

# 9M 2017 RESULTS

8 NOVEMBER  
2017




**WDP**

WAREHOUSES WITH BRAINS

# AGENDA

- > Highlights 9M 2017
- > Roll-out growth plan 2016-20
- > Built on strong fundamentals
- > 9M 2017
  - > Operational review
  - > Portfolio metrics
  - > Highlights
  - > Results analysis
  - > Financing structure
- > Outlook 2017
- > WDP share

 Entrepreneur of the Year®  
Onderneming van het Jaar® 2017



# HIGHLIGHTS 9M 2017

## STRONG DEAL SOURCING

strong  
business activity

Occupancy rate sustained  
~97%

New investments secured  
200m euros

confirmed  
earnings ambition<sup>(\*)</sup>

EPRA EPS 2017  
5.50 euros

EPRA EPS 2020  
>6.50 euros



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*(\*) 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.*

# GROWTH PLAN 2016-20

## ROLL-OUT SCORECARD AS OF 9M 2017



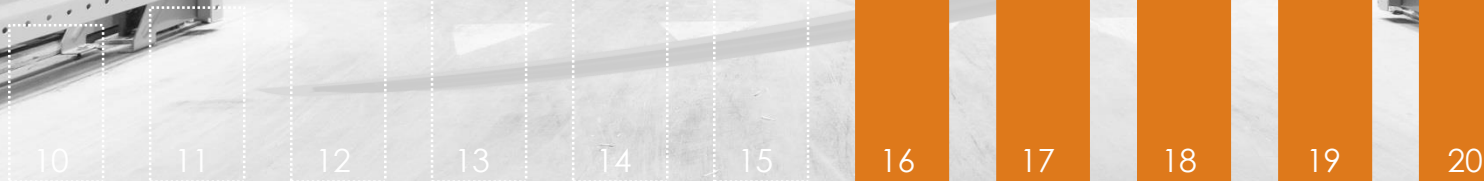
(\*) Including solar projects. This concerns 10MWp out of the 25MWp capacity to be installed in phase 2 of the solar panel programme in the Netherlands for which commercial contracts have been secured. The total programme for phase 2 of 25MWp is envisaged to be fully operational by end 2018.

(\*\*) The identification rate of ca. 55% was realized after 35% of the time lapsed. The package of 550 million euros investments refers to new projects and acquisitions identified within the context of the growth plan 2016-20 in which 1bn euros portfolio growth is envisaged. These are secured investments which are already reflected in the balance sheet or are in execution.



## Growth plan 2016-20

- > Capitalize on existing portfolio, clients and platform
- > Structural drivers underpinning demand for logistics space
- > Consolidating market leadership through repeat business
- > Improved access to funding through size





# GROWTH PLAN

## 2016-20

### 9M 2017 GUIDANCE

Portfolio growth

# 1bn

euros

EPS growth

# 30%

cumulatively

EPS

# >6.50

euros

Portfolio

# 3bn

euros

DPS

# 5.25

euros

Faster execution  
Focus on developments  
Lower cost of debt

### 2016 INITIAL GUIDANCE

Portfolio growth

# 1bn

euros

EPS growth

# 25%

cumulatively

EPS

# >6.25

euros

Portfolio

# 3bn

euros

DPS

# 5.00

euros



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# GROWTH PLAN

## 2016-20

### Based on

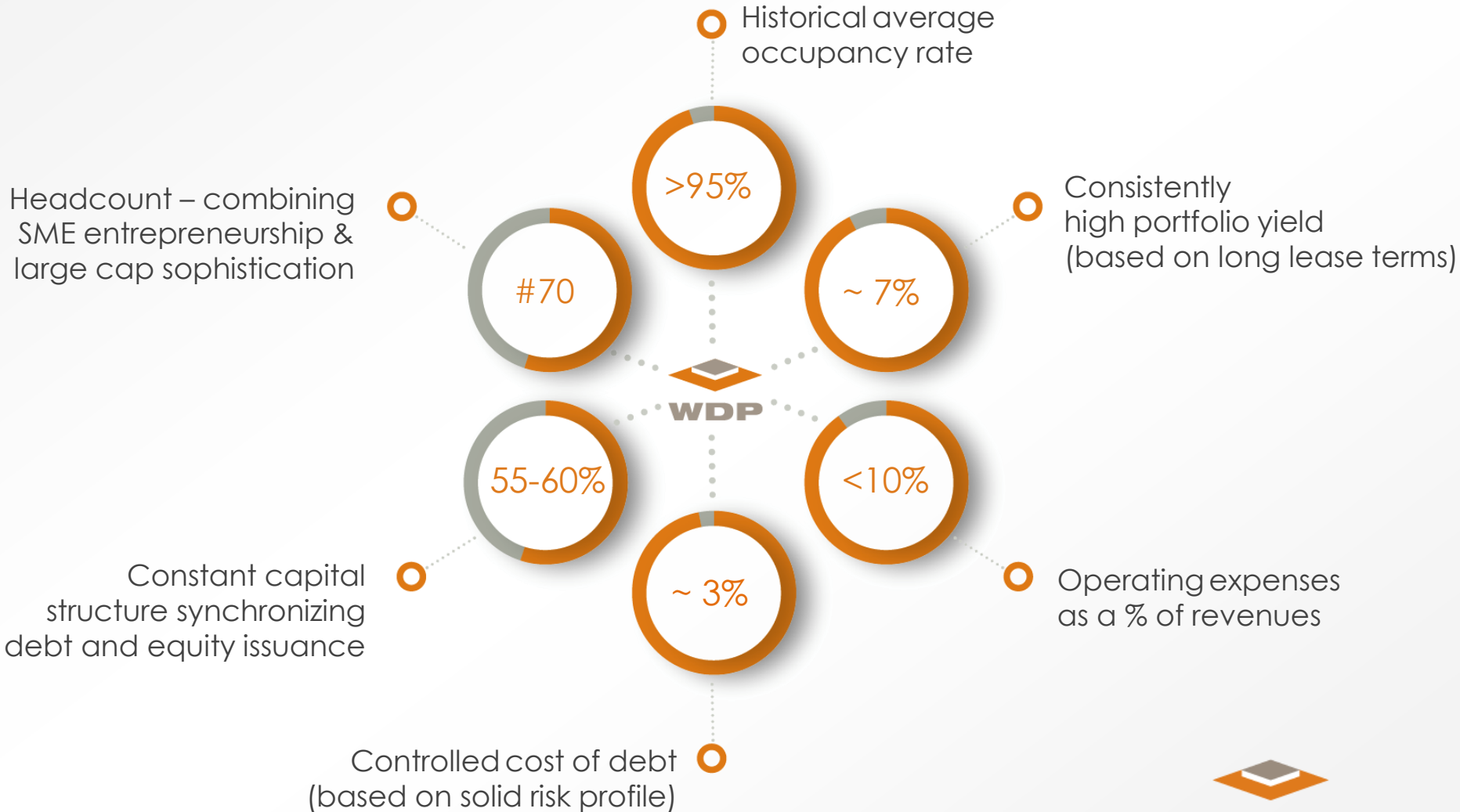
- > Increasing portfolio with 50% or 1bn euros in existing markets, especially the Benelux
    - > Acquisitions that add long-term value to the portfolio (including a high residual value and the potential to create partnerships with customers)
    - > Realization of pre-let developments on existing and/or new land (through a combination of repeat business as well as through new partners)
    - > Continued investments in alternative energy sources as well as projects for reducing energy consumption within the existing portfolio (such as the solar panel programme in the Netherlands, for example)
  - > Continuation of matching property acquisitions with synchronous debt and equity issuance (\*)
  - > Strong operational fundamentals (high occupancy, long lease duration, sustainable rent levels)
  - > Controlled cost of debt (based on a solid risk profile)
- 
- > Creating growth and profitability
  - > Driven by healthy sector in strategic region for logistics



