



**WDP**

WAREHOUSES WITH BRAINS

## 9M 2019 results

23 October 2019

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

# AGENDA

- ▶ Highlights 9M 2019
- ▶ Growth plan 2019-23: roll-out and market insights
- ▶ 9M activity report
- ▶ Financial management
- ▶ Outlook 2019
- ▶ WDP share
- ▶ WDP ESG Roadmap 2019-23

# HIGHLIGHTS 9M 2019

INVESTMENT VOLUME OF 400M EUROS SECURED

EPS

**4.91**

euros  
+8% y/y

Occupancy  
rate

**97%**

sustained

Portfolio

**3.9bn**

euros

Development  
pipeline

**~475m**

euros

POSITIONED  
FOR  
FURTHER  
GROWTH



# TOWARDS A 5BN PORTFOLIO IN 2019-23

## ROLL-OUT SCORECARD AS OF 9M 2019

Acquisitions<sup>(1)</sup>

**45m**  
euros

Projects<sup>(2)</sup>

**355m**  
euros

Targeted portfolio  
growth secured

**27%**  
(~400m euros)<sup>(3)</sup>

4

(1) Net of disposals.

(2) Including solar projects.

(3) The package of 400 million euros investments (out of the envisaged 1.5 billion euros) refers to new projects and acquisitions identified within the context of the growth plan 2019-23. These are secured investments which are already reflected in the balance sheet or are in execution.

# ACTIVE PORTFOLIO MANAGEMENT

GROWTH PLAN 2019-23



# TOWARDS A 5BN PORTFOLIO

Portfolio growth  
2019-23

**1.5bn<sup>(1)</sup>**  
euros

EPRA EPS  
growth 2019-23

**33%**  
cumulatively

EPRA EPS

**8.00**  
euros

Portfolio

**~5bn**  
euros

DPS

**6.50**  
euros

EPRA EPS

**6.00**  
euros

Portfolio

**3.5bn**  
euros

DPS

**4.80**  
euros

+10% p.a.

+6% p.a.

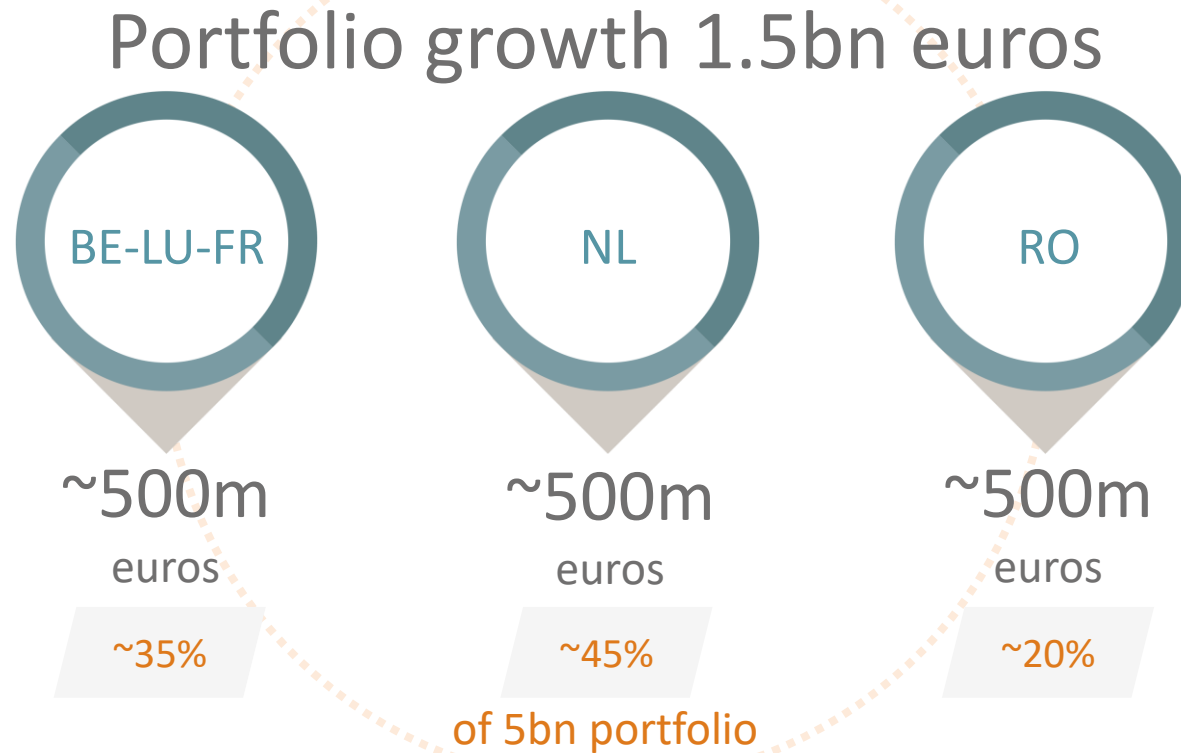
## GUIDANCE 2023<sup>(2)</sup>

## BASE YEAR 2018

(1) Investment volume to be realized i.e. excluding portfolio revaluations and referring to the net effective economic interest of WDP (i.e. excluding minority interests and including the proportionate share in joint ventures).  
 (2) These ambitions are based on retention of current operating and financial metrics and a stable operating environment in a context of persistent structural demand for modern logistics space. 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.

# TOWARDS A 5BN PORTFOLIO

5Y GROWTH PLAN



- ▶ Three commercial platforms capitalizing on developer/investor model
- ▶ Supported by growing logistics market together with new and existing clients
- ▶ Based on a fairly low market share: Benelux 9% and Romania 14%<sup>(1)</sup>

(1) Based on CBRE market reports and WDP research.



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## BASED ON

- ▶ Increasing portfolio with 1.5bn euros<sup>(1)</sup> in existing geographical markets
  - ▶ Based on further strengthening footprint in BE-NE-LU-FR-RO and with RO <20%
  - ▶ Mainly through pre-let developments on existing and/or new land
  - ▶ Considering the pricing environment opportunistically through acquisitions that add long-term value to the portfolio (including a high residual value and the potential to create partnerships with customers)
  - ▶ WDP is currently examining a broadening of its activities in the Benelux' neighbouring regions
  - ▶ Continued investments in alternative energy sources as well as projects for reducing energy consumption
- ▶ A stable operating environment and continued structural demand for new modern logistics space
- ▶ Strong operational fundamentals (high occupancy, long lease duration, sustainable rent levels)
- ▶ Continuation of matching property acquisitions with synchronous debt and equity issuance<sup>(2)</sup>
- ▶ Targeted debt ratio of 50-55% and controlled cost of debt (based on a solid risk profile)

- ▶ Creating growth and profitability
- ▶ Driven by healthy sector in strategic region for logistics

(1) Referring to the envisaged investment volume (i.e. excluding any portfolio revaluations) and the net effective economic interest of WDP (i.e. excluding minority interests and including the proportionate share in joint ventures). The 1.5bn euro excludes 157m euro capex on the existing development pipeline relating to the former growth plan 2016-20.

(2) In principle, through retained earnings, stock dividend, contributions in kind and/or Accelerated Bookbuilds (ABB) with respect to the equity component. Related to the debt funding, in principle a combination of traditional credit facilities, bond issues and private placements.



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# DRIVERS

5Y GROWTH PLAN

## VOLUME

- Long-term relations with clients leading to repeat business
- Capacity to source off market deals through complex puzzles
- Expansion potential in owner-occupied segment through sale & leaseback
- Capturing structural growth of logistics sector, including growth market RO

55% of growth last 3y

20% of growth last 3y

- Need for solid real estate partner
- Still relatively limited market share

## VOLUME VS PROFITABILITY

Land reserve: 96m euros

>100 bps spread

Increasing total return

>200 bps spread in development yields

Development projects on strategic land reserves

Value-add redevelopments offering higher return vs. plain vanilla developments

Including sustainable measures (e.g. solar panels) and add-on service

Correct risk-adjusted return in RO

## PROFITABILITY



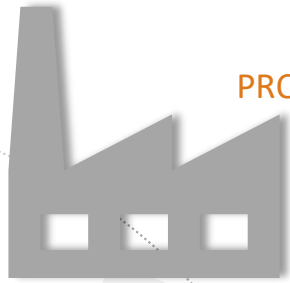
# MARKET INSIGHTS

## DRIVERS FOR POTENTIAL GROWTH

Locaties: →  
055-056-057-058

# KEY ROLE IN SUPPLY CHAIN

PRODUCTION



DISTRIBUTION  
E-FULFILMENT  
RETURN



LAST MILE

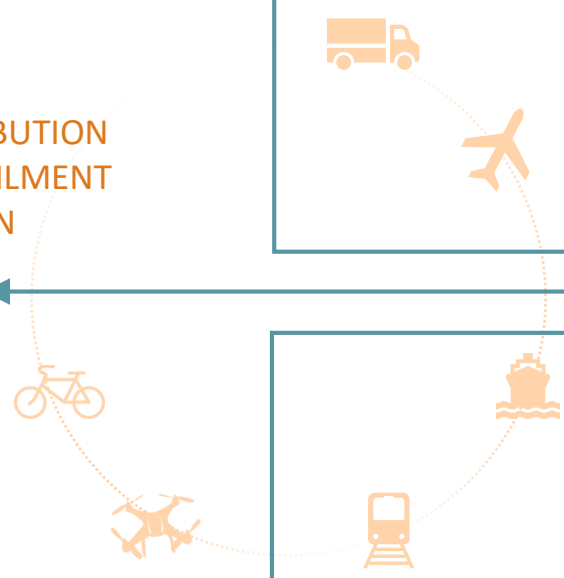


OMNICHANNEL CONSUMER



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MODERN  
INTELLIGENT  
LOGISTICS



