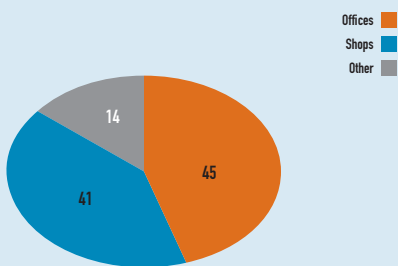


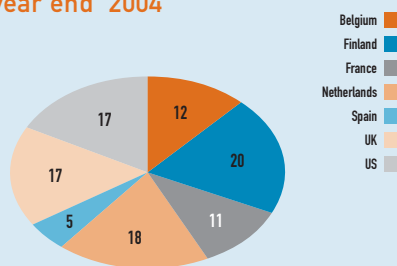
## Highlights 2004

- profit EUR 171.2 mln (2003: EUR 104.7 mln)
- direct investment result EUR 5.73 per share (2003: EUR 5.91 per share)
- purchase of shopping centre in the United States
- positive property revaluation of EUR 58.9 mln
- proposed dividend EUR 4.50 per share (2003: EUR 4.45)

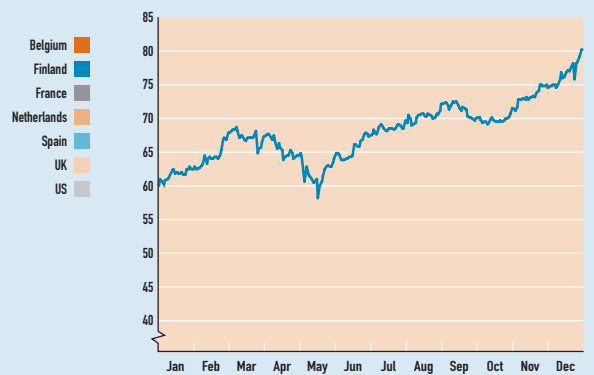
Distribution of investment properties by sector at year end 2004



Geographical distribution of investment properties at year end 2004



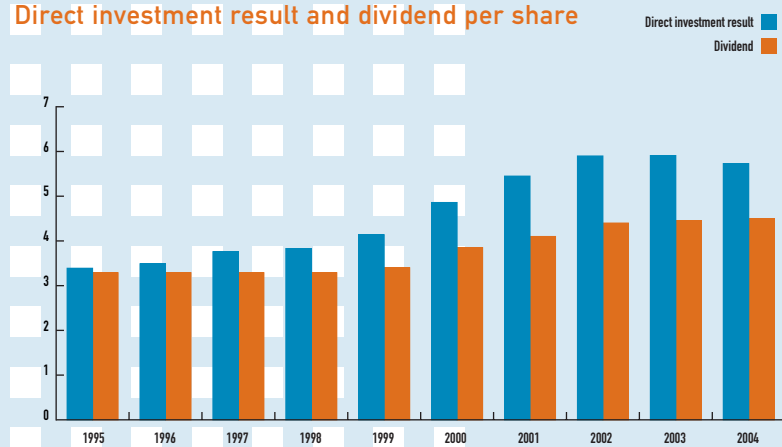
Share price in 2004



## Summary of past 10 years

	1995	1996	1997	1998	1999
<b>Results</b>					
<i>(x EUR 1 mln)</i>					
Net rental income	83.9	84.3	85.3	84.9	93.9
Profit <sup>1)</sup>	20.3	65.1	72.8	86.9	131.4
Direct investment result <sup>2)</sup>	51.4	55.1	61.7	64.7	71.6
Indirect investment result	./.	55.5	53.8	41.4	2.2
				2.2	74.3
<b>Balance sheet</b>					
<i>(x EUR 1 mln)</i>					
Investments	1,059.5	1,139.5	1,090.4	1,269.6	1,595.4
Shareholders' equity <sup>3)</sup>	648.4	741.6	817.1	856.9	968.1
Long-term debt	400.6	370.5	290.5	313.0	397.7
<b>Number of shares</b>					
at December 31	15,204,984	16,041,440	16,495,377	16,956,748	17,329,725
average during the year	15,096,775	15,759,729	16,380,631	16,834,997	17,236,480
<b>Statistics per share <sup>4)</sup></b>					
<i>(x EUR 1)</i>					
Net asset value <sup>3)</sup>	42.38	45.96	49.28	50.28	55.61
Direct investment result	3.37	3.43	3.73	3.80	4.12
Indirect investment result <sup>5)</sup>	./.	3.64	3.43	0.49	4.50
Dividend	3.29	3.29	3.29	3.29	3.40
	or 8%	or 5.88%	or 5.56%	or 4.76%	or 4.76%
				and 0.57	and 1.00
Pay-out	97.6%	95.9%	88.2%	86.6%	82.5%
<b>Direct investment result per share <sup>6)</sup></b>					
	3.39	3.49	3.76	3.83	4.14
<b>Profit per share <sup>6)</sup></b>					
	1.33	4.12	4.43	5.15	7.62

### Direct investment result and dividend per share

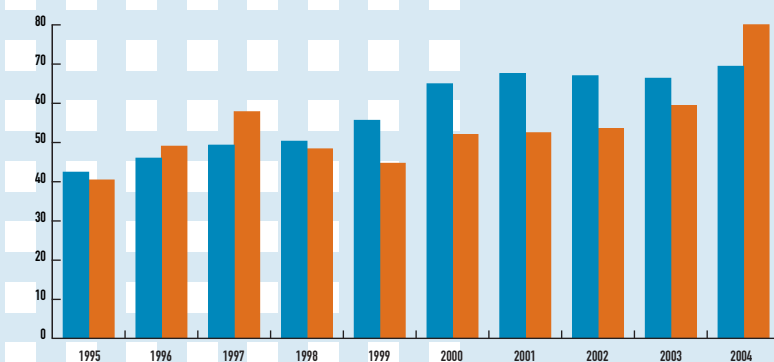


- <sup>1)</sup> the figures for the years 1995-2003 have been recalculated in view of the changes in accounting policies in 2004
- <sup>2)</sup> costs relating to asset management are from 2001 onwards no longer charged to the indirect investment result
- <sup>3)</sup> before distribution of profits
- <sup>4)</sup> per ordinary share ranking for dividend and adjusted for bonus issues
- <sup>5)</sup> including the effect of issues of new shares and stock dividend and as from 2001 without charging of the costs of asset management
- <sup>6)</sup> based on the average number of shares in issue

2000	2001	2002	2003	2004
112.8	124.9	147.8	146.6	<b>142.1</b>
216.2	102.6	127.6	104.7	<b>171.2</b>
86.0	97.1	116.3	116.5	<b>118.1</b>
140.1	17.8	./.	42.4	<b>38.0</b>
		46.4	./.	
1,775.6	1,872.5	1,955.4	1,932.1	<b>1,981.0</b>
1,156.6	1,203.0	1,322.7	1,310.0	<b>1,445.8</b>
442.7	449.9	633.2	575.5	<b>508.1</b>
17,756,735	17,756,735	19,691,735	19,691,735	<b>20,781,735</b>
17,639,307	17,756,735	19,691,735	19,691,735	<b>20,573,265</b>
64.94	67.55	66.99	66.35	<b>69.40</b>
4.83	5.45	5.90	5.91	<b>5.68</b>
7.86	1.01	./.	2.15	<b>1.82</b>
3.85	4.10	4.40	4.45	<b>4.50</b>
79.7%	75.2%	74.6%	75.3%	<b>79.2%</b>
4.86	5.45	5.90	5.91	<b>5.73</b>
12.24	5.77	6.47	5.31	<b>8.31</b>

### Net asset value and share price at December 31 (before distribution of profits)

Net asset value ■  
Share price ■



## Board of Management

G.C.J. Verweij  
R.L.M. de Ruijter

## Supervisory Board

C.J. de Swart  
J. Krant  
H. van Nimwegen  
H.M.N. Schonis

## Financial calendar

### March 31, 2005:

Annual General Meeting of Shareholders

### April 8, 2005:

Dividend payment

### May 10, 2005:

Publication of first quarter results 2004

### August 10, 2005:

Publication of interim statement 2004

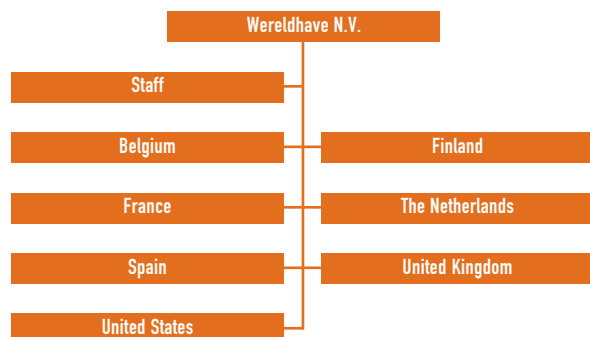
### November 9, 2005:

Publication of nine months results 2004

### March 2006:

Annual Report 2005

## Organisation



## Structure

Wereldhave is an independent international property investment company, founded in 1930. Wereldhave shares are traded at Euronext Amsterdam and Paris. The Company is an investment company with variable capital. The Board of Management has authority to issue and acquire shares of the Company. The Company has neither an obligation to issue shares, nor to buy its shares. The Company has the status of an Investment Institution under Dutch tax law and therefore does not pay Corporation Tax in the Netherlands. Wereldhave is licensed to operate as an investment company under the Dutch "Wet toezicht beleggingsinstellingen" (Investment Institutions Supervision Act).

## Investments

Wereldhave invests in office buildings, shopping centres, industrial property and apartments in Belgium, Finland, France, the Netherlands, Spain, the United Kingdom and the United States. Wereldhave has at its disposal an integrated organisation for the development, investment and management of its properties with local offices in each of these countries. Dynamic management involves regular adjustments in the mix of the portfolio and its geographical distribution. Wereldhave's properties are valued at open market value less selling costs. Valuations take place annually with successive halves of the portfolio being valued on June 30 and December 31 by independent external professional valuers. Internal valuations are carried out four times per year for the entire portfolio. The investments in Belgium are by way of a 68.2% investment in Comm.V.A. Wereldhave Belgium S.C.A., listed at Euronext Brussels. The investments in France are held in a permanent establishment (établissement stable) and qualify for the SIIC regime. The investments in the USA are held in a REIT (Real Estate Investment Trust).

## Information

Information on Wereldhave is available from banks and stockbrokers or directly from the Company:

tel: +31 70 346 93 25

e-mail: [investor.relations@wereldhave.com](mailto:investor.relations@wereldhave.com)

website: [www.wereldhave.com](http://www.wereldhave.com)



## Strategy outline

### Mission and corporate aim

The right accommodation at the right time and in the right place

Wereldhave's mission is to make available, when and where needed, commercial and residential property for rent. The object is to attain a growth in direct investment result per share that exceeds the rate of inflation in the Eurozone by at least 3% over the long term, combined with a low risk profile on the property portfolio.

### Strategy

#### Portfolio renewal

The strategic policy is to apply portfolio renewal for the optimal satisfaction of tenants' changing demands. Wereldhave has a preference for investing in modern, adaptable and identifiable buildings in readily accessible locations in knowledge based areas, where there is a liquid property market. Usually, these are the places where "the creative class" wants to be housed. Wereldhave considers that this policy will engender both a continuous increase in direct investment result per share and an attractive growth in net asset value. Furthermore, this policy allows Wereldhave to actively influence the quality of the buildings and itself determine when investments are made. Portfolio renewal reduces maintenance costs and a high quality property can be more easily let or sold.

#### Diversification by geographical area and type of property

Wereldhave attempts to limit the risks of the cyclical property market. This is achieved both by geographical portfolio diversification between the markets of continental Europe, the United Kingdom and the United States and by investing in offices, shopping centres, industrial property and residential property.

#### In-house management with local know-how

Wereldhave has in-house management with offices in the countries in which Wereldhave operates. This enables an efficient service to tenants and an attractive return to shareholders.

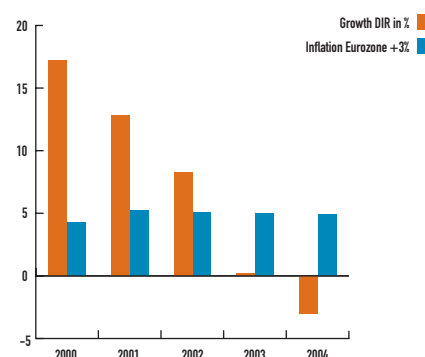
The local organisations offer a "window on the market" and offer support to the investment and disinvestment strategy.

#### Responsible corporate citizenship and innovation

Wereldhave willingly accepts its social responsibilities. It has formally laid down in its Business Principles that it will invest in sustainable, innovative property products that will result in higher practical value, lower overall costs, and a lower burden on the environment. Wereldhave applies a Sustainable Investment Procedure with internal environmental and sustainability criteria for its choices of materials and for the use of energy and water in its buildings.

The Corporate Governance recommendations put forward by the Dutch Tabaksblad Committee were implemented in 2004 (see page 44). On March 24, 2004, the General Meeting of Shareholders granted its approval. It is Wereldhave's aim to provide all stakeholders with transparent information about the Company's policies on the environment, human rights, ethics and employees.

### Growth DIR / inflation Eurozone +3%



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## Preliminary Report of the Supervisory Board

### To the Annual General Meeting of Shareholders

#### Recommendation

We have pleasure in submitting the Report of the Board of Management and the Annual Accounts for 2004. PricewaterhouseCoopers Accountants N.V. have audited and approved the accounts. We propose the approval of the accounts and support the proposal of the Board of Management to pay a cash dividend of EUR 4.50 per share.

#### Activities of the Supervisory Board

The Supervisory Board convened six times during 2004. An extensive report of the activities of the Board can be found on page 54 of this Annual Report.

#### Proposed (re-)appointment

At the Annual General Meeting to be held on March 31, 2005 Mr. H.M.N. Schonis will retire by rotation. Having completed the maximum permissible term of office of 8 years as laid down in the Boards regulations, Mr Schonis is not available for re-election. The Supervisory Board and the Board of Management would like to express their thanks to Mr Schonis for his expert contribution and valued co-operation during the past 8 years. Mr van Nimwegen has decided to step down from the Supervisory Board for personal circumstances. The Supervisory Board and the Board of Management regret to see him leave. Pursuant to Article 14(3) of the Articles of Association, the Priority nominates Professor Dr P. Essers and Mr F.Th.J. Arp, RA. The nominations match the profile for members of the Supervisory Board. Professor Essers has been nominated for his expertise in the field of tax law, and Mr Arp for his financial expertise.

On behalf of the Supervisory Board,  
C.J. de Swart, Chairman

The Hague, February 24, 2005



## Report of the Board of Management

### 2004: The main events

On May 26, 2004, Wereldhave sold the 30,115 m<sup>2</sup> office building 1910 Pacific Place in Dallas, United States. The net sales proceeds totalled USD 29.5 million, slightly above book value. On November 18, 2004, the proceeds from the sale were used to purchase the Davenport Village shopping centre in Austin. For tax purposes, the purchase qualifies as a reinvestment of the proceeds from the sale of the office building in Dallas. More information about this shopping centre of approximately 12,000 m<sup>2</sup> is included on pages 26 and 27 of this report.

On December 1, 2004, Wereldhave sold a 5,490 m<sup>2</sup> office building on Veraartlaan in Rijswijk, the Netherlands. The net proceeds from the sale were EUR 4.4 million, substantially below book value.

The Saxon Woods residential complex, comprising 525 apartments, in McKinney, Texas USA, was transferred to the investment portfolio during the first quarter. At December 31, 2004, 87% was let. In The Hague, the Netherlands, an industrial unit on the Ypenburg business estate was renovated, and a new development of 1,663 m<sup>2</sup> was completed.

On March 3, 2004, Wereldhave issued 1,090,000 ordinary shares to a number of institutional investors at a price of EUR 67.30 per share. The issue related to the proposed expansion of the portfolio to EUR 2.5 billion by the end of 2005 through the acquisition of recently built high-quality property.

Despite falling market rents, the prices offered for real estate on long-term leases are very high, owing to low interest rates and the absence of alternative investment opportunities. Existing as well as new market players make use of a high leverage. We made competitive bids for a number of investments but we were not the highest bidder. In addition, we also discontinued two major transactions during the due diligence phase because issues came to light that could not be resolved to our satisfaction. As such, we did not manage to expand our portfolio in 2004 in line with our targets. Consequently, the increased number of shares coupled with a portfolio that remained virtually unchanged has resulted in a lower direct investment result per share.

The development portfolio includes a 14,000 m<sup>2</sup> office project in Washington, United States, 65% of which is already let, with completion scheduled for the second quarter of 2005.

In addition completion of the development of commercial premises of 15,200 m<sup>2</sup> in Alphen aan den Rijn, the Netherlands is scheduled for the first quarter of 2005. These premises remain unlet.

At year-end, the development portfolio amounted to EUR 58.2 million (2003: EUR 88.1 million).

### Sale of an office building in Dallas and purchase of a shopping centre in Austin

### Sale of an office building in Rijswijk (NL)

### Residential property in McKinney and Industrial property in The Hague transferred to the investment portfolio

### Share issue

### Development portfolio



## Results and equity

### Profit

Pursuant to changes in regulations, with effect from 2004, profit consists not only of direct investment result, but also the results of property revaluation, property disposals and the related movements in tax liabilities. The 2003 figures have been restated accordingly. The property revaluation and result of disposals, at average exchange rates, amounted to EUR 55.9 mln in 2004 (2003: EUR -1.7 mln) and the movement in tax liabilities amounted to EUR -2.8 mln (2003: EUR -10.1 mln). Profit increased from EUR 104.7 mln in 2003 to EUR 171.2 mln, mainly as a result of a positive property revaluation. Profit per share for 2004 amounts to EUR 8.31 (2003: EUR 5.31).

### Direct investment result

The direct investment result consists of net rental income, minus the costs of financing, general costs and taxes on the result. The principal components of the indirect investment result are the movements in valuation and exchange rate differences. These movements include exchange rate differences relating to investments and financing, together with exchange rate differences arising on forward currency transactions and the conversion of results denominated in foreign currencies. The direct investment result rose EUR 1.6 mln to EUR 118.1 mln. The increase is the result of EUR 3.1 mln lower interest costs, EUR 2.0 mln lower taxes on result and EUR 1.0 mln lower general costs. Net rental income decreased by EUR 4.5 mln, of which EUR 2.3 mln was caused by lower exchange rates. The direct investment result per share decreased by EUR 0.18 to EUR 5.73 (2003: EUR 5.91). The breakdown of investment results can be found on page 31.

### Dividend

It will be proposed to the General Meeting of Shareholders to distribute a cash dividend for 2004 of EUR 4.50 (2003: 4.45). With a EUR 4.50 dividend, the pay-out ratio is 79.2%.

In its dividend policy, Wereldhave aims for a pay-out ratio of 75%-85% of the direct investment result. Of the dividend, EUR 2.65 per share will be paid in order to meet the distribution obligations under Dutch tax law, subject to dividend withholding tax, and EUR 1.85 will be charged against the reinvestment reserve, as a result of which no dividend withholding tax will have to be withheld on that portion.

### Stock market performance

In 2004, Wereldhave shareholders recorded a total return of 42.3%. This return was 0.6% higher than the EPRA (European Public Real Estate Association) Return Index (Euro).

The price/DIR ratio at year-end 2004 was 14. The stock market turnover was approximately 46,000 shares per day. The Wereldhave share is included in the Dow Jones Sustainability Index and the Amsterdam Midcap Index (AMX). Options on Wereldhave shares are traded on Euronext.Liffe.