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(\* ) In principle, through stock dividend and contributions in kind, with respect to the equity component.  
Related to the debt funding, in principle a combination of traditional credit facilities and bond issues.

# BUILT ON STRONG FUNDAMENTALS



# PURCHASES 2017

Transaction	Surface	Tenant
BE Zonhoven	43,000 m <sup>2</sup>	Rettig ICC
BE Westerlo	30,000 m <sup>2</sup>	Estée Lauder
NL Breda	17,000 m <sup>2</sup>	Various
NL Den Haag	33,000 m <sup>2</sup>	CEVA Logistics
NL De Lier <small>NEW</small>	21,000 m <sup>2</sup>	De Jong
NL Utrecht <small>NEW</small>	15,000 m <sup>2</sup>	van Heezik
FR Toulouse	44,000 m <sup>2</sup>	Action
RO Bucharest (3)	12,900 m <sup>2</sup>	Aquila
	215,900 m <sup>2</sup>	

Capex  
122m euros

Gross initial yield  
7.00%

# PROJECTS EXECUTED 2017

Location	Completion	Surface	Tenant
BE <b>Zellik</b> <small>NEW</small>	Q3 2017	30,000 m <sup>2</sup>	Euro Pool System
BE <b>WDPort of Ghent</b> <small>NEW</small>	Q3 2017	9,000 m <sup>2</sup>	Mainfreight
NL <b>Oosterhout</b>	Q1 2017	10,000 m <sup>2</sup>	Brand Masters
NL <b>Barendrecht (A)</b>	Q2 2017	21,000 m <sup>2</sup>	The Greenery
NL <b>Heerlen</b> <small>NEW</small>	Q3 2017	33,000 m <sup>2</sup>	CEVA Logistics
NL <b>Venlo</b> <small>NEW</small>	Q3 2017	50,000 m <sup>2</sup>	DB Schenker
NL <b>Veghel (phase 1)</b> <small>NEW</small>	Q3 2017	19,000 m <sup>2</sup>	Kuehne + Nagel
NL <b>Solar (phase 1)</b> <small>NEW</small>	Q3 2017	15 MWp	Various
RO <b>Cluj-Napoca (4)</b>	Q2 2017	4,700 m <sup>2</sup>	Arcese
RO <b>Bucharest (1)</b> <small>NEW</small>	Q3 2017	22,000 m <sup>2</sup>	Decathlon
RO <b>Timisoara (1)</b> <small>NEW</small>	Q3 2017	5,000 m <sup>2</sup>	Kuehne + Nagel
		203,700 m <sup>2</sup>	









Capex  
**129m euros**

Yield on cost (\*)  
**6.70%**



(\*) Weighted average, excluding solar panels.

# PROJECTS IN EXECUTION (PRE-LET)

Location	Completion	Surface	Tenant
BE Bornem	Q4 2017	14,000 m <sup>2</sup>	In commercialisation
NL Bleiswijk	Q3 2017/Q1 2018/Q3 2018	42,900 m <sup>2</sup>	Mediq, Total Exotics, Toolstation
NL Barendrecht (C-D)	Q4 2018	23,700 m <sup>2</sup>	The Greenery
NL Solar (phase 2) 	Q2 2018	10 MWp	Various
NL Echt	Q4 2017	14,000 m <sup>2</sup>	Dick Vijn
NL Veghel (fase 2)	Q2 2018	29,000 m <sup>2</sup>	Kuehne + Nagel
NL Moerdijk	Q2 2018	18,000 m <sup>2</sup>	Gondrand Traffic
NL Amsterdam	Q4 2018	14,000 m <sup>2</sup>	DHL Parcel
RO Oarja (1)	Q3 2017	7,700 m <sup>2</sup>	Röchling
RO Oradea (1)	Q3 2017	4,000 m <sup>2</sup>	Kuehne + Nagel
RO Bucharest (2)	Q4 2017	11,000 m <sup>2</sup>	Carrefour
RO Oarja (2)	Q4 2017	11,000 m <sup>2</sup>	CEVA Logistics
RO Cluj-Napoca (3)	Q1 2018	15,000 m <sup>2</sup>	Profi
RO Arcestii Rahtivani	Q1 2018	4,500 m <sup>2</sup>	Kamtec
RO Roman	Q1 2018	34,000 m <sup>2</sup>	Profi
RO Timisoara (2) 	Q1 2018	8,000 m <sup>2</sup>	TE Connectivity Solutions
RO Ramnicu Valcea (3) 	Q1 2018	4,800 m <sup>2</sup>	Faurecia
RO Oardea (2) 	Q3 2018	16,000 m <sup>2</sup>	Inteva Products Salonta
RO Oarja (3) 	Q2 2018	29,000 m <sup>2</sup>	CEVA Logistics
RO Constanta 	Q2 2018	2,300 m <sup>2</sup>	Vestas ceu Romania
RO Paulesti (1) 	Q2 2018	4,800 m <sup>2</sup>	Global Enterprises International
RO Paulesti (2) 	Q2 2018	8,800 m <sup>2</sup>	Norwest Romania

316,500 m<sup>2</sup>

Capex (\*)  
146m euros

Yield on cost (\*\*)  
7.28%

(\*) Cost to date: 79m euros (excluding the project in Leuven and for redevelopment projects excluding the value of existing sites prior to the start of the redevelopment).

(\*\*) Weighted average, excluding solar panels.