# VALUE ADDED LOGISTICS

FROM  
COMMODITY  
TO  
GAME CHANGER





LEADING  
TO  
STRUCTURAL DEMAND  
OF  
LOGISTICS SPACE

13

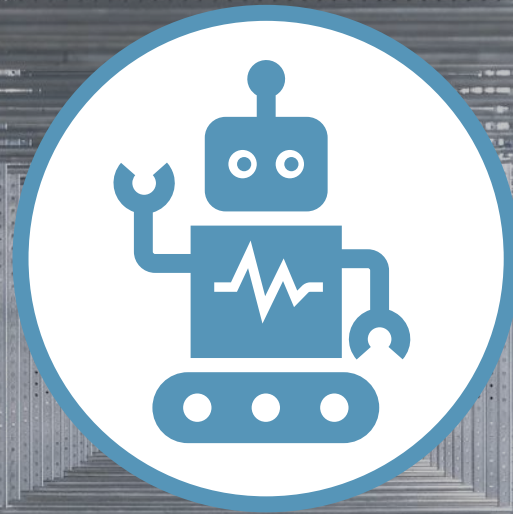
PROJECT AT BLEISWIJK (NL) FOR MEDIQ

# PAL SUPPLY CHAIN



**PERSONALISED**

Products and services



**AUTOMATED**

Manufacturing, delivery  
and planning



**LOCAL**

Production and storage  
facilities



# 9M 2019 ACTIVITY REPORT

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# PURCHASES

Location	Tenant	Lettable area (in m <sup>2</sup> )	Investment budget (in million euros)
2019-23			
NL Zwolle, Galvaniweg	end user	52.000	38
NL De Lier, Jogchem van der Houtweg 84	De Jong	7.700	10
NL Heerlen	land reserve	80.000	8
NL		139.700	56
2019-23			
RO Cluj-Napoca	land reserve	80.000	6
RO		80.000	6
Total		219.700	61

Capex  
61m euros

Gross initial yield<sup>(1)</sup>  
6,1%

(1) Excluding land reserve.



# PROJECTS EXECUTED

Location	Tenant	Delivery date	Lettable area (in m <sup>2</sup> )	Investment budget (in million euros)
<b>2016-20</b>				
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, Snelliuslaan 15	Konings-Zuivel	2Q19	8.000	6
NL Breda	Lidl	3Q19	55.000	27
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
<b>NL</b>				
<b>2016-20</b>				
RO Brazi	Carrefour	3Q19	11.000	5
RO Bucharest - Stefanestii de Jos (5)	LPP	3Q19	22.000	10
RO Bucharest - Stefanestii de Jos (6)	Kitchen Shop	3Q19	2.500	2
<b>2019-23</b>				
RO Bucharest - Dragomiresti	Arcese	3Q19	3.800	2
RO Bucharest - Dragomiresti	Mediapost	3Q19	10.000	5
<b>RO</b>			<b>49.300</b>	<b>24</b>
<b>Total</b>			<b>215.210</b>	<b>136</b>

Capex  
136m euros

Gross initial yield  
6.6%

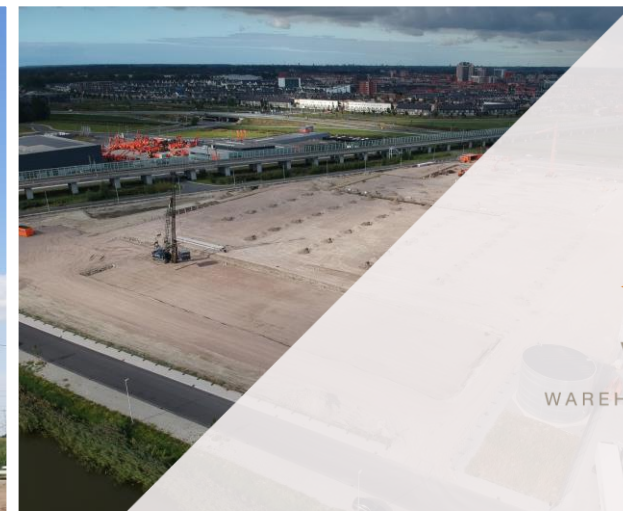


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# RECORD VOLUME OF M<sup>2</sup> UNDER DEVELOPMENT



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# PROJECTS IN EXECUTION (PRE-LET)

9M 2019

Location	Tenant	Delivery date	Lettable area (in m <sup>2</sup> )	Investment budget (in million euros)
<b>2016-20</b>				
BE Tongeren, Heersterveldweg 17	GLS	4Q19	5.000	8
<b>2019-23</b>				
BE Asse - Mollem, Zone 5 nr. 191, 192, 320, 321	AMP	1Q20	9.000	4
BE Courcelles, rue de Liège 25	Conway	3Q20	2.190	2
BE Heppignies, rue de Capilône 6	Cora	1Q20	32.000	16
BE Lokeren	Barry Callebaut	3Q21	60.000	92
BE Nijvel, rue de l'industrie 30	WEG	2Q20	2.000	1
BE WDPort of Ghent	Distrilog	4Q19	10.000	4
<b>BE</b>			<b>120.190</b>	<b>127</b>
<b>2016-20</b>				
LU Bettembourg (Eurohub Sud)	Trendy Foods / Sobolux / end user	1Q20	25.000	12
<b>LU</b>			<b>25.000</b>	<b>12</b>
<b>2019-23</b>				
NL Bleiswijk, cluster I - hal A+B	CEVA Logistics	2Q20	22.000	13
NL Bleiswijk, cluster I - hal C	Drake & Farrell	3Q20	17.000	16
NL Bleiswijk, cluster II	Boland	1Q21	16.400	18
NL Breda, IABC	Lidl	3Q20	5.000	3
NL Den Haag, Westvlietweg	CEVA Logistics	2Q21	26.000	19
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
<b>NL</b>			<b>161.900</b>	<b>135</b>

# PROJECTS IN EXECUTION (PRE-LET)

2016-20					
RO	Bucharest - Stefanestii de Jos (4)	Metro	1Q20	58.000	33
RO	Bucharest - Stefanestii de Jos (7)	Auchan	1Q20	77.000	45
RO	Buzau	Ursus Breweries	3Q20	21.000	13
RO	Deva	Carrefour	3Q20	45.000	24
RO	Sibiu (3)	Aeronamic Eastern Europe	2Q20	4.000	4
2019-23					
RO	Bucharest - Dragomiresti	In commercialisation	4Q20	20.000	11
RO	Bucharest - Stefanestii de Jos	Alcar	3Q20	10.000	5
RO	Bucharest - Stefanestii de Jos	Lecom	2Q20	2.600	1
RO	Bucharest - Stefanestii de Jos	Aggreko	1Q20	2.000	2
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	3Q20	62.000	40
RO				354.700	202
Total				661.790	477

Capex  
477m euros<sup>(1)</sup>

Gross initial yield<sup>(2)</sup>  
7.2%

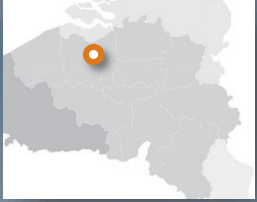
(1) Cost to date: 225m euros.

(2) Gross yield in the Benelux: 6.2% and in Romania: 8.3%.



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LOW BAY

FULLY-AUTOMATED  
HIGH BAY

DIRECT ACCESS  
E17 MOTORWAY  
PORT OF ANTWERP

WDP LOKEREN

BARRY CALLEBAUT

ENERGY-NEUTRAL

WORLD'S LARGEST CHOCOLATE  
GLOBAL DISTRIBUTION CENTER

# WDP BLEISWIJK



2014

10,000 m<sup>2</sup>  
MRC Tansmark



2018

73,000 m<sup>2</sup>  
Mediq | Total Exotics | Misi |  
Toolstation | Konings-Zuivel |  
Hoogsteder



2021

55,000 m<sup>2</sup>  
Drake & Farrell | Boland | CEVA Logistics



10,000 M<sup>2</sup>

80,000 M<sup>2</sup>

140,000 M<sup>2</sup>

# DEVELOPMENT POTENTIAL<sup>(1)</sup>

Fair value<sup>(1)</sup>

96m  
euros

Potential<sup>(2)</sup>

>1,000,000  
m<sup>2</sup>

BE-LU-FR

290,000 m<sup>2</sup>

NL

200,000 m<sup>2</sup>

RO

>500,000 m<sup>2</sup>

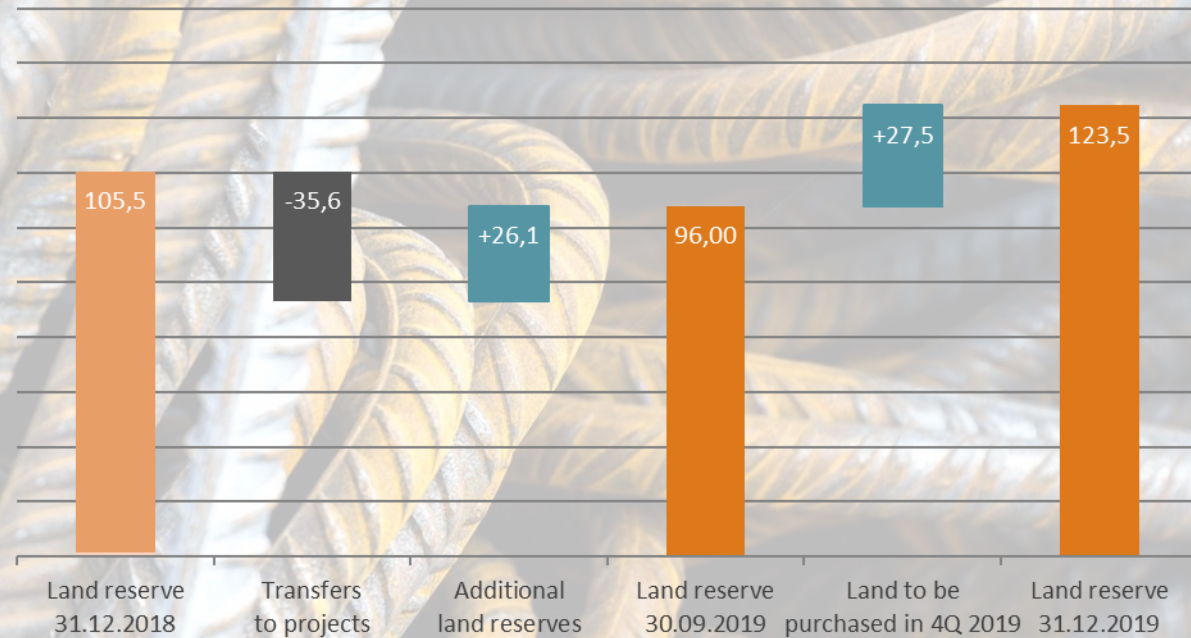
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(1) Uncommitted development potential. The 96m euros refers to the fair value of the (freehold) land reserves in the balance sheet.