### IFRS

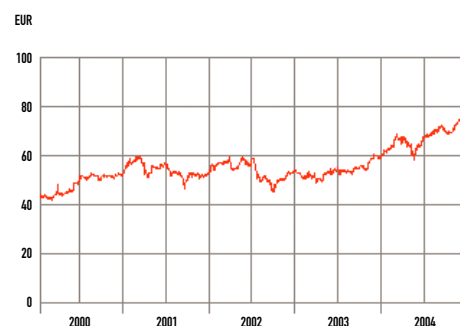
From 2005 onward, Wereldhave will use the International Financial Reporting Standards (IFRS) for its consolidated annual accounts. The notes on page 53. provide additional information about the transition to IFRS.

## Movements in net assets value per ordinary share ranking for dividend

(x EUR 1)

	2004	2003
Net assets value at Jan. 1, before distribution of profits	66.35	66.99
less: dividend previous year	4.45	4.40
	<u>61.90</u>	<u>62.59</u>
Direct investment result	5.68	5.91
Indirect investment result	1.82	-/. 2.15
Net assets value at Dec. 31, before distribution of profits	69.40	66.35
less: (proposed) cash dividend	4.50	4.45
Net assets value at Dec. 31, after distribution of profits	<u>64.90</u>	<u>61.90</u>

## Share price





## Finance and currencies

### Equity

Wereldhave uses as a guideline for the longer term a solvency ratio of 60%, plus or minus 10%. Sound balance sheet ratios limit the sensitivity to any future increases in interest rates and provide flexibility for future investment requirements. During 2004 1,090,000 new ordinary shares were issued, bringing the total number at December 31, 2004 to 20,781,735. Ownership is spread amongst institutional and private investors, both within The Netherlands and abroad. With the exception of the 6.06% of shareholders' capital owned by the Foundation for the holding of Wereldhave preference shares, Wereldhave knows of no holdings of more than 5%. The free float of the ordinary shares amounts to 100%. At the end of December 2004 shareholders' equity, before distribution of profits, amounted to EUR 1,445.8 mln (2003: EUR 1,310.0 mln). This represents 70.5% (2003: 64.9%) of total assets. Net asset value per share before distribution of profits amounted to EUR 69.40 at December 31, 2004 (2003: EUR 66.35).

### Debt financing

Wereldhave aims for a balanced spread of debt maturities over the medium term. The Group's financing is arranged on unsecured basis with several international banks. Long-term debt at December 31, 2004 amounted to EUR 508.1 mln (2003: EUR 575.5 mln). Our currency hedging policy includes dollar debts. The lower exchange rates for the dollar thus also resulted in a lower euro value of debts. Wereldhave's strong balance sheet enables the Group to profit from low variable interest rates. At the end of 2004, 82% (2003: 74%) of the long-term debt carried a variable interest rate.

The average interest rate rose slightly from 3.4% in 2003 to 3.6% in 2004 as a result of higher American money market rates. Given the expected direction of European interest rate movements, this policy will be continued for the time being. A movement of 0.5% in money market rates leads, in the absence of a policy response, to a movement of circa EUR 0.10 in profit per share.

### Currencies

The standard guideline for covering the currency risk on the American and British property portfolios is a hedging ratio of 70%, but with a permissible range of 30%-70%. Toward the end of 2004, 63% of the GBP portfolio was covered and, outside of the permissible range, 80% of the USD portfolio was covered (2003: GBP and USD 70%). The replacement of a dollar option transaction was accompanied by a temporary overlap, which was deemed acceptable in light of the high volatility of the dollar in late December 2004. The cover for the dollar is now back within the permissible range. This hedging policy has limited the fall in the value of the portfolio of EUR 26.6 mln due to currency movements to a drop of EUR 8.7 mln in shareholders' equity. A movement of 10% in the dollar and pound sterling against the euro results in a movement of EUR 0.19 in profit per share.

### Derivatives

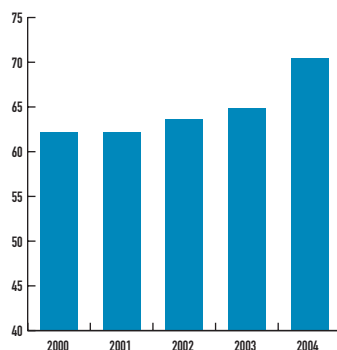
The use of financial instruments such as interest rate and currency swaps is limited to covering underlying positions or transactions. Only well respected banks qualify as a partner for such financial instruments.

### Price (x 1 EUR)

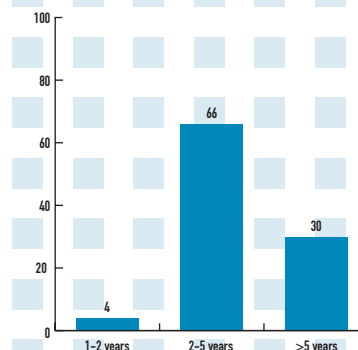
2002	2003	2004	2004
59.45	60.70	80.05	highest 13.97
45.30	49.01	58.00	lowest 10.12
53.50	59.35	80.00	year end 13.96

### P/DIR

### Equity as a % of total assets (before distribution of profits)



### Maturity spread loans as a %



## Development of the portfolio

The number of changes in the portfolio was limited in 2004.

In the Netherlands, an office building on Veraartlaan in Rijswijk was sold, while on the Ypenburg business estate in The Hague an industrial unit was renovated and a new development of 1,663 m<sup>2</sup> was completed. In the United States, an office building in Dallas was sold, a shopping centre was purchased in Austin, and a residential complex in McKinney, Texas was transferred to the investment portfolio. These transactions increased the proportion of shopping centres up to 41% and additionally

resulted in changes in the geographical composition of the portfolio.

Investments in the portfolio and purchases amounted to EUR 39.0 million while investments in development property separately totalled EUR 8.3 million. The investment portfolio underwent an upward revaluation of 3.1%, with positive revaluations in all countries. The average occupancy rate in 2004 amounted to 91.9% (2003: 93.7%). At December 31, 2004, the value of the development portfolio stood at EUR 58.2 million; the value of the investment portfolio at EUR 1,922.8 million.

### Net sales proceeds of the investment properties (x EUR 1 mln)

	Netherlands	Belgium	Germany	Finland	France	Hungary	Spain	UK	US	total
1995	0.8	–	–	–	13.3	–	–	2.3	–	16.4
1996	37.8	16.3	–	–	–	–	–	4.8	–	58.9
1997	0.7	8.6	–	–	–	–	4.1	156.6	50.4	220.4
1998	0.8	72.2	25.8	–	20.4	–	9.3	–	–	128.5
1999	30.9	7.9	–	–	–	–	–	72.7	–	111.5
2000	1.1	45.7	–	–	36.9	–	–	–	–	83.7
2001	1.5	–	–	–	–	0.7	–	12.5	–	14.7
2002	14.1	17.4	–	–	145.7	–	–	10.2	–	187.4
2003	–	–	–	–	–	2.1	–	2.7	–	4.8
2004	4.4	–	–	–	–	–	–	–	21.6	26.0
total	92.1	168.1	25.8	–	216.3	2.8	13.4	261.8	72.0	852.3

### Net sales proceeds of the investment properties (as a % of book value)

	Netherlands	Belgium	Germany	Finland	France	Hungary	Spain	UK	US	total
1995	113	–	–	–	97	–	–	103	–	98
1996	100	106	–	–	–	–	–	107	–	102
1997	124	100	–	–	–	–	101	101	105	102
1998	116	124	91	–	101	–	96	–	–	110
1999	102	117	–	–	–	–	–	121	–	115
2000	156	175	–	–	109	–	–	–	–	138
2001	157	–	–	–	–	103	–	110	–	113
2002	92	188	–	–	114	–	–	102	–	115
2003	–	–	–	–	–	106	–	101	–	103
2004	56	–	–	–	–	–	–	–	102	90
average	97	135	91	–	110	105	97	107	104	110

### Portfolio distribution

	00	01	02	03	04
Offices	56	58	52	48	45
Shops	30	28	36	39	41
Other	14	14	12	13	14

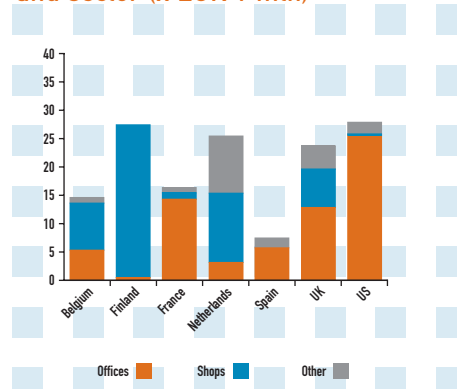
### Portfolio geographical distribution

	00	01	02	03	04
Belgium	9	11	10	12	12
Finland	–	–	17	20	20
France	14	16	12	11	11
Hungary	<1	<1	<1	–	–
Netherlands	19	18	18	19	18
Spain	5	5	4	5	5
UK	24	22	17	17	17
US	28	27	21	16	17

### Net rental income per country

	(as a % of the net rental income)				
	00	01	02	03	04
Belgium	10.2	11.3	10.3	10.6	10.2
Finland	–	–	14.9	17.5	19.2
France	15.6	13.8	10.3	10.4	11.4
Hungary	0.4	0.2	0.1	0.1	–
Netherlands	19.9	19.1	17.3	18.6	17.8
Spain	1.5	4.5	3.9	5.2	5.2
UK	25.1	22.5	19.1	17.1	16.6
US	27.3	28.6	24.1	20.5	19.6
Total	100	100	100	100	100

### Net rental income per country and sector (x EUR 1 mln)



## Organisation and staff

### Staff matters

Wereldhave was founded on May 30, 1930 and will celebrate its 75th anniversary in 2005. The firm's history is recorded in a book, which will be published in March 2005.

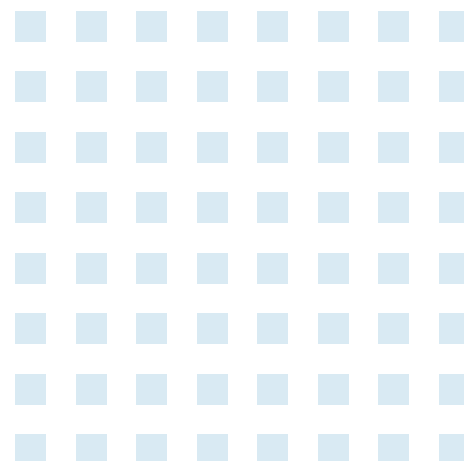
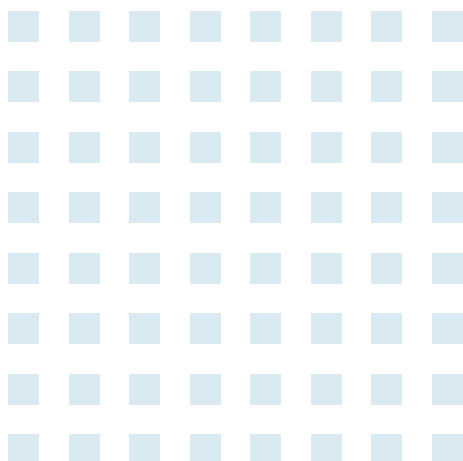
In 2004, Wereldhave introduced a contribution scheme for childcare in the Netherlands, which will come into effect on January 1, 2005. Wereldhave wishes to support its staff in combining work with family life by the introduction of childcare schemes.

Mr J. Buijs joined the Board of Management of Wereldhave Management Holding BV on January 1, 2005. Wereldhave Management Holding is a wholly-owned subsidiary of Wereldhave NV, charged with the real estate management for the Wereldhave portfolio. The other members of the Board of Management are Mr G.C.J. Verweij (chairman) and Mr R.L.M. de Ruijter.

In 2004, Wereldhave employed an average of 99 staff (2003: 100), of whom 65 (2003: 64) were based in our international offices. Of the total number, 45% were women and 55% men. The average staff age was 42 years old. Absenteeism due to sickness was again very low in 2004 (<1%). We would like to express our thanks to our staff for their dedication and involvement over the past year.

## National market reviews

The key economic figures in this section have been drawn from the December 2004 edition of the OECD publication 'Economic Outlook'. Revaluation figures have been calculated in local currencies. The occupancy rate is defined as the annual rental income (assuming zero vacancies), minus rental losses due to vacancies, expressed as a percentage of annual rental income.



## Belgium

Although the Belgian economy significantly outperformed the Eurozone average in 2004, growing by approximately 2.7%, the office market failed to benefit. The total gross absorption from the Brussels office market was 425,000 m<sup>2</sup>, as opposed to 720,000 m<sup>2</sup> in 2003 and an average of 600,000 m<sup>2</sup> over the past five years. Of this gross absorption, approximately 200,000 m<sup>2</sup> was accounted for by the commercial sector. In 2003, the Belgian and European governments still absorbed 450,000 m<sup>2</sup>. In 2004, however, this volume had halved. Average rent levels dropped by almost 10% over 2004, except in Brussels's Leopold district, where the European institutions are located. Average vacancy rates rose from 9.5% to 10.6% in 2004. In the Central Business District, rent levels remained unchanged, whilst dropping on the periphery. The top rents in the CBD are approximately EUR 290 per m<sup>2</sup> per year, while the top rents in the periphery are EUR 160 per m<sup>2</sup>. Use of incentives means that the effective rents are lower. In Antwerp, although the gross absorption rose there is little demand for offices with large floor areas. The average floor area is 500 m<sup>2</sup> per transaction. The top rents in Antwerp remained at EUR 135 per m<sup>2</sup> along the ring road. The gross yields for well-situated modern buildings in Brussels varied between 6% and 6.5%, although some buildings with long-term lease contracts were sold at even less than 6%. In Antwerp, the yields are approximately 1% higher.

The rent levels in Belgian shopping streets did not change in 2004. The highest rents in Brussels are currently EUR 1,200 per m<sup>2</sup> per year. Rents dropped in Antwerp, most probably as a result of the work on the ring road. The Belgian shopping centres again performed well. The rents in shopping centres rose further in 2004, as a result of the high demand and the limited supply. As a result, the difference in the rent levels in shopping centres and those in city centres is becoming increasingly smaller. The situation was less positive in the factory

outlets, which encountered major difficulties in attracting tenants. The new legislation for socio-economic permits may herald large-scale developments in the retail sector. Peripheral locations with large catchment areas offer the best opportunities in this respect, in view of the interest in suburban shopping. The gross yields in shopping centres are approximately 6.5%.

The most liquid markets for commercial premises are situated in and around Brussels, Antwerp, Ghent and Liège. In view of the large number of obsolete business premises, the Belgian government will conduct a restrictive allocation policy in the coming years, increasing the importance of redevelopment and renovation. The highest rents are paid in Brussels North/East and Brussels South, where rent levels are bordering on EUR 60 per m<sup>2</sup>. In Antwerp, the rent levels are 30% lower, at approximately EUR 40 per m<sup>2</sup>. The yields are approximately 8%-8.5% in Brussels and 8.5%-9% in Antwerp.

Wereldhave Belgium did acquire any new investments in 2004. The occupancy rate of Wereldhave's Belgian portfolio over 2004 came to 80.1% (2003: 91.9%). Wereldhave's interest in Wereldhave Belgium was 68.2% at year-end (2003: 68.2%). As at December 31, 2004, the value of the Belgian portfolio was EUR 222.9 million. The portfolio which does not include any development property underwent an upward revaluation of 0.7%.

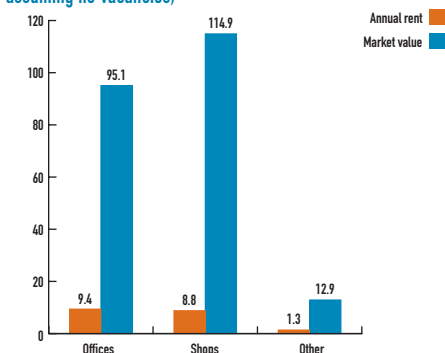
In 2005, the main focus of Wereldhave Belgium will be to investigate the possibilities for expanding its shopping centres, particularly in Nivelles, and on improving the occupancy of the office portfolio.

	2004	2003
Economic growth	2.7	1.3
Inflation	2.3	2.0
Growth private consumption	2.2	2.2
Growth corporate investment	0.5	-1.9
Growth in employment	0.4	0.1
Unemployment rate	7.7	7.9

### Annual rent and market value

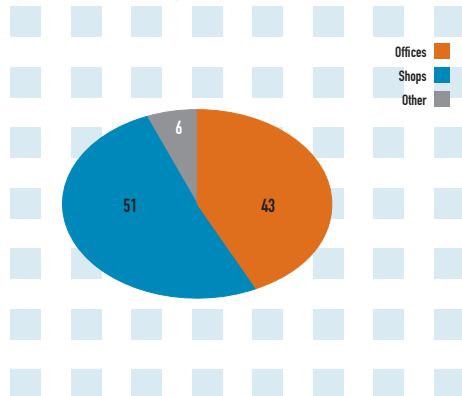
(in millions of Euro, at December 31, 2004)

assuming no vacancies)



### Distribution of investments

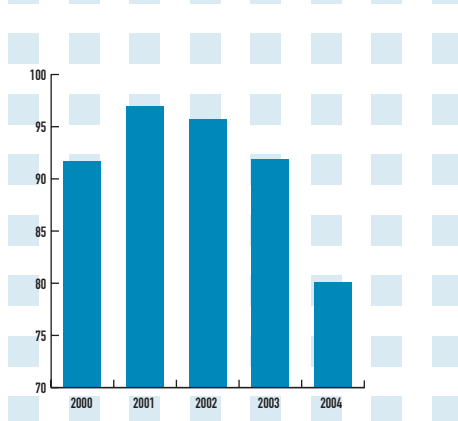
(as a % of market value)



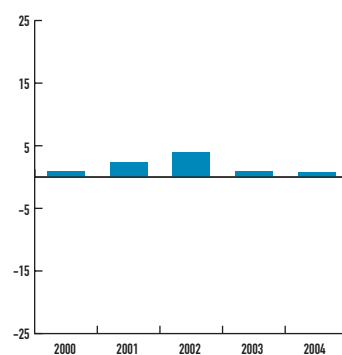


32 Medialaan, Vilvoorde

### Average occupancy rate (as a %)



### Revaluation of investment properties (as a %)



### General lease conditions

1. Term: 3, 6 or 9 years with a mutual option at the end of a term to extend or renegotiate.
2. Rent increases: annual increases based on increases in the health index.
3. Outgoings: structural maintenance only is for the landlords' account.



## Finland

The relative importance of Helsinki on the national office market is considerably greater than that of other European capitals. The reason for this is Helsinki's dominant position. Finland does not have any urban regions that are anywhere near the size of Helsinki. Consequently, almost all large Finnish companies are situated in Helsinki. In recent years, several business parks have been developed, offering fully serviced lettings. Construction firms have particularly developed such service park concepts along Helsinki's inner ring road. The supply of offices in Helsinki has risen sharply in the past few years, as a result of the completion of new development. In 2004, vacancy rates in the Helsinki office market rose from 7% to 9.1%. Vacancies are concentrated in older buildings, particularly in buildings abandoned by the ICT sector. Older office buildings in the centre are generally being returned to their original residential use. The top rent levels dropped to EUR 300 per m<sup>2</sup>. The rents for new offices along the inner ring road of the city are around EUR 235 per m<sup>2</sup>. The drop in rents did not affect the yields. The gross yields for first-class office space are approximately 7%.

The vacancy rate in the retail markets is below 1.2%. The demand for large retail space has dropped. Non-Finnish retail chains have entered the Finnish market in recent years, and are currently awaiting the developments outside Helsinki. The most sought-after retail locations are the Central Business District and the major shopping centres in Helsinki, where the top rent levels remained at EUR 1,400 per m<sup>2</sup>. Elsewhere, the highest market rents are approximately 40% lower. Smaller shopping centres and retail strips are encountering a great deal of competition from the major shopping centres. In 2004, the turnover levels in our Itäkeskus shopping centres managed to continue the upward trend achieved in 2003. On average, turnover rose by 5.6% (2003: 2.2%).