# PROJECTS IN EXECUTION (PRE-LET)



 more WDP projects online



# DEVELOPMENT POTENTIAL (\*)

Location	Potential buildable surface
BE WDPort of Ghent (concession)	150,000 m <sup>2</sup>
BE Heppignies	60,000 m <sup>2</sup>
BE Triligiport (concession)	35,000 m <sup>2</sup>
BE Sint-Niklaas	4,000 m <sup>2</sup>
BE Courcelles	10,000 m <sup>2</sup>
NL Tiel	30,000 m <sup>2</sup>
NL Schiphol (exclusive option)	30,000 m <sup>2</sup>
NL Nieuwegein (exclusive option)	15,000 m <sup>2</sup>
LU Eurohub Sud – Eurohub Centre (concession)	75,000 m <sup>2</sup>
RO Various	tbd

Fair value

47m euros

Potential (\*\*)

> 400,000 m<sup>2</sup>



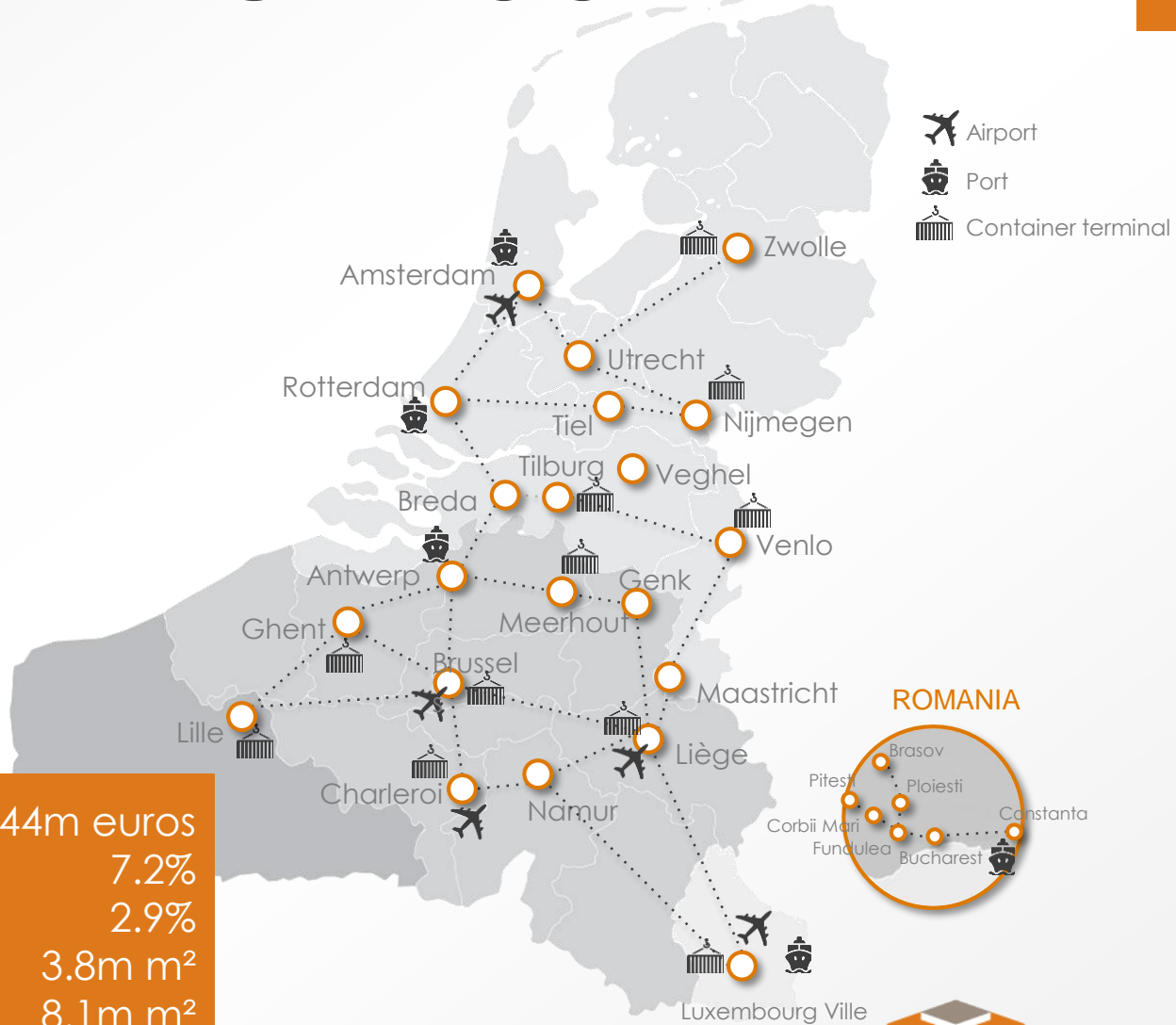
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(\*) Uncommitted development potential. The 47m euros refers to the fair value of the land reserves in the balance sheet.

(\*\*) Initiation subject to pre-letting, secured financing and permits.

# GEOGRAPHICAL FOOTPRINT



Value (*)	2,444m euros
Gross yield	7.2%
Vacancy rate (*)	2.9%
Buildings	3.8m m <sup>2</sup>
Land	8.1m m <sup>2</sup>



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(\*) Excluding solar panels and including Assets held for sale. Fair value including solar panels: 2,544m euros.

