-569	n.r.
Deferred taxes on EPRA Earnings	-230	-225	-5	n.r.
Share in the result of associated companies and joint ventures	119	96	23	n.r.
Minority interests	-878	-442	-436	98,8%
<b>EPRA Earnings</b>	<b>33.400</b>	<b>29.473</b>	<b>3.928</b>	<b>13,3%</b>
Change in the fair value of investment properties (+/-)	24.331	12.575	11.756	n.r.
Result on disposal of investment property (+/-)	-235	-122	-113	n.r.
Deferred taxes on the result on the portfolio (+/-)	-1.069	-574	-495	n.r.
Share in the result of associated companies and joint ventures	-493	0	-493	n.r.
<b>Result on the portfolio</b>	<b>22.535</b>	<b>11.879</b>	<b>10.656</b>	<b>n.r.</b>
Minority interests	-152	-355	203	n.r.
<b>Result on the portfolio - Group share</b>	<b>22.383</b>	<b>11.524</b>	<b>10.859</b>	<b>n.r.</b>
Change in the fair value of financial instruments	-15.964	3.471	-19.436	n.r.
<b>Change in the fair value of financial instruments</b>	<b>-15.964</b>	<b>3.471</b>	<b>-19.436</b>	<b>n.r.</b>
Minority interests	0	0	0	n.r.
<b>Change in the fair value of financial instruments - Group share</b>	<b>-15.964</b>	<b>3.471</b>	<b>-19.436</b>	<b>n.r.</b>
Depreciation and write-down on solar panels	-1.210	-1.074	-137	n.r.
Share in the result of associated companies and joint ventures	0	0	0	n.r.
<b>Depreciation and write-down on solar panels</b>	<b>-1.210</b>	<b>-1.074</b>	<b>-137</b>	<b>n.r.</b>
Minority interests	33	33	0	n.r.
<b>Depreciation and write-down on solar panels - Group share</b>	<b>-1.178</b>	<b>-1.041</b>	<b>-137</b>	<b>n.r.</b>
<b>Net result (IFRS)</b>	<b>39.639</b>	<b>44.191</b>	<b>-4.553</b>	<b>n.r.</b>
Minority interests	-997	-764	-233	n.r.
<b>Net result (IFRS) - Group share</b>	<b>38.642</b>	<b>43.428</b>	<b>-4.786</b>	<b>n.r.</b>

  

Key ratios (in euros per share)	Q1 2019	Q1 2018	Δ y/y (abs.)	Δ y/y (%)
EPRA Earnings <sup>1</sup>	1,45	1,34	0,11	8,2%
Result on the portfolio - Group share <sup>1</sup>	0,97	0,52	0,45	n.r.
Change in the fair value of financial instruments - Group share <sup>1</sup>	-0,69	0,16	-0,85	n.r.
Depreciation and write-down on solar panels - Group share <sup>1</sup>	-0,05	-0,05	0,00	n.r.
Net result (IFRS) - Group share <sup>1</sup>	1,68	1,97	-0,30	n.r.
EPRA Earnings <sup>2</sup>	1,45	1,34	0,11	8,2%

Weighted average number of shares	23.061.390	22.009.277	1.052.113	4,8%
Number of outstanding shares at the end of the period	23.061.390	22.009.277	1.052.113	4,8%

<sup>1</sup> Calculation based on the weighted average number of shares.

<sup>2</sup> Calculation based on the number of shares entitled to dividend.

<sup>3</sup> 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.