(2) Initiation subject to pre-letting, secured financing and permits. The potential buildable surface also incorporates development potential on several leasehold land plots (BE: WDPort of Ghent and Trilogiport, NL: Amsterdam, LU: Eurohub Sud) on which WDP has an exclusive option on the concession and three land plots (NL: Schiphol, Heerlen and Bleiswijk) for which WDP has taken a commitment for future acquisition for a total amount of 28 million euros.

# DEVELOPMENT POTENTIAL

KEY  
COMMERCIAL  
DIFFERENTIATOR



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LAND RESERVES CONTINUOUSLY BEING REPLENISHED<sup>(1)</sup>

(1) Excluding land purchases for projects for which a tenant has been found in advance (e.g. Lokeren project for Barry Callebaut).



# BROADENING & GEOGRAPHICAL COVERAGES CUSTOMER SERVICE



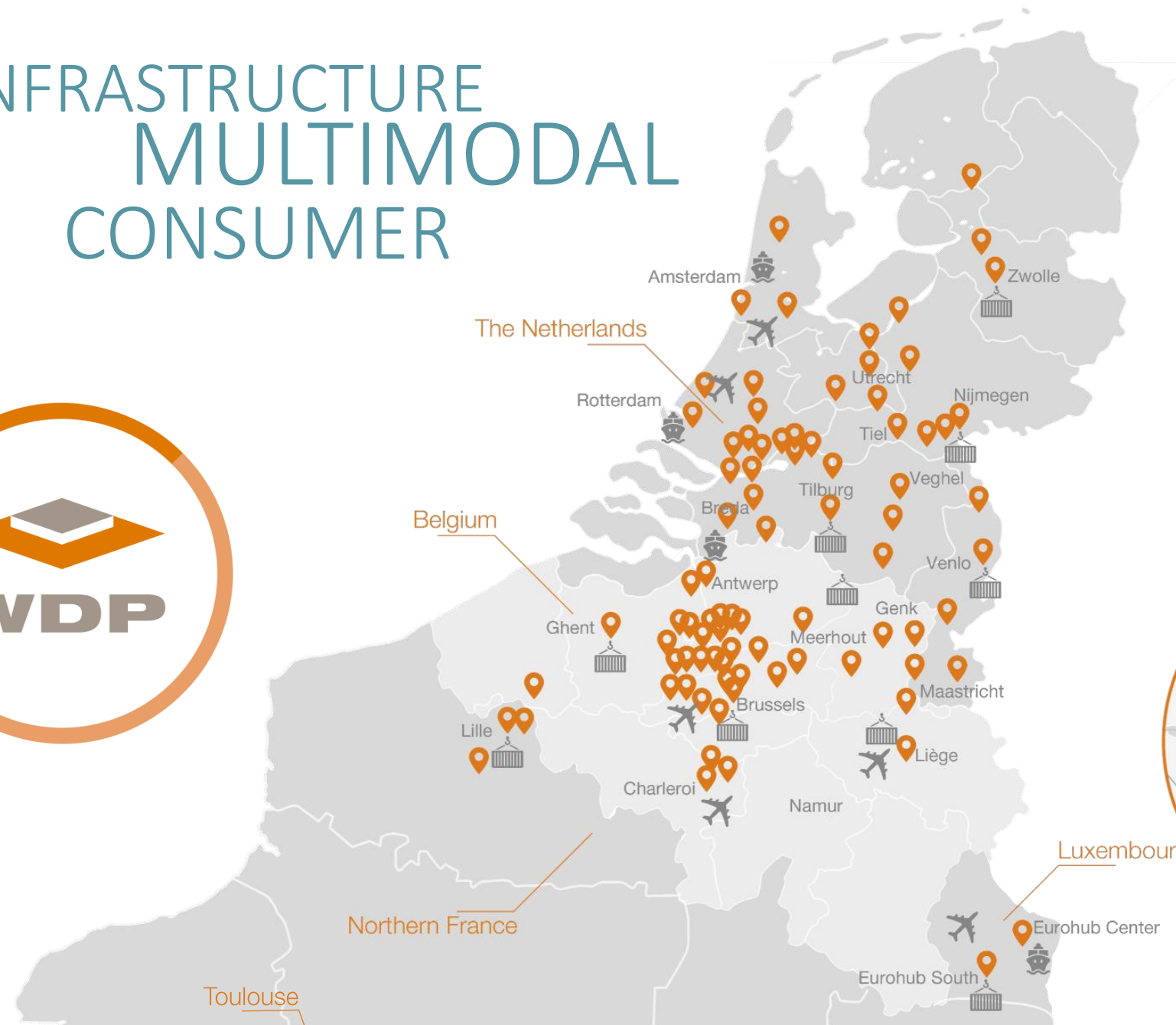
Joint venture (50/50) WDP/VIB Vermögen<sup>(1)</sup>

Nordrhein-Westfalen, Bremen and Hamburg

## PORTFOLIO EXPANSION

(1) 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.

# INFRASTRUCTURE MULTIMODAL CONSUMER



# PORTFOLIO FAIR VALUE SPLIT<sup>(1)</sup>

9M 2019

	BELGIUM	NETHERLANDS	FRANCE	LUXEMBOURG	ROMANIA	WDP GROUP
Fair value	1.269m euros	1.795m euros	123m euros	37m euros	568m euros	3.792m euros
Buildings	1.803.168 m <sup>2</sup>	2.081.394 m <sup>2</sup>	192.574 m <sup>2</sup>	32.746 m <sup>2</sup>	678.023 m <sup>2</sup>	4,8m m <sup>2</sup>
Land	3.507.001 m <sup>2</sup>	3.769.986 m <sup>2</sup>	428.461 m <sup>2</sup>	56.007 m <sup>2</sup>	4.269.206 m <sup>2</sup>	12,0m m <sup>2</sup>
Average lease length till first break	4,5y	6,3y	3,3y	9,2y	6,2y	5,6y
Vacancy rate	5,1%	1,9%	2,4%	0,0%	0,8%	2,8%
Gross yield (incl. ERV unlet)	6,3%	6,0%	6,3%	6,4%	8,1%	6,4%
EPRA net initial yield	5,6%	5,3%	5,7%	5,2%	7,6%	5,7%

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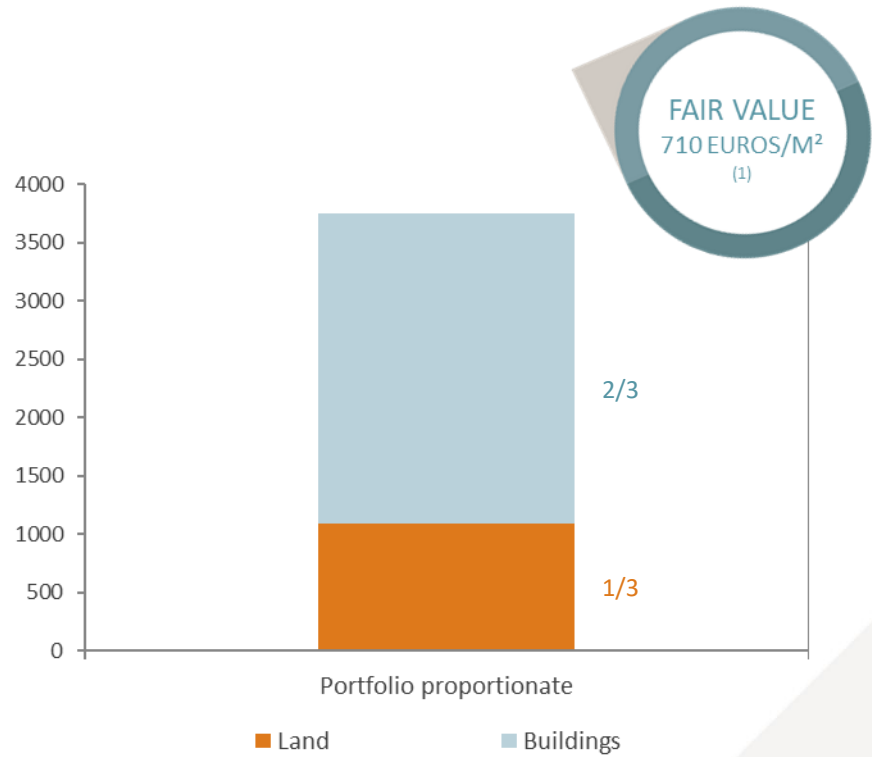
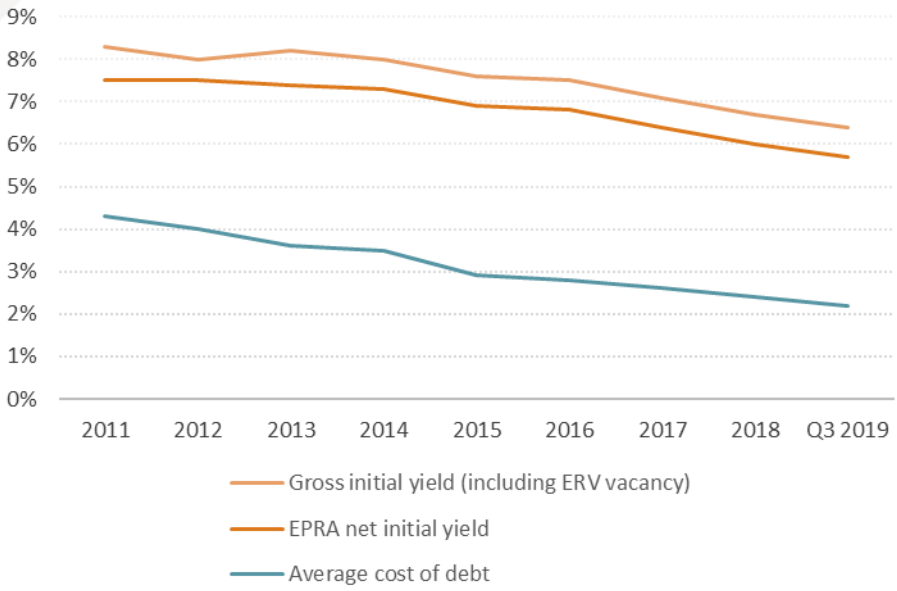
(1) Excluding solar panels and including projects, land reserve and assets held for sale. Vacancy rate excluding solar panels (EPRA definition). Including the proportional share of WDP in the portfolio of the joint ventures (mainly WDP Luxembourg at 55%). In the IFRS accounts, those joint ventures are reflected through the equity method.