The turnover levels of the tenants with turnover-related rents rose by 6.7%, both in the Itäkeskus shopping centre and in Tapiola (2003: Itäkeskus 5%, Tapiola 2.9%).

Business premises vacancies in Helsinki are relatively low, at 2%. The tight market is the result of the small volumes of new development, which is limited owing to the small demand for leased space. The effective market rents remained stable in 2004, at around EUR 85 per m<sup>2</sup>.

The occupancy of the Finnish portfolio came to 99.0% (2003: 98.2%). At December 31, 2004 the value of the investment portfolio was EUR 381.0 million. Wereldhave's Finnish portfolio does not include any development property. An upward revaluation of 2.2% was applied to the portfolio. The Finnish government is currently examining possibilities for introducing a special tax system for investments in property. However, such a system is not expected to be introduced before 2006.

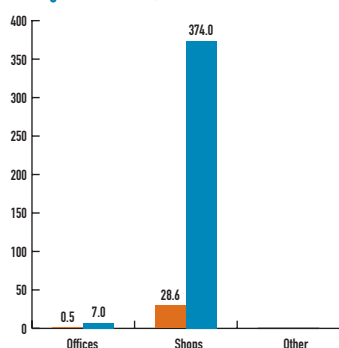
The interest in the Finnish property market displayed by non-Finnish investors has increased substantially in recent years, causing property prices to rise and yields to drop. Early in 2004, it became apparent that Wereldhave, shortly after having issued 1,090,000 shares, was not the highest bidder for a portfolio of shopping centres, by a very small margin. As a result, the envisioned expansion of the portfolio in Finland has not yet been realised. Wereldhave's Finnish organisation will continue to focus on expanding the portfolio in 2005.

	2004	2003
Economic growth	3.1	2.1
Inflation	0.8	0.0
Growth private consumption	2.8	4.5
Growth corporate investment	3.3	-7.6
Growth in employment	-0.4	-0.3
Unemployment rate	8.9	9.1

### Annual rent and market value

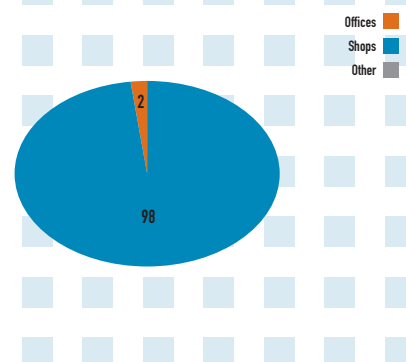
(in millions of Euro, at December 31, 2004)

assuming no vacancies)



### Distribution of investments

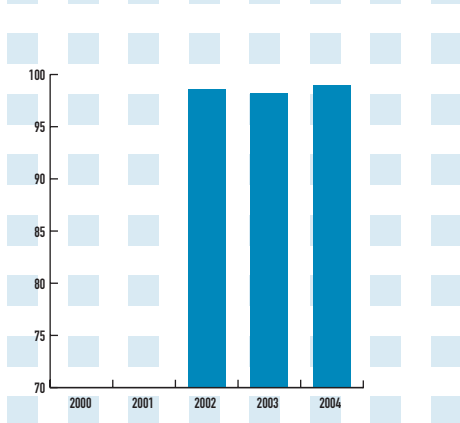
(as a % of market value)



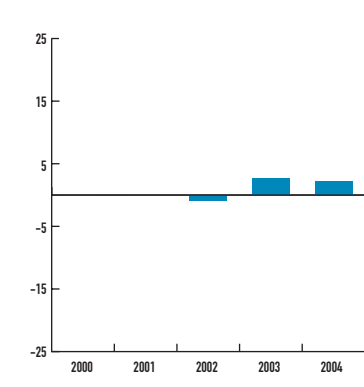


Itäkeskus shopping centre, Helsinki

**Average occupancy rate (as a %)**



**Revaluation of investment properties (as a %)**



**General lease conditions**

1. Term: 5 years with a mutual option at the end of the term to extend or renegotiate.
2. Rent increases: annual increases based on increases in the consumer price index. Part of the rental payment is related to turnover.
6. Outgoings: structural maintenance only is for the landlords' account.

## France

The gross absorption of offices in Paris rose slightly over the whole of 2004 compared with the previous year. Owing to the deferment of several new development projects, the average vacancy in 2004 remained at 6.5%. In the Central Business District, the vacancy level rose to approximately 6.5%, while the rate in La Défense dropped to approximately 8%. Banks, insurance companies and businesses in the ICT sector are relocating to offices with larger floor areas along the western ring road. The highest rents are still being paid in the Central Business District, where the top rents dropped by approximately 8%, from EUR 645 per m<sup>2</sup> in 2003 to EUR 590 in 2004. In 2001, the highest rents were still around 840 per m<sup>2</sup>. The demand for small and medium-sized offices remained reasonably stable. Large floor areas were in great demand in 2004 with major transactions (more than 5,000 m<sup>2</sup>) representing over 40% of the total rental volume. The net initial yields on first-class office buildings in the Central Business District are approximately 6%, showing a slight drop.

Shop rents in the main Parisian shopping streets remained stable in 2004, at around EUR 4,000 per m<sup>2</sup>, ranging from EUR 2,000 for Rue de Passy to approximately EUR 6,000 for the Champs Elysées. Outside Paris, rents in main shopping streets are considerably lower. In Marseille annual payments are around EUR 1,000 per m<sup>2</sup>, in Lille they are EUR 1,050 and in Lyon, EUR 1,200. Retailers are looking for space that generates higher turnover per m<sup>2</sup> and/or that can force down costs in terms of percentages of the turnover. As such, the large chains are looking for units of 200 to 500 m<sup>2</sup> in the main shopping streets and the principal regional shopping centres. The gross initial yields in Paris dropped from 6.5% near the end of 2002 to 5.75% in mid-2004. In other French towns and cities, the gross initial yields for well-placed retail premises also dropped, to 6.5-6.75%. Both in Paris and along the periphery of Paris, significant numbers of large mega stores have been built in

recent years. This trend showed signs of abating in 2004. A restrictive permit policy has been introduced, to ensure that further retail influx will take place in the immediate vicinity of existing shopping centres. The highest total yields in 2004 were generated by retail warehouses and mega stores.

The annual addition of large industrial business space has exceeded the gross absorption for two years, resulting in an increase in the vacancy levels. However, the situation for distribution centres is completely different. Absorption and new development are still more or less balanced. The northern and northwestern peripheral towns of Paris are still the most sought-after locations for establishing such centres. Quality is scarce. Vacancies mostly consist of obsolete premises, where demolition or renovation are the only alternatives to vacancy. The rents for business space remained more or less stable. For large attractive business premises, the rent is approximately EUR 60 per m<sup>2</sup>. The net initial yields on business premises are relatively high in France, at 9%.

In 2004, the composition of the portfolio did not change. On January 1, 2004, Wereldhave's French investments became subject to the SIIC system. The vacancy level of the French portfolio for 2004 came to 96.4% (2003: 94.4%). As at December 31, 2004, the total value of the investment portfolio was EUR 202.4 million. Wereldhave's French portfolio does not include any development property. An upward revaluation of 0.1% was applied to the portfolio.

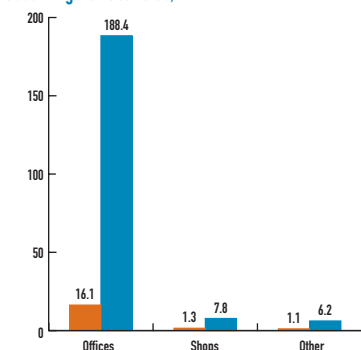
During 2004, leases were completed for 555 m<sup>2</sup> of the Clichy office building and by the end of 2004, 88% of the building was let. In 2005, efforts will be made to further improve the occupancy rate and expand the portfolio.

	2004	2003
Economic growth	2.1	0.5
Inflation	1.9	1.4
Growth private consumption	2.3	1.7
Growth corporate investment	3.9	-1.6
Growth in employment	-0.1	-0.1
Unemployment rate	9.8	9.7

### Annual rent and market value

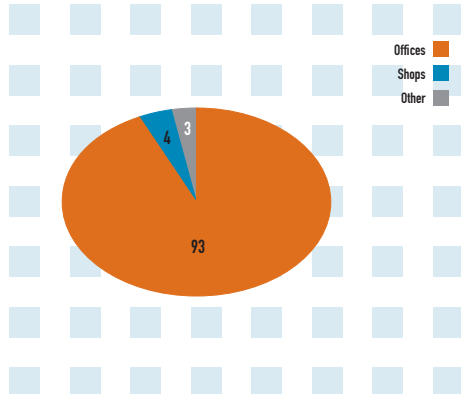
(in millions of Euro, at December 31, 2004)

assuming no vacancies)



### Distribution of investments

(as a % of market value)

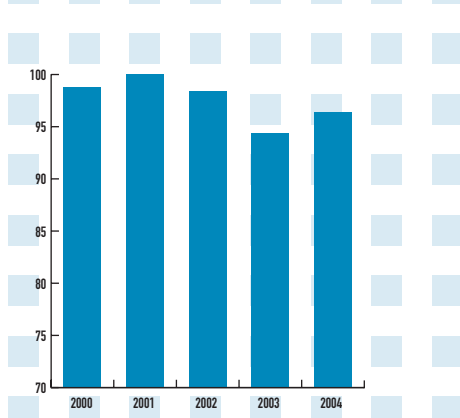




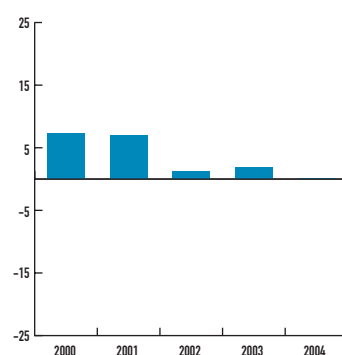


Allées de l'Europe, Clichy

### Average occupancy rate (as a %)



### Revaluation of investment properties (as a %)



### General lease conditions

1. Term: 3, 6 and 9 years with the tenant having the option each three years to extend the lease.
2. Rent increases: annual increases based on building cost increases (INSEE-index) unless agreed otherwise.
3. Outgoings: structural maintenance only is for the landlords' account.

## The Netherlands

Toward the end of 2004, over 5.5 million m<sup>2</sup> of office space, representing 12% of the Dutch office supply, was vacant, an increase compared with 2003. As a result, rents in virtually all regions are under pressure, both for new and for older offices. Attracting and retaining tenants requires a great deal of effort and drastic concessions, often in the form of rent-free periods or contributions to the costs of fitting out. Vacancy rates are highest in the towns surrounding Utrecht, Rotterdam and Amsterdam, where more speculative construction projects have been carried out. In The Hague the market is more balanced. The top rent levels in Amsterdam are EUR 330 per m<sup>2</sup>, in The Hague they are EUR 210 and in Rotterdam they are EUR 185 per m<sup>2</sup> per year. The prices being paid on the investment market for first-class offices with long-term tenancy agreements are still high. The yields on leased out first-class office space are around 6.5%.

On the whole, rent levels for shops remained the same in 2004. The success of large-scale retail in peripheral locations heralds price cuts in the retail sector. As a result of the fierce competition, shop owners are being forced to adapt their shop formats and to look for the best locations. Town and city centres are attracting fewer and fewer shoppers. The number of shoppers in Amsterdam City Centre has dropped by 6% since 2002, in Maastricht by 10%, in The Hague by 11%, and in Utrecht and Rotterdam by 18%. The interest in shopping in large peripheral shopping centres with sufficient parking facilities is increasing. The rents for retail space remained the same in 2004. The numbers of shoppers in Wereldhave's shopping centres rose in 2004, with the exception of the Arnhem shopping centre, where the number of shoppers dropped slightly probably as a result of construction activities on a new entrance.

The availability of business space rose to almost 7.2 million m<sup>2</sup> at the end of 2004. Approximately 95% of the supply consists of business premises that have become vacant. Of that figure, around 25% is significantly obsolete and therefore barely lettable. As a result, with supply remaining high, supply and demand are mismatched. Large-scale redevelopment is the only alternative, but this is made difficult by fragmented ownership. Tenancy agreements for business spaces have increasingly shorter terms. In the past, 5 or 10 year contracts were the norm, whereas nowadays tenancy agreements generally have terms of no more than 3 years. The top rents for business space have been more or less stable since 2002. In the Randstad urban conglomerate, rents are approximately EUR 60 per m<sup>2</sup> per year, while outside that area they are around 25% lower. The yields on modern business premises are approximately 8.25%.

The occupancy rate of the Dutch office portfolio rose to 88.1% in 2004 (2003: 85.6%). In the spring of 2004, an industrial unit with office space of 1,663 m<sup>2</sup> was completed on the Ypenburg business estate. The building was fully let upon completion. An office building of 5,490 m<sup>2</sup> on Veraartlaan was sold on December 1, 2004. In 2004, lease agreements were concluded for 4,721 m<sup>2</sup> on the Ypenburg business estate in The Hague, now 70% let, and for 5,800 m<sup>2</sup> of the Winston Churchill Tower office building in Rijswijk, now 97% let. These lettings will contribute to a further improvement of the occupancy rate in 2005. As at December 31, 2004, the value of the investment portfolio was EUR 351.9 million, while that of the development portfolio was EUR 12.5 million. The portfolio underwent an upward revaluation of 1.3%.

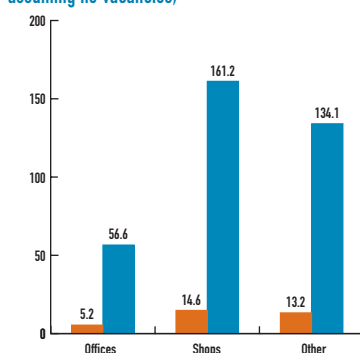
In 2005, efforts will be made to further improve the occupancy rate and expand the portfolio. Possibilities that will be examined in order to achieve this expansion are new development projects and investments in the existing portfolio.

	2004	2003
Economic growth	1.2	-0.9
Inflation	0.8	3.0
Growth private consumption	0.1	-0.9
Growth corporate investment	0.0	-3.4
Growth in employment	-0.6	0.4
Unemployment rate	4.9	4.1

### Annual rent and market value

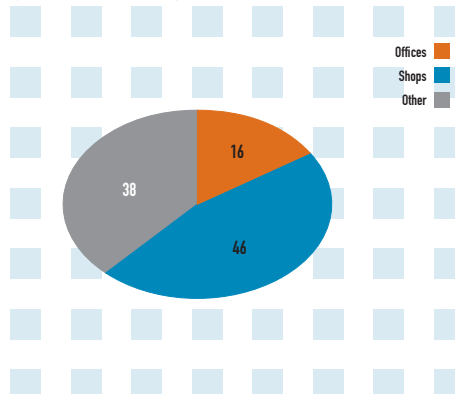
(in millions of Euro, at December 31, 2004)

assuming no vacancies)



### Distribution of investments

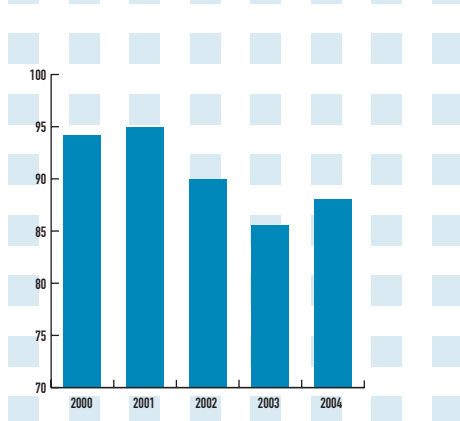
(as a % of market value)



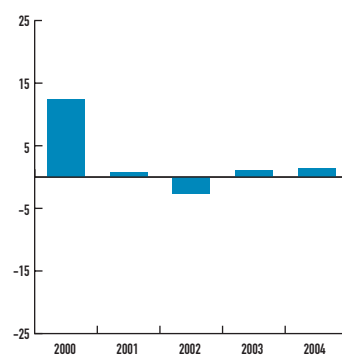


23 Nassaulaan, The Hague

### Average occupancy rate (as a %)



### Revaluation of investment properties (as a %)



### General lease conditions

1. Term: 5 years with an option for the tenant to extend a further 5 years.
2. Rent increases: annual increases based on the cost of living index (consumer price index).
3. Outgoings: structural maintenance, insurance, management and a part of local taxes are for the landlords' account.

## Spain

The growth rate of the Spanish economy is still above the European average, although the difference is declining. The rapid growth of the economy has caused rises in wages and a relatively high inflation rate of 3.1%. The prospects for further economic growth in the long term are favourable. With high immigration figures, Spain is suffering less from increasing percentages of older people in its population or from declining population figures. The gross absorption of office space in Madrid rose to around 650,000 m<sup>2</sup> in 2004 but, owing to the completion of 600,000 m<sup>2</sup> of new development, vacancies rose further to approximately 1.2 million m<sup>2</sup>, i.e. 9.0%. The absorption of office space was the highest in the Central Business District, with mostly minor transactions, where the vacancy rate is at 5%. Rents in the peripheral areas dropped most, particularly in areas that are less easily accessible by public transport. Along the ring road, vacancy is at 10%, and in the periphery it exceeds 20%. In the older centre, where larger floor areas are scarce and where old office spaces rezoned for residential use, rents dropped least. The market rents in the top segment are around EUR 300 per m<sup>2</sup>. The drop in rents has not caused the net initial yields to rise. For the top office segment on the Castellana, they are still 6%, and in the centre 6.5%. In the outer areas, net initial yields are higher because of the risks of vacancy.

Spanish shoppers attach a great deal of importance to attractive surroundings with ample opportunities for relaxation and a varied range of shops. Convenience shopping is nice for everyday shopping, but for larger and more luxury purchases the attraction of the shopping environment is the decisive factor. New shopping centres cater to this demand by offering a wide range of shops and a hypermarket as a crowd-puller. Rents in the main shopping streets remained level and in Madrid are around EUR 1,750 per m<sup>2</sup> per year. The initial yields for shops in the main shopping streets remained at approximately 5.5%, while the yields in shopping centres rose from 6.75% in 2003 to

7.25% in 2004. The lower turnover figures per m<sup>2</sup> can be attributed to the increase in the number of shops.

The market for business space in the Madrid region remained poor in 2004. Although in Barcelona, where construction locations are scarce, rents remained stable, in Madrid rents dropped by 8%. Market rents for large business spaces in Madrid are EUR 86 per m<sup>2</sup>, including service charges. In Barcelona, the rents, corrected for service charges, are more or less equal. Madrid has a higher demand for small and medium-sized business space, while in Barcelona there is more demand for large surfaces. The 8% initial yields did not change in 2004.

In 2004, Wereldhave let the remaining 20% of the business complex in Rivas-Vaciamadrid. The average occupancy of the portfolio during the reporting year came to 92.4% (2003: 95.2%). As a result of a number of leases reaching the end of their terms, 4,100 m<sup>2</sup> of the office building in Arroyo de la Vega became vacant at the end of 2004. As at December 31, 2004, the value of the investment portfolio was EUR 103.6 million; Wereldhave does not have any development property in Spain. The Spanish portfolio underwent an upward revaluation of 2.2%.

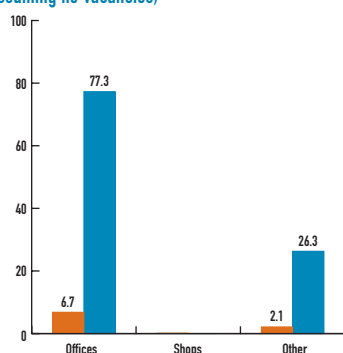
In 2005, the Spanish organisation will focus on letting Arroyo de la Vega and on expanding the portfolio.