## 5.2 Consolidated balance sheet

Consolidated balance sheet (in euros x 1 000)	31.03.2019	31.12.2018	Δ y/y (abs.)	Δ y/y (%)
Intangible fixed assets	238	252	-14	n.r.
Investment property	3.389.516	3.299.864	89.653	2,7%
Other tangible fixed assets (including solar panels)	122.064	120.426	1.638	1,4%
Financial fixed assets	7.281	7.877	-596	-7,6%
Trade receivables and other fixed assets	4.856	4.972	-116	-2,3%
Deferred taxes - assets	0	0	0	n.r.
Participations in associated companies and joint ventures	10.262	10.636	-374	-3,5%
<b>Fixed assets</b>	<b>3.534.217</b>	<b>3.444.026</b>	<b>90.192</b>	<b>2,6%</b>
Assets held for sale	4.127	739	3.387	n.r.
Trade receivables	20.926	9.987	10.939	n.r.
Tax receivables and other current assets	21.013	18.990	2.023	n.r.
Cash and cash equivalents	5.241	1.724	3.518	n.r.
Accruals and deferrals	9.536	7.867	1.670	n.r.
<b>Current assets</b>	<b>60.843</b>	<b>39.307</b>	<b>21.536</b>	<b>n.r.</b>
<b>Total assets</b>	<b>3.595.060</b>	<b>3.483.333</b>	<b>111.727</b>	<b>n.r.</b>
Capital	176.664	176.684	-20	0,0%
Issue premiums	646.286	646.286	0	0,0%
Reserves	758.098	428.767	329.331	76,8%
Net result for the financial year	38.642	328.784	-290.142	-88,2%
<b>Shareholders' equity attributable to Group shareholders</b>	<b>1.619.691</b>	<b>1.580.521</b>	<b>39.169</b>	<b>2,5%</b>
Minority interests	30.984	29.994	990	3,3%
<b>Shareholders' equity</b>	<b>1.650.675</b>	<b>1.610.516</b>	<b>40.159</b>	<b>2,5%</b>
Long-term liabilities	1.687.736	1.577.336	110.400	7,0%
Long-term financial liabilities	1.570.095	1.476.586	93.509	6,3%
Other long-term liabilities	117.641	100.750	16.891	16,8%
Short-term liabilities	256.650	295.481	-38.831	-13,1%
Short-term financial liabilities	173.222	221.165	-47.943	-21,7%
Other short-term liabilities	83.428	74.316	9.112	12,3%
<b>Liabilities</b>	<b>1.944.386</b>	<b>1.872.817</b>	<b>71.569</b>	<b>3,8%</b>
<b>Total liabilities</b>	<b>3.595.060</b>	<b>3.483.333</b>	<b>111.727</b>	<b>3,2%</b>

Key ratios	31.03.2019	31.12.2018	Δ y/y (abs.)	Δ y/y (%)
(in euros per share)				
IFRS NAV	70,2	68,5	1,7	2,5%
EPRA NAV	73,5	71,2	2,3	3,3%
Share price	143,0	115,2	27,8	24,1%
Premium/Discount with respect to EPRA NAV	94,5%	61,9%	32,6%	n.r.
(in euros x million)				
Fair value of the portfolio (including solar panels) <sup>1</sup>	3.544,5	3.449,6	94,9	2,7%
Loan-to-value	49,9%	50,0%	-0,1%	n.r.
Gearing ratio (proportional) <sup>2</sup>	51,8%	51,8%	0,0%	n.r.

<sup>1</sup> Including the proportional share of WDP in the portfolio of WDP Luxembourg (55%).

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

## 6. Financial statement – Balance sheet and profit and loss account as at 31 March 2019 – IFRS

### 6.1 Profit and loss account

Income statement (in euros x 1 000)	Q1 2019	FY 2018	Q1 2018
Rental income	49.124	175.822	41.210
Costs related to leases	165	-1.816	-12
Net rental result	49.289	174.006	41.198
Recovery of property costs	0	0	0
Recovery of rental charges and taxes normally paid by the tenant on let properties	10.151	10.978	6.745
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	-13.112	-13.175	-9.004
Other income and charges related to leases	2.874	16.061	2.419
Property result	49.203	187.923	41.358
Technical costs	-1.086	-4.059	-945
Commercial costs	-174	-831	-215
Property management costs	-536	-1.381	-350
Property charges	-1.796	-6.271	-1.510
Property operating results	47.406	181.652	39.849
General company expenses	-2.689	-10.097	-2.200
Other operating income and expenses (depreciation and write-down on solar panels)	-1.210	-4.937	-1.074
Operating result (before the result on the portfolio)	43.507	166.618	36.575
Result on disposals of investment properties	-235	787	-122
Change in the fair value of investment properties	24.331	213.811	12.575
Operating result	67.603	381.215	49.029
Financial income	272	324	76
Net interest charges	-9.634	-32.517	-7.455
Other financial charges	-310	-819	-140
Change in the fair value of financial assets and liabilities	-15.964	-9.027	3.471
Financial result	-25.636	-42.039	-4.048
Share in the results of associated companies and joint ventures	-374	466	96
Result before taxes	41.593	339.642	45.077
Taxes	-1.954	-5.796	-885
Net result	39.639	333.846	44.191
Attributable to:			
Minority interests	-997	5.063	764
Shareholders of the Group	38.642	328.784	43.428
Weighted average number of shares	23.061.390	22.379.427	22.009.277
Net result per share (in euros)	1,68	14,69	1,97
Diluted net result per share (in euros)	1,68	14,69	1,97