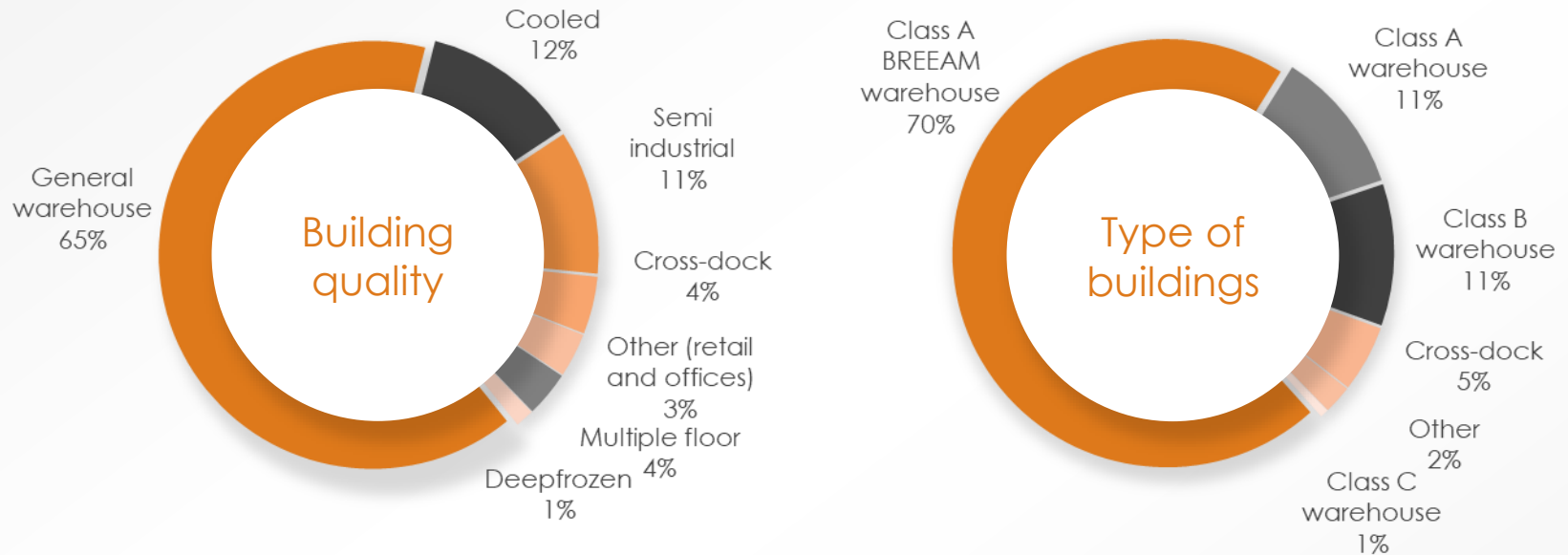
# GEOGRAPHICAL FOOTPRINT

## PORTFOLIO FAIR VALUE SPLIT 9M 2017 (\*)

	Belgium	Netherlands	France	Romania	
Fair value	1,011m euros	1,206m euros	121m euros	107m euros	2,444m euros
Buildings	1,784,000 m <sup>2</sup>	1,733,000 m <sup>2</sup>	213,000 m <sup>2</sup>	106,000 m <sup>2</sup>	3.8m m <sup>2</sup>
Land	3,427,000 m <sup>2</sup>	3,019,000 m <sup>2</sup>	471,000 m <sup>2</sup>	1,196,000 m <sup>2</sup>	8.1m m <sup>2</sup>
Average lease length till first break	4.6y	6.7y	4.0y	8.7y	5.7y
Vacancy rate	4,6%	1.5%	4.2%	0.0%	2.9%
Gross yield (incl. ERV unlet)	7.3%	7.0%	7.0%	8.6%	7.2%
EPRA net initial yield	6.6%	6.3%	6.3%	8.5%	6.4%

(\*) 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 venture WDP Development RO (51%). In the IFRS accounts, this joint venture is reflected through the equity method.

# HIGH-QUALITY PORTFOLIO

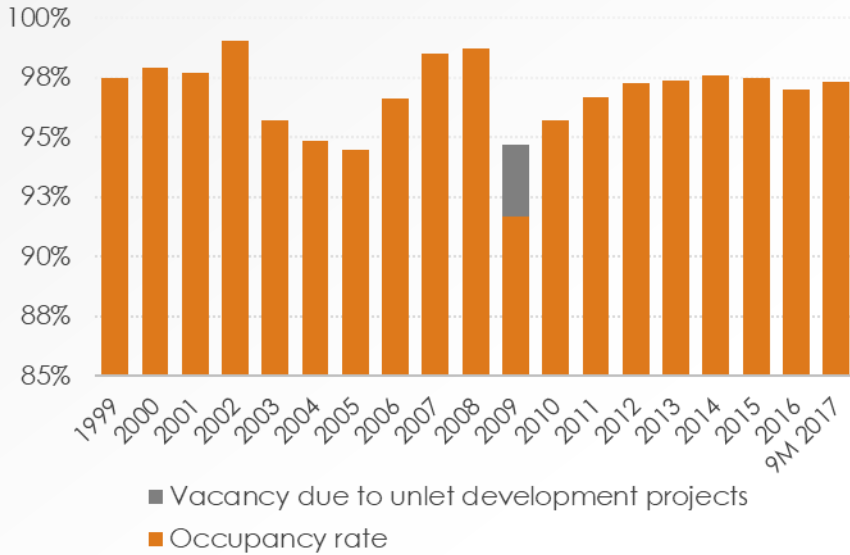


- > Investments reflect long-term consideration and entrepreneurship
  - > Locations on strategic logistic corridors
  - > Robust building quality, integrating sustainability & flexibility throughout lifecycle
  - > Diversified portfolio and integrated facility management to tailor clients' needs