	2004	2003
Economic growth	2.6	2.5
Inflation	3.1	4.0
Growth private consumption	3.2	2.9
Growth corporate investment	3.1	3.3
Growth in employment	2.4	2.7
Unemployment rate	10.9	11.3

### Annual rent and market value

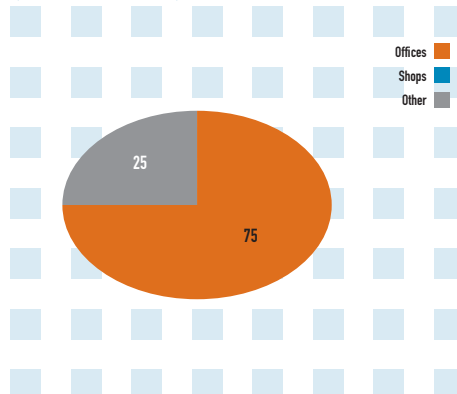
(in millions of Euro, at December 31, 2004)

assuming no vacancies)



### Distribution of investments

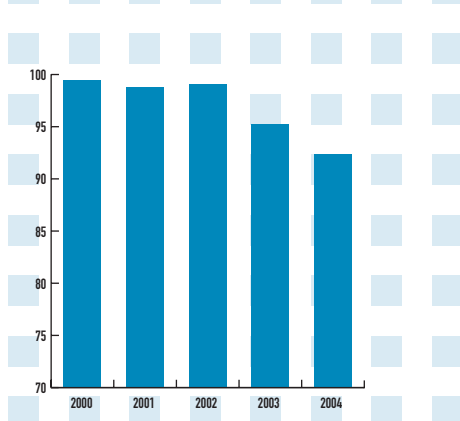
(as a % of market value)



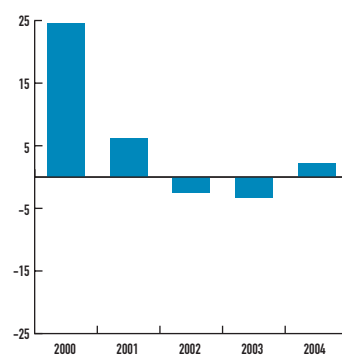


15 Avenida de la Vega, Alcobendas

### Average occupancy rate (as a %)



### Revaluation of investment properties (as a %)



### General lease conditions

1. Term: up to 5 years.
2. Rent increases: annual increases based on the cost of living index (consumer price index).
3. Outgoings: structural maintenance, insurance, management and a part of local taxes are for the landlords' account.



## United Kingdom

Having dropped in recent years, rents in the City remained level in 2004. In Docklands, rents dropped by 4%, in the West End they rose by 8.5% and in Holborn (Midtown) rents rose 7%. The top rents in the City varied around GBP 480 per m<sup>2</sup>. In the West End, the highest rents were at levels of GBP 750 per m<sup>2</sup>. The lack of room for expansion and the sought-after mixed-use environments are forcing land prices upward, and with them rents. Midtown is an attractive alternative. In the Thames Valley, rents appear to have stopped falling, and the supply of available office space has declined. Businesses are anticipating future growth and are withdrawing the supply of sublet space from the market. In the provincial cities, rents are also rising. In Manchester, market rents rose to approximately GBP 280 per m<sup>2</sup> per year. In Birmingham rents remained stable at GBP 290 per m<sup>2</sup>. In Leeds rents are GBP 240 per m<sup>2</sup>. Rents for retail space rose in most locations, particularly in the city centres, major shopping centres and retail warehouses. The average rise was 2.7%. In Central London, they rose by 6%. The retail warehouses depend largely on Sunday opening hours and on large net sales areas. As such, the large chains in the main shopping streets wish to change their opening hours. The highest shop rents for Zone A metres are around GBP 5,350 per m<sup>2</sup> per year in the West End, while in Birmingham, Leeds and Manchester they are approximately GBP 3,200 per m<sup>2</sup>.

The increase in the demand for large floor areas for industry and distribution has caused a drop in available space. Developers are capitalising on this by undertaking speculative developments. In the East Midlands, in particular, the number of projects under construction has increased considerably. Rents, however, hardly changed. The highest rents are paid for business space in the proximity of Heathrow, where room for expansion is limited. Market rents varied around GBP 115 per m<sup>2</sup> there. In Northampton, market rents are approximately GBP 56 per m<sup>2</sup>,

while rents in towns such as Leicester, Derby and Nottingham are around 10% even below that.

The British investment market remained strong in 2004. Yields continued to drop during the year, despite the ongoing rise in interest rates. Yields dropped most in the retail sector, followed by the industrials and then the office sector. Yields in the retail sector are approximately 4.5%, for retail warehouses they are 5% and in shopping centres, 5.25%. The yields on first-class offices dropped to 6%. The yields on property with long tenancy agreements and blue chip tenants are lower still. Yields for industrials are around 6.75%. The British government has postponed the introduction of a favourable tax system for property investment funds (PIFs) for further rounds of consultation. As matters stand, the system is not expected to be changed before 2006.

The occupancy of the portfolio in 2004 came to 91.3% (2003: 98.4%). At December 31, 2004, the value of the investment portfolio was EUR 338.8 million, while the value of the development portfolio was EUR 4.4 million. The value of the development portfolio did not change and the investment property underwent an upward revaluation of 9.7%.

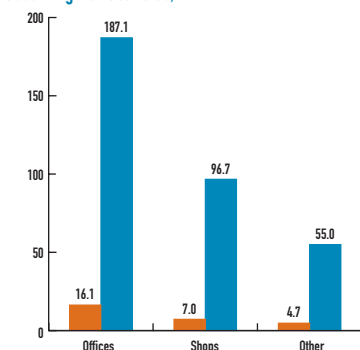
In the past year, a great deal of time was devoted to realising the aim of expanding the portfolio. In competitive several bids, Wereldhave proved not to be the highest bidder (by narrow margins). Eventually, the United Kingdom portfolio retained its composition in 2004. In 2005, new opportunities will be actively sought to achieve the expansion.

	2004	2003
Economic growth	3.2	2.2
Inflation	2.1	3.0
Growth private consumption	3.0	2.3
Growth corporate investment	6.0	-1.1
Growth in employment	0.9	0.9
Unemployment rate	4.7	5.0

### Annual rent and market value

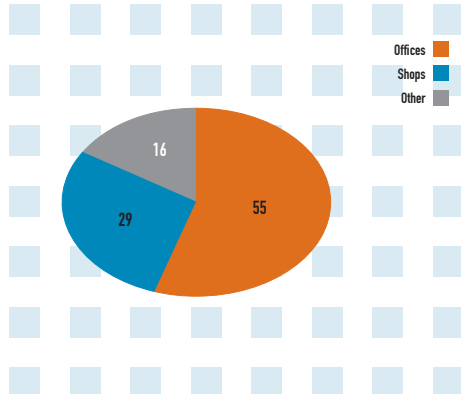
(in millions of Euro, at December 31, 2004)

assuming no vacancies)



### Distribution of investments

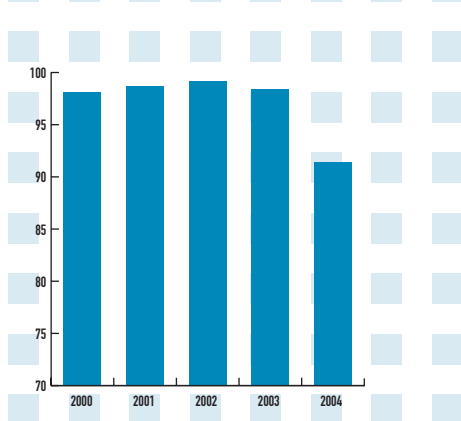
(as a % of market value)



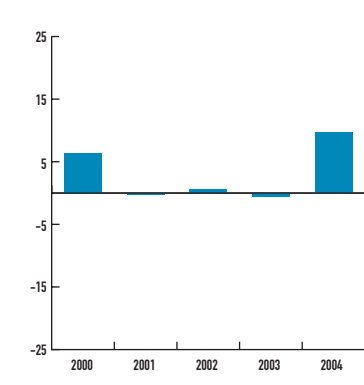


72-74 Dean Street, London

**Average occupancy rate (as a %)**



**Revaluation of investment properties (as a %)**



**General lease conditions**

1. Term: up to 25 years.
2. Rent adjustments to market levels every five years, in general not below the previous rent level.
3. Outgoings: mainly structural maintenance and insurance are all recoverable from the tenants.

## United States

The average vacancy rate in the US office market dropped from 16.7% to 16.0% in 2004. The market recovery was most noticeable in the suburban office market, where the vacancy rate dropped from 18.0% to 17.1%. In the Central Business Districts, the average vacancy dropped to 14.2%. The rise in employment had a positive impact on the net absorption. There are large differences between the various office markets. The market recovered most strongly in the knowledge based areas. In Washington, vacancy dropped from 10.5% to 10.1%, and in Austin it dropped from 20.6% to 19.6%, while in Dallas the vacancy level remained the same. The top rents for office space in the Central Business District dropped by approximately 10% in the past year, to USD 230 per m<sup>2</sup> per year in Austin and USD 190 in Dallas. In Washington, rents in the CBD average USD 460 per m<sup>2</sup> per year. The net initial yields on offices dropped slightly in 2004, to an average of around 7.5%, whilst in Washington, the yields are 6.3%.

Over the past three years, the market for retail space outperformed the other property sectors. Smaller shopping centres with supermarkets to attract the crowds are still considered the best investments, since such centres will always fulfil a need. In areas where new development is subject to restrictions, the prices for such centres have risen sharply. Larger centres are considered to be more speculative, owing to the rise of Internet purchases and the success of the Big Box retailers. The supermarkets in smaller centres can also see the Big Box retailers such as Wal-Mart looming closer. Although the rents for retail space rose in 2004, the average yields remained the same.

The market for business space has clearly bottomed out. The average vacancy dropped in 2004 from 11.6 to 11.0%, and new development activity has increased once more. Sharp drops in vacancy levels can be seen in Washington, from

14.8 to 11.3%, and in Dallas, from 18.1 to 15%. In Austin, vacancy remained at 22.2%. The surplus supply is keeping rents low. Initial yields for industrial space varied around 8.6%; however, flexible business premises are generating yields of 8.1%.

The market for rental homes is suffering from disappointing economic developments, a low inflation rate and very low nominal interest rates. Buying is a more attractive option and average vacancies rose in 2004. Since the principal competition factor on the market for rental homes is quality, Wereldhave succeeded in improving the occupancy of its apartment complexes. The Saxon Woods apartment complex was transferred to the investment portfolio in the first quarter of 2004. During the course of the year, another 12% of the apartments were let, bringing the occupancy of the complex to 87% at the end of 2004.

Wereldhave sold the 1910 Pacific Place office building in Dallas in 2004, for USD 29.9 million. The proceeds were used to purchase the Davenport Village shopping centre in Austin (see pp. 26 and 27). The most important lease transaction in 2004 was the 11-year lease of 65% of the as yet incomplete office building on G-street in Washington. The occupancy of the portfolio came to 93.7% (2003: 94.5%). At December 31, 2004, the value of the investment portfolio was EUR 322.2 million, and that of the development portfolio was EUR 41.3 million. The value of the development portfolio did not change, while the investment portfolio underwent an upward revaluation of 3.3%.

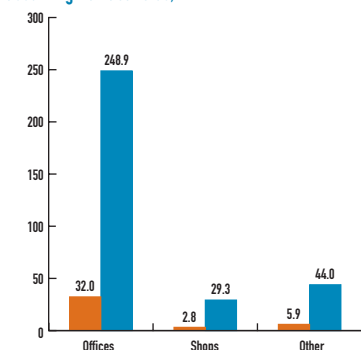
In 2005, Wereldhave's US management organisation will focus primarily on expanding the portfolio. In the first quarter of 2005, construction will start on a 5,000 m<sup>2</sup> office building in McKinney, Texas, which will meet the very highest environmental and sustainability criteria (LEED-Platinum).

	2004	2003
Economic growth	4.4	3.0
Inflation	2.0	1.8
Growth private consumption	3.6	3.3
Growth corporate investment	10.2	3.3
Growth in employment	1.1	0.9
Unemployment rate	5.5	6.0

### Annual rent and market value

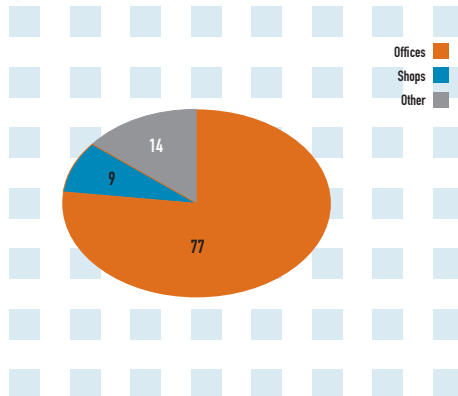
(in millions of Euro, at December 31, 2004)

assuming no vacancies)

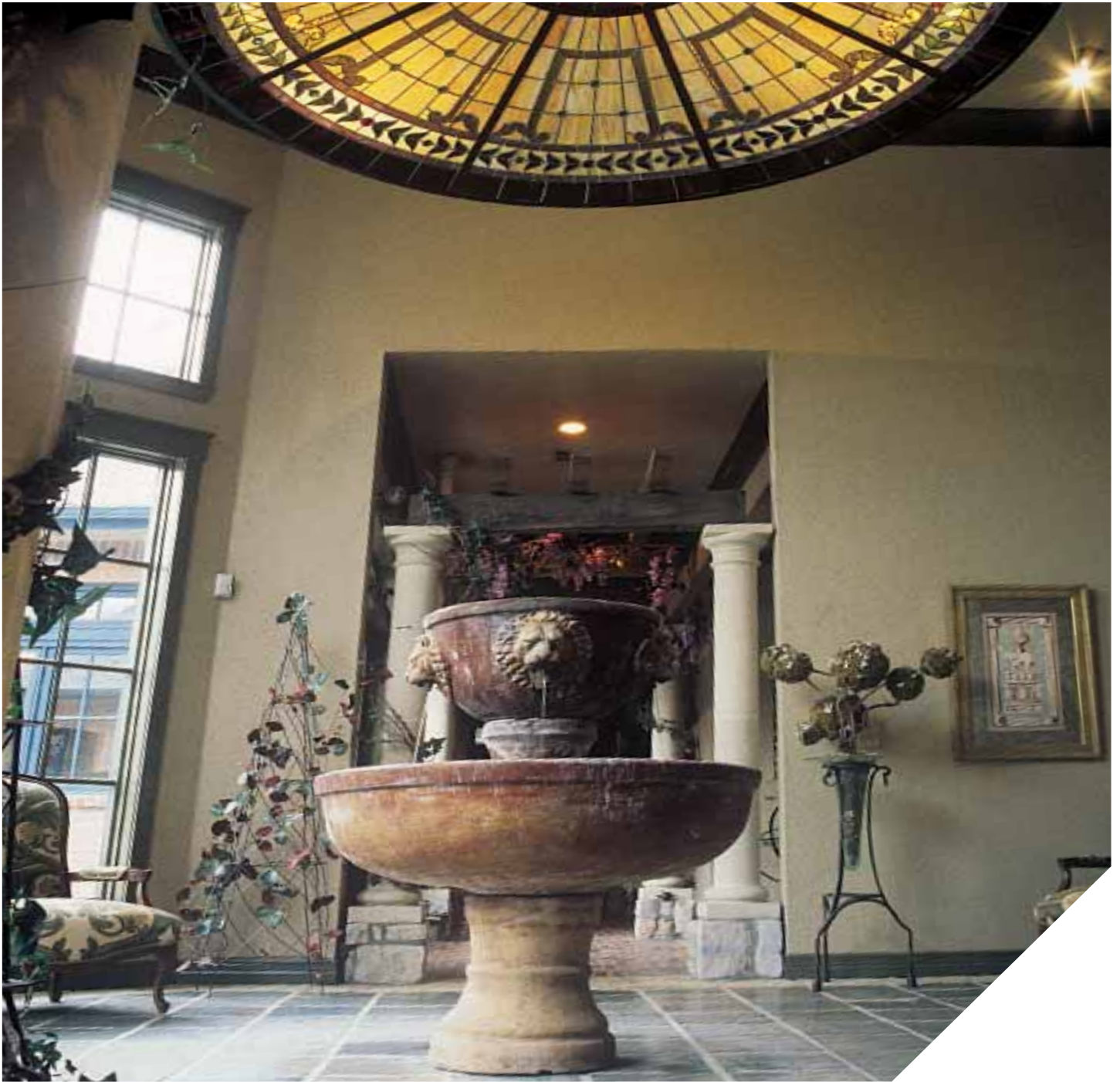


### Distribution of investments

(as a % of market value)

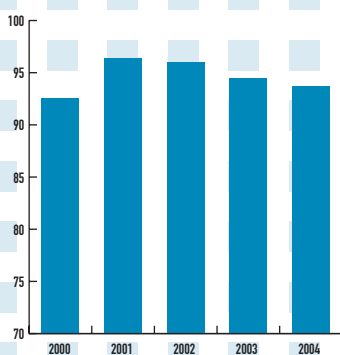




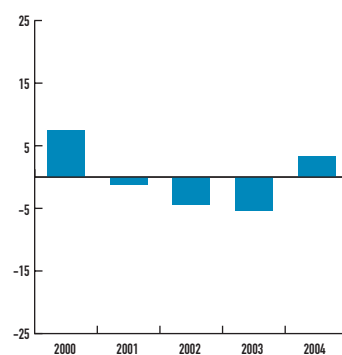


Arboretum Estates, Richardson

### Average occupancy rate (as a %)



### Revaluation of investment properties (as a %)



### General lease conditions

1. Term: 5 or 10 years usual.
2. Rent increases: unusual during the term.
3. Outgoings: structural maintenance only is for the landlords' account; escalation clauses exist for increases in property taxes, electricity and wages.



## Shopping centre Davenport Village, Austin, Texas

Austin, the state capital of Texas, is a rapidly growing city. The city's population during the 1990s increased by 35%. Austin, with its surrounding suburban area, has a population of over 1.2 million. The city has a highly educated work force, which is much sought after by high-tech and multimedia companies. Major local employers include Dell, Compaq, Motorola, 3M and the University of Texas.