**WDP**

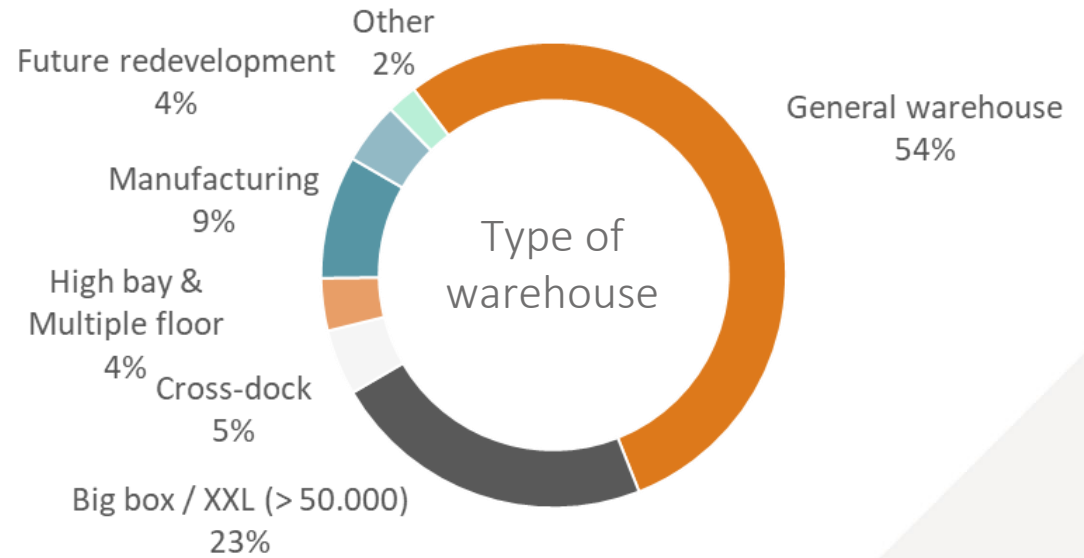
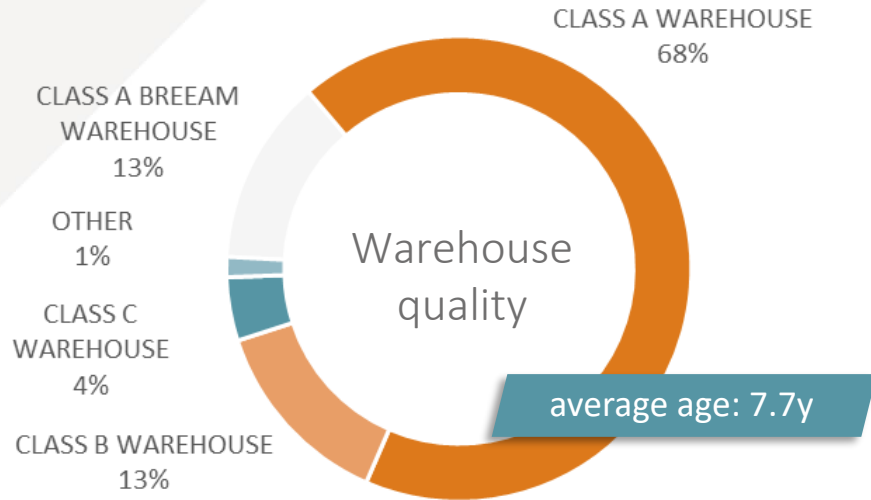
WAREHOUSES WITH BRAINS

# EVOLUTION PORTFOLIO YIELD



(1) Calculated on a warehouse square meter equivalent basis.

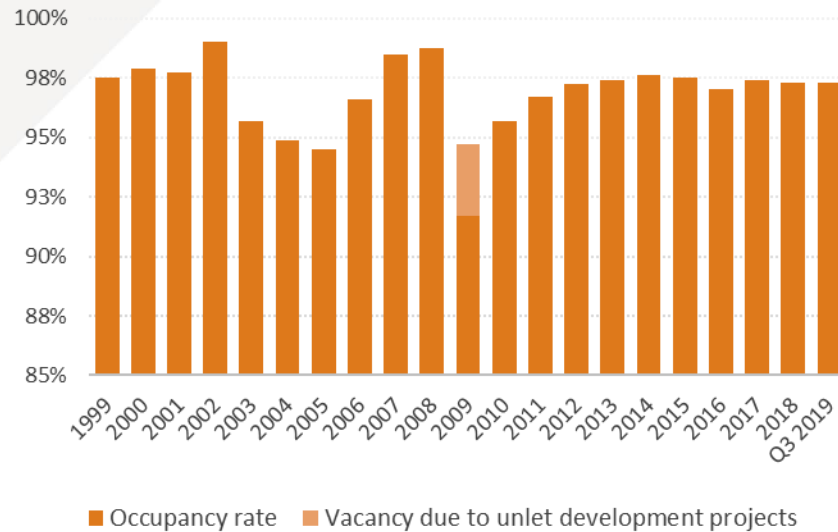
# HIGH-QUALITY PORTFOLIO



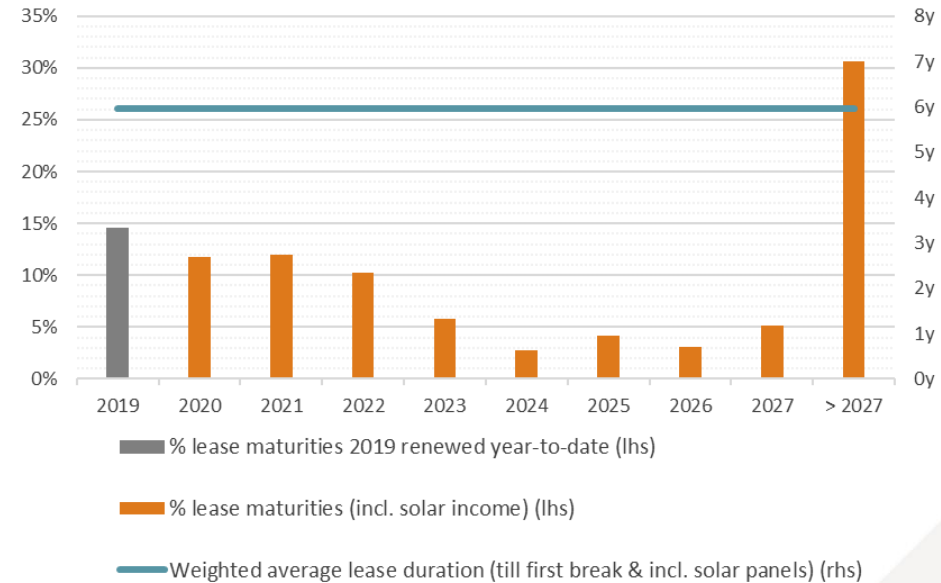
- ▶ Locations on strategic logistic corridors
- ▶ Robust building quality, integrating sustainability & flexibility throughout lifecycle
- ▶ Diversified portfolio and integrated facility management to tailor clients' needs

# OCCUPANCY

Historical occupancy rate



Lease maturity profile (till first break)

