Annual Report 2006

WERELDHAVE

Contents

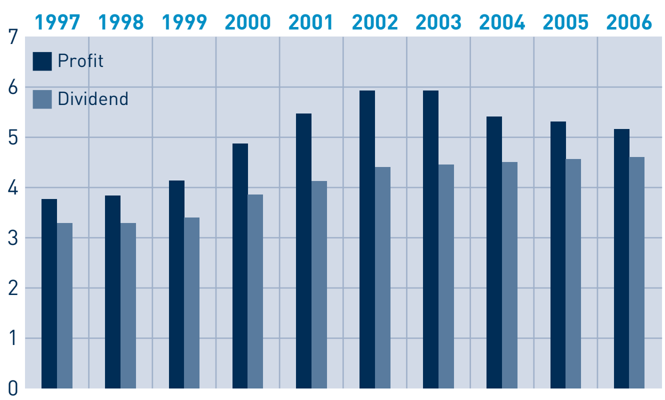
This is the English translation of the Annual Report and Accounts 2006. The official version is in Dutch.

Annual Report 2006

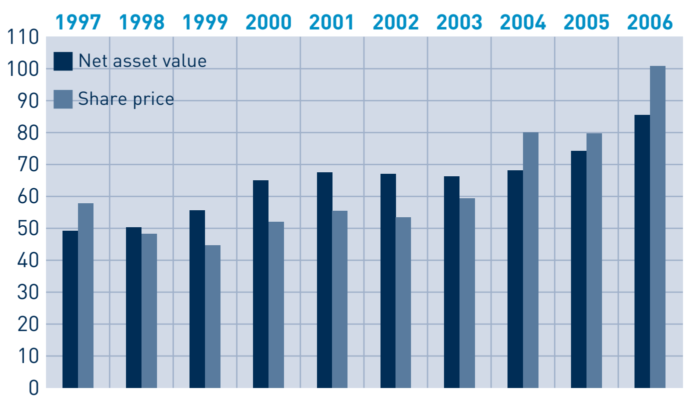
Key figures past 10 years [1]

	1997	1998	1999	2000	2001
Results					
(x EUR 1 mln)					
Net rental income [4]	85.3	84.9	93.9	112.8	124.9
Profit [8]	72.8	86.9	131.4	216.2	102.6
Direct result [2] [8]	61.7	64.7	71.6	86.0	97.1
Indirect result [6] [8]	41.4	2.2	74.3	140.1	17.8
Balance sheet					
(x EUR 1 mln)					
Investments	1,045.2	1,061.7	1,316.8	1,517.5	1,623.2
Development projects	45.2	207.9	278.6	258.1	249.3
Equity [3]	817.1	856.9	968.1	1,156.6	1,203.0
Interest bearing debt	316.0	311.0	420.1	464.6	552.1
Number of shares					
At December 31	16,495,377	16,956,748	17,329,725	17,756,735	17,756,735
Average during the year	16,380,631	16,834,997	17,236,480	17,639,307	17,756,735
Share data [5]					
(x EUR 1)					
Equity [9]	49.28	50.28	55.61	64.94	67.55
Direct result [2]	3.73	3.80	4.12	4.83	5.45
Indirect result [6]	2.87	0.49	4.50	7.86	1.01
Dividend	3.29	3.29	3.40	3.85	4.10
	or 5.56%	or 4.76%	or 4.76%		
		and 0.57	and 1.00		
Pay-out	88.2%	86.6%	82.5%	79.7%	75.2%
Direct result per share [7]	3.76	3.83	4.14	4.86	5.45
Profit per share [7]	4.43	5.15	7.62	12.24	5.77

Direct result and dividend per share *(x € 1)*



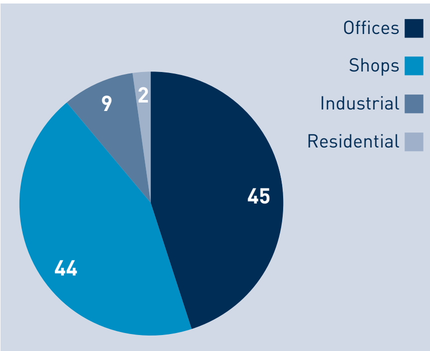
Net asset value and share price at December 31
(before distribution of profit, x € 1)



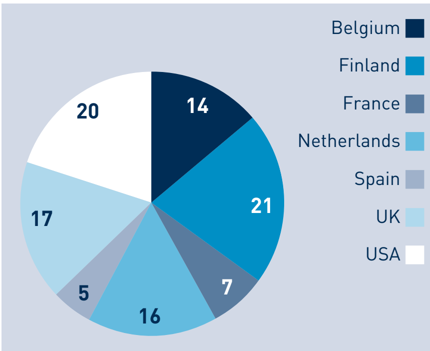
2002	2003	2004	2005	2006
147.8	146.6	147.5	151.8	**151.2**
127.6	104.7	160.8	192.1	**343.5**
116.3	116.5	110.9	110.1	**106.9**
./. 46.4	./. 42.4	49.9	82.0	**236.6**
1,830.5	1,844.0	2,015.1	2,288.8	**2,521.5**
124.9	88.1	50.3	34.0	**33.9**
1,322.7	1,310.0	1,414.8	1,542.2	**1,776.2**
629.8	575.2	500.0	630.1	**541.0**
19,691,735	19,691,735	20,781,735	20,781,735	**20,781,735**
19,691,735	19,691,735	20,573,265	20,781,735	**20,781,735**
66.99	66.35	68.08	74.21	**85.47**
5.90	5.91	5.34	5.30	**5.14**
./. 2.36	./. 2.15	2.40	3.94	**11.39**
4.40	4.45	4.50	4.55	**4.60**
74.6%	75.3%	84.3%	85.8%	**89.5%**
5.90	5.91	5.39	5.30	**5.14**
6.47	5.31	7.81	9.24	**16.53**

1) the figures before 2004 are based on Dutch GAAP. As from 2004 the figures are based on IFRS; the figures up to 2004 have been recalculated in view of the changes in accounting policies in 2004
2) costs relating to asset management are from 2001 onwards no longer charged to the indirect result
3) excluding minority interest, before distribution of profit
4) as from 2004 including minority interest
5) per ordinary share ranking for dividend and adjusted for bonus issue
6) up to and including 2003 other movements in equity are included and as from 2001 excluding costs of asset management
7) based on the average number of shares in issue
8) excluding minority interest
9) before distribution of profit

Distribution of investment properties by sector at year-end 2006



Geographical distribution of investment properties at year-end 2006



Share price development 2002-2006 *(in €)*

Board of Management

G.C.J. Verweij
J. Buijs

Supervisory Board

C.J. de Swart
J. Krant
F.Th.J. Arp
P.H.J. Essers

Financial calendar

March 29, 2007:
Annual General Meeting of Shareholders

April 5, 2007:
Dividend payment

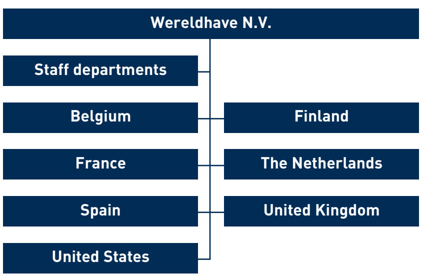
May 10, 2007:
First quarter results 2007

August 9, 2007:
Interim statement 2007

November 7, 2007:
Third quarter results 2007

March 2008:
Annual Report 2007

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 (closed end). 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 op het financieel toezicht" (Financial Supervision Act).

Investments

Wereldhave invests in office buildings, shopping centres, industrial and residential property 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 to 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 (Sociétés d'Investissements Immobiliers Cotées). 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
website: 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 objective is to attain an attractive investment result, combined with a low risk profile on the property portfolio.

Strategy in economic perspective

Diversification by geographical area and type of property
Wereldhave endeavours 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.

Portfolio renewal
Portfolio renewal is central to Wereldhave's strategy. Portfolio renewal focuses on portfolio growth through investment in new or recently built property. The disposal of property that no longer meets user demands releases resources for new investment. At the same time, acquisitions and disposals offer the opportunity to focus the portfolio on category A properties in the international property market. In this way, Wereldhave is continually working to rejuvenate its portfolio.

Maintenance costs during a property's life, and particularly as a property ages, are a cost factor often underestimated or made insufficiently explicit in the sector. Initial yields offer little indication for long-term yield, which is what property must be assessed on. The low average age of the portfolio leads to strong tenant demand and low maintenance costs. Finally, marketability has also played a role in the decision to base the investment strategy on portfolio renewal. Demand for younger property outstrips demand for older property.

The strategy of international portfolio renewal has been implemented consistently since the first half of the nineties. The majority of the property portfolio now consists of modern, flexible buildings in the international A segment with predictably low maintenance costs and strong tenant demand. The marketability of the properties is also proving excellent: in all cases over the past few years when Wereldhave decided sell a property, a buyer was quickly found, at a price level equal to (or above) book value. However, portfolio renewal is an on-going issue.

The implementation of portfolio renewal is of course susceptible to economic cycles. For this reason, acquisitions and disposals do not always coincide. In view of the economic cycles, Wereldhave has decreased the number of projects under construction since 2001, because demand from tenants for new accommodation had declined sharply. In the office market, in particular, this led to higher vacancy rates, particularly for problem properties at the lower end of the market, and put pressure on rents across the board.

