

Trading update Q3 2016 Wereldhave

21 October 2016

Strong leasing performance continued: occupancy increases in all countries

Strategic review Finnish portfolio: Wereldhave to remain active in Finland

Outlook reconfirmed: EPS growth 2016 at lower end of 6%-9% range

2016 dividend proposal of € 3.08



WERELDHAVE

Introduction

In view of feedback from stakeholders, Wereldhave has decided to re-install the publication of quarterly trading updates. The updated financial calendar with publications and events in 2017 can be found on our corporate website, which has been redesigned.

The third quarter saw a continuation of our strong operational performance of the first half of 2016. Occupancy of the shopping centres as at September 30, 2016 stood at 95.1% (an increase of 30 bps compared to June 30), with high leasing activity and improvements in occupancy in all countries. However, we experience pressure in rental levels in all countries from tenant rotations after bankruptcies.

In the Netherlands, Wereldhave sold the Pathé cinema in Tilburg with closing in September 2016. The proceeds will be reinvested during the fourth quarter of 2016 with the completion of the acquisition of a HEMA store in Tilburg. Also in the Netherlands, a smaller shopping centre in Geldrop was sold, with closing scheduled to take place mid December 2016.

In 2016, Wereldhave made a strategic review of its presence in Finland. In view of the recent bankruptcy of the Anttila department store and the Finnish economy which is still subdued due to an uncertain economical and political environment, Wereldhave has

decided that this is not the right timing for a disposal of its Finnish asset.

Wereldhave reconfirms its outlook that the direct result per share for the year 2016 will increase between 6%-9% compared to 2015, but in view of recent bankruptcies, EPS growth is expected to be at the lower end of the range.

For 2016, Wereldhave will propose a dividend of € 3.08 (4 quarterly dividends of € 0.77), which is an increase of 2.3% against the previous year, with a pay-out ratio of approximately 90%.

The final results 2016 will be announced on February 3, 2017.



Operations

Gross rental income for the first three quarters of 2016 amounted to € 173.1m, an increase of 15.4% compared to the same period in 2015. The increase is mainly due to the acquisitions of nine shopping centres in the Netherlands in 2015.

The third quarter saw a continuation of the strong operational performance of the first half of 2016. Occupancy of the shopping centres as at September 30, 2016 stood at 95.1%, with improvements in occupancy in all countries. However, we experience pressure in rental levels in all countries from tenant rotations after bankruptcies.

At September 30, 2016, occupancy in the Netherlands stood at 95.5%, which is 20 bps above the December 31, 2015 level of 95.3% (June 30, 2016: 95.2%). Leasing activity fully absorbed the impact on occupancy of bankruptcies. Also in the third quarter, leasing activity remained high, with over 120 rotations, renewals and new leases. Important signings were the Adam and the McGregor stores (10 shops), ICI Paris in Maassluis, Flying Tiger in Hoofddorp and Rituals in Purmerend.

In France, occupancy improved by 40bps during the third quarter to 93.6%. New leases for Docks76 in Rouen were signed with Rituals (their first shop outside Paris), Les P'tites Bombes and Millim. In

Docks Vauban, Le Havre, leases were signed with Yves Rocher, Crep'Eat, Bagel Chef and Waffle Factory. In Mériadeck, Bordeaux, leases were signed with Timberland and Actu Eyes, in Coté Seine (Argenteuil), a lease was signed with MOA. In the third quarter, there were shop openings of Go Sport in Cote Seine, L'Appart by Leroy Merlin (the first urban concept store shop in France) and KFC in Rivetoile. Yves Rocher in Docks Vauban opened its doors in October.

In Finland, occupancy improved by 50bps to 95.8% at September 30, 2016. The largest new lease that was signed during the third quarter was with OP Bank for the expansion of their floor space in Itis. They are expected to re-open in December. Other new leases during Q3 are Sievi (shoes), Fonum (mobile device maintenance) and ShoeMarket. Sievi and Fonum have already opened, ShoeMarket will open in January. There were also several pop-up leases signed for the Christmas season. During Q3 three restaurants opened in Itis. PastaBox, Fafa's (Mediterranean food) and Lucky Bastard (up-market burgers). All of these leases had been signed during the first half of the year.

The recent bankruptcy of Anttila is expected to impact rental income as from the last quarter of 2016; the administrators have partially continued the lease until the end of 2016 to sell all remaining goods from Anttila's other stores.



In Belgium, occupancy of the shopping centres improved by 20 bps from 95.1% at the end of June 2016 to 95.3% at September 30, 2016. New leases were signed with Cook&Serve, Belloya, Alter Smoke and Youwok in Courtrai. In Genk, the NewYorker store of approx. 1,000m² opened its doors during the third quarter.