Davenport Village is a shopping centre comprising 11,891 square metres, situated on the West Side of Austin. The two office complexes owned by Wereldhave, Plaza on the Lake and Lakewood, (which together comprise well over 30,000 square metres), are situated approximately 1 mile away



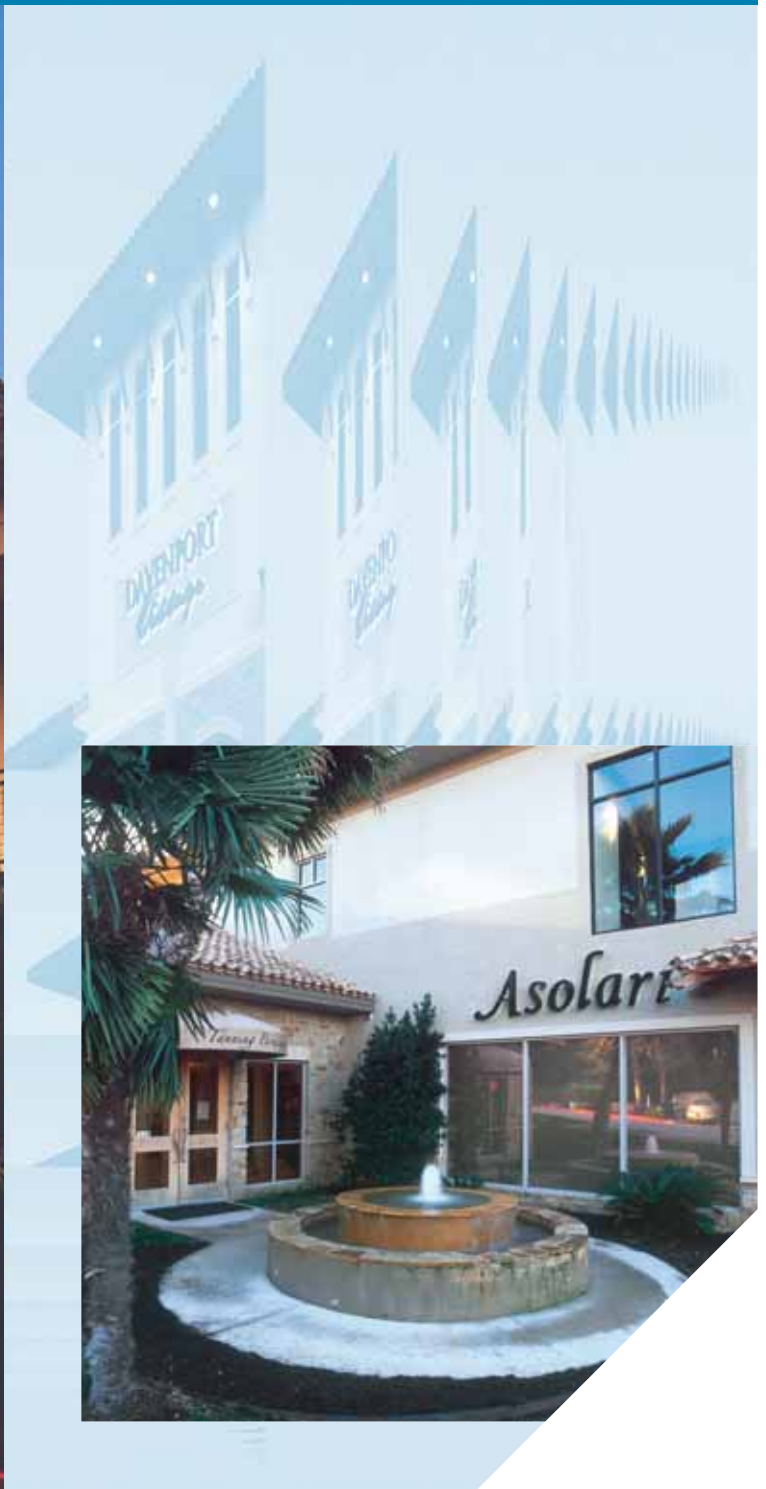


on the opposite side of the 360 Capital of Texas Highway, adjacent to the Colorado River Bridge. The construction of the shopping centre occurred in two separate phases, consisting of 5 buildings each. The first phase was completed in 1998; the second in 2002.

Overall accessibility to the site is excellent. The shopping centre offers a traffic-light-protected exit to the 360 Capital of Texas Highway. The area around the shopping centre is affluent. Davenport Village is located at the entrance of the exclusive Austin Country Club, where house prices range from USD 600,000 to more than USD 2,000,000. The surrounding countryside with its rolling hills and lakes, in a protected wildlife reserve, provide an attractive residential area for exclusive communities such as Barton Creek, Lakewood, Shepherd Mountain, Davenport Ranch and Senna Hills.

The shopping centre caters to Austin's affluent, lifestyle shoppers. The park-like atmosphere, Mediterranean architecture, elaborately detailed buildings and immediate proximity of the Austin Country Club echo this exclusive character. The façades are executed in stucco and partially in limestone. The roof tiles and eaves highlight the Mediterranean building style.

Important leaseholders that have been there from the initial opening include Northwest Hills Pharmacy, Thistle Café, and First American Bank. Second phase tenants such as Maudie's Milagro restaurant, Cycleworks 360 and the Body Business health centre are also key occupants of this lifestyle centre.



## Prospects

The competition in the property markets is increasingly revolving around quality. More than anything, businesses want to be located in large, liquid markets with sufficient international connections and a high quality of life. They also wish to be housed in efficient, striking buildings situated in lively locations with sufficient parking space. More than before, they look for tailored solutions. This explains why new development has not ceased in areas with a high quality of life.

In addition investments in property remain attractive compared with bonds. Investor demand for high-quality property will, therefore, remain high, even though the average vacancy is slow to drop. New development remains competitive, owing to the low costs of construction and financing. Increasing the intensity of the use of land not only has a downward effect on the all-in construction costs, but also ensures that there will continue to be possibilities for development. The actual rents in less attractive locations are dropping. Wereldhave will respond to this development by focussing even more on the quality of the developed surroundings and the potential for value growth.

In Wereldhave's view, the current geographic spread offers possibilities, particularly in large, liquid markets. As such, our focus in 2005 will be primarily on acquiring new projects yet to be constructed, which can be added to our portfolio in the coming years. Our target to achieve a portfolio volume of EUR 2.5 billion remains unchanged.

We pursue an expansion of the portfolio with developments and standing investments. In view of our current solvency ratios, an expansion of the investment portfolio will immediately contribute to the direct investment result per share. Leasing is on the recovery in several property markets, not just in the United States, but also in Europe.

Board of Management Wereldhave N.V.  
The Hague, February 24, 2005

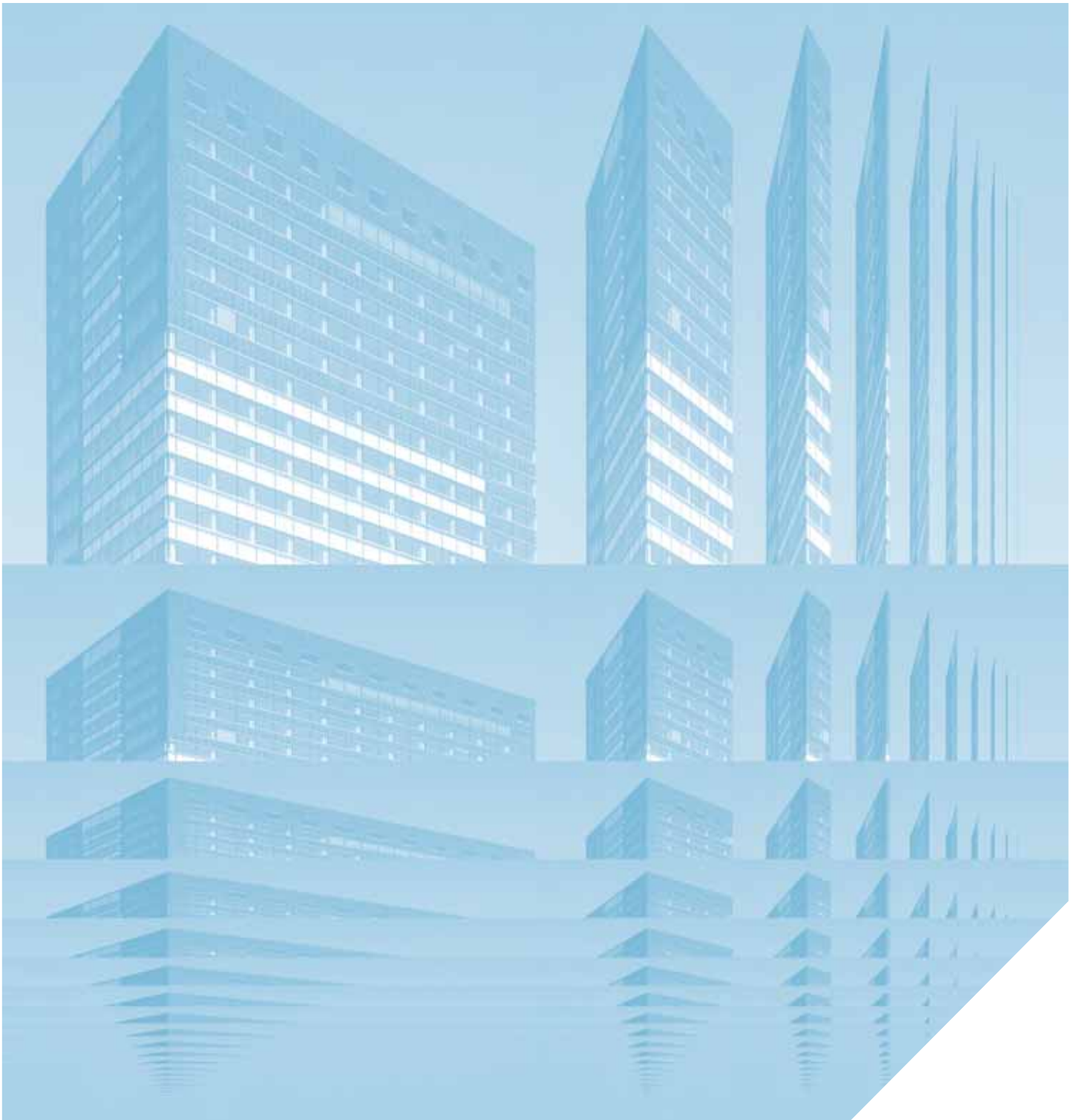
G.C.J. Verweij  
R.L.M. de Ruijter



R.L.M. de Ruijter (left) and G.C.J. Verweij



# Annual Accounts 2004



## Consolidated balance sheet at December 31, 2004

before distribution of profits\* (amounts x EUR 1 mln)

	note	2004	2003
<b>Assets</b>			
Investments			
property investments	1	1,981.0	1,932.1
Accounts receivable	2	48.2	41.9
Other assets	3	20.5	43.4
		<u>2,049.7</u>	<u>2,017.4</u>
<b>Liabilities</b>			
Shareholders' equity		1,445.8	1,310.0
Provisions	4	39.1	38.0
Long-term debt			
loans	5	500.0	565.3
other liabilities	6	8.1	10.2
		<u>508.1</u>	<u>575.5</u>
Short-term liabilities	7	56.7	93.9
		<u>2,049.7</u>	<u>2,017.4</u>

\* See the proposed distribution of profits under 'Other information' on page 44.

## Consolidated profit and loss account 2004

(amounts x EUR 1 mln)

	note	2004	2003
<b>Income</b>			
gross rental income	1	166.5	171.8
operating costs	2	<u>./.</u> 24.4	<u>./.</u> 25.2
net rental income		142.1	146.6
property revaluation	3	58.9	<u>./.</u> 8.8
result on disposals	4	<u>./.</u> 3.0	<u>7.1</u>
		198.0	144.9
<b>Costs</b>			
interest charges	5	<u>./.</u> 16.3	<u>./.</u> 19.4
general costs	6	<u>./.</u> 6.9	<u>./.</u> 7.9
		<u>./.</u> 23.2	<u>./.</u> 27.3
<b>Results before tax</b>		174.8	117.6
taxes on result	7	<u>./.</u> 3.6	<u>./.</u> 12.9
<b>Profit after tax</b>		<u><b>171.2</b></u>	<u><b>104.7</b></u>
<b>Profit per share (x EUR 1)</b>		<b>8.31</b>	<b>5.31</b>

## Investment result

(amounts x EUR 1 mln)

	2004	2003
net rental income	142.1	146.6
interest charges	<u>./.</u> 16.3	<u>./.</u> 19.4
general costs	<u>./.</u> 6.9	<u>./.</u> 7.9
taxes on result	<u>./.</u> 0.8	<u>./.</u> 2.8
<b>Direct investment result</b>	118.1	116.5
property revaluation	58.9	<u>./.</u> 8.8
result on disposals	<u>./.</u> 3.0	7.1
movement in tax obligations	<u>./.</u> 2.8	<u>./.</u> 10.1
<b>Indirect investment result*</b>	53.1	<u>./.</u> 11.8
<b>Profit after tax</b>	<u><b>171.2</b></u>	<u><b>104.7</b></u>

\* Indirect investment result including exchange rate differences and other movements, charged to shareholders' equity to the amount of EUR -15.1 mln (2003: EUR -30.6 mln), amounts to EUR 38.0 mln (2003: EUR -42.4 mln).

## Movements in shareholders' equity in 2004

(amounts x EUR 1 mln)

	2004	2003
Profit after tax	171.2	104.7
Movements in equity:		
– realised		
exchange rate differences	4.2	33.5
other	./ 1.8	./ 4.3
	<u>2.4</u>	<u>29.2</u>
– unrealised		
exchange rate differences	./ 17.5	./ 59.8
	<u>./ 15.1</u>	<u>./ 30.6</u>
Total investment result	156.1	74.1
Dividend paid	./ 87.8	./ 86.8
Share issue	67.5	–
Increase/decrease in shareholders' equity	<u><u>135.8</u></u>	<u><u>./ 12.7</u></u>

## Consolidated cash flow statement for 2004

(amounts x EUR 1 mln)

	2004	2003
Cash flow from investment activities		
Profit	171.2	104.7
– less: property revaluations	./ 58.9	8.8
– less: movement in tax liabilities	2.8	10.1
	<u>115.1</u>	<u>123.6</u>
purchases/investments in property	./ 47.7	./ 91.9
disposals of property	29.0	8.6
movements in provisions	./ 2.3	./ 2.3
movements in revaluation reserve	./ 0.8	./ 0.2
movements in accounts receivable	./ 6.3	0.6
movements in short-term liabilities	./ 37.2	12.8
	<u>49.8</u>	<u>51.2</u>
Cash flow from financing activities		
dividend	./ 87.8	./ 86.8
share issue	67.5	–
movements in long-term liabilities	./ 58.4	./ 29.8
movements in revaluation reserve	–	0.1
	<u>./ 78.7</u>	<u>./ 116.5</u>
Net cash flow	./ 28.9	./ 65.3
exchange rate differences	6.0	34.7
Decrease in cash and bank balances	<u><u>./ 22.9</u></u>	<u><u>./ 30.6</u></u>



## Notes to the accounts

### Consolidation

Wereldhave N.V. has its registered office in The Hague. The Company's activities consist of direct investment and investment through group companies in property. Companies which form a group with Wereldhave are included in the consolidated annual accounts. Interests of less than 100% are consolidated on a proportional basis. For that reason acquisitions and sales of interests in group companies are incorporated as acquisitions and sales of assets and liabilities. Proportional consolidation provides a direct view on the volume of Wereldhave's investments and related assets, liabilities and results.

### Foreign currencies

Balance sheet items are translated into Euro at year-end rates of exchange. The results denominated in foreign currencies are converted at period average rates of exchange. Exchange rate differences are accounted for under the revaluation reserve.

	year-end		average	
	2004	2003	2004	2003
1 GBP	1.41824	1.41884	1.47312	1.44744
1 HUF	0.00407	0.00381	0.00397	0.00395
1 USD	0.73416	0.79177	0.80504	0.88627

### Tax status

Wereldhave N.V. has the tax status of an investment company in accordance with Section 28 of the Netherlands 'Wet op de Venootschapsbelasting 1969' (Corporation Tax Act 1969). This means that no corporation tax is to be paid in the Netherlands, provided that certain conditions are met. The main conditions concern the requirement to distribute the taxable profit as dividend and the restrictions with respect to financing of investments with loans. There is no requirement to include surpluses, arising on disposal of investments, in the taxable profit to be distributed. The companies in Belgium, France and the United States have a similar status. Companies in other countries have no specific tax status.

### Basis of valuation for assets and liabilities

#### General

Assets, liabilities and provisions are included at their nominal value, except in those cases where a different basis of valuation is disclosed in the notes to the accounts.

#### Changes in the accounting policy

Effective as from the 2004 financial year, new regulations apply in the Netherlands. The 2004 consolidated profit and loss account has been compiled in accordance with these new regulations. Pursuant to the new rules, certain items that up until 2003 were included in the indirect investment result and were accounted for directly in shareholders' equity must be incorporated into the profit and loss account from 2004 onward. The items in question are, at average exchange rates for the year, the revaluation of property (2004: EUR 58.9 mln; 2003: EUR -8.8 mln), profits and losses on disposals of property (2004: EUR -3.0 mln; 2003: EUR 7.1 mln), and the movements in the tax liabilities of non-Dutch subsidiaries (2004: EUR -2.8 mln; 2003: EUR -10.1 mln). In addition, as from 2004, the costs of issuing are charged to the share premium. The comparative figures for the items in the profit and loss account have been restated in the 2004 annual accounts. The composition of shareholders' equity at December 31, 2003 has therefore also been adjusted. The general reserve at year-end 2003 has been adjusted in connection with the recalculation of profit for the year 2003 (EUR -11.8 mln) and with the balance of the revaluation reserve at year-end 2002 (EUR 45.8 mln). These adjustments have been charged to the revaluation reserve. The share premium has been lowered by EUR 6.0 mln. This amount was added to the revaluation reserve.

#### Investment properties

Investment properties are valued at open market value, based on market rents less operating costs. The net capitalisation factor and the present value of the differences between market rent and contracted rent, vacancies and investments needed in the future are calculated for each property to determine the open market value. The market value of the portfolio is calculated as at June 30 and December 31; half the portfolio is always assessed by independent external appraisers. Internal valuations are carried out four times per year. Differences against the previous valuations are taken to the revaluation reserve.

### Development properties

Development properties are valued at cost or at estimated market value if lower. Properties transferred from investment properties are valued at estimated market value. Cost includes commitments for capital expenditure on works not yet undertaken, allocated internal costs of construction management as well as capitalised interest costs. A property ceases to be a development property and is transferred to the category of investment properties from the earlier of one year after the date of completion or the date when the property is at least 75% let. Differences against the previous valuations are accounted for in the revaluation reserve.

### Provisions

Provisions are created to meet particular liabilities or risks. The provision for contingent tax liabilities represents the discounted value of liabilities to taxation arising from differences between the financial valuation and the valuation for tax purposes. The provision for refinancing costs of high rate debt is included at discounted value.

### Financial instruments

The Company uses financial instruments and derivatives to cover underlying positions or transactions. Premiums and discounts in respect of foreign currency contracts are shown on a time-weighted basis. Currency transactions are valued at open market value at the balance sheet date. Differences in interest arising on interest rate swaps are accounted for as an adjustment to interest costs.

## Accounting policies for determining results

### Theoretical rent

The theoretical rent is the sum of gross rental income and the loss of rent due to voids. The loss of voids is determined on the basis of market rents.

### Gross rental income

Gross rental income is made up of rents charged to tenants for the year. Rent concessions are deducted from rental income, with an even spread across the term of the leases concerned. Service costs recoverable from tenants are not included in either rental income nor in operating costs.

### Operating costs

These costs relate to operating costs attributable to the year, mainly consisting of maintenance costs, property tax, insurance premiums and management costs and rent collection costs. No provision is made for depreciation on investment properties. Investment properties are valued at open market value (see above under Investment properties) in which allowance is made for technical and economic obsolescence.

### Interest costs

Interest costs comprise interest attributable to the year on loans, other liabilities, accounts receivable and bank balances and the differences in interest arising on the conversions of financing in foreign currencies and interest rate swaps. Capitalised interest attributable to investments is deducted from the balance of interest paid and interest received.

### General costs

General costs, which relate to operational activities, are costs attributable to the year under review.

### Taxes on result

Under this heading is shown corporate tax related to the results from group companies in the year under review. As from 2000, taxes on losses to be compensated based on (contingent) tax receivables will be taken into account. Losses from years before 2000 will be valued in the year in which these losses are compensated with profits.

## Movements in shareholders' equity

The schedule of movements in shareholders' equity presents profit and movements in equity arising from share issues, dividend, exchange rate differences and other movements.