The investment markets appear to be dissociated from the underlying property market of the last few years, where rent increases depend heavily on location and products. The prices paid for let property in the investment market are continuously rising, with the initial yield in many cases approaching the level of capital market interest rates and in some cases even dipping below it. Although the letting markets are now recovering slightly due to the improved economic outlook, the question remains whether the low initial yields reflect developments in the property markets, or a (temporary) global surplus of liquidities. Where higher yields are achieved (for example in Central Europe), the currency or political risks, in addition to the commercial risks, are often such that there must be doubt whether the risk premium is sufficient.

In the present market environment, Wereldhave will continue to be conservative in the acquisition of existing property. When necessary, disposals will continue under the policy of portfolio renewal. That is a conscious choice. The disposals contribute to value realisation for shareholders. However, due to the loss of rental income, disposals will have a negative effect on the direct result, but they prevent future value decreases. By disposing of property which offers little prospect of further value growth and which carries a considerable risk of value decreases, Wereldhave will realise the capital gain. The sale proceeds will be invested in the Wereldhave development portfolio.

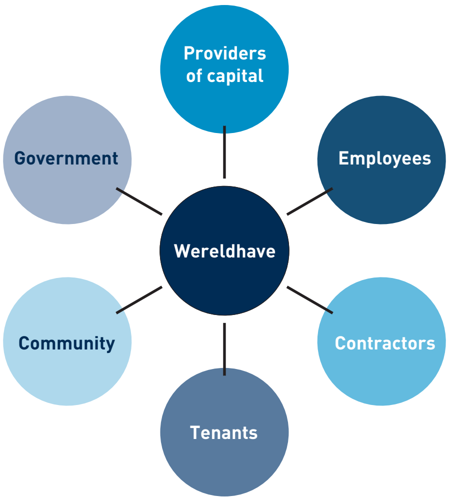
By developing property itself, Wereldhave can control the timing of the investment and is able to create value for the benefit of the shareholders. As the letting markets are strengthening, Wereldhave is actively expanding the number of projects under development. On December 31, 2006, the pipeline contained five projects: two shopping centre expansions in Belgium (in Tournai and Nivelles), a conference centre in Finland (Espoo), a shopping centre expansion in Leiderdorp in the Netherlands, and in the United States (San Antonio, Texas) a mixed development of 1,400 residential properties, offices, a hotel and central facilities. In January 2007 a project yet to be started was added, consisting of some 600 residential properties in Frisco, near Dallas, Texas. These developments will start to contribute to the direct result as from 2008 and following years. The four European projects require a total investment of approximately € 90 million, the project in San Antonio needs a total investment of approximately USD 300 million and in Frisco of some USD 90 million. These projects will give a new major momentum to the investment side of the portfolio renewal. Additionally, Wereldhave will study the entry of the new markets of the west coast of the United States (San Diego region) and Turkey.

Sustainability

Stakeholders

For Wereldhave, corporate sustainability is a strategic priority. It is aimed at improving the quality of business operations while making more efficient use of all resources, and lowering operating costs. The role of this concept, then, extends further than responsible use of energy and raw materials. Corporate sustainability also touches on issues like preventing abuses and illegal acts, and on improving business processes jointly with all stakeholders. It is thus a continuous process of initiative, implementation and evaluation.

Wereldhave recognises the following stakeholders:



The most important topics are listed per stakeholder, as are the steps already taken and the steps to be taken in the near future. The analysis starts internally, with the employees of the company, and ends with the justification towards to the providers of capital.

Employees

The continuity of business processes, employee integrity and the care taken in dealing with human capital, the environment and resources must be a central touchstone of Wereldhave's policies and their implementation by employees.

In this context, Wereldhave offers its employees not only excellent primary and secondary terms of employment, but also a wealth of opportunities to follow courses for their personal development. The average duration of employment is ten years, and absenteeism has been below 3% for years. Being a good employer demonstrably leads to lower costs.

Wereldhave has drawn up Business Principles and a Code of Conduct with principles of conduct for all individuals connected to the company. In addition, the company has rules in place for alleged irregularities. Wereldhave has listed the positions which are sensitive in terms of integrity. Special procedures are in place for hiring employees for such positions. Wereldhave organises internal training in order to familiarise employees with the rules dealing with price sensitive information.

All relevant business processes and associated quality requirements are documented in a database. This system serves not only to guarantee the continuity of business processes, but also records and disseminates the knowledge present in the company. In 2007 the process descriptions will be introduced to Wereldhave's local organisations.

Contractors

Care for the environment and sustainability are central tenets in the schedule of requirements which Wereldhave imposes on its contractors. Wereldhave maintains stable relationships with companies that respect business integrity.

As stated in its Business Principles Wereldhave invests in sustainable, innovative property products that will result in a higher practical value, lower overall costs and a lower burden on the environment. Since 1998, based on this principle, Wereldhave has followed a number of set themes: energy, water, materials, surroundings, flexibility and interior environment ('healthy buildings'). Through specific projects, knowledge is gained which is then documented in standard schedules of requirements for the construction of buildings, and is subsequently applied to new investments. On pages 22 and 23 of this report, you will find some specific applications attributable to the McKinney Green Building project.

In the policy of expansion and renewal of its portfolio, Wereldhave has drawn up standard schedules of requirements for various types of buildings, documenting various measures which – over and above statutory requirements – promote the drastic reduction of CO_2 emissions. The procedure is set out in the Sustainable Investment Procedure and covers not only controls on building design and construction in conformity with the strictest standards of the European Union, but includes test measurements to determine whether the building meets expectations once it is occupied. The procedure is mandatory for all new investments made by the Group. The performance of new buildings has been carefully monitored since 2002. The results of these tests provide feedback for setting benchmarks for new properties, thus generating a process of continuous product improvement.

As from 2007, the schedules of requirements will be tightened up further with rules for the planting or replacement of trees and greenery in and around the buildings in the portfolio. In the future, a requirement will be that more than half of the trees and greenery will consist of local flora. Targets will also be set to further reduce construction waste at all sources in the chain. Wereldhave has also started monitoring CO_2 emissions from its buildings in order to achieve reductions.

Tenants

When leasing properties in the portfolio, Wereldhave will inform tenants of the sustainable aspects of the property they are about to use. Service provision to tenants will be expanded to advise tenants on the environmentally friendly fitting out/organisation of the leased premises, including the associated waste flows. Furthermore, we will look into the possibility of purchasing green energy centrally.

Community

Wereldhave considers it important to involve all the local residents and to inform them of the preparation, planning and progress of projects. Such information will focus in particular on the requirements on the design of the building and the site layout. This approach allows us to take the interests of third parties into account at an early stage, concentrating on issues like public safety and attractiveness of the surroundings, the quality of facilities and the infrastructure. Since Wereldhave wishes to be a local player, it supports a local charity with every new investment, without expecting or receiving anything in return.

Government

Local government plays an important role in the realisation of projects. Wereldhave seeks to maintain good relationships with local authorities in all projects, from the long-term commitment that is a natural characteristic of an investor. Wereldhave seeks close cooperation with local authorities, giving precedence to all aspects of corporate sustainability. Wereldhave aims to achieve good relationships with regulatory authorities in the countries in which Wereldhave operates, without avoiding discussions when necessary. Wereldhave has a licence pursuant to the Financial Supervision Act (previously: Act on the Supervision of Collective Investment Schemes) and is subject to the supervision of the Netherlands Authority for the Financial Markets and the prudential supervision of De Nederlandsche Bank. Wereldhave's financial year runs from 1 January up to and including 31 December in accordance with the Articles of Association.

WCT: climate regulating facade

Aviodrome: geothermal energy storage

Providers of capital

The increasing scarcity of energy and raw materials constantly increases the necessity for enterprises to operate in a socially responsible manner. Demand from tenants for eco-friendly housing will therefore rise. Lower service costs resulting from lower energy consumption are attractive to tenants. The owner of the property not only has lower maintenance and operating costs, but also a stable investment. So Wereldhave creates shareholder value by operating in a socially responsible way.

Wereldhave aims to present providers of capital and other stakeholders with a transparent picture of the company's results and corporate governance structure, as well as the company's principles in the areas of the environment, human rights/ethics, and employee rights.

The dialogue with shareholders is primarily conducted at the General Meeting of Shareholders. Additionally, Wereldhave gives regular presentations to institutional investors and financial analysts. These presentations are also published on the company's website. The website offers shareholders and interested parties the opportunity to ask the company direct questions.

The annual report and the interim report are sent free of charge to any interested parties on request in printed form; press releases are sent on request by email. Further interim announcements are published when internal or external developments so require in the opinion of the Board of Management.

Wereldhave observes a registration date which precedes the shareholders' meeting by 14 days. This term offers banks sufficient time to determine shareholders' voting rights, without having to restrict the transfer of shares. Shares in K-form must be deposited for safekeeping before or on the registration date, and must remain restricted until the registration date. For detailed information, please refer to the agenda and the convening notice for the meeting.

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 2006. 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 € 4.60 per share.