Due to the recent bankruptcy, MS Mode will close nearly half of their shops in Belgium. However, this does not impact their three shops in Wereldhave's shopping centres in Courtrai, Liege and Nivelles. The leases will be continued by the new owner of the retail format.

Portfolio

In the Netherlands, Wereldhave sold the Pathé cinema in Tilburg with completion in September 2016. The proceeds will be reinvested during the fourth quarter of 2016 with the completion of the acquisition of a HEMA store in Tilburg. Also in the Netherlands, a smaller shopping centre in Geldrop was sold, slightly below book-value, with closing scheduled to take place mid December 2016. The total net proceeds of these transactions will amount to approx. € 12m.

There were no other changes to the investment portfolio.

In Belgium, works for the construction of a parking garage as the kick-off for the renovation of the Les Bastions shopping centre are proceeding as planned.

In the Netherlands, the completion of the Eggert shopping centre in Purmerend was celebrated with the opening of an Albert Heijn supermarket, a Rituals and a JEANS shop. The shopping centre (including the former V&D department store) is now fully let, which again shows the importance and the success of our refurbishment program.

The permit for the construction of the Hudson's Bay in Tilburg was granted in the first week of October. Works will start at short notice and the Hudson Bay is planned to open its doors in Q3 2017.

In Maassluis, the zoning plan for the expansion of the Koningshoek shopping centre with 5,000m² was approved and in Arnhem, Wereldhave has started the final design stage for the redevelopment of the Presikhaaf shopping centre.

Strategic review Finland

In 2016, Wereldhave made a strategic review of its presence in Finland, including consultations of several investors and stakeholders. We have experienced considerations for the exposure



to department stores which unfortunately, with the bankruptcy of Anttila, became manifest. Also in view of the Finnish economy which is still subdued due to an uncertain economical and political environment, Wereldhave has decided that this is not the right timing for a disposal of its Finnish asset.

We will continue to reposition the Itis shopping centre and are ambitious to further improve the shopping experience by offering better and new leisure to the centre and optimising the food court, thus enhancing Itis' already strong (and increasing) footfall.

Wereldhave anticipates a further decrease of the market value of Itis by year-end 2016 between € 10 - € 15m on top of the earlier devaluation at June 30, 2016, in view of the expected decrease in occupancy (-4.2% from Anttila leaving), required investments and market pressure on rents. Of this amount, € 10m was already recognised at June 30, 2016.

Financing

Interest bearing debt was € 1,518m at September 30, 2016, which together with a cash balance of € 22m gives a net debt of € 1,496m. Undrawn borrowing capacity amounted to € 230m and the Loan-to-value ratio (based on the 30 June 2016 portfolio valuations)

amounted to 39.5% (December 31, 2015: 37.5%). As at September 30, 2016 the average cost of debt and ICR were 1.98% and 6.6x respectively and the EPRA NAV per share stood at € 50.37.

Outlook

Wereldhave reconfirms its outlook that the direct result per share for the year 2016 will increase between 6%-9% compared to 2015, but in view of recent bankruptcies (Anttila in Finland and MS mode in the Netherlands, Belgium and France), EPS growth is expected to be at the lower end of the range.

As announced with the H1 results, a quarterly dividend will be paid of € 0.77. Dividend for the second quarter will be paid on October 27, 2016. The shares will list ex-dividend as from October 25, 2016. The dividend for the third quarter will be payable on January 26, 2017, with the share listing ex-dividend as from January 24, 2017.

For 2016, Wereldhave will propose a dividend of € 3.08 (4 quarterly dividends of € 0.77), which is an increase of 2.3% against the previous year, with a pay-out ratio of approximately 90%.

The final results 2016 will be announced on February 3, 2017.



About Wereldhave

Wereldhave invests in dominant convenience shopping centres in larger provincial cities in northwest continental Europe. The area surrounding our centres will include at least 100,000 inhabitants within 10 minutes' travel time from the centre.

We focus on shopping centres that strike a balance between convenience and shopping experience. With easy accessibility, products that cover 90% of shopping needs, a successful mix of international and local retail products and strong food anchor stores, our centres provide convenience shopping to accommodate a busy urban lifestyle as well as an ageing population.

We aim for an experience that goes beyond shopping, with restaurants, kids' playgrounds and high quality amenities in order to attract families - and keep them with us for longer visits. For more information:

www.wereldhave.com

Feedback

We welcome any feedback from our stakeholders. Please contact us for feedback or any questions you might have at:

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