## Notes to the consolidated balance sheet at December 31, 2004

(amounts x EUR 1 mln)

	2004	2003
<b>1. Property investments</b>		
investment properties	1,922.8	1,844.0
development properties	58.2	88.1
	<u>1,981.0</u>	<u>1,932.1</u>
<b>Investment properties</b>		
balance at January 1	1,844.0	1,830.5
exchange rate difference	./ 21.9	./ 89.5
	<u>1,822.1</u>	<u>1,741.0</u>
purchases/expenditures	39.4	56.1
transferred from/to development properties	33.5	54.9
	<u>1,895.0</u>	<u>1,852.0</u>
disposals	./ 29.0	./ 4.7
	<u>1,866.0</u>	<u>1,847.3</u>
valuation adjustments	56.8	./ 3.3
balance at December 31	<u>1,922.8</u>	<u>1,844.0</u>
Properties with a valuation of EUR 104.2 mln have been charged by mortgage.		
<b>Development properties</b>		
balance at January 1	88.1	124.9
exchange rate difference	./ 4.7	./ 10.3
	<u>83.4</u>	<u>114.6</u>
purchases/expenditures	8.3	35.8
transferred to/from investment properties	./ 33.5	./ 54.9
	<u>58.2</u>	<u>95.5</u>
disposals	-	./ 3.9
	<u>58.2</u>	<u>91.6</u>
revaluation	-	./ 3.5
balance at December 31	<u>58.2</u>	<u>88.1</u>
<b>2. Accounts receivable</b>		
debtors	5.1	4.8
prepaid costs	5.0	4.9
taxes	1.7	4.2
other	36.4	28.0
	<u>48.2</u>	<u>41.9</u>

Of the item prepaid costs EUR 2.8 mln (2003: EUR 3.0 mln) and of the item other accounts receivable EUR 6.5 mln (2003: EUR 5.8 mln) can be characterised as being of a long-term nature. The item other accounts receivable includes the receivables from forward currency transactions to the amount of EUR 14.7 mln.

<b>3. Other assets</b>	<b>2004</b>	<b>2003</b>
cash and bank balances	19.1	42.0
office equipment and cars	1.4	1.4
	<u>20.5</u>	<u>43.4</u>
<b>4. Provisions</b>	<b>2004</b>	<b>2003</b>
provision for contingent tax liabilities	20.7	18.3
refinancing costs	18.4	19.7
	<u>39.1</u>	<u>38.0</u>
<b>Provision for contingent tax liabilities</b>		
balance at January 1	18.3	22.3
exchange rate difference	./.	0.1
	<u>18.2</u>	<u>21.7</u>
addition/withdrawal, balance	2.5	./.
balance at December 31	<u>20.7</u>	<u>18.3</u>
<b>Provision for refinancing costs</b>		
balance at January 1	19.7	22.7
exchange rate difference	-	./.
	<u>19.7</u>	<u>20.9</u>
addition/withdrawal, balance	./.	1.3
balance at December 31	<u>18.4</u>	<u>19.7</u>

At December 31, 2004 the nominal value of provisions amounts to EUR 59.1 mln (2003: EUR 52.3 mln) resp. EUR 24.0 mln (2003: EUR 26.8 mln) and are considered to be mainly of a long-term nature. The net present value of the provision for refinancing costs is calculated at a 5.25% discount rate.

<b>5. Loans</b>	<b>2004</b>	<b>2003</b>
balance at January 1	565.3	629.8
exchange rate difference	./.	9.0
	<u>556.3</u>	<u>595.2</u>
new loans/redemptions, in balance	./.	56.3
balance at December 31	<u>500.0</u>	<u>565.3</u>

Loans can be specified as follows:

	31 December 2004				31 December 2003			
	in local currency	average interest rate in %	in Euro	distrib- ution in %	in local currency	average interest rate in %	in Euro	distrib- ution in %
EUR	269.6	3.0	269.6	53.9	340.6	2.9	340.6	60.3
GBP	71.3	6.2	101.2	20.2	71.3	6.3	101.2	17.9
USD	176.0	2.8	129.2	25.9	156.0	2.2	123.5	21.8
total		<u>3.6</u>	<u>500.0</u>	<u>100.0</u>		<u>3.4</u>	<u>565.3</u>	<u>100.0</u>

	31 December 2004			31 December 2003		
	maturity spread in years as a % (from 31-12-2004)			maturity spread in years as a % (from 31-12-2003)		
	1-2	2-5	> 5	1-2	2-5	> 5
EUR	7	60	33	47	38	15
GBP	-	38	62	-	-	100
USD	-	100	-	-	84	16
total	<u>4</u>	<u>66</u>	<u>30</u>	<u>29</u>	<u>41</u>	<u>30</u>

The average duration of debt at fixed interest rates (EUR 88 mln, 17.6% of total debt) is 6.7 years.

## 6. Other long-term liabilities

taxes  
deposits

	2004	2003
taxes	4.9	7.3
deposits	3.2	2.9
total	<u>8.1</u>	<u>10.2</u>

The item taxes include the long-term part of the French exit tax.

## 7. Short-term liabilities

creditors and other liabilities  
investment obligations  
short-term portion of long-term debt  
taxes  
dividend

	2004	2003
creditors and other liabilities	36.8	43.7
investment obligations	13.7	32.1
short-term portion of long-term debt	-	9.9
taxes	5.9	7.9
dividend	0.3	0.3
total	<u>56.7</u>	<u>93.9</u>

The item taxes includes taxes on income to the amount of EUR 0.8 mln and other taxes to the amount of EUR 5.1 mln.

## Notes to the consolidated profit and loss account

(amounts x EUR 1 mln)

### 1. Rental income

	gross rental income		operating costs		net rental income	
	2004	2003	2004	2003	2004	2003
Belgium	15.5	16.2	1.1	0.6	14.4	15.6
Finland	28.6	26.9	1.3	1.3	27.3	25.6
France	17.6	16.8	1.3	1.6	16.3	15.2
Hungary	–	0.1	–	–	–	0.1
The Netherlands	29.0	30.4	3.6	3.2	25.4	27.2
Spain	7.9	8.0	0.5	0.3	7.4	7.7
United Kingdom	26.7	27.9	3.2	2.8	23.5	25.1
United States	41.2	45.5	13.4	15.4	27.8	30.1
	<u>166.5</u>	<u>171.8</u>	<u>24.4</u>	<u>25.2</u>	<u>142.1</u>	<u>146.6</u>
Offices	81.8	89.5	15.1	16.8	66.7	72.7
Shops	60.0	58.5	4.4	4.4	55.6	54.1
Other	24.7	23.8	4.9	4.0	19.8	19.8
	<u>166.5</u>	<u>171.8</u>	<u>24.4</u>	<u>25.2</u>	<u>142.1</u>	<u>146.6</u>

Loss of rental income due to voids amounted to 8.1% of the theoretical rent (2003: 6.3%). Contracted rent, expressed as a % of the 2004 gross rent, is displayed in a chart on page 60.

### 2. Operating costs

	2004	2003
maintenance	4.8	5.1
property tax	8.2	7.6
insurance premiums	1.2	1.1
property management and rent collection costs	5.7	5.9
other operating costs	4.5	5.5
	<u>24.4</u>	<u>25.2</u>

### 3. Property revaluation

	2004		2003
offices	18.2	./.	20.0
shops	31.0		16.6
other	9.7	./.	5.4
	<u>58.9</u>	./.	<u>8.8</u>

### 4. Result on disposals

During 2004 properties were sold in the Netherlands and the US, during 2003 in the UK and in Hungary.

### 5. Interest charges

	2004		2003
interest paid	20.6		23.8
interest received	./.	3.1	./.
		<u>17.5</u>	<u>21.3</u>
less: capitalised interest	./.	1.2	./.
		<u>16.3</u>	<u>19.4</u>

**6. General costs**

	2004	2003
personnel	9.5	10.8
remuneration of Supervisory Board	0.1	0.1
advisors' and auditors' fees	1.0	1.3
other	5.0	4.1
	15.6	16.3
allocated to operating costs	./.	7.8
allocated to investments	./.	0.9
	6.9	7.9

**7. Taxes on results**

The 2004 tax charge is shown after deduction of tax on deductible losses to the amount of EUR 6.5 mln (2003: EUR 5.1 mln).

**8. Remuneration of Board of Management and Supervisory Board**

(amounts x EUR 1,000)

	salary	profit share	social charges	pension costs
Board of Management				
G.C.J. Verweij	300	–	20	75
R.L.M. de Ruijter	255	–	17	64

The profit share of members of the Board of Management amounts to a maximum of 3 month's salary. The outcome depends on the development of both profit per share and share price during the year. For the year 2004 a profit share will not be paid, since conditions for payment have not been met.

**Members of the Supervisory Board remuneration**

F.H.J. Boons	9	The members of the Supervisory Board and the Board of Management do not hold shares or options in Wereldhave N.V. The Company has not extended loans, advances or guarantees to them.
C.J. de Swart	33	
J. Krant	24	
H. van Nimwegen	18	
H.M.N. Schonis	24	

**9. Other**

The total amount of salaries was EUR 6.5 mln (2003: EUR 7.0 mln), social charges amounted to EUR 0.8 mln (2003: EUR 1.7 mln) and pension costs to EUR 1.2 mln (2003: EUR 1.1 mln).

The pension scheme of Stichting Pensioenfonds Wereldhave (Pension Fund Foundation Wereldhave) provides for an old-age pension, a pension for surviving relatives and a transitional pension, based on a final salary. The risks of a temporary pension for surviving relatives of all participants has been insured. Pensions and rights of non-active participants are indexed annually with the consumer price index figure, if and when the funds of the Foundation are sufficient. The financing agreements with the employers contain a maximum contribution of 20% for Wereldhave Management Holding B.V. and 25% for Wereldhave N.V. As at December 31, 2004 the pension fund had a surplus of 41.6%.

An average of 99 people has been employed by the Group during 2004 (2003: 100). The conditions for the payment of a profit share for the year 2004 have not been met. The total expense ratio amounts to 0.03546, or 3.55%. This ratio is the quotient of the sum of the operating costs, interest, general costs and share issue costs and the average shareholders' equity during the year under review.

## Company balance sheet at December 31, 2004

before distribution of profits\* (amounts x EUR 1 mln)

	note	2004	2003
<b>Assets</b>			
<b>Investments</b>			
property investments	1	326.8	325.1
investments in group companies	2	918.6	828.8
other financial investments	3	468.9	441.8
		1,714.3	1,595.7
Accounts receivable	4	28.1	32.1
Other assets		0.1	0.1
		<u>1,742.5</u>	<u>1,627.9</u>
<b>Liabilities</b>			
<b>Shareholders' equity</b>			
issued share capital	5	211.2	200.3
share premium	6	755.7	699.1
revaluation reserve	7	./ 156.8	./ 141.7
general reserve	8	635.7	552.3
		1,445.8	1,310.0
Provisions		18.4	19.7
Long-term debt			
loans	9	236.4	219.0
Short-term liabilities	10	41.9	79.2
		<u>1,742.5</u>	<u>1,627.9</u>

## Company profit and loss account for 2004

(amounts x EUR 1 mln)

	note	2004	2003
company result	11	31.2	32.4
results of group companies		140.0	72.3
Profit after tax		<u>171.2</u>	<u>104.7</u>

\* See the proposed distribution of profits under 'Other information' on page 44.



## Notes to the company balance sheet and the company profit and loss account (amounts x EUR 1 mln)

For the basis of valuation of assets and liabilities and the accounting policies for determining the results, the reader is referred to the Notes to the accounts on pages 33 and 34. The Company has made use of the exemption referred to in Article 2:402 of the Netherlands Civil Code.

### 1. Property investments

	2004	2003
Investment properties	316.4	309.5
Development properties	10.4	15.6
	<u>326.8</u>	<u>325.1</u>
<b>Investment properties</b>		
balance at January 1	309.5	302.9
investments	2.8	5.8
transferred from/to development properties	7.1	./.
	<u>319.4</u>	<u>307.3</u>
disposals	./.	7.8
	<u>311.6</u>	<u>307.3</u>
revaluation	4.8	2.2
balance at December 31	<u>316.4</u>	<u>309.5</u>
<b>Development properties</b>		
balance at January 1	15.6	–
purchases/investments	1.9	14.8
revaluation	–	./.
transferred to/from investment properties	./.	7.1
balance at December 31	<u>10.4</u>	<u>15.6</u>

### 2. Investments in group companies

Movements in investment in group companies are as follows:

	2004	2003
balance at January 1	828.8	877.9
disinvestments/investments, net	./.	0.7
	<u>828.1</u>	<u>876.3</u>
results	140.0	72.3
revaluations	./.	15.4
profit distributions	./.	34.1
balance at December 31	<u>918.6</u>	<u>828.8</u>

Investments in group companies have been valued at net assets value. A list of companies as referred to in Articles 2:379 and 2:414 of the Netherlands' Civil Code has been deposited at the Chamber of Commerce in The Hague.

### 3. Other financial investments

The other financial investments (long term) consist of investments in group companies.

	2004	2003
balance as at January 1	441.8	419.1
exchange rate differences	./ 6.7	./ 17.4
	<u>435.1</u>	<u>401.7</u>
loans and repayments, balance	33.8	40.1
balance as at December 31	<u>468.9</u>	<u>441.8</u>

### 4. Accounts receivable

Intercompany indebtedness (short term) EUR 3.6 mln (2003: EUR 2.5 mln) is included under accounts receivable.

### 5. Issued share capital

The share capital at year-end 2004 is as follows:

type of shares	authorised	in issue (EUR)	
	(EUR)		
	31.12.2004	31.12.2004	31.12.2003
ordinary shares (EUR 10)	400,000,000	207,817,350	196,917,350
preference shares (EUR 9.08)	181,600,000	13,620,000	13,620,000
'A' priority shares	100	100	100
'B' priority shares	199,999,900	–	–
	<u>781,600,000</u>	<u>221,437,450</u>	<u>210,537,450</u>
less: uncalled preference share capital	–	./ 10,215,000	./ 10,215,000
	<u>781,600,000</u>	<u>211,222,450</u>	<u>200,322,450</u>

Movements in issued share capital:

	2004	2003
balance at January 1	196.9	196.9
share issue	10.9	–
balance at December 31	<u>207.8</u>	<u>196.9</u>

At December 31, 2004 there are 20,781,735 ordinary, 1,500,000 preference and 10 'A' priority shares in issue. No 'B' priority shares have been issued.

### 6. Share premium

	2004	2003
balance at January 1	699.1	699.1
share issue	57.6	–
costs of issue	./ 1.0	–
balance at December 31	<u>755.7</u>	<u>699.1</u>

The share premium at December 31, 2004 is exempted from tax to the amount of EUR 741.4 mln (2003: EUR 684.7 mln).

**7. Revaluation reserve**

	2004		2003	
balance at January 1	./.	141.7	./.	111.1
exchange rate differences	./.	13.3	./.	26.3
other movements	./.	1.8	./.	4.3
balance at December 31	./.	<u>156.8</u>	./.	<u>141.7</u>

Of the movement of EUR –15.1 mln (2003: EUR –30.6 mln) in the year under review EUR 2.4 mln (2003: EUR 29.2 mln) can be characterised as realised and EUR –17.5 mln (2003: EUR –59.8 mln) as unrealised.

**8. General reserve**

	2004		2003	
balance at January 1		552.3		534.4
dividend previous year	./.	87.8	./.	86.8
profit for the year		171.2		104.7
balance at December 31		<u>635.7</u>		<u>552.3</u>

**9. Loans**

Loans include EUR 87.9 mln (2003: EUR 52.0 mln) due to other group companies.

**10. Short-term liabilities**

Short-term liabilities include EUR 4.1 mln (2003: EUR 30.6 mln) due to group companies.

**11. Company results**

The company result includes EUR 11.6 mln (2003: EUR 11.0 mln) interest receivable from group companies.

**12. Items not included in the balance sheet**

The company has given guarantees for group companies to third parties to the amount of EUR 341 mln (2003: EUR 387 mln). In 2004 the company has entered into a forward sale transaction of GBP 75 mln. This currency transaction has a remaining duration of less than 2 months. In addition, the Company has entered into exchange rate option contracts to an amount of USD 200 mln. These transactions have a remaining duration of less than one year.

The Hague, February 24, 2005

Supervisory Board  
C.J. de Swart  
J. Krant  
H. van Nimwegen  
H.M.N. Schonis

Board of Management  
G.C.J. Verweij  
R.L.M. de Ruijter

## Other information

### Distribution of profits

Rules for the distribution of profits are set out in Article 25 of the Company's Articles of Association. The preference shareholders have a first call on profits in the form of a dividend distribution on the paid-up nominal share value at a percentage rate equal to the twelve-month money market rate (European Interbank Offered Rates), valid for the first exchange day of the financial year concerned plus a surcharge of 1.5%, or so much less as is available from the distributable profit. Holders of 'A' priority shares are entitled to a dividend distribution at a 5% rate on the paid-up nominal share value from the remainder.

Distribution of the balance then outstanding is determined by the Annual General Meeting of Shareholders.

### Proposed distribution of profits

In addition to the cash dividend of 3.77% on the preference shares in issue and 5% on the 'A' priority shares in issue, it is proposed to distribute to holders of ordinary shares a dividend of EUR 4.50 in cash. That part of profits which is not paid out will be added to the general reserve. Of the dividends, EUR 2.65 per share will be paid in order to meet the distribution obligations under Dutch tax law, subject to dividend withholding tax. The remainder of EUR 1.85 will be charged against the reinvestment reserve (as a result of which no dividend withholding tax will have to be withheld on that portion).

(amounts x EUR 1 mln)	2004
<b>Profit</b>	<b><u>171.2</u></b>
<b>Preference dividend and dividend</b>	
A priority shares	0.1
Dividend ordinary shares	93.5
Addition to general reserve	77.6
	<u>171.2</u>

### Transactions with direct related parties

The members of the Supervisory Board and the Board of Management had no personal interest in any of the Company's investments during the year. The Company has no knowledge of any property transactions taking place in the year under review between the Company and persons or institutions which can be considered to stand in a direct relationship to the Company.

## Corporate Governance

Wereldhave attaches great importance to achieving a balance between the interests of the providers of risk-bearing capital and those of other stakeholders in the company. Matters such as openness, the adequate provision of forward-looking information and business ethics form a part of this philosophy.

The company's business ethics are embedded in the Business Principles and the Code of Conduct for employees which were adopted by the Board of Management in May 2003 and are published on our website [www.wereldhave.com](http://www.wereldhave.com). Early 2004, Wereldhave has implemented the recommendations of the Tabaksblat Committee. Any departures from the Committee's recommendations are incorporated into the following summary. On March 24, 2004, the general assemble of shareholders granted its approval. A detailed analysis in respect of each recommendation and best practice provision can be found on our website.

## Board of Management

The Board of Management is appointed and dismissed by the General Meeting of Shareholders, from a nomination to be drawn up by the Meeting of Holders of Priority Shares.

A resolution by the General Meeting of Shareholders to dismiss or suspend a Managing Director, other than with the consent of the Meeting of Holders of Priority Shares, can only be passed with two thirds of the votes cast, representing more than half the issued capital.

The system of binding nominations is part of the mechanism to protect the company against hostile takeovers. This explains why guarantees are required to the decision to cancel a nomination. As such, the provision deviates from the best practice provisions of the Tabaksblat Committee. An amendment to the articles of association will be proposed to the General Meeting of Shareholders on March 31, 2005, changing the current binding nomination to a system of a nomination of one candidate, which can be rejected by the meeting by simple majority. In a second round, the priority shareholders can make a (non) binding nomination of two other candidates. This proposal can only be rejected with two thirds of the votes cast, representing more than half the issued capital.

Changes to the remuneration of the Board of Management will be submitted by Wereldhave to the shareholders for their approval. The Board of Management and Supervisory Board are of the opinion that they cannot function without the confidence of the General Meeting of Shareholders. Account will be taken of this principle in the exercise of the special powers associated with anti-takeover measures. In Wereldhave's opinion, the primary interest of managing directors should be focused on the long-term interest of the business. The period of appointment should be geared toward this and should not introduce the concept of individual interests being served by a contract extension. For this reason, Board of Management members of Wereldhave are appointed for an indefinite period. As the specific causes and circumstances surrounding a dismissal cannot be known in advance, no severance arrangements will be agreed in advance with new managing directors and laid down in the employment contracts to be concluded with them.