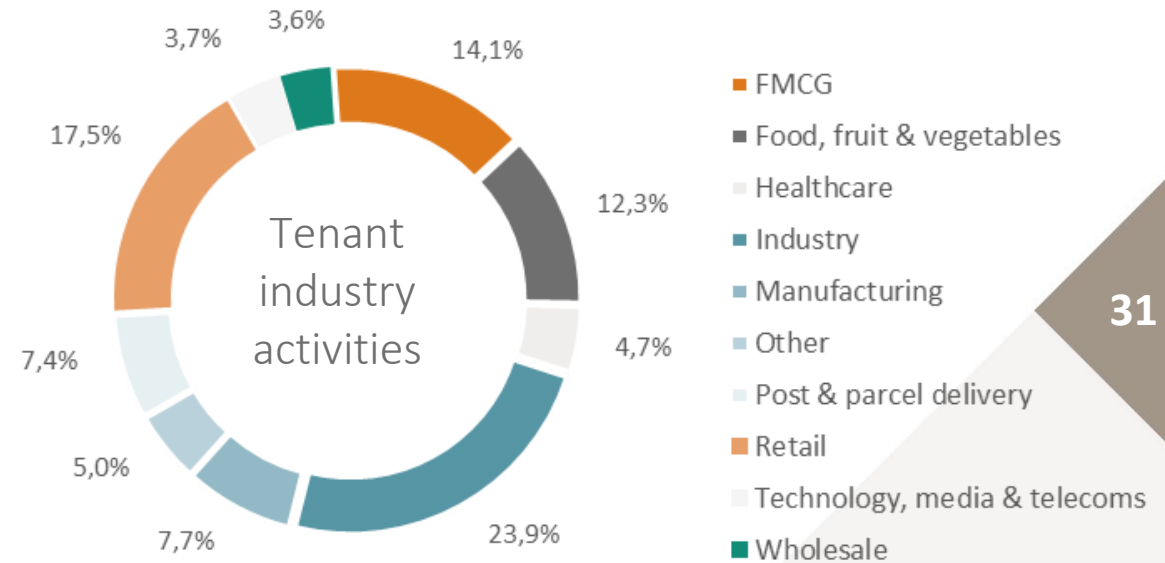
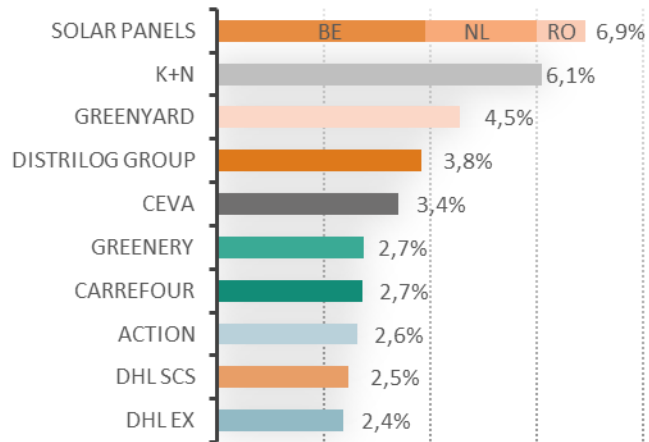


## HIGH OCCUPANCY AND STRONG CUSTOMER RETENTION

- ▶ Occupancy rate 97.3% on 30 September 2019 (vs. 97.5% end 2018)
- ▶ Lease renewal rate of circa 90% over the last 5 years
- ▶ Already 99% of the 15% of leases maturing in 2019 extended
- ▶ Lease duration (incl. solar panels) till first break: 5.9y (7.4y till expiration)

# DIVERSIFIED CLIENT BASE

Top-10 tenants (~40%)(1)



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40% 3PL    60% end user

8% dedicated e-commerce

## WELL-SPREAD TENANT PROFILE

- ▶ Active in multiple industries and predominantly large (inter)national corporates
- ▶ Healthy mix between end-users and logistic service providers
- ▶ Top tenants spread over multiple buildings/businesses/countries (max. building risk <5%)

(1) Every tenant out of the top-10 is located at different locations within the property portfolio.

# CONSOLIDATED RESULTS

Analytical P&L (in euros x 1 000)	9M 2019	9M 2018	Δ y/y (abs.)	Δ y/y (%)
Rental income, net of rental-related expenses	149.856	127.751	22.105	17,3%
Indemnification related to early lease terminations	611	-20	631	n.r.
Income from solar energy	13.129	12.463	666	5,3%
Other operating income/costs	-1.779	-539	-1.240	n.r.
<b>Property result</b>	<b>161.816</b>	<b>139.655</b>	<b>22.162</b>	<b>15,9%</b>
Property charges	-5.263	-4.498	-766	17,0%
General company expenses	-8.271	-6.906	-1.365	19,8%
<b>Operating result (before the result on the portfolio)</b>	<b>148.282</b>	<b>128.251</b>	<b>20.032</b>	<b>15,6%</b>
Financial result (excluding change in the fair value of the financial instruments)	-30.163	-24.157	-6.006	24,9%
Taxes on EPRA Earnings	-1.295	-945	-350	n.r.
Deferred taxes on EPRA Earnings	-575	-286	-289	n.r.
Share in the result of associated companies and joint ventures	495	249	246	n.r.
Minority interests	-2.776	-1.891	-886	46,8%
<b>EPRA Earnings</b>	<b>113.967</b>	<b>101.220</b>	<b>12.747</b>	<b>12,6%</b>
Change in the fair value of investment properties (+/-)	195.377	93.184	102.193	n.r.
Result on disposal of investment property (+/-)	-222	-417	195	n.r.
Deferred taxes on the result on the portfolio (+/-)	-4.417	-1.195	-3.221	n.r.
Share in the result of associated companies and joint ventures	2.098	622	1.476	n.r.
<b>Result on the portfolio</b>	<b>192.836</b>	<b>92.193</b>	<b>100.643</b>	<b>n.r.</b>
Minority interests	-864	-668	-196	n.r.
Result on the portfolio - Group share	191.972	91.526	100.447	n.r.
Change in the fair value of financial instruments - Group share	-68.520	5.605	-74.125	n.r.
Depreciation and write-down on solar panels - Group share	-4.818	-4.072	-746	n.r.
<b>Net result (IFRS)</b>	<b>235.857</b>	<b>196.673</b>	<b>39.184</b>	<b>n.r.</b>
Minority interests	-3.256	-2.394	-862	n.r.
<b>Net result (IFRS) - Group share</b>	<b>232.601</b>	<b>194.279</b>	<b>38.322</b>	<b>n.r.</b>



# CONSOLIDATED RESULTS

Operational (%)	9M 2019	9M 2018	Δ y/y (abs.)	% Growth
Occupancy rate <sup>(1)</sup>	97,3%	97,5%	-0,2%	n.r.
Like-for-like rental growth	1,6%	1,7%	-0,1%	n.r.
Operating margin <sup>(2)</sup>	91,6%	91,8%	-0,2%	n.r.
Per share data	9M 2019	9M 2018	Δ y/y (abs.)	% Growth
EPRA Earnings	4,91	4,55	0,36	7,9%
Result on the portfolio - Group share	8,27	4,11	4,15	n.r.
Change in the fair value of financial instruments - Group share	-2,95	0,25	-3,20	n.r.
Depreciation and write-down on solar panels - Group share	-0,21	-0,18	-0,02	n.r.
Net result (IFRS) - Group share	10,01	8,73	1,28	n.r.
Dividend	5,20	4,80	0,40	8,3%
Weighted average number of shares	23.225.748	22.250.056	975.692	4,4%

(1) Including the proportional share of WDP in the portfolio of the joint ventures (mainly WDP Luxembourg at 55%).

(2) Including solar panels.



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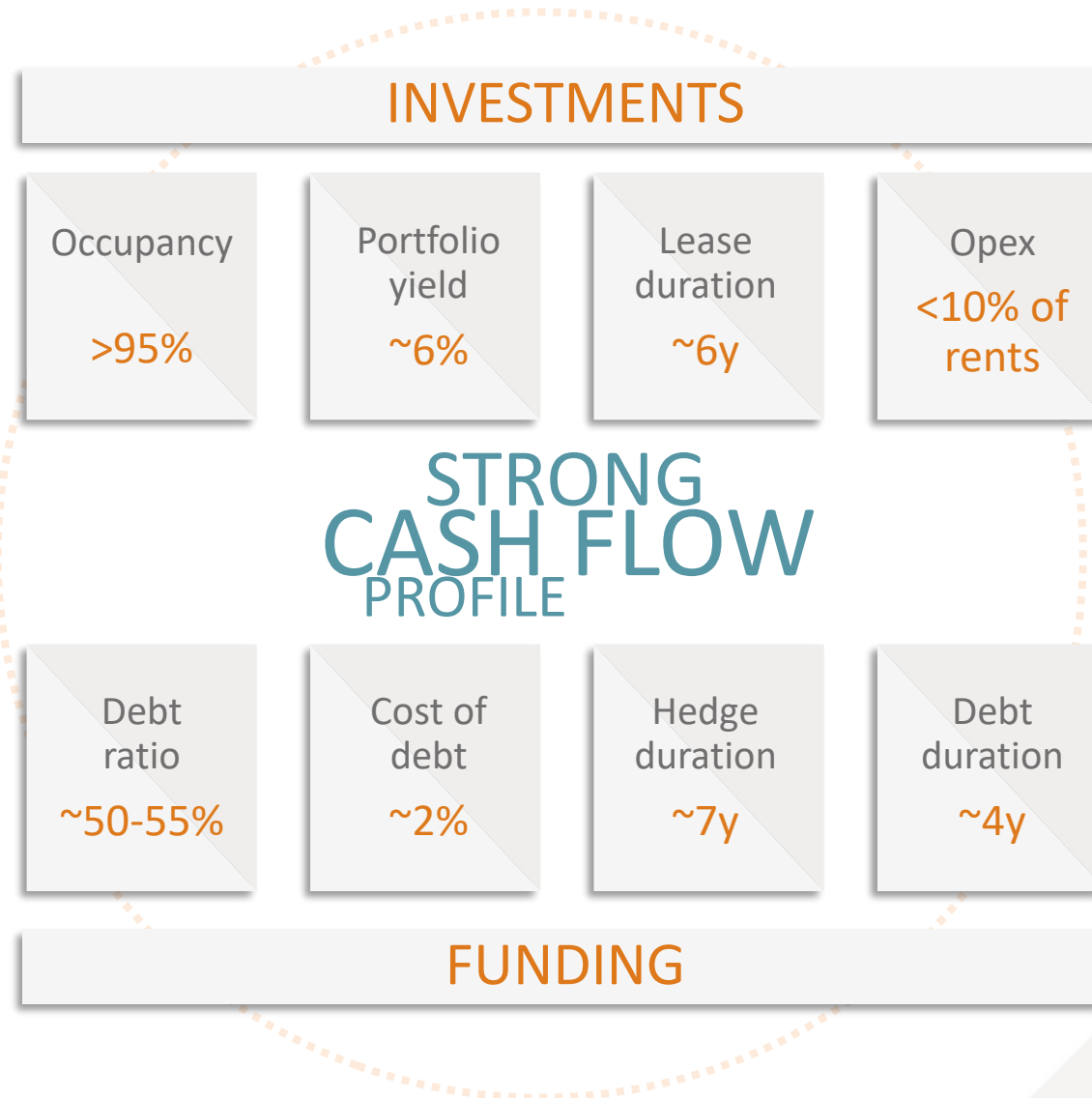
# CONSOLIDATED B/S