Proposed reappointment

Mr J. Krant is due to retire at the Annual General Meeting in March 2007. He is eligible and nominated for re-election. His experience in international financing, risk management and investor relations is the reason for his nomination. The candidature closely fits the draft profile for Supervisory Board members.

Report of the Supervisory Board

The Supervisory Board met six times in 2006. An extensive report on its activities can be found on page 93 of this Annual Report.

The Hague, February 22, 2007

Supervisory Board Wereldhave N.V.

C.J. de Swart
J. Krant
F.Th.J. Arp
P.H.J. Essers

Main events 2006

Purchases in Belgium, Finland and the United States

In view of the expansion of the Nivelles shopping centre, Wereldhave Belgium acquired two adjacent plots of land in 2006 for a total of € 6.8 million. Also in Tournai, a plot of land was bought for € 2.1 mln for the expansion of the shopping centre. In Finland, Wereldhave acquired in November a conference centre for renovation and improvement in Espoo, Helsinki. The total investment amounts to € 4.4 million. The building will be transferred to investment in October 2007. On November 7, 2006 Wereldhave acquired an office building in Washington DC in the United States with a total of 21,930 m^2 net floor space and 190 parking spaces. The purchase price amounted to USD 131.5 million. The property is leased to the United States Mint until October 2019.

Office building in the United States transferred to investments

The 'Green Building', an office block of 5,490 m^2 in McKinney, Texas, was transferred to investment. This office building, which complies with the highest environmental and sustainability standards, won the prestigious LEED platinum award.

Sales in the Netherlands, United Kingdom and France

On March 17, 2006, Wereldhave sold an office property in Warwick in the United Kingdom for GBP 40.2 million, producing a net gain of € 7.4 million. On April 3, 2006, Wereldhave sold an industrial property in Breda, the Netherlands. The sales proceeds were € 0.3 million above book value. The disposal on May 11, 2006 of an office building in Clichy, France, for € 105.9 million producing a net gain of € 32.2 million.

Development portfolio

At the end of 2007, the first construction phase will start on 500 homes in a project totalling 1,400 residential properties in San Antonio, Texas, in the United States. The investment for the first phase amounts to approximately USD 190 million. In the course of 2006 the site plan was revised and enhanced, increasing the investment value of the entire project to approximately USD 300 million. In Nivelles, Belgium, the renovation of the existing shopping centre was started, in anticipation of its expansion by 9,840 m^2, where construction is expected to start at the end of 2007, at an investment of approximately € 38.5 million. Plans for expanding other shopping centres in the Netherlands, Belgium and France are under way. More information on these plans, which are currently in their initial stages, is provided on the country pages and on pages 34 and 35. The value of the development projects portfolio – the amount of costs incurred – amounted to € 33.9 million on December 31, 2006.

Main events after balance sheet date

On January 4, 2007, Wereldhave sold the office building 3000 Park Lane in Pittsburgh in the United States and the adjacent plot of land for USD 12 million. The proceeds were equal to book value at December 31, 2006. On January 15, 2007, Wereldhave sold the office building 1515 Market Street in Philadelphia for USD 76 million. The net result on disposal amounted to USD 0.7 million. On January 24, 2007 Wereldhave bought a plot of land in Frisco, near Dallas, in the United States, for the construction of approximately 600 residential properties. The purchase price amounted to USD 7.4 million. The construction plan will be developed in detail in 2007. Construction is not expected to start before 2008.

Results

Profit
The profit for 2006 amounts to € 357.5 mln, an increase compared to 2005 of € 156.3 million, or 77.7%. This increase was primarily due to the higher property revaluation results and the results on disposals. Profit consists of a direct result and indirect result. A brief explanation is given below.
An extensive overview with comparative figures of the direct and indirect results is provided in the consolidated annual accounts on page 41 and following. For an overview of the revaluations, please refer to page 100.

Direct result
The 2006 direct result amounted to € 113.3 million, which is € 3.2 million lower than in 2005. The direct result is the result that the company has realised from lettings after deduction of costs. In 2006, Wereldhave sold more properties than it acquired. The decrease of rental income due to these net disposals was offset to a significant extent by an increase in rents and a 1.3% fall in the vacancy rate, which jointly amounted to € 2.5 million. On balance, net rental income fell by € 0.6 million. Due to higher interest rates, interest costs increased by € 1.3 million. General costs rose by € 1.0 million compared to 2005. This increase relates to the costs of IFRS implementation and the one-off release of provisions in 2005 due to IFRS.

The occupancy rate increased from 92.2% in 2005 to 93.5% for 2006. Broken down per sector, the occupancy rate in 2006 was: offices 90.1%, retail 98.9%, industrial 89.9% and 90.2% for residential.

Indirect result
The indirect result for 2006 amounted to € 244.2 million, an increase of € 159.5 million compared to 2005. The indirect result is the result achieved primarily through realised and unrealised value increases of the portfolio. Property disposals resulted in a profit of € 39.9 million in 2006 (2005: € 7.4 million). The on-going fall of initial yields resulted in a considerable positive revaluation of the property portfolio as at December 31, 2006. Revaluations totalled € 266.1 million (2005: € 99.9 million). The average yield on the portfolio as used for valuation fell by 100 base points in 2006. The higher valuations of property and the adjusted deferred tax liability in the United Kingdom resulted in a € 64.0 million increase in deferred tax liabilities (2005: € 23.6 million). Other financial income and expense, consisting primarily of positive movements in pension commitments, amounted to € 2.6 million.

	Share price *(x € 1)*		Price/DR
	2005	2006	2006
highest	90.40	102.80	20.00
lowest	75.60	71.30	13.87
31-12	79.65	100.90	19.63

Key figures *(x € 1 mln)*

Results	2006	2005	Δ
Profit	357.5	201.2	+ 77.7%
Direct result	113.3	116.5	-/- 2.7%
Indirect result	244.2	84.7	+188.2%
Profit per share *(x € 1)*	16.53	9.24	+ 78.9%
Direct result per share *(x € 1)*	5.14	5.30	-/- 3.0%
Equity			
Investment portfolio	2,521.5	2,288.8	+ 10.2%
Equity	1,890.2	1,648.3	+ 14.7%
Net asset value per share *(x € 1)*	85.47	74.21	+ 15.2%

Dividend

A dividend distribution for 2006 of € 4.60 in cash will be proposed to the General Meeting of Shareholders (2005: € 4.55). With a dividend of € 4.60, the payout ratio amounts to 89.5%. Wereldhave aims for a dividend pay-out ratio of 75% - 85% of the direct result. However, the importance that Wereldhave attaches to a gradual rise in dividend, the realised result on disposals and the financial position of the company justify the proposed departure from the spread.
The proposed dividend of € 4.60 per share will be paid out fully in cash in compliance with the fiscal distribution requirement (2005: € 3.10 in cash to meet the fiscal distribution requirement, and € 1.45 charged to the fiscal reinvestment reserve). The increase in the distribution requirement is related to the fiscal distribution requirements for dividends received from France in connection with the disposal of the office property in Clichy.

Stock market performance

In 2006, Wereldhave shareholders realised a total return of 32.4% (2005: 5.2%). This return was 17% below the EPRA (European Public Real Estate Association) Return Index (EUR). Wereldhave shares are listed in Amsterdam and Paris and included in the Amsterdam Mid-Cap Index (AMX, performance 2006: 33.7%). Wereldhave is the only Dutch property investment institution to be included in the Dow Jones Sustainability Index (performance 2006: 11.0%). The share price/direct result ratio at year-end 2006 was 19.63. The average daily trading volume was approximately 75,000 shares. Options on the share are traded on Euronext.Liffe.

Share price development 2006 *(€)*

Equity

Equity

The profit for 2006 of € 357.5 million, the dividend distribution for 2005 of € 94.6 million, and other movements in equity resulted in an increase in equity of € 241.9 million. At year-end 2006, equity including minority interests amounted to € 1,890.2 million before deduction of the proposed dividend (2005: € 1,648.3 million). This corresponds to 71.3% of the balance sheet total (2005: 67.5%). Wereldhave maintains a long-term target solvency ratio of 60%, with a range of approximately 10%. Sound balance sheet ratios limit the sensitivity to interest rate movements and provide flexibility for future investment decisions. No additional shares were issued in 2006. The total number of ordinary shares in issue at year-end 2006 amounted to 20,781,735.

Share ownership is spread amongst institutional and private investors, both in the Netherlands and abroad. As at year-end 2006, Wereldhave had two shareholders with an interest exceeding 5%, namely the Stichting Preferente Aandelen with 6.06% preference shares, and ABP, which reported on November 1, 2006, that it held 5.95% of the ordinary shares. The free float of the ordinary shares is 100%. Net asset value per share before profit appropriation as at year-end 2006 came to € 85.47 (2005: € 74.21)

Debt financing

At year-end 2006, the interest-bearing debt amounted to € 541.0 million (2005: € 630.1 million). The proportion of variable interest loans was reduced in 2006 from 86% at year-end 2005 to 48%. The acquisition of the office building The Mint in Washington DC on November 7, 2006 was financed from the current cash flow and with short-term USD debts, which have largely been redeemed from the sale of the office property 1515 Market Street in Philadelphia on January 15, 2007. The average interest rate rose to 5.4% (2005: 4.6%), predominantly due to the higher American money market interest rate. Loans in USD and GBP are part of the currency hedging policy. The lower exchange rate of the dollar, in particular, led to a lower value of the debt in euros.