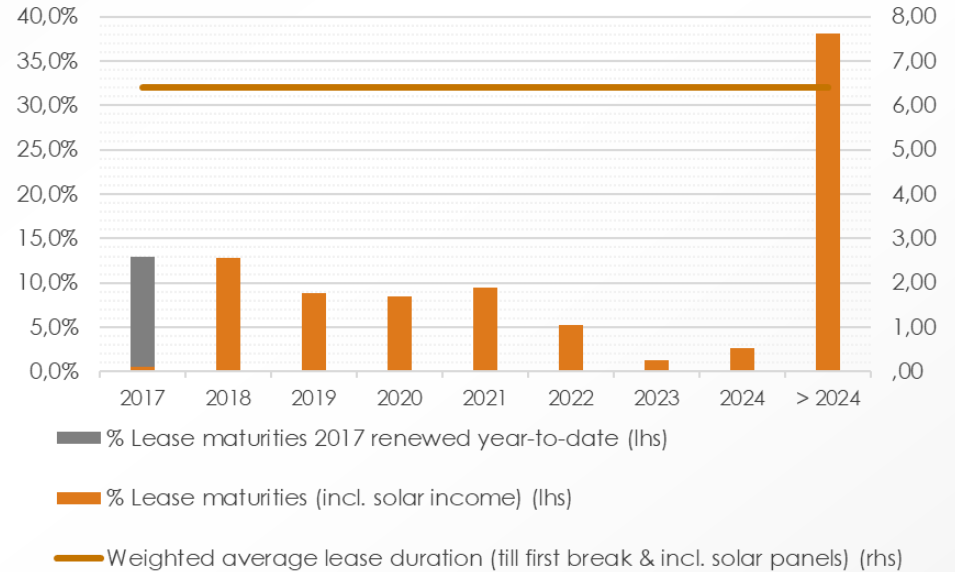


# OCCUPANCY

### Historical occupancy rate



### Lease maturity profile (till first break)

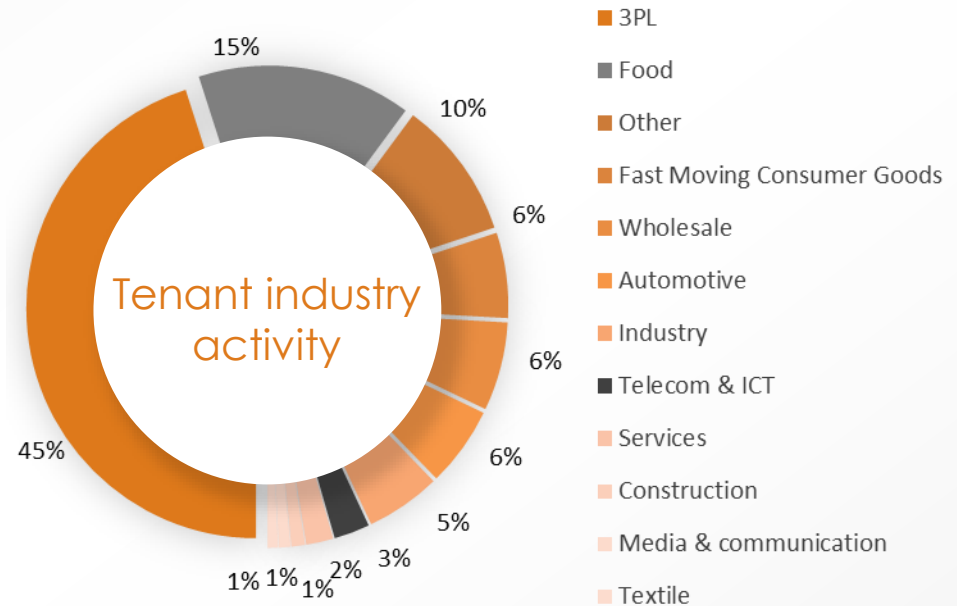
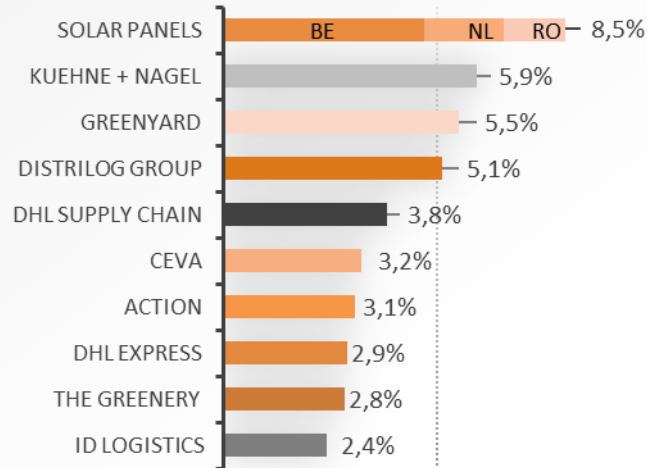


- > Continued high occupancy
  - > Occupancy rate 97.3% at the end of 9M 2017 (vs. 97.0% end 2016)
  - > Lease renewal rate of circa 90% over the last 5 years
  - > >96% of rental breaks maturing in 2017 (13% of total rent roll) secured to date



# DIVERSIFIED CLIENT BASE...

## Top-10 tenants (~40%) (\*)



### > 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%)



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(\*) Seven tenants out of the top-10 are located at different locations within the property portfolio.

# ... WITH LONG-TERM LEASES

## WEIGHTED AVERAGE LEASE DURATION (in y)

	TILL FIRST BREAK	TILL EXPIRATION
Rental contracts (excl. solar panels)	5,7	7,2
Rental contracts (incl. solar panels)	6,3	7,6

- > Income visibility
  - > Circa 1/3 of contracts have a duration of minimum 10y
  - > Focus on long-term quality cash flows
  - > Strong historical client retention rate and fidelity

# HIGHLIGHTS 9M 2017

## SOUND METRICS

### KEY FIGURES

<b>Operational</b>	<b>30.09.2017</b>	<b>31.12.2016</b>
Fair value of real estate portfolio (incl. solar panels) (in million euros) (*)	2 544	2 204
Gross rental yield (incl. vacancy) (in %)	7,2	7,5
Net initial yield (EPRA) (in %)	6,4	6,8
Average lease duration (till first break) (in y) (**)	6,3	6,3
Occupancy rate (in %)	97,3	97,0
Like-for-like rental growth (in %)	0,9	-2,1
Operating margin (%) (***)	92,7	93,6
<b>Per share data (in euros)</b>	<b>30.09.2017</b>	<b>30.09.2016</b>
EPRA Earnings	4,17	4,03
Result on portfolio	3,81	1,09
Changes in fair value of financial instruments	0,73	-1,17
Depreciation of solar panels	-0,15	-0,14
Net result	8,56	3,81
IFRS NAV	53,9	42,1
EPRA NAV	55,9	46,5
EPRA NNNNAV	53,5	41,4

(\*) Including the proportional share of WDP in the portfolio of the joint venture WDP Development RO (51%).

(\*\*) Including solar panels.

(\*\*\*) Based on the comparison between 9M 2017 and 9M 2016.

# 9M 2017 CONSOLIDATED RESULTS

<b>EPRA Earnings (in euros x 1 000)</b>	<b>9M 2017</b>	<b>9M 2016</b>	<b>% Growth</b>
Rental income, net of rental-related expenses	106 466	97 509	9,2%
Indemnification related to early lease terminations	591	55	n.r.
Income from solar energy	9 113	7 450	22,3%
Other operating income/costs	-196	-719	n.r.
<b>Property result</b>	<b>115 975</b>	<b>104 295</b>	<b>11,2%</b>
Property charges	-3 624	-2 787	30,0%
General company expenses	-4 825	-3 916	23,2%
<b>Operating result (before result on the portfolio)</b>	<b>107 526</b>	<b>97 592</b>	<b>10,2%</b>
Financial result (excl. changes in fair value of financial instruments)	-19 534	-22 751	-14,1%
Taxes on EPRA Earnings	-250	-99	n.r.
Deferred tax on EPRA Earnings	-340	-551	n.r.
Participation in the result of associates and joint ventures	2 646	1 313	n.r.
<b>EPRA EARNINGS</b>	<b>90 048</b>	<b>75 505</b>	<b>19,3%</b>
Movement in the fair value of investment property (+/-)	79 151	22 736	n.r.
Result on disposal of investment property (+/-)	466	5	n.r.
Deferred taxes on result on the portfolio (+/-)	-79	-851	n.r.
Participation in the result of associates and joint ventures	2 638	-1 475	n.r.
<b>Result on the portfolio</b>	<b>82 177</b>	<b>20 414</b>	<b>n.r.</b>
Changes in fair value of financial instruments	15 759	-21 930	n.r.
<b>Changes in fair value of financial instruments</b>	<b>15 759</b>	<b>-21 930</b>	<b>n.r.</b>
Depreciation of solar panels	-2 692	-2 275	n.r.
Impairment of solar panels	-279	0	n.r.
Participation in the result of associates and joint ventures	-240	-331	n.r.
<b>Depreciations and impairments of solar panels</b>	<b>-3 211</b>	<b>-2 606</b>	<b>n.r.</b>
<b>NET RESULT (IFRS)</b>	<b>184 773</b>	<b>71 384</b>	<b>n.r.</b>