in euros x 1 000	30.09.2019	31.12.2018	Δ y/y (abs.)	Δ y/y (%)
Intangible fixed assets	340	252	88	n.r.
Investment properties	3.739.516	3.299.864	439.653	13,3%
Other tangible fixed assets (solar panels inclusive)	124.132	120.426	3.706	3,1%
Financial fixed assets	4.743	7.877	-3.134	-39,8%
Trade debtors and other fixed assets	5.608	4.972	636	12,8%
Deferred tax asset	0	0	0	0%
Participations in associated companies and joint ventures	18.784	10.636	8.148	76,6%
<b>Fixed assets</b>	<b>3.893.124</b>	<b>3.444.026</b>	<b>449.098</b>	<b>13,0%</b>
Assets held for sale	10.158	739	9.418	n.r.
Trade receivables	16.200	9.987	6.213	n.r.
Tax receivables and other current assets	37.173	18.990	18.183	n.r.
Cash and cash equivalents	769	1.724	-955	n.r.
Deferrals and accruals	3.733	7.867	-4.134	n.r.
<b>Current assets</b>	<b>68.033</b>	<b>39.307</b>	<b>28.726</b>	<b>n.r.</b>
<b>Total assets</b>	<b>3.961.157</b>	<b>3.483.333</b>	<b>477.824</b>	<b>13,7%</b>
Capital	179.210	176.684	2.526	1,4%
Share premiums	686.874	646.286	40.587	6,3%
Reserves	646.192	428.767	217.425	50,7%
Net result for the financial year	232.601	328.784	-96.183	-29,3%
<b>Equity capital attributable to the shareholders of the parent</b>	<b>1.744.877</b>	<b>1.580.521</b>	<b>164.355</b>	<b>10,4%</b>
Minority interests	43.403	29.994	13.409	44,7%
<b>Equity capital</b>	<b>1.788.280</b>	<b>1.610.516</b>	<b>177.765</b>	<b>11,0%</b>
Long-term financial debt	1.588.974	1.476.586	112.388	7,6%
Other long-term liabilities	171.206	100.750	70.456	69,9%
<b>Long-term liabilities</b>	<b>1.760.180</b>	<b>1.577.336</b>	<b>182.844</b>	<b>11,6%</b>
Short-term financial debt	339.810	221.165	118.645	53,6%
Other short-term liabilities	72.886	74.316	-1.430	-1,9%
<b>Short-term liabilities</b>	<b>412.696</b>	<b>295.481</b>	<b>117.215</b>	<b>39,7%</b>
<b>Total liabilities</b>	<b>3.961.157</b>	<b>3.483.333</b>	<b>477.824</b>	<b>13,7%</b>

# CONSOLIDATED B/S

Metrics	30.09.2019	31.12.2018	Δ y/y (abs.)	Δ y/y (%)
IFRS NAV	74,6	68,5	6,1	8,8%
EPRA NAV	80,2	71,2	9,1	12,7%
EPRA NNNAV	74,2	68,2	6,0	8,8%
Share price	168,4	115,2	53,2	46,2%
Premium / (discount) vs. EPRA NAV	109,9%	61,9%	48,0%	n.r.
Loan-to-value	50,1%	50,0%	0,1%	n.r.
Debt ratio (proportionate)	51,5%	51,8%	-0,3%	n.r.





# FINANCIAL MANAGEMENT

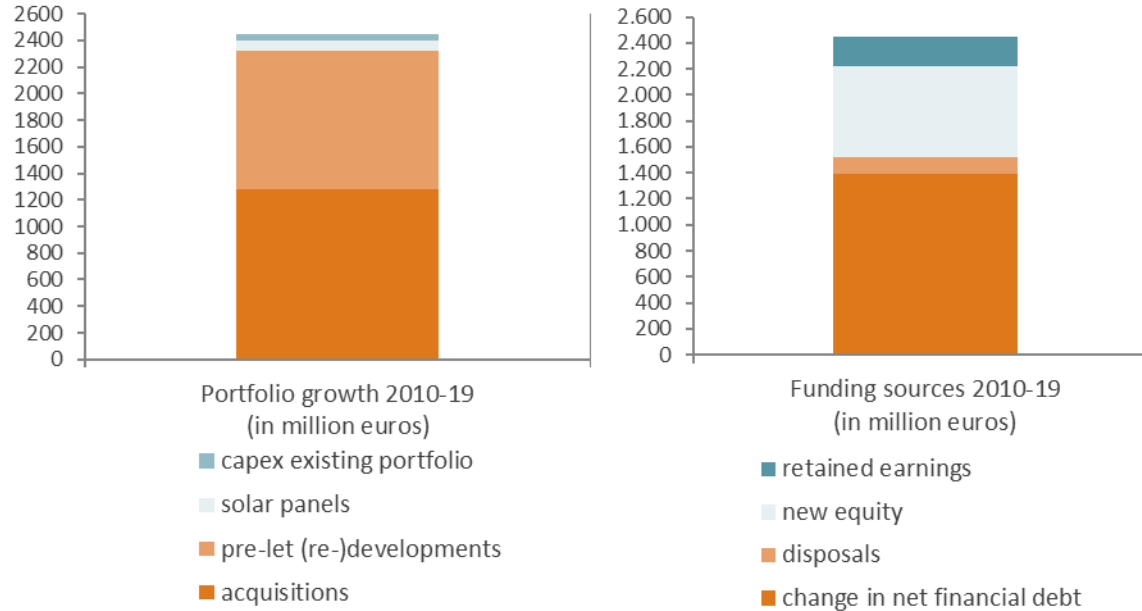


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- ▶ Balanced and stable capital structure
- ▶ Retained earnings and stock dividend adding 85m euros of equity in 2019

(1) The net debt / EBITDA (adj.) is calculated starting from the IFRS accounts as follows: in the numerator taking into account the trailing-twelve-months EBITDA but adjusted to reflect the annualized impact of acquisitions/developments/disposals; in the denominator taking into consideration the net financial indebtedness adjusted for the projects under development multiplied by the loan-to-value of the group (as these projects are not yet income contributing but already (partially) financed on the balance sheet).

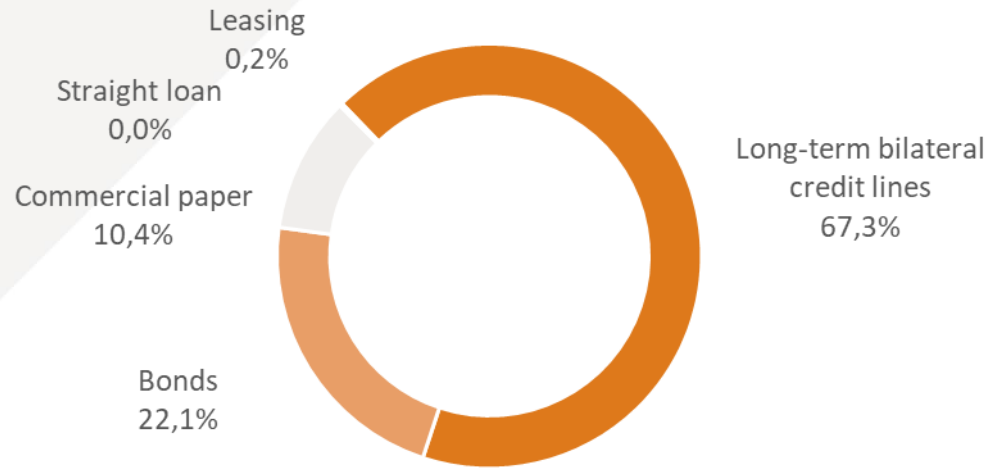
# MAINTAINING BALANCED CAPITAL STRUCTURE



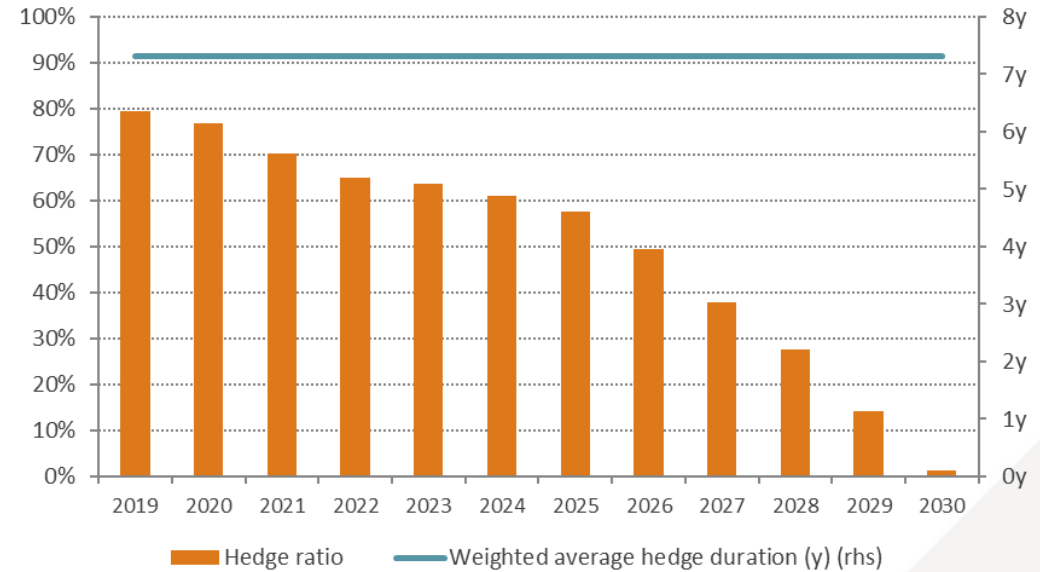
- ▶ Total investment volume of ca. 2.4bn euros in 2010-19
- ▶ Matching investments with synchronized debt and equity issuance