## 6.2 Consolidated balance sheet

Balance sheet - Assets (in euros x 1 000)	31.03.2019	31.12.2018	31.03.2018
<b>Fixed assets</b>	<b>3.534.217</b>	<b>3.444.026</b>	<b>2.869.199</b>
Intangible fixed assets	238	252	156
Investment property	3.389.516	3.299.864	2.727.780
Other tangible fixed assets (including solar panels)	122.064	120.426	114.441
Financial fixed assets	7.281	7.877	16.071
Trade receivables and other fixed assets	4.856	4.972	4.428
Deferred taxes - assets	0	0	262
Participations in associated companies and joint ventures	10.262	10.636	6.062
<b>Current assets</b>	<b>60.843</b>	<b>39.307</b>	<b>38.694</b>
Assets held for sale	4.127	739	1.867
Trade receivables	20.926	9.987	15.941
Tax receivables and other current assets	21.013	18.990	12.998
Cash and cash equivalents	5.241	1.724	1.895
Accruals and deferrals	9.536	7.867	5.993
<b>Total assets</b>	<b>3.595.060</b>	<b>3.483.333</b>	<b>2.907.893</b>

Balance sheet - Liabilities (in euros x 1 000)	31.03.2019	31.12.2018	31.03.2018
<b>Shareholder's equity</b>	<b>1.650.675</b>	<b>1.610.516</b>	<b>1.306.700</b>
<b>I. Shareholder's equity attributable to the parent company shareholders</b>	<b>1.619.691</b>	<b>1.580.521</b>	<b>1.280.802</b>
Capital	176.664	176.684	168.873
Issue premiums	646.286	646.286	545.154
Reserves	758.098	428.767	523.347
Net result for the financial year	38.642	328.784	43.428
<b>II. Minority interests</b>	<b>30.984</b>	<b>29.994</b>	<b>25.898</b>
<b>Liabilities</b>	<b>1.944.386</b>	<b>1.872.817</b>	<b>1.601.193</b>
<b>I. Non-current liabilities</b>	<b>1.687.736</b>	<b>1.577.336</b>	<b>1.318.075</b>
Provisions	357	359	657
Non-current financial liabilities	1.570.095	1.476.586	1.271.585
Other non-current financial liabilities	111.420	96.184	45.833
Trade payables and other non-current liabilities	0	0	0
Deferred taxes - Liabilities	5.864	4.207	0
<b>II. Current liabilities</b>	<b>256.650</b>	<b>295.481</b>	<b>283.119</b>
Current financial liabilities	173.222	221.165	226.308
Other current financial liabilities	168	168	0
Trade payables and other current debts	58.115	47.314	37.974
Other current liabilities	9.338	7.724	4.908
Accrued charges and deferred income	15.807	19.110	13.928
<b>Total liabilities</b>	<b>3.595.060</b>	<b>3.483.333</b>	<b>2.907.893</b>



## 7. EPRA Performance measures<sup>29</sup>

### 7.1 EPRA Earnings

in euros (x 1 000)

	Q1 2019	Q1 2018
<b>Earnings per IFRS income statement</b>	38.642	43.428
Adjustments to calculate the EPRA Earnings, exclude:		
I. Changes in value of investment properties, development properties held for investment and other interests	-23.121	-11.501
- Changes in the value of the real estate portfolio	-24.331	-12.575
- Depreciation and write-down on solar panels	1.210	1.074
II. Profit or losses on disposal of investment properties, development properties held for investment and other interests	235	122
VI. Changes in fair value of financial instruments and associated close-out costs	15.964	-3.471
VIII. Deferred tax in respect of EPRA adjustments	1.069	574
IX. Adjustments (i) to (viii) to the above in respect of joint ventures	493	0
X. Minority interests in respect of the above	119	322
<b>EPRA Earnings</b>	<b>33.400</b>	<b>29.473</b>
Weighted average number of shares	23.061.390	22.009.277
<b>EPRA Earnings per share (EPS) (in euros)</b>	<b>1,45</b>	<b>1,34</b>