# 9M 2017 CONSOLIDATED RESULTS

Per share data	9M 2017	9M 2016	% Growth
EPRA Earnings (*)	4,17	4,03	3,5%
Result on the portfolio	3,81	1,09	n.r.
Changes in fair value of financial instruments	0,73	-1,17	n.r.
Depreciations and impairments of solar panels	-0,15	-0,14	n.r.
Net profit (IFRS)	8,56	3,81	n.r.
Weighted average number of shares	21 579 122	18 725 314	15,2%



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(\*) Based on the weighted average number of outstanding shares and based on EPRA Best Practices Recommendations ([www.epra.com](http://www.epra.com)).

# 9M 2017 CONSOLIDATED B/S

in euros x 1 000	30.09.2017	31.12.2016	30.09.2016
Intangible fixed assets	127	160	158
Property investments	2 324 486	2 036 723	1 973 437
Other tangible fixed assets (incl. solar panels)	92 118	86 218	79 078
Financial fixed assets	70 739	24 805	16 685
Trade receivables and other fixed assets	3 654	3 796	3 816
Participations in associates and joint ventures	19 968	14 357	3 107
<b>Fixed assets</b>	<b>2 511 092</b>	<b>2 166 060</b>	<b>2 076 282</b>
Assets held for sale	6 220	1 367	166
Trade debtors receivables	14 177	10 662	10 841
Tax receivables and other current assets	13 466	2 902	4 840
Cash and cash equivalents	582	340	929
Deferrals and accruals	3 199	1 277	4 390
<b>Current assets</b>	<b>37 643</b>	<b>16 549</b>	<b>21 166</b>
<b>TOTAL ASSETS</b>	<b>2 548 734</b>	<b>2 182 608</b>	<b>2 097 448</b>



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# 9M 2017 CONSOLIDATED B/S

in euros x 1 000	30.09.2017	31.12.2016	30.09.2016
Capital	168 865	163 752	147 004
Issue premiums	545 154	492 330	333 617
Reserves	286 778	246 038	246 148
Net result of the financial year	184 773	130 232	71 384
<b>Equity capital</b>	<b>1 185 572</b>	<b>1 032 352</b>	<b>798 153</b>
Long-term financial debt	952 102	866 463	907 189
Other long-term liabilities	50 553	64 613	84 140
<b>Long-term liabilities</b>	<b>1 002 655</b>	<b>931 075</b>	<b>991 329</b>
Short-term financial debt	313 217	179 473	256 287
Other short-term liabilities	47 290	39 708	51 679
<b>Short-term liabilities</b>	<b>360 507</b>	<b>219 180</b>	<b>307 966</b>
<b>TOTAL LIABILITIES</b>	<b>2 548 734</b>	<b>2 182 608</b>	<b>2 097 448</b>
<b>METRICS</b>			
IFRS NAV	53,9	48,4	42,1
EPRA NAV	55,9	51,2	46,5
EPRA NNAV	53,5	47,9	41,4
Share price	95,5	84,8	88,3
Premium / (discount) vs. EPRA NAV	70,9%	65,5%	89,8%
Debt ratio (IFRS)	51,1%	49,2%	57,1%
Debt ratio (proportionate)	52,5%	50,5%	58,4%



# FINANCIAL MANAGEMENT

Balance sheet  
strengthening

ca. 86m euros  
equity raised (\*)

Strong liquidity  
position

commitments  
well covered

Active debt  
management

ca. 125m euros  
new hedges

ca. 115m euros  
extended

Debt ratio  
-6% y/y

~ 52%

Buffer unused  
credit facilities

100m euros

Cost of debt  
lowered

~ 2.5%

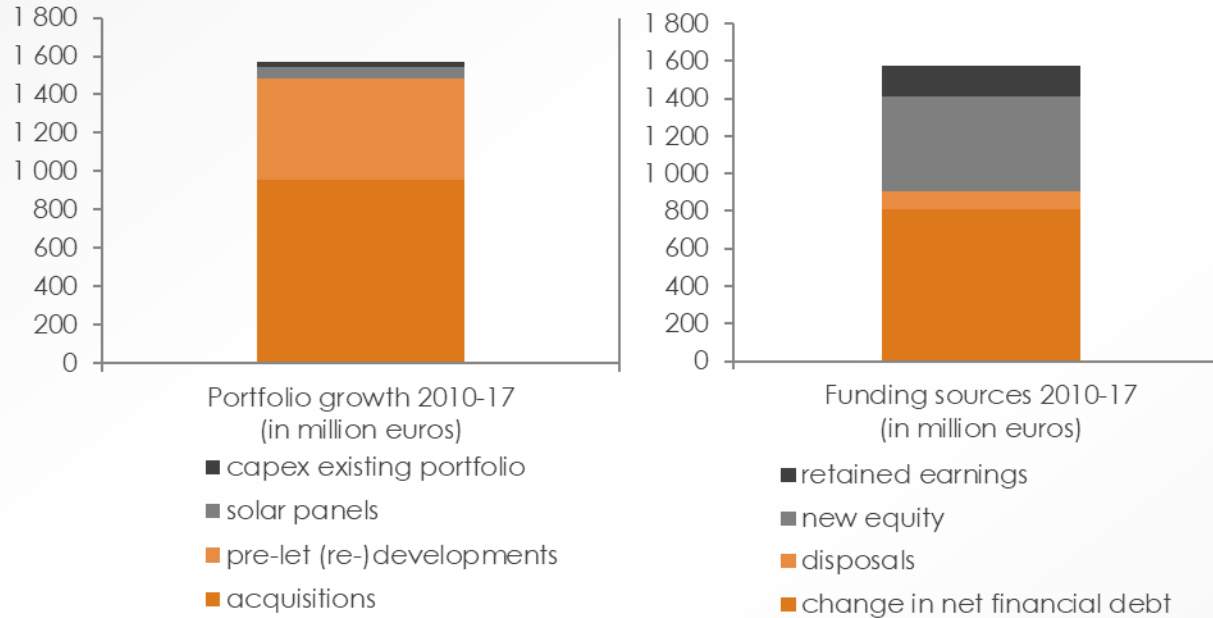


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(\*) The equity will be strengthened following the optional dividend (41m euros), through retained earnings (28m euros) and through the envisaged partial split and payment in shares for the Zonhoven transaction (17m euros).