The European and American money market interest rates rose in 2006, flattening out interest rate curves and sometimes even reversing them. For the American and British money market interest rates, no or very slight interest rate rises are expected, after which the interest rate might decline. Wereldhave expects that the capital market interest rate and inflation will remain relatively stable. In view of this, development projects and acquisitions can, for the time being, be financed at money market interest rates. Wereldhave's high solvency after all limits the impact of interest rates on the direct result. If policy remains unchanged, an 0.5% change in the money market interest rate would result in a change in the direct result per share of approximately € 0.06.

Movement net asset value per ordinary share ranking for dividend *(x € 1)*

Net asset value before distribution	2006	2005
of profit as at 01-01	74.21	68.08
less: dividend previous year	4.55	4.50
	69.66	63.58
Direct result	5.14	5.30
Indirect result	11.39	3.94
Other movements in equity	-/- 0.72	1.39
Net asset value before distribution of profit as at 31-12	85.47	74.21
less: proposed dividend	4.60	4.55
Net asset value after distribution of profit as at 31-12	80.87	69.66

Wereldhave aims for a loan portfolio which in terms of duration is evenly spread across the medium term. The group's funding is in principle provided on the basis of balance sheet financing, without security, by various international banks. The notes to the consolidated annual accounts provide further information on the loan portfolio.

On February 8, 2006, Wereldhave launched a € 200 million convertible bond at an interest rate of 2.5% and a term of 5 years. The convertible bonds have been placed with international institutional investors. The bonds can be converted into Wereldhave ordinary shares at a conversion rate of € 97. The shares potentially resulting from conversion represent 9.9% of the Company's present outstanding share capital. In this way, Wereldhave has secured financing at very attractive conditions, which has been used to refinance existing loans.

Currency

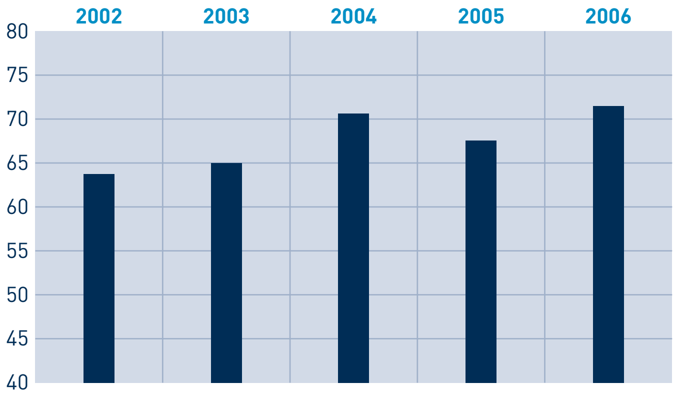
At year-end 2006, the US dollar had been hedged for 73% (2005: 55%) and the British pound for 63% (2004: 74%). Also in 2006, currency options were used to hedge the USD positions and forward exchange contracts to hedge the GBP. The negative impact of exchange rate differences on the value of the property portfolio remained limited to a net movement in equity of € 22.9 million.

The currency policy and the coverage ratios stated above present the economic currency exposure on the value of investments in a currency. This differs from the net investment hedge, presented in the accounts. The standard guideline for hedging the USD and GBP currency risk on the property portfolio is a hedging ratio of 70%, with a permissible range of 50% - 90%. Earnings in USD and GBP, with the exception of interest charges in these currencies, are not hedged separately. A movement in the value of the USD and GBP of 10% would lead to a total movement in the direct result per share of approximately € 0.16.

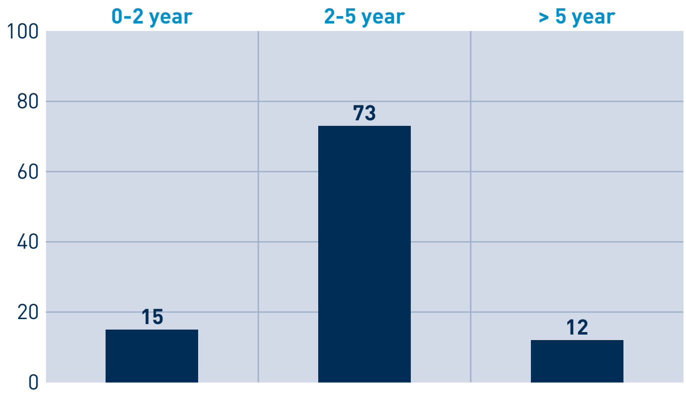
Derivatives

Wereldhave employs currency swaps and currency options and, in addition, uses financial instruments to manage interest costs. These financial instruments are used in conjunction with each other to limit the sensitivity of net asset value per share to currency movements and the sensitivity of earnings per share to shifts in interest rates. The use of financial instruments such as interest rate and currency swaps, accordingly serves the above-mentioned interest rate and currency policy. Only banks of high standing qualify as partners for such transactions.

Equity as a % of total assets
(before distribution of profit)



Maturity spread interest bearing debt *(as a %)*



Development of the portfolio

The largest acquisition in 2006 was an office property of 21,930 m^2 in Washington DC for USD 131.5 million. In the United States, an office building of 5,490 m^2 was transferred to investment in McKinney, Texas. Investments and acquisitions for the investment portfolio involved a total of € 119.2 million; investment and acquisitions in development projects totalled € 13.6 million. Property disposals took place in the Netherlands, France and the United Kingdom. The ratio of shopping centres in the portfolio rose to 44%. In the geographical spread, acquisitions and disposals increased the relative importance of interests in Finland and the United States. At year-end 2006, the United States accounted for 20% of total investment, Finland for 21%.

Ever lower initial yields are accepted in the property markets, raising the value of property. As a result, in 2006 the investment portfolio was revalued upwards by € 270.1 million, or 12%, due to positive revaluations in all countries. The average occupancy rate rose to 93.5% in 2006 (2005: 92.2%). At year-end 2006 the value of the development project portfolio amounted to € 33.9 million; the value of the investment portfolio was € 2,521.5 million. Please refer to pages 34 and 35 for further information on the development portfolio.

Net sales proceeds of investment properties *(x € 1 mln) *)*

	Netherlands	Belgium	Germany	Finland	France	Hungary	Spain	UK	USA	total
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	–	–	–	–	–	–	–	23.7	28.1
2005	6.0	–	–	–	–	–	–	62.2	10.0	78.2
2006	6.1	–	–	–	105.9	–	–	59.0	–	171.0
total	65.6	151.8	25.8	–	308.9	2.8	13.4	375.9	84.1	1,028.3

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

	Netherlands	Belgium	Germany	Finland	France	Hungary	Spain	UK	USA	total
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
2005	100	–	–	–	–	–	–	116	90	111
2006	105	–	–	–	144	–	–	114	–	131
avg.	97	139	91	–	121	105	97	109	102	114

*) the figures up to and including 2003 are based on Dutch GAAP, the figures as from 2004 on IFRS

Investment portfolio distribution *(as a %) *)*

	02	03	04	05	06
Offices	52	48	44	48	45
Shops	36	39	42	41	44
Industrial	11	12	12	9	9
Residential	1	1	2	2	2

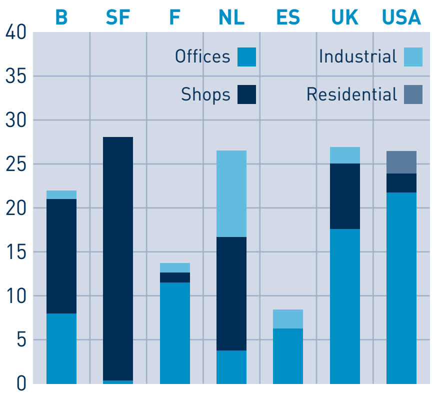
Investment portfolio geographical distribution *(as a %) *)*

	02	03	04	05	06
Belgium	10	12	16	15	14
Finland	17	20	19	19	21
France	12	11	10	9	7
Hungary	<1	–	–	–	–
Netherlands	18	19	18	16	16
Spain	4	5	5	5	5
UK	17	17	16	18	17
USA	21	16	16	18	20

Net rental income per country *(as a %) *)*

	02	03	04	05	06
Belgium	10.3	10.6	13.6	14.2	14.5
Finland	14.9	17.5	18.3	17.9	18.5
France	10.3	10.4	11.0	11.3	9.0
Hungary	0.1	0.1	–	–	–
Netherlands	17.3	18.6	17.2	17.0	17.5
Spain	3.9	5.2	5.0	4.8	5.5
UK	19.1	17.1	16.5	17.6	17.7
USA	24.1	20.5	18.4	17.2	17.3
Total	100	100	100	100	100

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



Staff and organisation

Staff

No major changes took place in staffing in 2006. During the year, Wereldhave had an average of 99 employees (2005: 100), of which 64 (2005: 65) are in our local offices. Of the total number, 43% were women and 57% were men. The average age of employees is 45, and the average term of employment is 10 years. Absence due to illness was less than 2%. We would like to express our gratitude to our staff or their dedication and involvement during the year under review.

Organisation

Work on the development of a new centralised information system is proceeding according to plan. The system will be operational in the course of 2007.