### 7.2 EPRA NAV

in euros (x 1 000)

	31.03.2019	31.12.2018
<b>IFRS NAV</b>	<b>1.619.691</b>	<b>1.580.521</b>
IFRS NAV/share (in euros)	70,2	68,5
Diluted NAV, after the exercise of options, convertibles and other equity interests	1.619.691	1.580.521
Includes (+/-):		
(iv) Fair value of financial instruments	67.900	51.936
(v.a) Deferred tax	7.922	8.710
<b>EPRA NAV</b>	<b>1.695.513</b>	<b>1.641.168</b>
Number of shares	23.061.390	23.061.390
<b>EPRA NAV per share (in euros)</b>	<b>73,5</b>	<b>71,2</b>
EPRA NAV	1.695.513	1.641.168
Includes:		
i. Fair value of financial instruments	-67.900	-51.936
ii. Fair value of debt	-8.084	-8.066
iii. Deferred tax	-7.922	-8.710
<b>EPRA NNNAV</b>	<b>1.611.607</b>	<b>1.572.455</b>
Number of shares	23.061.390	23.061.390
<b>EPRA NNNAV per share (in euros)</b>	<b>69,9</b>	<b>68,2</b>

<sup>29</sup> EPRA is a registered trademark of the European Public Real-estate Association.

## 7.3 EPRA cost ratio

in euros (x 1 000)

		Q1 2019	Q1 2018
Include:			
I.	Administrative/operating expenses (IFRS)	5.253	4.206
III.	Management fees less actual/estimated profit element	-253	-259
IV.	Other operation income/recharges, intended to cover overhead expenses less any related profits	-74	-266
V.	Administrative/operating expenses of joint ventures expense	6	2
Exclude (if part of the above):			
VI.	Investment Property Depreciation	-236	-208
	EPRA costs (including direct vacancy costs) A	4.698	3.476
IX.	Direct vacancy costs	-170	-153
	EPRA costs (excluding direct vacancy costs) B	4.529	3.323
X.	Gross rental income less ground rent costs (IFRS)	48.476	40.932
X.	Gross rental income less ground rent costs of joint ventures	208	219
	Gross rental income C	48.684	41.151
	EPRA cost ratio (including direct vacancy costs) A/C	9,6%	8,4%
	EPRA cost ratio (excluding direct vacancy costs) B/C	9,3%	8,1%

## 7.4 EPRA NIY and EPRA TOPPED-UP NIY

in euros (x 1 000)

		31.03.2019	31.12.2018
	Investment property - wholly owned	3.389.516	3.299.864
	Investment property - share of joint ventures	31.814	29.796
	Assets held for sale	4.724	2.620
	Less developments, land reserves and the right of use of concessions	-316.213	-318.257
	Completed property portfolio	3.109.841	3.014.022
	Allowance for estimated purchasers' costs	134.139	128.903
	Gross up completed property portfolio valuations B	3.243.981	3.142.926
	Annualised cash passing rental income	201.018	195.387
	Property outgoings	-7.999	-6.271
	Annualised net rent A	193.019	189.116
	Notional rent expiration of rent free period or other lease incentives	0	0
	Topped-up net annualised rent C	193.019	189.116
	EPRA NIY A/B	6,0%	6,0%
	EPRA TOPPED-UP NIY C/B	6,0%	6,0%

## 8. Detailed calculation of the Alternative Performance Measures applied by WDP<sup>30</sup>

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

in euros (x 1 000)

	Q1 2019	Q1 2018
Movement in the fair value of investment property	24.331	12.575
Result on disposal of investment property	-235	-122
Deferred taxation on result on the portfolio	-1.069	-574
Participation in the result of associated companies and joint ventures	-493	0
<b>Result on the portfolio</b>	<b>22.535</b>	<b>11.879</b>
Minority interests	-152	-355
<b>Result on the portfolio - Group share</b>	<b>22.383</b>	<b>11.524</b>

### 8.2 Change in the gross rental income based on an unchanged portfolio

in euros (x 1 000)

	Q1 2019	Q1 2018
Properties owned throughout the two years	39.338	38.799
Development property	8.594	2.020
Acquisitions	1.225	295
Disposals	0	329
<b>Total</b>	<b>49.157</b>	<b>41.444</b>
To be excluded		
Rental income of joint ventures	-223	-233
Indemnification related to early lease terminations	190	0
<b>Rental income (IFRS)</b>	<b>49.124</b>	<b>41.211</b>

<sup>30</sup> Excluding EPRA metrics, some of which are regarded as APMs and reconciled under Chapter '7. EPRA Performance measures'.