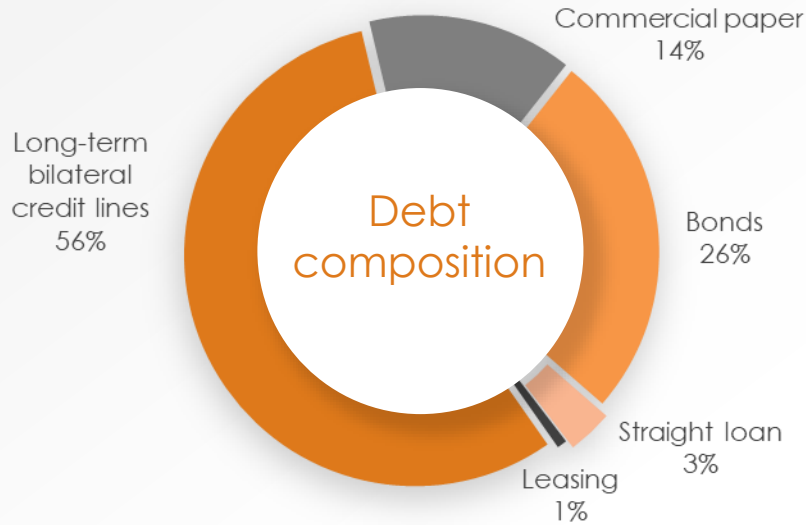
# MAINTAINING BALANCED CAPITAL STRUCTURE



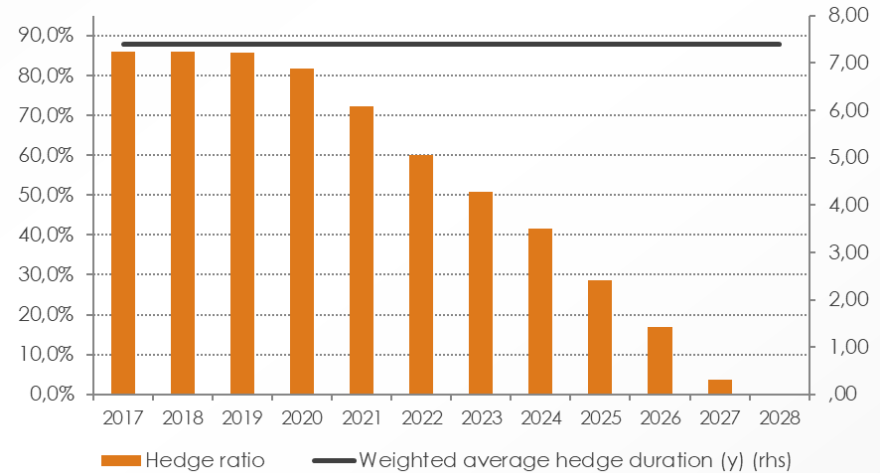
- > Total investment of ~ 1.5bn euros in 2010-17 YTD
- > Matching investments with synchronized debt and equity issuance



# FINANCING STRUCTURE



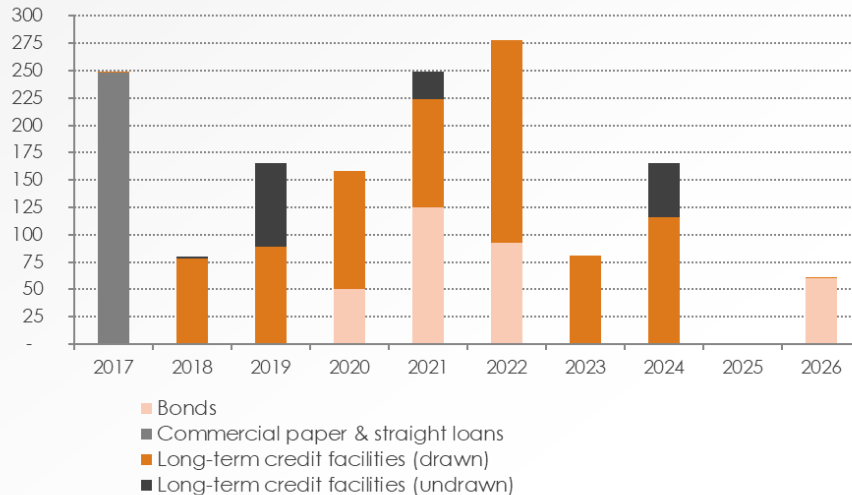
## Evolution hedge ratio



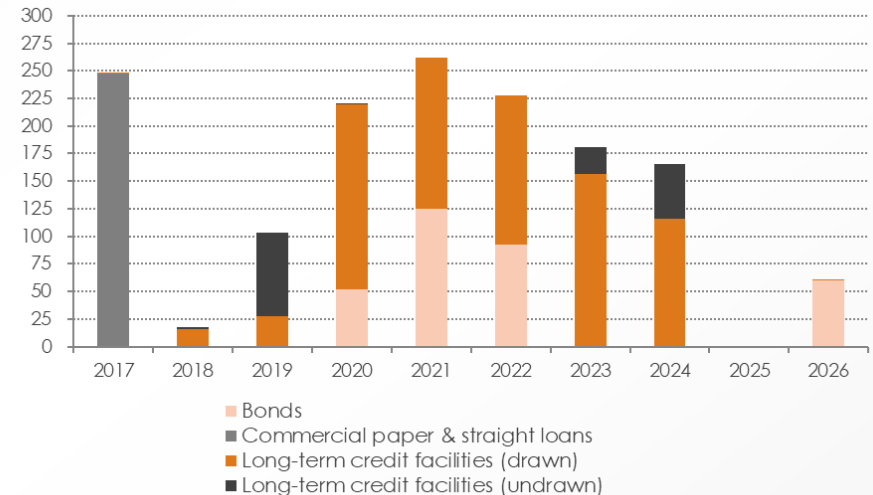
- > Solid debt metrics and active liquidity management
  - > Committed undrawn long-term credit lines of 100m euros (\*)
  - > ICR at 4.8x based on long-term visibility and high hedge ratio (at 86%)
  - > Cost of debt at 2.5%

# FINANCING STRUCTURE

## Debt maturities (min.) (\*)



## Debt maturities (max.) (\*)



- > Well-spread debt maturities
  - > No long-term debt maturities in 2017, 2018 already largely extended
  - > Duration of outstanding debt of 3.6y (incl. commercial paper)
  - > Duration of long-term credit facilities of min. 4.1y and max. 4.5y (\*)

(\*) 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.