The current employment contracts do not contain provisions for the event of dismissal, with the exception of dismissal in the case of a merger (see page 55 of the Annual Report). Any new contracts will no longer include these arrangements.

The Board of Management's remuneration is determined in line with the policy set out in the remuneration report. Material changes in the remuneration policy will be submitted to the General Meeting of Shareholders. The Supervisory Board compares the remuneration of Managing Directors from time to time with the market. This last happened in 2003. In 2004, the Supervisory Board drew up a new remuneration report. The report is posted on Wereldhave's website. The main aspects of this report are published on page 55.

The Regulations of the Board of Management and the Supervisory Board of Wereldhave prohibit Managing Directors and Supervisory Directors from investing in shares of their own company. This avoids the company running the risk of its name being damaged as a result of any actions of a Managing Director or Supervisory Director. Regulations for trading in shares by Board of Management members and Supervisory Board members were adopted in February 2004.

## Supervisory Board

The members of the Supervisory Board are appointed and dismissed by the General Meeting of Shareholders, from a nomination to be drawn up by the Meeting of Holders of Priority Shares. The General Meeting of Shareholders determines the remuneration of members of the Supervisory Board. The amount of this remuneration was determined in 1999 and is index-linked annually. The members of the Supervisory Board are independent of one another, the Board of Management and any particular interest. Pursuant to the Articles of Association, one third of the Supervisory Directors retire each year. In view of the current size of the Supervisory Board (4 members), this means that each appointment is made for a period of two years. Any proposal for appointment or reappointment to the General Meeting of Shareholders shall be properly explained. In the case of a reappointment, account will be taken of the candidate's performance and functioning as a Supervisory Director. The Regulations of the Supervisory Board stipulate that the maximum term of office is 8 years, unless there are weighty interests (for which the reasons must be expressly given) to justify a longer term.

In January 2005, the Supervisory Board has meanwhile decided not to install an audit committee. The appointment of committees is not yet considered necessary.

The Supervisory Board meets according to a fixed schedule of meetings, and at least six times a year. One of these meetings is dedicated to a discussion – without the Board of Management being present – of the Supervisory Board's own functioning, the relationship to the Board of Management and the composition, assessment and remuneration of the Board of Management. The Profile which the members of the Supervisory Board are expected to comply with is evaluated annually and, where necessary, revised. Such a revision last happened in 2003. The Supervisory Board is supported by the Company Secretary.

In the year under review no business transactions took place in which conflicts of interest may have played a role. All business transactions between the company and the members of the Board will be published in the Annual Report. The Profile and Regulations of the Supervisory Board, the retirement schedule for members of the Supervisory Board and the Regulations of the Board of Management are published on Wereldhave's website and are available free of charge on request.



## General Meeting of Shareholders

The General Meeting of Shareholders is usually held in the last week of March each year. The voting right on the shares is determined by the nominal value of the shares. The preference shares have a nominal value of EUR 9.08; the priority shares and ordinary shares have a nominal value of EUR 10. The law provides that where the authorised share capital is subdivided into shares with varying nominal values, the voting right of each shareholder is equal to the number of times that the amount of the smallest share contributes to the joint nominal amount of his shares; partial votes are disregarded.

Requests of investors who solely or jointly represent 1% of the issued capital to place items on the agenda of the General Meeting of Shareholders shall be honoured if such requests are submitted to the Board of Management or the Supervisory Board at least 60 days before the scheduled date of the Meeting, unless, in the opinion of the Supervisory Board and the Board of Management, there are vital interests of the company opposing the inclusion of such item or items in the agenda. The resulting discussion in the General Meeting should not affect the orderly course of the Meeting. The company secretary will take minutes of the proceedings at the Meeting. The minutes will be signed by the Chairman of the Meeting and by the secretary. In principle, the minutes will be published on the Wereldhave website within one month after the Meeting and copies of such minutes are available free of charge on request.

## Anti-takeover measures

The mechanism for protecting the company against hostile takeovers comprises the possibility to issue preference shares, A priority shares and B priority shares. All such shares are registered. The A priority shares should be fully paid up; for the preference shares and B priority shares there is a paying-up commitment of 25%. The authorised share capital provides for the issue of preference and priority shares up to no more than 50% of the share capital issued as ordinary shares.

On 31 December 2004, the total issued capital in the form of preference and priority shares amounted to EUR 13,620,100. A total of 1,500,000 preference shares and 10 A priority shares have been issued and are held by the 'Stichting tot het houden van prioriteitsaandelen van de naamloze vennootschap (Foundation for holding priority shares of the public limited company): 'Wereldhave N.V.'. The Board of Management of this Stichting comprises the Board of Management members and the Supervisory Board members. In addition to entitlements to profit, the determination of the number of Managing Directors and Supervisory Directors of the company and the drawing up of a binding nomination for their appointment are the principal rights attached to the A and B priority shares, making the Stichting a major investor within the meaning of the Investment Institutions (Supervision) Decree. Wereldhave has no other major investors within the meaning of the Decree. A resolution by the General Meeting of Shareholders to dismiss or suspend, other than with the consent of the Holders of Priority Shares, can only be passed with two thirds of the votes cast, representing more than half the issued capital.

There are no outstanding B priority shares. Of the preference shares, 1,350,000 shares are held by the 'Stichting tot het houden van Preferente en Prioriteitsaandelen B Wereldhave' (Foundation for holding Wereldhave Preference and B Priority Shares). The board of the Stichting comprises Messrs. H.J.A.F. Meertens (Chairman), M.A. Snijder and P.C. Neervoort. Wereldhave preference shares are listed on the Official Market of the Euronext Amsterdam N.V. stock exchange. The price of Wereldhave preference shares at 31 December 2004 was EUR 1.83. In addition to a voting right, the preference shares give an entitlement to a preferential dividend from the profit. In the event of liquidation, what is remaining after settlement of the debts is transferred to the shareholders in proportion to the shareholding of each of them, with the exception that no further disbursements will be made to the holders of preference shares than the amount paid up on those shares and that no further disbursements will be made to holders of A and B priority shares than the nominal amount paid up on those shares.

Preference shares and A and B priority shares carry no entitlement to the company's reserves. Article 2, paragraph 1 of the articles of association of the 'Stichting tot het houden van Preferente en Prioriteits aandelen B Wereldhave' states that the object of the Stichting is to promote the interests of Wereldhave, its affiliated enterprise and all parties involved, and that in so doing the Stichting shall take into account, amongst other things, the preservation of the independence, continuity and identity of the company and the enterprise. The Stichting has an interest in Wereldhave of 6.06% of the number of outstanding shares, entitling it to 5.5% of the votes. In the joint opinion of the company and the board members of the 'Stichting tot het houden van Preferente en Prioriteits aandelen B Wereldhave', the Stichting is independent of the company, all such within the meaning as referred to in annex X of the Listing and Issuing Rules of Euronext Amsterdam N.V.

## Description of risk

The following categories of risks are distinguished:

- **Business risks;**
- **Financial risks;**
- **Operational risks;**
- **Strategic risks.**

The control measures taken for each type of risk are described below.

### Business risks

These comprise the risks that Wereldhave considers that it incurs as part of its ordinary business operations, viz.:

#### developments in the rental market

These cover risks such as loss of rental income owing to vacancy, lettability and market changes in rent.

- The developments in the rental market are closely followed by the local management companies, with the assistance of the Market Research Department.

#### developments in the value of property

Decreases in the value of property have a negative impact on Wereldhave's capital position.

- The market value of the portfolio is calculated as at June 30 and December 31; half the portfolio is always assessed by independent external appraisers. Internal valuations are carried out four times per year.

#### technical condition of the buildings

This covers risks such as the whole or partial loss of buildings, the risk of hidden shortcomings and the risk of soil pollution.

- Wereldhave's property is covered by buildings insurance with umbrella coverage. The insurance companies have excluded terrorism from the risks covered.
- Whenever any property is purchased, a thorough structural analysis is made of the building or of the construction plans.
- Wereldhave's entire portfolio has been inspected to trace the presence of substances that are harmful for the environment or for public health. At the end of tenancy agreements with tenants conducting any activities that are potentially harmful to the environment, a soil survey is conducted. Any costs caused by soil pollution are recovered from the tenant if at all possible.
- Acquisitions of new property are preceded by thorough investigations. If it becomes apparent that the soil or the groundwater is polluted, the land is not purchased, or only after the soil has been thoroughly decontaminated (at the seller's expense).

#### technological developments

Technological developments may cause property to become obsolete before its time, which will have a negative effect on the lettability and the value of the property.

- Wereldhave's Construction Affairs department serves as a knowledge centre for technological developments, and reports on these to the Board of Management.

#### changes in laws or regulations

In the countries in which Wereldhave operates and owns investments, it is subject to local, regional and national regulations.

- Wereldhave's local management companies serve as its windows onto the markets. In this fashion, Wereldhave can access relevant information about proposed or actual changes to laws or regulations at an early stage.
- Wereldhave has appointed a compliance officer, who is charged with supervision on compliance with regulations.

**tenant-related performance risk**

This risk primarily consists of the risk of rents not being paid and the possibilities for recovering damages to leased property at the end of the lease.

- Prospective tenants are examined for their creditworthiness and reliability. Wereldhave's standard tenancy agreements stipulate payment guarantees. The local management companies submit monthly statements of debtors, which are used to detect arrears in payments. Wereldhave has a strict collection policy.

**supplier-related performance risk**

Whenever activities are outsourced, fulfilment of the agreements by the counter-party constitutes a risk. The risk is of particular importance with major contracts such as turnkey projects etc.

- Contracts are granted based on model agreements that are regularly updated. The agreements include extensive warranty and completion clauses. Wereldhave tries to build solid relationships with its suppliers, thus reducing the risk of unsatisfactory completion.

**Financial risks**

These are the risks that Wereldhave incurs because it is subject to economic risks. The following risks are distinguished:

**interest rate developments**

Changes in interest rates may affect the results, the yields and the value of the property.

- The interest rate policy is determined by the Board of Management and conducted by the Treasury department. The policy is determined using parameters established by the Board of Management. Wereldhave's solid balance sheet ratios allow it to profit from the low variable interest rates. Wereldhave has options for interest rate consolidation, which will be used as soon as interest rates show a clear upward trend.

**foreign currency developments**

Wereldhave owns property investments outside the euro zone, in GBP and USD areas. Lower exchange rates for these currencies compared with the euro have a negative impact on the results and on the value of the property investments.

- The hedging policy is determined by the Board of Management and conducted by the Treasury department. The policy is also determined using the forecast rates (parameters). Foreign currency developments are continually monitored. The risks of lower exchange rates on the results are not covered. The guideline for covering the USD and GBP risk for the property portfolio is a cover ratio of 50%. Deviations may be made within the 30%-70% range.

**inflation**

Rising inflation will have a positive effect on the value of property, since that value is based in part on the volume of rental income (which is adjusted for inflation). Low inflation and deflation have a negative impact on the value of property.

- The rate of inflation is one of the parameters established by the Board of Management and used in determining its policy. Information about the actual inflation figures is included in the monthly management reports.

**refinancing risk**

This comprises the risk that loan agreements cannot be renewed, or can only be renewed subject to less favourable conditions.

- The risk is mitigated by maintaining solid equity ratios, maintaining relations with various international banks, and maintaining sufficient credit facilities (both committed and uncommitted).

**transactions**

This comprises the risk that is attached to financial transactions such as interest rate and foreign currency swaps.

- The use of financial instruments is restricted to hedging underlying transactions or positions. Only reputable banks are eligible as counter-parties. Financial transactions are only concluded with the prior approval of the Board of Management.

## Operational risks

These risks stem from the fact that a business is a collaborative venture between people, in which human fallibility and vulnerability cannot be excluded from the processes.

### *people*

The risks attached to people can be broken down into:

### *continuity*

The risk of employees leaving the company applies mainly to department heads and country directors.

- Succession for positions that are scheduled to become vacant within 5 years owing to retirement is considered in the annual business plans. The possibilities for internal promotions from within the company are limited. Applicants must generally be hired from outside the company.

### *conduct*

These risks chiefly concern errors, fraud, embezzlement, etc.

- Wereldhave has designed and implemented its own specific accounting organisation with internal controls built in. The various business processes have been described and approved by the Board of Management. The business processes are detailed in job descriptions for each position. The accounting system and its related internal controls are based on the greatest possible separation of jobs, and includes an automated information system whose access is based on the job descriptions referred to above.
- The risk of fraud and embezzlement is limited by the consistent use of internal and external powers of authorisation and a strict separation of investment and management positions and accounting and payment positions. The Board of Management's external power of authorisation is unlimited and independent. Other holders of powers of authorisation are only jointly authorised and within certain limits. Internally, a principle of two signatures applies in all instances, i.e. also for Board members. Invoices are only made payable if the invoice in question has been approved in accordance with the relevant authorisation schedule. All payments must be signed by two authorised officers.

- On May 26, 2003, Wereldhave's Board of Management adopted a Code of Conduct, laying down the principles for conducting business and for behaviour of the company's Board and employees. The code is available on Wereldhave's intranet and at [www.wereldhave.com](http://www.wereldhave.com). In December 2003, regulations for 'notification of abuse' were adopted. These regulations lay down procedures for employees to properly and safely report any suspicions they may have of abuse in the division of the Wereldhave group for which they work.

### *information system*

The risk consists of the information system not being sufficiently available and reliable.

- Wereldhave has its own Information Systems department, with four developers and two system managers, who maintain the information system and renew it where necessary. Back-ups are made of the data files on a daily basis. The back-up files are stored every week in a safe. An agreement has been concluded with IBM for back-up systems.

## Strategic risks

These are the risks attached to a company's strategic choices, such as mergers, alliances etc. Wereldhave distinguishes the following strategic risks:

### *Risk of retention of tax status*

Wereldhave has the status of a fiscal collective investment scheme within the meaning of Section 28 of the Dutch Corporation Tax Act 1969. One of the implications of that status is that no corporation tax need be paid if certain conditions are met. However, failure to meet all statutory requirements may result in the tax status being revoked.

- Changes may occur in the composition of shareholders, outside Wereldhave's sphere of influence, that may result in failure to meet all requirements for qualification as a fiscal collective investment scheme.
- Retention of the tax status is a matter of continual attention for the Board of Management. The updated statements of financing limits are discussed at the Board meetings every month. The statutory distribution is calculated before the proposed dividend is presented to the Supervisory Board.

### Entry into new countries

Changing the geographic spread by entering new countries in which Wereldhave has not previously deployed activities is subject to the risk that insufficient knowledge has been gathered about the laws and regulations, the culture, etc.

- Being able to call on a local management company is a prerequisite for entering new countries. Wereldhave's local management companies employ staff from the respective countries, who are closely connected with the local culture and are directly involved with Wereldhave's results.

### Internal risk control and monitoring system

The Board of Management believes that the internal risk control and monitoring systems are sufficient and effective.

The instruments for these systems comprise the specific administrative organisation with its detailed procedures, the operational and financial targets as laid down in the strategic five-year investment plan that is updated annually, as well as the Code of Conduct introduced in 2003. In addition, stringent procedures are observed for the periodic compilation of quarterly and annual figures, based on the principles adopted. The internal management reports serve to immediately detect any developments in the value of investments and in the results per share. Electronic data processing is used for this, in an automated integrated central information system with which all domestic and foreign divisions are directly connected. During the most recent reporting year, this system once again functioned in line with its purpose. The information system was designed by Wereldhave itself, and has proven itself to be both highly functional and reliable.

### Complaints procedure

Complaints about the financial reporting, internal risk management, control systems and the audit must be submitted to the secretary of the company, who will then inform the Supervisory Board of the complaints. The secretary is responsible for ensuring complaints are registered. He will notify the complainant that his complaint has been received and give him an indication of when a decision is expected to be taken in respect of the claim. The Supervisory Board will notify its decision to the complainant within 12 weeks after receiving the complaint.

### Auditor

The auditor is appointed by the General Meeting of Shareholders from a nomination to be drawn up by the Supervisory Board. The Board of Management submits a budget annually for the remuneration of the auditor to the Supervisory Board for approval. The auditor will attend the meeting of the Supervisory Board and the Board of Management at which the annual figures are discussed and adopted. The press releases announcing the quarterly, half-year and annual figures will be sent in draft form to the auditor at least two days before their publication.

The Meeting of Shareholders may question the auditor about his report on the fairness of the annual accounts. The auditor may address the meeting in respect of this matter.

### Investor relations

You may put your questions about Wereldhave stock using our website [www.wereldhave.com](http://www.wereldhave.com). This website also contains the most recent PowerPoint slide shows of the presentations to be given to investors and analysts.



## To the General Meeting of Shareholders of Wereldhave N.V.

### Auditors Report

#### Introduction

In accordance with your instructions we have audited the Annual Accounts 2004 of Wereldhave N.V., The Hague, as shown on page 30 up to and including page 43 of this Annual Report. These financial statements are the responsibility of the Company's Board of Management. Our responsibility is to express an opinion on these financial statements based on our audit.

#### Scope

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Board of Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

#### Opinion

In our opinion, the Annual Accounts give a true and fair view of the financial position of the Company as at December 31, 2004 and of the result for the year then ended in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9, Book 2 of the Netherlands Civil Code and the Investment Institutions Supervision act (Wet toezicht beleggingsinstellingen).

The Hague, February 24, 2005

PricewaterhouseCoopers Accountants N.V.

## Supervisory Board

### C.J. de Swart

(m, 63)  
Member of the Supervisory Board since 2001. Re-appointed in 2003. Will retire by rotation in 2006.

Former Chairman Board of Management of AMEV Stad Rotterdam Insurance Company and member of the Executive Committee Fortis

#### *Positions in Supervisory Boards:*

Stadion Feyenoord  
Japhet de Jong Holding B.V.  
Hogeschool Rotterdam  
Fondel Finance B.V.  
Daf Trucks N.V.  
Ordina N.V.  
Ruwaard van Putten Hospital  
Univé Insurances  
NIBC Wealth Management

#### *Board positions:*

Foundation Kunsthal Rotterdam  
Foundation Administration office Heijmans N.V.

### J. Krant

(m, 56)  
Member of the Supervisory Board since 2003. Will retire by rotation in 2006.

Former Chairman of the Board of Directors of Kempen & Co  
Director Catalyst Advisors B.V.

#### *Positions in Supervisory Boards:*

Chairman Supervisory Board Kardan N.V.

#### *Board positions:*

Chairman Jewish Historical Museum  
Foundation "Hollandsche Schouwburg"

### H.M.N. Schonis

(m, 61)  
Member of the Supervisory Board since 1997. Re-appointed in 2004. Will retire by rotation in 2005.

Parttime professor in Tax law at the University of Nijmegen; Partner Baker & McKenzie Amsterdam N.V. (attorneys, tax advisors and public notaries)

#### *Positions in Supervisory Boards:*

Koninklijke Grolsch N.V.  
Delta Lloyd Bankengroep N.V.  
Juchten Beheer B.V.  
Pepping Bontenbal Holding B.V.  
Exact Holding N.V.  
Arch Hill Capital N.V.

#### *Board positions:*

Foundation continuity TKH  
Foundation preferent shares Accell  
Foundation Trustoffice Mammoet  
Foundation Trustoffice Bolsiusgroup  
Foundation Francinus de Wind

### H. van Nimwegen RA

(m, 53)  
Member of the Supervisory Board since 2004. Steps down for personal reasons in 2005.