# FINANCING STRUCTURE

Debt composition



Evolution hedge ratio



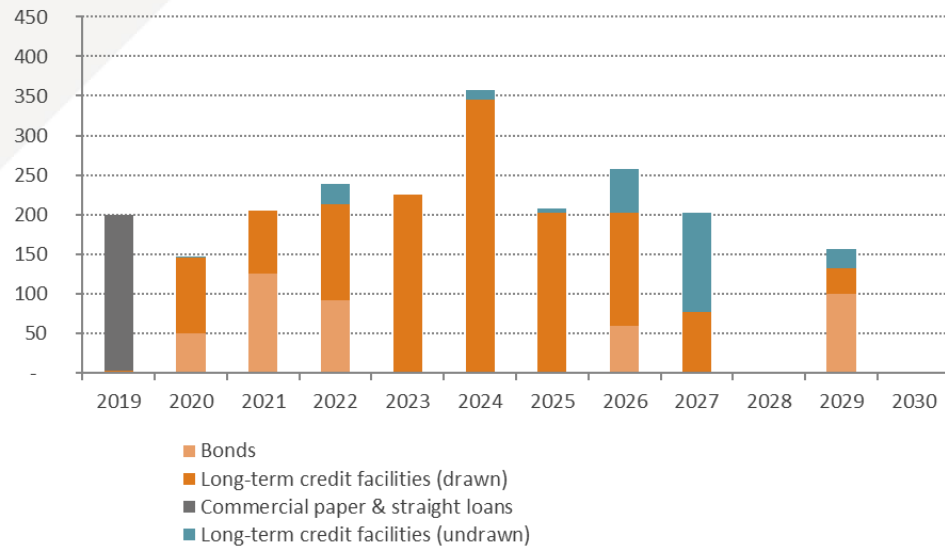
## SOLID DEBT METRICS AND ACTIVE LIQUIDITY MANAGEMENT

- ▶ Committed undrawn long-term credit lines of 300m euros<sup>(1)</sup>
- ▶ ICR at 4.6x based on long-term visibility and hedge ratio (at 80%)
- ▶ Cost of debt at 2.2% for 9M 2019, guidance for 2.2% in FY 2019
- ▶ Interest rate sensitivity: +100bps Euribor, -2.0% EPRA EPS

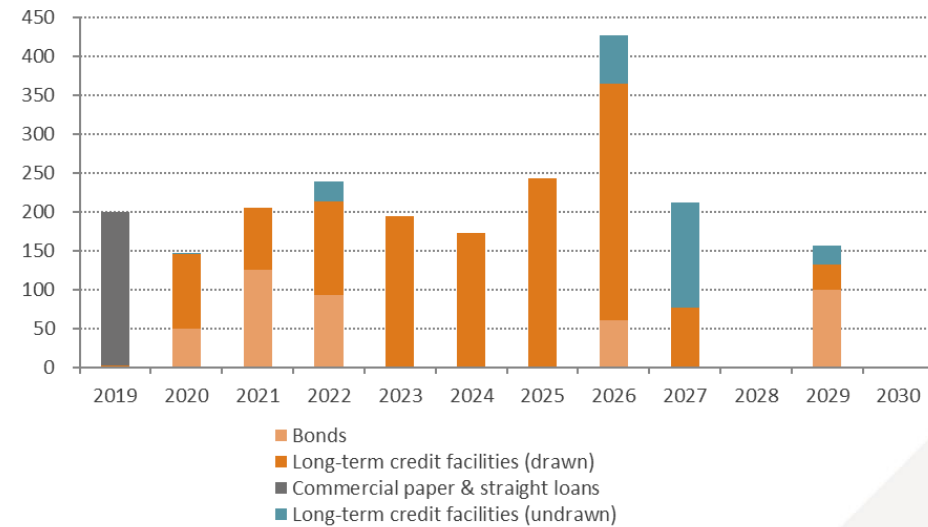
(1) Excluding the back-up facilities to cover the commercial paper program and available short-term credit facilities.

# FINANCING STRUCTURE

Debt maturities (min.) <sup>(1)</sup>



Debt maturities (max.) <sup>(1)</sup>



## WELL-SPREAD DEBT MATURITIES

- ▶ Balanced mix of funding sources
- ▶ Duration of outstanding debt of 4.4y (incl. commercial paper)
- ▶ Duration of long-term credit facilities of min. 5.1y and max. 5.3y<sup>(1)</sup>

(1) Some loans are structured with a renewal option at the discretion of the lenders. The minimum loan duration assumes these renewal options are not exercised. The maximum loan duration assumes the loans are rolled over at the date of the renewal.





wehkamp

OUTLOOK 2019

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# OUTLOOK 2019

## SUSTAINED OPERATIONAL AND FINANCIAL METRICS



(1) Based on the situation and prospects as at today and barring unforeseen events (such as a material deterioration of the economic and financial environment) and a normal level of solar irradiation.



**WDP**

WAREHOUSES WITH BRAINS

# OUTLOOK 2019

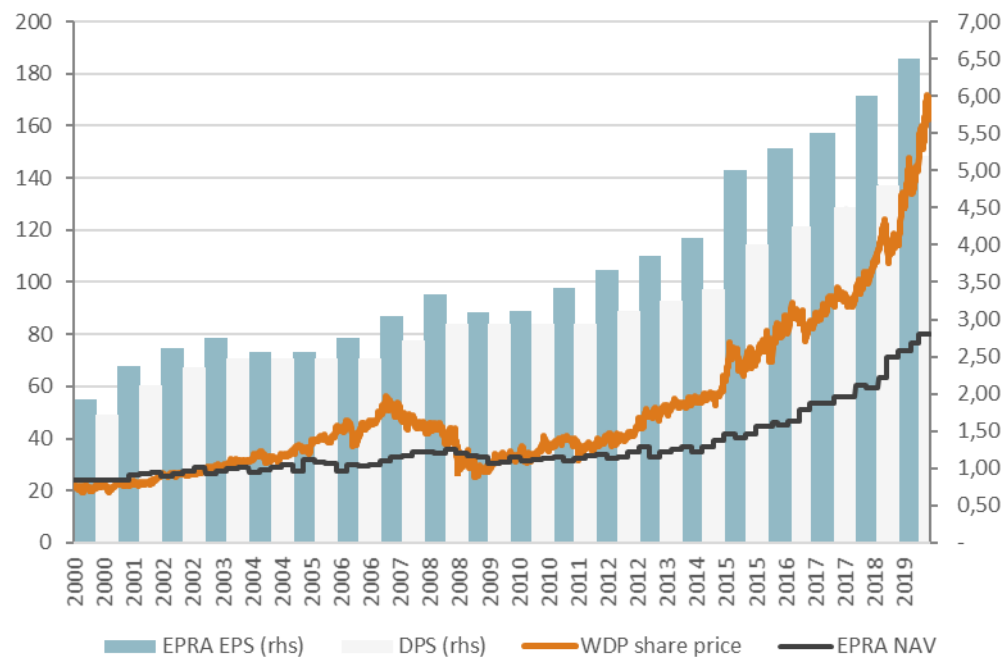
- ▶ EPRA EPS 2019: 6.50 euros
  - ▶ Increase of +8% y/y
  - ▶ Based on EPRA Earnings of circa 152m euros in absolute terms
  
- ▶ Underlying assumptions 2019
  - ▶ Strong impact of development completions in 2018-19
  - ▶ Occupancy rate projected to be minimum 97% on average throughout 2019
  - ▶ High lease renewal rate (15% lease expiries in 2019, of which already 99% renewed)
  - ▶ Debt ratio around 52% end 2019 and average cost of debt of 2.2%
  
- ▶ DPS 2019: 5.20 euros (gross)
  - ▶ Equivalent to +8% y/y in line with projected EPS growth rate
  - ▶ Based on a low pay-out ratio

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(1) Based on the situation and prospects as at today and barring unforeseen events (such as a material deterioration of the economic and financial environment) and a normal level of solar irradiation.

# SHARE STATISTICS



- ▶ EPRA NAV per share of 80.2 euros and Replacement NAV<sup>(1)</sup> per share of 86.7 euros at 30 September 2019
- ▶ Market cap of ~3.9bn euros
- ▶ Free float of 75% - Family Jos De Pauw 25%



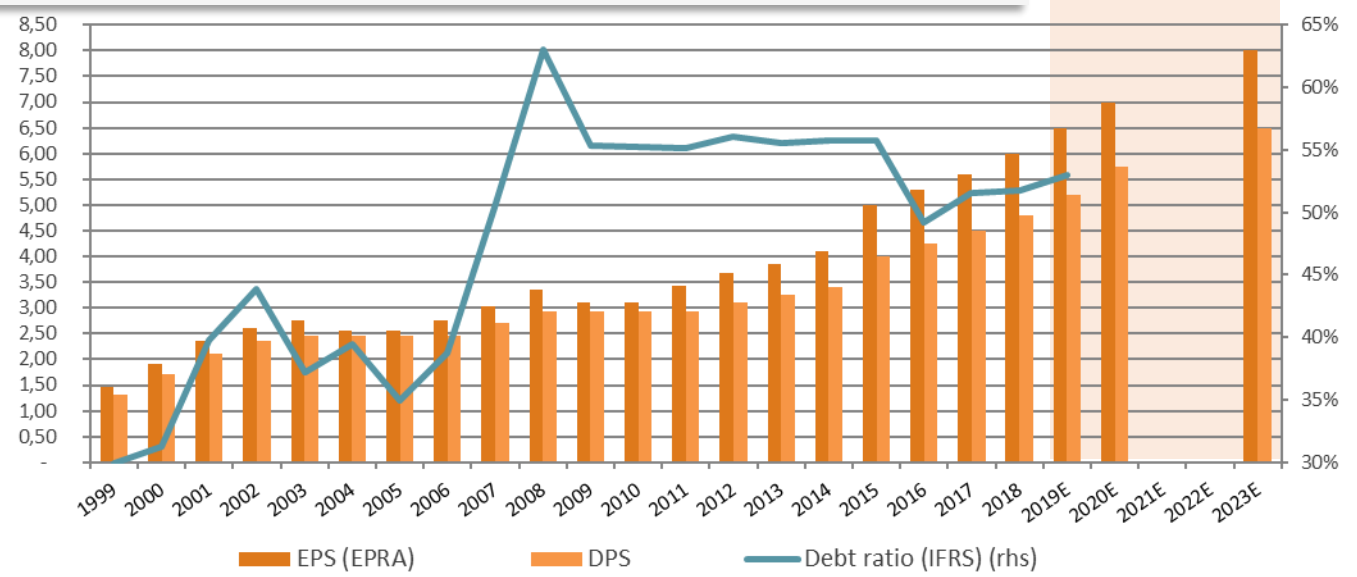
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(1) Replacement NAV: WDP adds to the EPRA NAV per share estimated transfer taxes resulting in a Replacement NAV. This corresponds to the amount of equity needed to replicate the Group's portfolio with its current financial structure.