# FOCUS ON SUSTAINABLE CASH FLOW

## INVESTMENTS

- > Portfolio yielding ~7%
- > High occupancy rate >95%
- > Lease duration ~7y
- > Opex <10% of rents

## GENERATING STRONG CASH FLOW PROFILE

- > Recurring return on equity >10%
- > High Interest Coverage Ratio
- > Balanced risks
- > High income visibility

- > Stable debt ratio ~55-60%
- > Cost of debt ~3%
- > Hedge duration ~7y
- > Debt duration ~4y

## FUNDING



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# OUTLOOK 2017



# OUTLOOK 2017

## BUILDING FURTHER

GUIDANCE  
CONFIRMED

EPS

2017

chg y/y

5.50  
euros

+4%

DPS

4.50  
euros

+6%



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# OUTLOOK 2017<sup>(\*)</sup>

## BUILDING FURTHER



### EPRA EPS 2017: 5.50 euros confirmed

- > Increase of +4% y/y despite +15% in average number of shares related to 2016 capital increase
- > Based on the EPRA Earnings of circa 119m euros in absolute terms

### Underlying assumptions 2017:

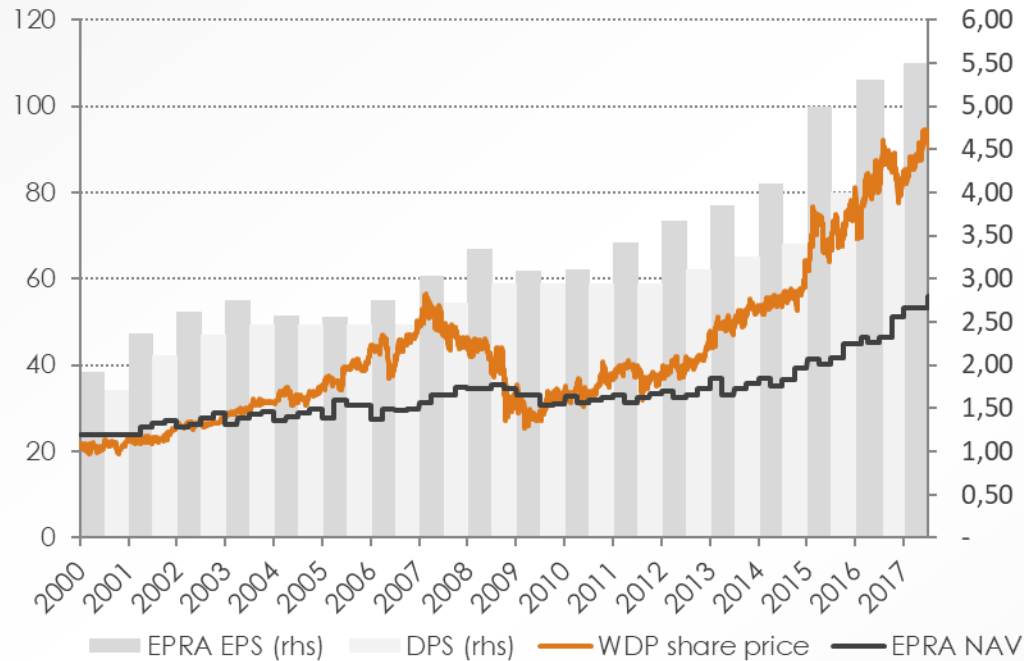
- > Occupancy rate projected to be minimum 97% on average throughout 2017
- > High lease renewal rate (13% lease expiries in 2017, of which already >96% renewed)
- > Debt ratio (IFRS, proportionate) around 51% (52%) and cost of debt of 2.5% in Q4 2017

### DPS (gross) 2017: 4.50 euros

- > Equivalent to +6% p.a. reflecting envisaged EPS growth rate in growth plan 2016-20
- > Based on a low payout ratio



# WDP SHARE



## > Share statistics

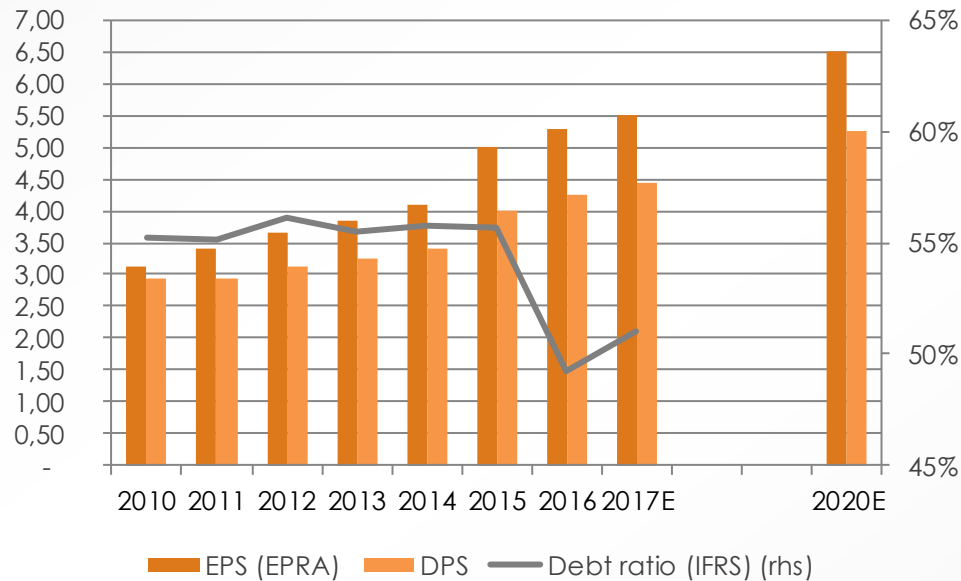
- > EPRA NAV per share of 55.9 euros at 9M 2017
- > Market cap of ca. 2 bn euros
- > Free float of 74% - Family Jos De Pauw 26%



**WDP**  
WAREHOUSES WITH BRAINS



# CONSISTENT PERFORMANCE



- > Earnings growth based on constant capital structure
  - > Creating growth and profitability
  - > Efficient deployment of capital (debt and equity)

# CONTACT DETAILS



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AND  
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TO US



# LEXICON

## **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)

## **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)

## **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.

# LEXICON

**Financial result (excluding changes 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 (proportionate)**

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 an compulsory parameter under the Belgian Regulated Real-Estate Investment Companies Act (Wet betreffende de gereguleerde vastgoedvennootschappen or GVV-Wet). (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)

# LEXICON

**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)

**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 participation 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 participation joint ventures) per share**

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

**Variations in fair value of financial instruments**

The variations 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.

# DISCLAIMER

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