## 8.3 Average cost of debt

in euros (x 1 000)

	Q1 2019	FY 2018
Financial result (IFRS)	-25.636	-42.039
To be excluded:		
Changes in fair value of financial assets and liabilities	15.964	9.027
Interest capitalised during construction	-632	-4.417
Interest expenses related to leasing debts booked in accordance with IFRS 16	574	0
Other financial costs and financial income	-88	-324
To be included		
Interest expenses of joint ventures	-34	-87
Effective financial expenses (proportional) (A)	-9.852	-37.840
Average outstanding financial liabilities (IFRS)	1.720.534	1.571.037
Average outstanding financial liabilities of joint ventures	12.525	19.389
Average outstanding financial liabilities (proportional) (B)	1.733.060	1.590.425
Annualised Average cost of debt (A/B)	2,3%	2,4%

## 8.4 Operating margin

in euros (x 1 000)

	Q1 2019	Q1 2018
Property result (IFRS)	49.203	41.358
Operating result (before the portfolio result) (excluding depreciation and write-downs on solar panels)	44.717	37.649
Operating margin	90,9%	91,0%

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

in euros (x 1 000)

	Q1 2019	Q1 2018
Financial result	-25.636	-4.048
To be excluded:		
Changes in fair value of financial assets and liabilities	15.964	-3.471
Financial result (excluding the changes in fair value of financial instruments)	-9.672	-7.519

## 8.6 Hedge ratio

in euros (x 1 000)

	31.03.2019	31.12.2017
Notional amount of Interest Rate Swaps	1.174.055	1.174.618
Fixed-interest financial liabilities	7.017	7.072
Fixed-interest bonds	366.500	366.500
Fixed-interest financial liabilities at balance sheet date and hedging instruments (A)	1.547.571	1.548.190
Current and non-current financial liabilities (IFRS)	1.743.317	1.697.751
Proportional share in joint ventures in current and non-current financial liabilities	12.413	12.637
Financial liabilities at balance sheet date (B)	1.755.730	1.710.389
Hedge ratio (A/B)	88%	91%

## 8.7 Gearing ratio

in euros (x 1 000)

	31.03.2019 (IFRS)	31.03.2019 (proportional)	31.12.2018 (IFRS)	31.12.2018 (proportional)
Non-current and current liabilities	1.944.386	1.966.190	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	70.438	70.438	55.188	55.188
- I. Non-current liabilities - F. Deferred taxes - Liabilities	5.864	7.000	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	15.807	15.976	19.110	19.062
Total debt A	1.851.920	1.872.419	1.793.954	1.813.764
Total assets	3.595.060	3.616.864	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	2.538	2.538	3.252	3.252
Total assets B	3.592.522	3.614.326	3.480.081	3.501.041
Gearing ratio A/B	51,5%	51,8%	51,5%	51,8%

## 8.8 Loan-to-value

in euros (x 1 000)

	31.03.2019 (IFRS)	31.12.2018 (IFRS)
Non-current and current financial liabilities	1.743.317	1.697.751
Cash and cash equivalents	5.241	1.724
Net financial debt A	1.738.076	1.696.027
Fair value of the real estate portfolio (excluding right of use concessions)	3.352.784	3.259.152
Fair value of the solar panels	118.453	117.366
Financing of and participations in associated companies and joint ventures	15.005	15.460
Total portfolio B	3.486.242	3.391.978
Loan-to-value A/B	49,9%	50,0%





## MORE INFORMATION



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WDP develops and invests in logistics property (warehouses and offices). WDP's property portfolio amounts to more than 4.5 million m<sup>2</sup>. 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](http://www.wdp.eu).

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