# CONSISTENT PERFORMANCE

## 20 YEARS ON THE STOCK EXCHANGE



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## EARNINGS GROWTH BASED ON CONSTANT CAPITAL STRUCTURE

- ▶ Creating long-term growth and profitability
- ▶ Efficient deployment of capital (debt and equity)
- ▶ Expected EPRA EPS growth 2019-23E: +33% from 6.00 to 8.00 euros



ENVIRONMENTAL

SOCIAL

GOVERNANCE

# WDP ESG ROADMAP 2019-23

SUSTAINABLE  
EMPLOYMENT

SUSTAINABLE  
ENTREPRENEURSHIP

CORPORATE CULTURE  
RECRUITING AND RETAINING TALENT  
HEALTH AND SAFETY  
EMPLOYEE DEVELOPMENT

DIGITALISATION  
ENERGY EFFICIENCY  
CORPORATE GOVERNANCE

POSITIONED FOR SUSTAINABLE FUTURE

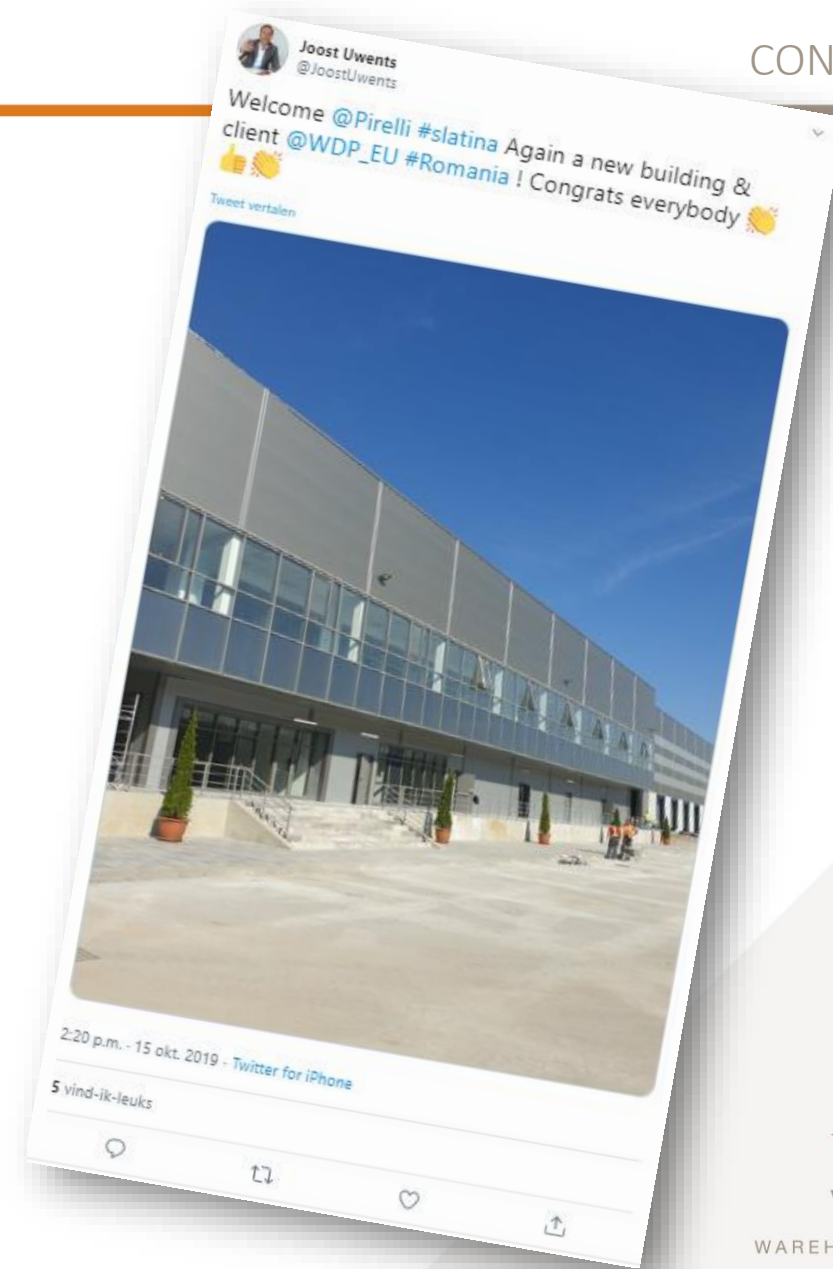


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**APM (Alternative Performance Measure)**

An alternative performance measure is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

**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. (APM)

**Change in the fair value of financial instruments**

The change in fair value of financial assets and liabilities (non-cash item) are calculated based on the mark-to-market (M-t-M) value of the interest rate hedges entered into.

**EPRA (European Public Real Estate Association)**

A pan-European association of listed property companies dedicated to promoting the industry, implementing best practices for accounting, reporting and corporate governance, delivering qualitative data to investors and a think tank dedicated to key issues facing the industry ([www.epra.com](http://www.epra.com)). EPRA is a registered trade mark of European Public Real Estate Association.

**EPRA cost ratio (including direct vacancy costs)**

All administrative and operating expenses (including direct vacancy costs), divided by the gross rental income. (APM)

**EPRA cost ratio (excluding direct vacancy costs)**

All administrative and operating expenses (excluding direct vacancy costs), divided by the gross rental income. (APM)

**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). (APM)

**EPRA Earnings per share**

The EPRA Earnings per share is the EPRA Earnings based on the weighted average number of shares. (APM)

**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). (APM)

**EPRA NNAV Triple Net Asset Value**

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). (APM)

**WDP**

WAREHOUSES WITH BRAINS



**Fair value**

The fair value is defined in IAS 40 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. In addition, market value must reflect current rental agreements, the reasonable assumptions in respect of potential rental income and expected costs.

**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. (APM)

**Free float**

Percentage of the shares held by the general public. According to the EPRA and Euronext definition, this is all shareholders who individually own less than 5% of the total number of shares.

**Gearing ratio (proportional)**

Statutory ratio calculated on the basis of the GVV/SIR regulations by dividing the financial and other liabilities by the total assets. See the GVV/SIR Royal Decree of 13 July 2014 for the gearing ratio calculation method.

**Gearing ratio (IFRS)**

The gearing ratio (IFRS) is calculated in the same manner as the gearing ratio (proportional) in accordance with the Belgian Royal Decree on Regulated Real-Estate Investment Companies (the 'GVV-KB'), but based on a consolidated balance sheet in accordance with IFRS that incorporates joint ventures using the equity method. (APM)

**Hedge ratio**

Percentage of fixed-rate and floating-rate debts hedged against interest rate fluctuations by means of derivatives. This economic parameter is not a compulsory parameter under the Belgian Regulated Real Estate Investment Companies Act (the GVV/SIR Law). (APM)

**Interest Rate Swap (IRS)**

A transaction in which the parties swap interest rate payments for a given duration. WDP uses interest rate swaps to hedge against interest rate increases by converting current interest payments into fixed interest payments.

**IFRS NAV**

The IFRS NAV is calculated as the shareholders' equity as per IFRS divided by the total number of shares entitled to dividend on the balance sheet date.

**Like-for-like growth**

Organic growth of the gross rental income year-on-year, excluding development projects, acquisitions and disposals during both periods of this comparison. (APM)



**Loan-to-value**

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. (APM)

**Market capitalization**

Closing price on the stock market, multiplied by the number of shares outstanding on that date.

**Occupancy rate**

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

**Operating margin**

The operating margin is calculated by dividing net operating result (before the result on the portfolio) by the property result. (APM)

**Optional dividend**

In an optional dividend, the dividend receivable linked to a specific number of existing shares entitles the owner to a single new share at an issue price per share that may entail a discount on the list price (based on an average share price for a specific period or otherwise). The issue of shares as part of the optional dividend is subject to the general company law regarding capital increases. If a cash contribution is made in addition to a contribution in kind as part of the payment of an optional dividend, the special provisions of Section 26, §1 of the Law of 12 May 2014 on capital increases in cash are declared not applicable under law if this optional dividend is made payable for all shareholders. The special rules regarding contributions in kind in a GVV/SIR, as provided for in Article 26, §2 of the Law of 12 May 2014 do not apply either, provided specific conditions are satisfied.

**Result on the portfolio (including share joint ventures)**

Realised and unrealised capital gains/loss with respect to the latest valuation by the 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. (APM)

**Result on the portfolio (including share joint ventures) per share**

This is the result on the portfolio based on the weighted average number of shares. (APM)



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

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