In 2006, all the corporate processes and quality standards were documented in a database with flowcharts. The system documents and shares the knowledge available in the Company and secures the continuity of the business process. In 2007 the process descriptions will be introduced to Wereldhave's local organisations.

Information per country

The key economic figures per country have been drawn from the December 2006 OECD '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

In the past year, the Belgian economy grew by 2.9%. Domestic demand contributed greatly to economic activity. Investment by households and business rose sharply, as did exports of goods and services. Despite the strong economic growth, unemployment hardly decreased. Economic growth in Belgium is expected to top 2% in 2007, slightly above inflation.

In 2006, gross take-up in the Brussels office market was approximately 10% below the average for the past few years. Only in the centre and in decentralised districts did the vacancy rate fall in 2006. Rents increased most strongly in the centre (13%) and the Louisa district (8%). In the Leopold district, too, rents for quality properties saw a limited rise to € 290 m^2/p.a. in 2006, while the vacancy rate rose from 3.5% to 9% in a few years time, especially for older properties. Vacancy outside the CBD fell to 17%. Yields on prime office space in Brussels were tightened up further over the past year and range from 5.7% in the Leopold district to 6.5% on the outskirts. Rents in Antwerp remained unchanged at € 135/m^2 per annum. Vacancy saw a limited rise to 10.5%. Top yields are at 6.75%.

Top rents in the Belgian main shopping streets rose almost 20% over the past year (Brussels and Ghent). The highest rents are paid in the Nieuwstraat in Brussels (€ 1,560/m^2/p.a.). Rents for the retailers on the outskirts of towns have risen to € 160/m^2/p.a. Due to ongoing demand and low interest rates, yields tightened up further in 2006 to 4.5% for high street shops, 5.25% for shopping centres and 6.0% for retail parks on the outskirts of towns.

Due to the strong economic growth in 2006, demand for industrial property was especially strong. Logistics centres are in high demand, especially near Zaventem airport, the port of Antwerp and along the major motorways. The highest rents are paid at Zaventem and in Hasselt (€ 47/m^2/p.a.). Top rents for semi-industrial premises in the Brussels region, in contrast, fell by 10% to € 60/m^2/p.a. over the past year, while they remained stable at € 40/m^2/p.a. in Ghent and Liège. The lowest initial yields are accepted on the Brussels-Antwerp axis (approx. 7%).

Wereldhave Belgium is working on an 9,800 m^2 expansion to the Nivelles shopping centre. The investment required amounts to approximately € 38.5 million. The work will start at the end of 2007. In Tournai, the local shopping centre is being expanded. The plans, which are currently being detailed, provide for a 4,500 m^2 expansion of the shopping centre and a retail park of 10,000 m^2. The investment needed for the expansion amounts to approximately € 40 million.

In 1999, judicial proceedings were started against Wereldhave Belgium, relating to the sale of a cash-company in 1993. The case has been brought before the chamber of the Court in March 2007. Wereldhave Belgium is confident it has complied with all applicable laws and regulations. More information on this matter can be found on Wereldhave's website.

The occupancy rate of Wereldhave's Belgian portfolio averaged 83.6% in 2006 (2005: 83.4%). At year-end 2006, the Belgian portfolio represented a value of € 362.1 million, after a 7.6% upward revaluation. Wereldhave's interest in Wereldhave Belgium amounted to 68.2% at year-end 2006 (2005: 68.2%).

Outlook

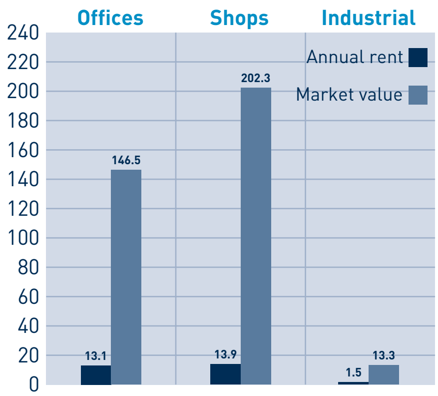
In view of a number of transactions concluded in 2006 (including Olieslagerslaan in Vilvoorde, and the offices in Berchem), the Board of Management expects a higher occupancy rate for the office portfolio in 2007. In addition, Wereldhave Belgium will focus on preparing the expansion of the shopping centres in Nivelles and Tournai and on further improving the occupancy rate.

OECD Economic Outlook

	05	06	07	08
Economic growth	1.5	2.9	2.3	2.1
Average growth EU zone	1.5	2.6	2.2	2.3
Inflation	2.1	2.0	1.8	1.7
Growth private consumption	0.8	2.4	2.0	2.0
Growth corporate investment	4.8	4.4	5.9	4.2
Growth in employment	0.8	1.1	1.1	0.7
Unemployment rate	8.4	8.6	8.3	8.0

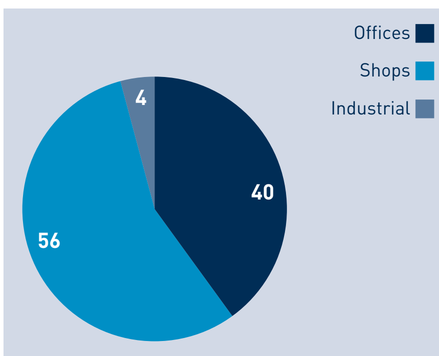
Annual rent and market value

(x € 1 mln as at December 31, 2006, assuming no vacancies)



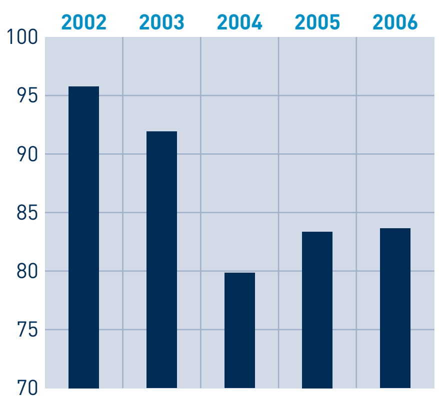
Distribution of investments

(as a % of market value)

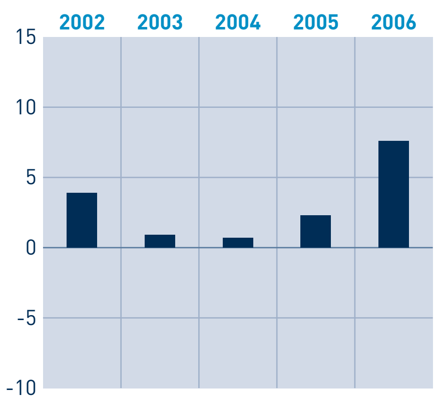


Brussels, Boulevard Bischoffsheim 22-25

Average occupancy rate *(as a %)*



Property revaluation *(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.
4. Lease prices are inclusive of VAT.

Finland

Finland annually spends 3.6% of its GDP on R&D and innovation; double the European average. Even in times of recession, Finland maintains its high research budgets. The Finnish economy grew by 5.0% in 2006, making Finland one of the strongest growing economies in the eurozone. For both 2007 and 2008, growth of approximately 3% is projected. Inflation was at 0.7% in 2006, once more well below the maximum 2% inflation level set by the EU. In 2007, inflation is expected to be 1.3%. Unemployment is at 7.8%, just under the EU average. The high unemployment rate is caused by limited employee mobility, high social security benefits and the attractive early retirement system.

The office supply on the market in Greater Helsinki amounted to 8 million square metres at year-end 2006. Over the past few years, floor space has increased by 10%. Most of the new offices have been built in the Aviapolis Airport Area (the area near Vantaa airport). The average vacancy rate is 8.5% and can be attributed directly to the high volume of new buildings in the past few years. The present excessive supply in the office market has put a brake on new developments, so that vacancy is unlikely to increase further in the next few years. The highest rents in greater Helsinki are paid in the Central Business District (€ 300/m²/p.a.). The initial yields that are being accepted fell further in 2006, and are currently approximately 5.5% in the CBD, and outside it approximately 6.25%.

Demand for retail space remains strong despite the completion in 2005 of approximately 200,000 m² of new shops, followed in 2006 by another 65,000 m². Vacancy in retail property in Helsinki saw a limited rise to 2%. In 2006, the consumer electronics, furniture and gift item sectors did well. Turnovers in the Itäkeskus shopping centre decreased slightly in 2006 due to the expansion of the Jumbo shopping centre nearby. In spite of this, rent rises were achieved on lease renewals in the Itäkeskus shopping centre. Rent levels for the best locations are currently some € 1,200/m²/p.a. In the other major centres in Helsinki, rents remained stable in 2006. In Tapiola, where turnover-related rent is in place, turnovers rose by 2.5% in 2006. Little new industrial property has been built over the past ten years. In 2008, construction of the new port of Vuosaari, east of Helsinki, will be completed. All logistics and warehousing activities are intended to be concentrated at this location. The disappearance of the old North and West ports of central Helsinki provides a lot of development opportunities in the years ahead, particularly for residential property. Rents for industrial property changed little over the past few years; top rents amount to € 130/m²/p.a.

The proposed legislation for the introduction of a special tax regime for property investment institutions, which was announced in 2005, has not yet resulted in any proposed legislation. Further developments cannot be expected until after the parliamentary elections in March 2007.