Vice president Cap Gemini Ernst & Young; Professor of Management Information at the Vrije Universiteit Amsterdam (Free University of Amsterdam); Professor at a postgraduate controllers education of the Netherlands Antilles University

#### *Positions in Supervisory Boards:*

None

#### *Board positions:*

Foundation Moret  
Chairman curatorium of the CMA/CFM education

## General

The members of the Supervisory Board are all Dutch nationals. Mr Schonis and Mr Van Nimwegen will retire. The election of Prof. Dr P. Essers and Mr. F.Th.J. Arp, RA, will be proposed at the Annual General Meeting of shareholders on March 31, 2005.

## Board of management

### G.C.J. Verweij

(m, 59)

Employed by Wereldhave since 1977  
Manager Building Staff Department 1981  
Director Wereldhave Management Holding B.V. from 1982  
Director Wereldhave N.V. from 1988 (chairman from 1994)

### R.L.M. de Ruijter

(m, 53)

Employed by Wereldhave since 1987  
Director Wereldhave Management Nederland B.V. 1990  
Director Wereldhave Management Holding B.V. from 1994  
Director Wereldhave N.V. from 1994

## Transition to IFRS, in detail

The transition to the IFRS principles implies a number of changes to the valuation and/or classification of various items in the balance sheet and profit and loss account. Changes in valuation affect shareholders' equity. Changes in classification only affect the presentation of the items. The most important changes are explained below.

The method of consolidation of Wereldhave N.V. and its group companies will change. As from the year 2005, Wereldhave will change from proportional consolidation to a 100% consolidation, showing third parties minority interest in equity and result. The basis for determining the value of portfolio property is and remains market value. Under IFRS, revaluations of investment property will continue to be accounted for in the profit and loss account. Property in own use will no longer be included under investments, but will be accounted under fixed assets and equipment. Development property will continue to be valued at the lower of cost or market value. Investment commitments stemming from construction activities that have been commissioned but not yet carried out will no longer be capitalised in the balance sheet, but will be reported in the notes to the annual accounts. At present, development property is transferred to investment no later than twelve months after its completion whilst under IFRS, it is transferred immediately upon completion. Leasing investments will be amortized over the term of the lease. Under IFRS, property maintenance investments and the amortisation of tenant investments are expensed as costs through the profit and loss account. On the other hand, the property revaluation will increase, since maintenance investments and tenant investments will no longer capitalised to property. Property that is subject to ground lease will be valued based on full ownership, while the discounted value of future ground rent payments will be included in long-term debt.

Deferred tax liabilities which until 2004 were presented at discounted value will be carried at nominal value as from 2005. The financial instruments that are used will be shown at market value in the balance sheet. The coverage of net investments in foreign entities will be accounted for by way of hedge accounting. This implies that both exchange rate differences on net investments and hedging instruments will be accounted for in shareholders' equity.

The most important movements in equity as a result of IFRS in the opening balance sheet of January 1, 2005 compared to December 31, 2004, are caused by:

- a decrease from the valuation of tax liabilities at nominal value;
- an increase from the release of the provision for refinancing.

The most important effects on the profit for the year 2005 are caused by:

- higher taxes on result, arising from the valuation at nominal value of contingent tax liabilities from property revaluations;
- higher interest charges as a result of the release of a provision for the costs of refinancing.

The 2005 annual accounts will include comparative 2004 figures.

The effects described above present the current view on implications that the application of IFRS will have for Wereldhave. It is expected that IFRS items will be finalised in the course of 2005.

## Report of the Supervisory Board

### The Supervisory Board's activities

The Supervisory Board met six times in 2004. Regular items on the agenda of these meetings were the company's results and asset performance, developments in the relevant property markets, investments and divestments, financing, the policy on foreign currency and on dividends and the company's tax position. In addition, the implications of introducing IFRS for Wereldhave's balance sheet and profit and loss account were discussed in 2004. Extensive notes on this matter are included on page 53 of this Annual Report. The June meeting saw the presentation by the Management Board of the investment plan for the coming 5 years, which will be adjusted and modified annually. The investment plan sets out the strategy for the coming five years and the critical conditions for success, the requirements made of staff and organisation in relation to these, a description of the information systems, financial policy, the company's tax position, results and volumes of investment on a country by country basis. The report also gives a current projection of prospects in the property markets in the countries in which Wereldhave is active and an extensive set of assumptions that were used to draw up the result forecasts, relating to interest rates, inflation and economic growth, for example. The investment plan was approved by the Supervisory Board in June 2004. The Supervisory Board believes that the annual review of an updated investment plan offers a valuable source of information concerning the procedures and state of affairs within the company. The structure and operation of the internal risk management and control systems was discussed with the Management Board in November. No points were raised at this discussion that require adjustment or modification.

The remuneration report of the Supervisory Board is published on [www.wereldhave.com](http://www.wereldhave.com) and is available free of charge on request. The main aspects of the report are given below.

Management Board members do not derive any advantage in any other way from the activities of Wereldhave or its affiliated enterprises. Wereldhave operates a final salary pension scheme, pursuant to which members retire at the age of 62.

The Management Board members do not hold any shares or option rights in Wereldhave N.V. No loans, advances or guarantees have been extended to the Management Board members by Wereldhave N.V. In the event of dismissal in the case of merger, the Management Board will receive retaining pay and they will continue to accrue pension rights for the account of the company for as long as they receive retaining pay. The maximum period of retaining pay can be 7 years, depending on the number of years service. In the first five years, 80% of the last recorded salary is paid, and thereafter 70%. The retaining pay will cease in any event when the Management Board member concerned reaches the age of 62. Any new employment contracts will no longer include such arrangements.

The Supervisory Board proposes that the variable remuneration system be adjusted by introducing a system of short-term and long-term bonuses, and abandoning the current profit-sharing system for the Board of Management. Furthermore, it is proposed to shareholders that the salary increases of Mr Verweij as per January 1, 2004 and 2005 will be granted backdating pension entitlements. The proposals are described at length in the remuneration report.

In November, the Supervisory Board assessed the functioning of the Management Board and the mutual cooperation between Supervisory Board members. All Supervisory Board members are independent of one another, the Management Board of Wereldhave and any particular interest. One of the members of the Supervisory Board was prevented from attending the Board meetings by illness. The other members attended all Board meetings.

In January 2005, the Supervisory Board meanwhile decided to not install an Audit Committee. Separate committees are not yet considered necessary.

The regulations and the profile for members of the Board of Directors and members of the Supervisory Board are published on the website [www.wereldhave.com](http://www.wereldhave.com), with detailed reactions on the corporate governance recommendations and best practices.

No business transactions took place in 2004 between the members of the Supervisory Board and the company.

On behalf of the Supervisory Board,

C.J. de Swart, Chairman

The Hague, February 24, 2005



## Investment properties at December 31, 2004

(only properties with an open market value of more than EUR 5 mln are mentioned separately)

location	offices m <sup>2</sup> n.l.a.	shops m <sup>2</sup> n.l.a.	other m <sup>2</sup> n.l.a.	number of parking spaces	year of acquisition	year of construction or renovation	annual rent 2005 (x EUR 1 mln)
<b>Belgium</b>							
<b>Berchem</b>							
76-78 Berchemstadionstraat	11,416			217	1999	2002	1.6
1-2 Roderveldlaan	12,344			238	1999	2001	1.8
3-4-5 Roderveldlaan	17,139			316	1999	2001	2.3
<b>Brussels</b>							
1-8 Boulevard Bischoffsheim	12,666			150	1988	2002	2.6
22-25 Boulevard Bischoffsheim	5,730			64	1990	1990	1.1
<b>Doornik</b>							
22 Boulevard Walter de Marvis		14,178		1,260	1988	1996	2.1
<b>Liege</b>							
1 Quai des Vennes		31,252		2,200	1994	1994	8.1
<b>Meer</b>							
35-41 Riyadhstraat			22,610	85	2001	2002	0.7
<b>Nijvel</b>							
18 Chaussée de Mons		15,503		750	1984	1995	2.3
<b>Vilvoorde</b>							
28 Medialaan	12,989			305	1998	2002	1.9
30 Medialaan	5,696			178	1999	2001	0.9
32 Medialaan	4,052			123	1999	2001	0.8
<b>other properties</b>	6,336	3,285	18,359	333			1.8
	<u>88,368</u>	<u>64,218</u>	<u>40,969</u>				<u>28.0</u>
<b>interest Wereldhave (68.2%)</b>	<u>60,267</u>	<u>43,797</u>	<u>40,969 *</u>				<u>19.5</u>
<b>Finland</b>							
<b>Espoo</b>							
5 Lansituulentie		12,117		234	2003	1998	3.0
<b>Helsinki</b>							
Itäkeskus	9,537	85,009		3,000	2002	2001	26.1
	<u>9,537</u>	<u>97,126</u>	<u>-</u>				<u>29.1</u>
<b>France</b>							
<b>Dunkirk</b>							
Quai des Fusiliers Marins		9,895	7,944	600	1999	1999	2.4
<b>Paris and environs</b>							
Avenue Jules Rimet, Saint-Denis	10,993			121	1999	2001	3.0
45-49 Rue Kléber, Levallois-Perret	19,660			350	1999	1999	6.7
Allées de l'Europe, Clichy	23,564			350	1999	2002	6.4
	<u>54,217</u>	<u>9,895</u>	<u>7,944</u>				<u>18.5</u>

\*) The interest of Wereldhave in the item other amounts to 100%.

location	offices m <sup>2</sup> n.l.a.	shops m <sup>2</sup> n.l.a.	other m <sup>2</sup> n.l.a.	number of parking spaces	year of acquisition	year of construction or renovation	annual rent 2005 (x EUR 1 mln)
<b>The Netherlands</b>							
<b>Alphen aan den Rijn</b>							
35 A. van Leeuwenhoekweg			11,375	103	1997	1991	0.6
R. Wallenbergplein	6,177			108	1999	2002	0.9
<b>Amersfoort</b>							
1-3 Basicweg			11,377	96	1997	1993	0.6
<b>Amsterdam</b>							
64 Hornweg			12,457	117	1997	1991	0.8
<b>Arnhem</b>							
Shopping Centre Kronenburg (leasehold till 2110)		31,752		1,000	1988	1985	7.1
<b>Best</b>							
4 Brem			11,283	690	1977	1971	0.9
<b>Breda</b>							
Distriparc IABC			20,134		2002	2002	0.9
<b>The Hague and environs</b>							
20-160 Laan van Ypenburg, The Hague			47,179	155	1996	1993	3.1
Winston Churchill Tower, Rijswijk	23,163			370	1974	2002	3.3
<b>Deventer</b>							
2 Duisburgstraat			18,360	25	1997	1991	0.6
<b>Etten-Leur</b>							
Shopping Centre Etten-Leur		21,751			1991	1995	3.0
<b>Geldrop</b>							
62-89A Heuvel and 1, 3, 5 and 15 Achter de Kerk		5,927			1978	1996	0.9
<b>Leiderdorp</b>							
Shopping Centre Winkelhof		17,310		830	1993	1999	3.6
<b>Moerdijk</b>							
Middenweg 6			8,779	126	1997	1988	1.1
<b>Nuth</b>							
Thermiekstraat 15			18,066	690	1977	1987	1.3
<b>Roosendaal</b>							
Borchwerf 23			15,378	126	1997	1994	0.6
<b>Utrecht</b>							
Rutherfordweg 1			12,876	100	1997	1994	0.7
<b>other properties</b>	7,022		30,548	175			3.0
	<u>36,362</u>	<u>76,740</u>	<u>217,812</u>				<u>33.0</u>
<b>Spain</b>							
<b>Madrid</b>							
15 Avenida de la Vega, Alcobendas	22,676			421	1999	2000	4.9
15 Calle Fernando el Santo	3,254			39	1991	1993	0.8
1-2 Calle Mariano Benlliure, Rivas-Vaciamadrid			35,248	351	2001	2002	2.1
2 Plaza de la Lealtad	3,012				1989	1999	1.0
	<u>28,942</u>	<u>-</u>	<u>35,248</u>				<u>8.8</u>

location	offices m <sup>2</sup> n.l.a.	shops m <sup>2</sup> n.l.a.	other m <sup>2</sup> n.l.a.	number of parking spaces	year of acquisition	year of construction or renovation	annual rent 2005 (x EUR 1 mln)
<b>United Kingdom</b>							
<b>Blackburn</b>							
76-80 Bank Top		3,426		202	1994	1987	0.4
<b>Burton-Upon-Trent</b>							
Horninglow Street		2,765		140	1988	1986	0.4
<b>Gloucester</b>							
63-71 Northgate Street and 14-20 Hare Lane		4,047			1994	1972	0.4
<b>Guildford</b>							
73-75 North Street	1,085	357			1988	1976	0.5
<b>Leeds</b>							
31-32 Park Row	2,502				1988	1978	0.5
<b>London and environs</b>							
126-134 Baker Street, W1	934	605			1988	1999	0.8
326-334 Chiswick High Road, W4		2,307			1988	1974	0.7
72-74 Dean Street, Royalty House, W1	2,648			12	1988	1999	1.1
14-18 Eastcheap, EC3	3,630				1988	1991	2.0
31-36 Foley Street, W1	3,155			10	1988	1993	1.2
26-28 Great Portland Street, W1 (leasehold till 2105)	1,290				1988	1990	0.6
11-12 Haymarket, SW1	1,183				1988	1988	0.6
1-5 Lower George Street and 1 Eton Street, Richmond upon Thames		2,864		10	1988	1963	0.9
56-70 Putney High Street, SW15		4,369		44	1988	1971	1.1
10-12A Thames Street and 1, 2 and 5 Curfew Yard, Windsor	932	464		62	1988	1972	0.7
<b>Northampton</b>							
100 Pavillion Drive	11,051			510	1998	1991	2.2
<b>Redhill</b>							
Grosvenor House, 65/71 London Road	4,652			150	1989	1986	1.5
<b>Rickmansworth</b>							
1 Tolpits Lane, Olds Approach			7,334	165	1988	1993	0.7
<b>Sittingbourne</b>							
Trinity Trading Estate			37,825	200	1988	1982	2.7
<b>Sheffield</b>							
Penistone Road		3,918		163	1988	1986	0.7
<b>Truro</b>							
Lemon Quay House	1,924			24	1988	1975	0.4
<b>Warwick</b>							
Warwick Technology Park, Gallows Hill	21,814			788	1998	1992	4.3
<b>Yeovil</b>							
Bay 6, Lynx Trading Estate		3,218		207	1994	1986	0.5
<b>other properties</b>		5,086	15,298	36			2.9
	<b>56,800</b>	<b>33,426</b>	<b>60,457</b>				<b>27.8</b>

location	offices m <sup>2</sup> n.l.a.	shops m <sup>2</sup> n.l.a.	other m <sup>2</sup> n.l.a.	number of parking spaces	year of acquisition	year of construction or renovation	annual rent 2005 (x EUR 1 mln)
<b>United States</b>							
<b>Austin, Texas</b>							
3801 Cap. of Texas Highway North		11,891		550	2004	2002	2.8
6801 Cap. of Texas Highway North	8,568			344	1999	1999	1.2
8300 Mopac Expressway	8,669			431	1998	2000	1.5
4801 Plaza on the Lake Drive	10,363			491	1999	1999	1.3
5001 Plaza on the Lake Drive	11,383			539	1999	1999	1.7
<b>Dallas and environs, Texas</b>							
805 Central Expressway, Allen	10,702			737	1999	1999	1.5
161 Corporate Center, Irving	9,737			465	1998	1998	1.7
411 East Buckingham Road, Richardson			28,601	648	1999	1999	2.4
4490 Eldorado Parkway, McKinney			42,626	880	2000	2004	3.5
4600 Regent Boulevard, Irving	7,432			479	1998	1998	1.2
4650 Regent Boulevard, Irving	7,432			479	1999	1999	1.0
<b>Livonia, Michigan</b>							
19500 Victor Park Way	10,325			600	1998	1998	1.6
<b>Philadelphia, Pennsylvania</b>							
1515 Market Street	47,161				1989	1986	7.0
<b>Pittsburgh, Pennsylvania</b>							
3000 Park Lane	9,784				1998	1998	1.7
<b>Washington D.C. and environs</b>							
13600 Dulles Technology Drive, Herndon	10,507			531	1999	2000	2.2
13650 Dulles Technology Drive, Herndon	10,507			531	1999	2000	1.8
1401 New York Avenue	17,646			165	1988	1984	4.7
21660 Ridgetop Circle, Sterling	11,681				1999	2002	1.9
	<u>191,897</u>	<u>11,891</u>	<u>71,227</u>				<u>40.7</u>
<b>Total</b>	<u>438,022</u>	<u>272,875</u>	<u>433,657</u>				<u>177.4</u>

N.l.a. means net lettable area. All properties are freehold unless stated otherwise. For properties which are not 100% owned, the surface areas, number of parking spaces and the annual rent are shown on pro rata basis. The annual rent is calculated on the assumption that the buildings are fully let and before deduction of operating costs.

## Independent valuers

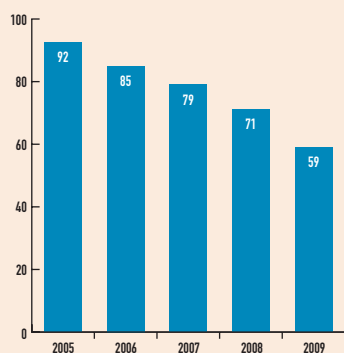
Jones Lang La Salle,  
London

Troostwijk Taxaties B.V.,  
Amsterdam

Troostwijk-Roux Expertises cvba,  
Antwerp

## Contracted rent

(on December 31, 2004, as a % of the 2004 rent)



## Summary of investment properties

The following is a summary of the open market value of the Group's investment properties at December 31, 2004. Foreign currencies have been converted at rates of exchange ruling at December 31, 2004. The annual rent is shown on the assumption that the buildings are fully let and before deduction of operating costs.

(x EUR 1 mln)	offices		shops		other properties		total	
	market value	annual rent	market value	annual rent	market value	annual rent	market value	annual rent
Belgium	95.1	9.4	114.9	8.8	12.9	1.3	222.9	19.5
Finland	7.0	0.5	374.0	28.6	–	–	381.0	29.1
France	188.4	16.1	7.8	1.3	6.2	1.1	202.4	18.5
The Netherlands	56.6	5.2	161.2	14.6	134.1	13.2	351.9	33.0
Spain	77.3	6.7	–	–	26.3	2.1	103.6	8.8
United Kingdom	187.1	16.1	96.7	7.0	55.0	4.7	338.8	27.8
United States	248.9	32.0	29.3	2.8	44.0	5.9	322.2	40.7
<b>Total</b>	<b>860.4</b>	<b>86.0</b>	<b>783.9</b>	<b>63.1</b>	<b>278.5</b>	<b>28.3</b>	<b>1,922.8</b>	<b>177.4</b>

## Summary development portfolio

(investment value more than EUR 10 mln)

			(estimated) date of completion	investment value (x EUR 1 mln)
United States	Washington	14,000 m <sup>2</sup> offices, G-street	01-04-2005	40.0

## Summary of revaluations of the investment properties per country and sector

	value at 31-12-2004 (x EUR 1 mln)	revaluation in 2004 (x EUR 1 mln)	as a % of the value before revaluation				total	
			offices	shops	other			
Belgium	222.9	1.6	./.	6.6	7.9	./.	1.2	0.7
Finland	381.0	8.2	./.	5.3	2.2	–	–	2.2
France	202.4	0.2	./.	0.1	3.3	–	3.3	0.1
The Netherlands	351.9	4.6	./.	0.4	4.5	./.	1.6	1.3
Spain	103.6	2.2	./.	1.3	–	–	4.9	2.2
United Kingdom	338.8	29.8	./.	8.9	8.2	–	15.3	9.7
United States	322.2	10.2	./.	3.1	–	–	6.4	3.3
<b>Total</b>	<b>1,922.8</b>	<b>56.8</b>	<b>./.</b>	<b>2.0</b>	<b>4.1</b>	<b>./.</b>	<b>3.4</b>	<b>3.1</b>