Wereldhave Finland purchased a plot of land with a conference centre in Espoo in 2006. The building will be renovated in 2007 and three extra floors will be added. After completion in the fourth quarter, the building will measure 4,135 m² of net lettable floor area. The building is let on a 15-year lease. The total investment amounts to € 4.4 mln.
The occupancy rate of the Finnish portfolio averaged 99.5% (2005: 99.1%). On December 31, 2006, the value of the investment portfolio amounted to € 523.8 million, an increase of 22.9%, and the development portfolio was worth € 0.8 million.

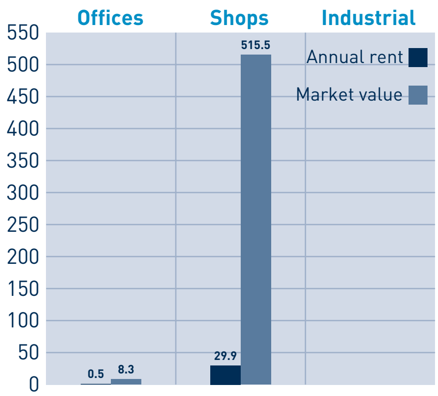
Outlook

The occupancy rate of the Finnish portfolio is expected to remain high in 2007. Wereldhave aims to further expand its portfolio in Finland in 2007, acquiring standing investments and recently built property, giving priority to adding shopping centres to the portfolio.

OECD Economic Outlook

	05	06	07	08
Economic growth	3.0	5.0	2.8	2.7
Average growth EU zone	1.5	2.6	2.2	2.3
Inflation	0.8	0.7	1.3	1.6
Growth private consumption	4.1	3.5	2.6	2.5
Growth corporate investment	6.0	3.3	4.3	3.9
Growth in employment	1.5	1.3	0.4	0.3
Unemployment rate	8.4	7.8	7.6	7.4

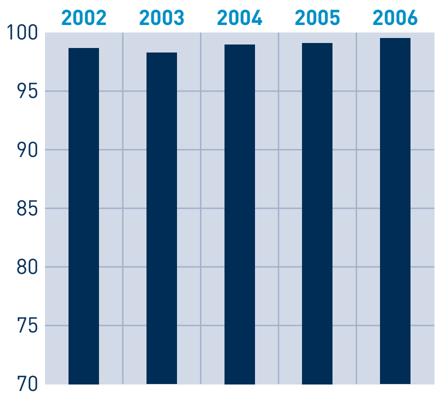
Annual rent and market value
(x € 1 mln as at December 31, 2006, assuming no vacancies)



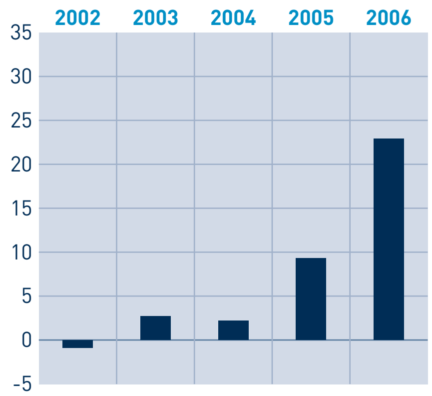
Distribution of investments
(as a % of market value)

Helsinki, Itäkeskus

Average occupancy rate *(as a %)*



Property revaluation *(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 agreements are turnover rents.
3. Outgoings: structural maintenance only is for the landlords' account.

Energy efficient roofing
The roof covering complies with the highest insulation standards. Also, the roof reflects heat, reducing cooling needs.

Rainwater storage
Rainwater from the roof is stored in large cisterns for irrigation purposes.

Storm water collection
Porous paving is a major element in the management of storm water. Sand and gravel filter the water.

Storm water treatment
Underground storm water storage reduces erosion. Rainwater is collected and filtered, and stored in an underground cistern.

Reduction of water usage
Over four billion litres of water are used daily in the US for flushing toilets. Waterless urinals and watersaving toilets and shower heads reduce water usage by 50%.

McKinney Green Building, a sustainable investment

Wereldhave has constructed a sustainable office building in McKinney, Texas. McKinney is located some 30 kilometres north of Dallas. It is a fast-growing community of some 100,000 inhabitants with an average age of 31. At USD 95,000, the average annual income is relatively high. Despite its nearness to Dallas, McKinney has not lost its small-town character, offering a more attractive living environment than many suburbs.

Wereldhave started construction of a sustainable office building in 2005, in a location adjacent to the Saxon Woods apartment complex, which Wereldhave completed in 2004. The McKinney Green Building is a three-storey office building, constructed in steel and brick, with a net lettable floor area of 5,490 m^2. It is the first privately financed office building in the United States whose design as well as construction phase complied with LEED platinum certification requirements. LEED stands for Leadership in Energy and Environmental Design.

LEED's Green Building Rating System™ is the national benchmark in the United States for the design, realisation and operation of sustainable buildings. LEED provides owners and occupiers with the means to measure the environmental impact

Solar energy
The McKinney Green Building uses 70% less energy than a standard office. Water is heated by means of solar panels on the roof, which also provide 10% of the building's energy needs; the rest is obtained from a wind farm in Texas.

Use of recycled materials
The use of sustainable and recycled materials reduces the impact of the production of new materials. Over 10% of the construction materials contain recycled components.

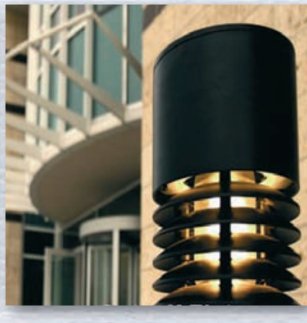
Use of local materials
Over 50% of construction materials originate within 500 kilometres of the site. Use of local materials reduces transport costs and supports the local economy.

Use of FSC timber
America buys 27% of the global timber harvest. 50% of the timber-based materials have been produced with FSC-certified timber.

Bicycle shelter
Using bicycles for commuting is promoted by placing bicycle shelters near the back entrance and installing shower facilities and changing rooms for cyclists.

Use of daylight
Maximum use of daylight limits energy consumption and provides views of the surrounding area. Fixed blinds limit inconvenience and bounce sunlight.

Optimal use of energy
Reducing energy use is one of the core aspects of the building's design. Energy consumption models show that a reduction up to 72% can be achieved compared to a standard building.



Light pollution reduction
Light radiation is kept to a minimum in order to prevent polluting the night environment.

Reduction of energy consumption
Underground geothermal storage is used to dissipate heat during the summer. For that purpose 120 wells have been drilled; 8 kilometres of pipes are located under the parking spaces.

Alternative fuels
Six special parking spaces ware provided with charging facilities for vehicles which make use of non-fossil fuels.

of their activities. LEED promotes an integrated approach to construction in five areas: sustainable area development, water saving, energy efficiency, selection of construction materials and interior environment quality.

The McKinney Green Building does not use drinking water for site irrigation. Rain water is stored in large underground storage basins. Underground storage is used for heating and cooling. The building uses 70% less energy than standard office buildings. Electricity is generated by a wind power station. Over 10% of the construction materials contain recycled components. Over 20% of materials were supplied by local suppliers, keeping transport costs down. The use of environmentally friendly vehicles is promoted: a bicycle shelter is provided for cyclists, as are shower facilities and changing rooms, and special parking spaces with recharging facilities for vehicles running on alternative energy.

Carpooling
Carpooling limits commuter traffic. Ten parking spaces are reserved for carpoolers.

Effective ventilation
All rooms are equipped with underfloor ventilation, increasing comfort to tenants.

Air quality
Designated smoking areas are far removed from the central entrance and from the ventilation air intakes.

Food for thought for tenants
Working in a green environment offers many advantages, such as higher productivity, less sick leave, lower medical costs and, last but not least, lower service costs for tenants.

France

Economic growth in France is slightly below the EU average. Employment grew due to increased industrial activity. Unemployment is expected to fall further in 2007, while wage rises will remain more or less in step with inflation. The government deficit decreased in 2006, especially as a result of public spending cutbacks and a substantial increase in tax revenues. Wages have come down compared to other European countries, but continue to be relatively high.

Compared to 2005 the office take-up in greater Paris increased by over 30% to 2.9 million m^2 as a result of increased economic activity, eclipsing the record year 2000. Demand for large floor areas, in particular, is increasing. The Central Business District, the western business district and La Défense remain most in demand. Vacancy in the greater Paris area fell to 2.5 million m^2, and at 3.4% in Central Paris is amongst the lowest in Europe. A lack of high-quality office space is forcing companies to move out to the outskirts. The highest rents are still being paid in the Central Business District (€ 700/m^2/p.a.), and rent rises were the highest here at 8%. Yields for prime office property decreased further in 2006 to 4% in the Central Business District and to 4.6% in La Défense. In the western business district, yields are approximately 5%.
Demand for high street retail space continues apace; the lack of supply is pushing up rents. The highest rents in greater Paris are paid on the even numbers of the Champs Elysées (approximately € 6,600/m^2/p.a.). The retail parks on the outskirts, retail's answer to the internet, is still experiencing unprecedented high growth. Currently, approximately 160 retail parks are under development. The new parks are distinguished by first-rate architecture, are well integrated into the surroundings and offer excellent comfort to visitors. In nearly half of all French inner cities, revitalisation and renovation projects are currently under way. Yields for high street shops and shopping centres fell further in 2006 to 4.25% and 4.5% respectively.

The supply of large-scale industrial properties (>10,000 m^2) available in Greater Paris fell by 35% in 2006. Rents remained stable in 2006 due to the large number of speculative developments. Rents for light industrial property also stayed the same in 2006 despite falling vacancy in often obsolete buildings. Yields for industrial property fell to 6% for large-scale industrial properties and 7.25% for light industrial properties.

On May 11, 2006, Wereldhave sold an office property of 23.564 m^2 in Clichy, Paris. The sale resulted in a net surplus of € 32.2 million. The composition of the French portfolio did not see other changes in 2006. We are studying an expansion of the Marine shopping centre in Dunkirk. These plans are, however, still in the initial stages.

The French senate amended the SIIC regime with effect from January 1, 2007 in order to prevent abuse by major shareholders (holding an interest of more than 10%).
This change does not affect Wereldhave at this time, since Wereldhave has no major shareholders as defined in this legislation.

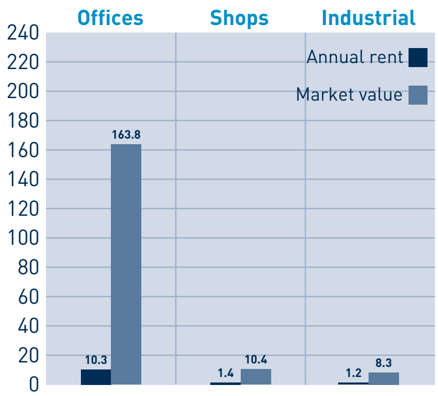
The occupancy rate of the French portfolio averaged 98.5% in 2006 (2005: 97.2%). At year-end 2006, the value of the investment portfolio amounted to € 182.5 million. Wereldhave's French portfolio, which saw a 32.2% upward revaluation, does not contain any development projects.

Outlook
In 2007, plans will be developed for the expansion of the Pole Marine shopping centre in Dunkirk on its own car park. Additionally, opportunities are sought for new developments and for buying recently built property, with a continuing focus on the Paris region.

OECD Economic Outlook

	05	06	07	08
Economic growth	1.2	2.1	2.2	2.3
Average growth EU zone	1.5	2.6	2.2	2.3
Inflation	1.8	1.8	1.7	1.8
Growth private consumption	2.1	2.6	2.5	2.6
Growth corporate investment	3.5	4.4	4.2	3.4
Growth in employment	0.3	0.7	1.0	1.1
Unemployment rate	9.9	9.1	8.5	8.2

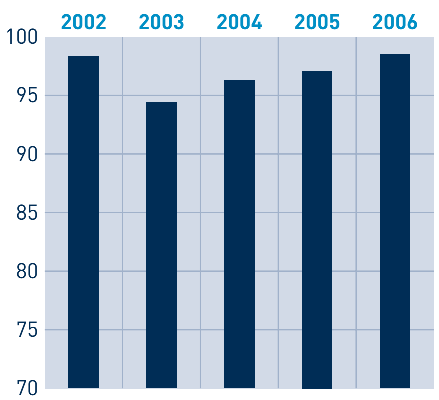
Annual rent and market value
(x € 1 mln as at December 31, 2006, assuming no vacancies)



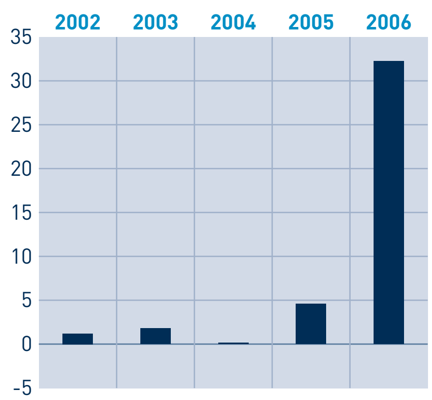
Distribution of investments
(as a % of market value)

Paris, Levallois-Perret, 45-49 Rue Kléber

Average occupancy rate *(as a %)*



Property revaluation *(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

Exports have been the mainstay of the growth of the Dutch economy for some years. The share of re-export has risen sharply. The value of re-exports is expected to exceed the value of domestic products in Dutch exports in 2007. Since wage growth has remained limited and social security has been restricted, more people are now employed and productivity has increased. Due to rising consumer confidence, domestic spending has increased. Inflation in the Netherlands has been below the European average for three years, and is expected to remain low in 2007.

The recovery of the office market, which began to take shape in 2005, gained strength in 2006. Vacancy fell by 1.3% due to an increasing demand for office space and as a result of the conversion or demolition of offices. Replacement demand continues to be a major factor in office take-up. For the first time in many years, incentives like rent-free periods and contributions towards fitting-out costs are no longer increasing. Vacancy is concentrated in older buildings, a large part of which is so obsolete that only conversion or renovation can save them. Rent prices were unchanged in 2006. On Amsterdam's 'Southern Axis' top rents amounted to approximately € 325/m^2/p.a. Due to ongoing demand for property on long-term leases, yields are currently approximately 4.5%. Retailers have clearly profited from the increased consumer confidence. Demand is highest in good-quality inner city retail locations. Rent prices for the best locations are rising, and there is no vacancy in the core retail area. Average rents rose by approximately 3% on average in the past year; the Kalverstraat in Amsterdam showed an exceptional increase of 25% to approximately € 1,300/m^2/p.a. Visitor numbers to most Dutch shopping centres decreased somewhat, and Wereldhave's shopping centres were no exception. However, available turnover figures do not show a decrease in spending. Initial yields for retail property tightened further over the past year to approximately 4.5%.

Over the past year, industrial property vacancy fell further to approximately 9.5%, or 8 million square metres. Obsolete complexes, in particular, are left vacant. Often, these are buildings that were tailored to one particular user. Demolition and redevelopment is the only option for these kinds of properties. Small-scale speculative developments are once more taking place, especially on locations that are in demand in the logistics sector. Rents for older buildings decreased further in 2006, whilst rents for modern buildings remained unchanged at € 60/m^2/p.a. in the Randstad area and at € 45/m^2/p.a. in the other regions. Initial yields for industrial properties are approximately 7%.
In 2006 Wereldhave sold an industrial property in Breda. No further changes were made to the portfolio. In Leiderdorp, a plan is being drawn up in discussions with the municipality, entrepreneurs and the local community to expand Winkelhof by approximately 7,000 m^2 of retail space and corresponding parking spaces. The construction of this expansion is expected to start in 2008. In 2006, a retail property adjacent to the shopping centre was acquired.

In 2006, the occupancy rate of the Dutch investment portfolio improved to 93.9% (2005: 88.8%). On December 31, 2006, the value of the investment portfolio amounted to € 401.6 million, and the development portfolio was worth € 2.1 million. The portfolio saw a 7% increase in value.

Outlook

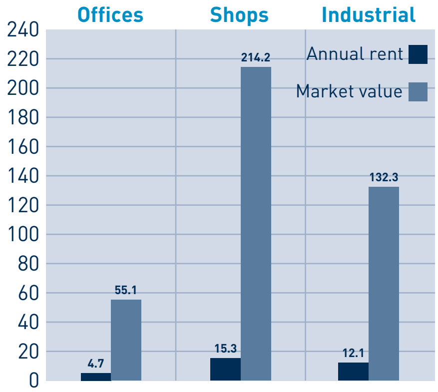
Wereldhave has reached agreement with a tenant to buy out a lease contract in the Ypenburg industrial zone in The Hague as at March 31, 2007. In view of a number of lease contracts agreed in 2006, the Board of Management expects an unchanged or slightly higher occupancy rate for 2007. Expanding the portfolio in the domestic market of the Netherlands with recently built property and development projects has been prioritised.

OECD Economic Outlook

	05	06	07	08
Economic growth	1.5	3.0	3.1	3.0
Average growth EU zone	1.5	2.6	2.2	2.3
Inflation	1.7	1.3	0.8	2.0
Growth private consumption	0.7	-0.9	1.2	1.5
Growth corporate investment	2.7	4.6	5.0	0.1
Growth in employment	0.0	0.9	1.6	1.9
Unemployment rate	5.0	4.9	4.2	3.1

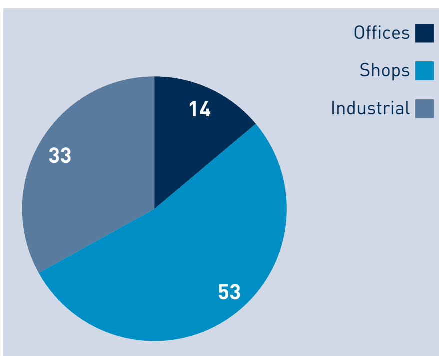
Annual rent and market value

(x € 1 mln as at December 31, 2006, assuming no vacancies)



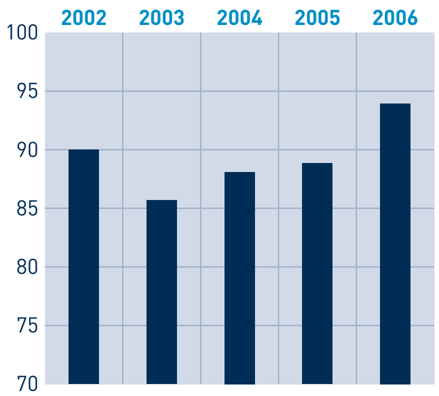
Distribution of investments

(as a % of market value)

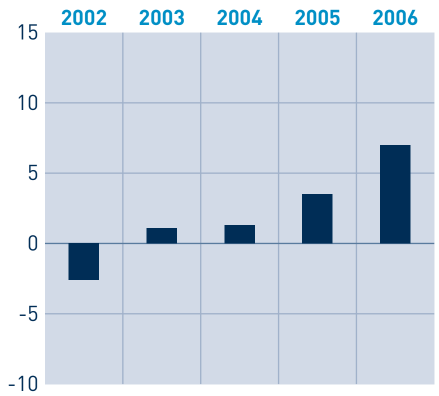


Rijswijk, Winston Churchill Tower

Average occupancy rate *(as a %)*



Property revaluation *(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

In the past decade, the Spanish economy grew on average 4%, making it the fastest growing economy in Western Europe. The growing economy and an ageing population lead to serious shortages on the labour market. In order to maintain the growth rate, Spain has accepted many immigrants in recent years. Over the past five years, the population increased to 44 million. Inflation in Spain was at 3.1% in 2006, far above the EU inflation limit. The high inflation rate was caused mainly by a strong increase in domestic consumption.

Vacancy in the Madrid office market fell in 2006 to almost 900,000 m^2, less than 5% of the total supply. In the Central Business District, the 2% vacancy rate is far below the level that is needed for the market to work effectively. Top rents in Madrid increased in 2006; in the Central Business District by over 15% and by approximately 10% on the periphery. The highest rents are paid in the Central Business District (€ 385/m^2/p.a.). The Central Business District continues to expand in a northward direction along the Castellana. Top yields in Madrid are currently at 4%, and range between 5.0% and 5.25% outside the capital. In Barcelona, vacancy has also fallen below 5%. It is lowest in the area of the Paseo de Gracia and the Avenida Diagonal. In this district, rents are approximately € 300/m^2/p.a., and yields are approximately 4.25%.

Since 2000, the total floor area of retail space in Spain has increased by 50%. At year-end 2006, the figure was 12 million m^2. Almost another 3 million square metres will be realised by year-end 2009. The Spanish peripheral retail floor space, in particular, grew strongly over the past few years, by 78% (currently 1.5 million m^2). In view of the number of new projects, the floor area of retail parks may rise to 2.1 million m^2 in 2009. The shop density is 220 m^2/1,000 inhabitants, which is just above the European average. Very few lease transactions are being effected in the main shopping streets since no properties are on offer. Top rents in the Madrid main shopping streets rose by 7% in 2006, in Barcelona by 5%. Key money has risen sharply. Yields for shops in the main shopping streets in Madrid and Barcelona are 4.5%, for shopping centres and the retail parks between 4.75% and 5%.

Rents in the industrial property market are rising faster than those for offices and retail property, due to the lack of modern quality accommodation near the big cities. Over 70% of demand for industrial property is from the logistics sector. Only 20% of demand concerns traditional business accommodation. Most new building developments respond to this trend by constructing large floor areas. Rents for first-rate industrial property in the Madrid area are approximately € 80/m^2/p.a., in the Barcelona area € 100; the lowest yields are about 6.5% in Madrid and 6% in Barcelona.

No changes were made to the Spanish portfolio in 2006. A number of office properties that had fallen vacant were relet quickly, so that vacancy was close to nil at year-end 2006. The average occupancy rate for the portfolio during the year under review amounted to 99.2% (2005: 92.9%).

At year-end 2006, the value of the investment portfolio amounted to € 117.7 million. Wereldhave has no development projects in Spain. The Spanish portfolio saw a 12.8% increase in value.

Outlook

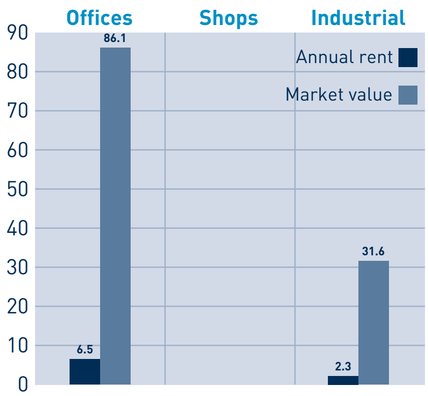
No major changes in the occupancy rate are expected in 2007. Wereldhave aims to expand the Spanish portfolio, preferably with retail properties.

OECD Economic Outlook

	05	06	07	08
Economic growth	3.5	3.7	3.3	3.1
Average growth EU zone	1.5	2.6	2.2	2.3
Inflation	4.1	3.7	3.5	3.7
Growth private consumption	4.2	3.4	3.3	3.2
Growth corporate investment	7.4	6.7	5.1	4.9
Growth in employment	4.8	4.2	3.2	2.7
Unemployment rate	9.2	8.4	7.8	7.6

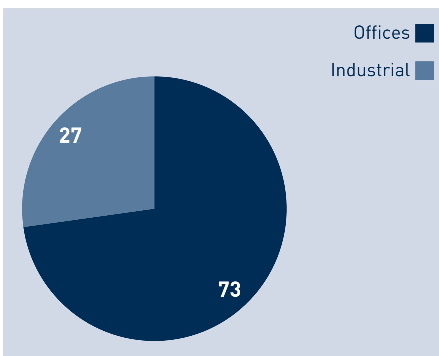
Annual rent and market value

(x € 1 mln as at December 31, 2006, assuming no vacancies)



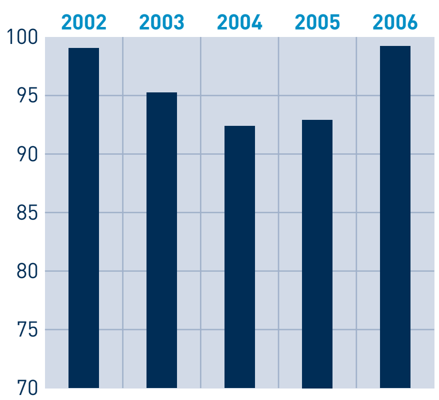
Distribution of investments

(as a % of market value)

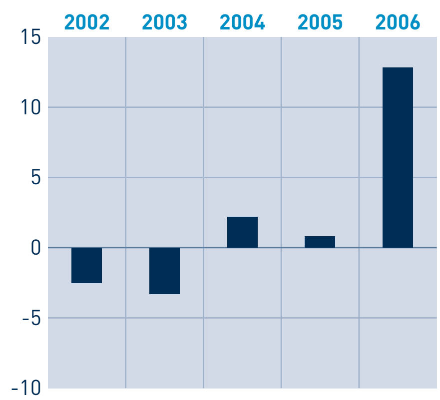


Madrid, Alcobendas, 15 Avenida de la Vega

Average occupancy rate *(as a %)*



Property revaluation *(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

Economic growth in the United Kingdom was 2.6% in 2006. In 2007, economic growth is expected to remain more or less unchanged, supported in particular by continuing strong domestic spending. Despite this, unemployment rose in 2006 from 4.8% to 5.5%, particularly due to high immigration and an increasing labour pool. In the fourth quarter, inflation unexpectedly rose above the target level set by the Bank of England. The Bank responded to this by raising interest rates to 5.25%. In the longer term, inflation is expected to fall as a result of lower energy and import prices.

Vacancy in the office market in Central London fell further in 2006 to 4.3%; the West-End, Midtown and South bank areas even registered vacancy rates below 4%. The limited availability of prime quality office space in Central London pushed up rent prices, most strongly in the City (20%), followed by Midtown (15%) and the West-End (13%). The highest rents by far are paid in the West-End (GBP 1,050/m^2/p.a.). Rents in the City are approximately 45% lower, in Midtown 50% lower. Yields for prime property are 3.75% in the West-End and 4.25% in the City. The opportunities for developing new office space are lowest in the West-End, keeping supply tight and demand strong. Office rents in Manchester, Leeds and Birmingham rose strongly over the past year. Outside London, only Birmingham, Manchester and Edinburgh have office rents of over GBP 300/m^2/p.a.

The main shopping streets and shopping centres are currently performing very much better than elsewhere. The highest rents (GBP 3,750/m^2/p.a.) are paid for shops in the main shopping streets of Central London, where major retail chains looking for the best locations are pushing prices up. Yields for shops in the main shopping streets in Central London are approximately 4%, whilst in the main shopping streets of other major cities they are approximately 4.5%. Initial yields for retail parks on the outskirts remained unchanged at approximately 5% in 2006.

The highest rents for industrial property are paid in and around Greater London, where top rents of GBP 110/m^2/p.a. are obtained for industrial property. In Slough, west of London, rent prices of up to GBP 120/m^2/p.a. are paid. Rents outside London increased most dramatically over the past year. Yields for prime industrial property fell further during the year under review to approximately 5.7%. Only in London, the East Midlands and the Southeast are even more competitive yields accepted.

A special tax regime for property investment institutions applies in the United Kingdom as from January 1, 2007. As the legislation stands, Wereldhave currently cannot take advantage from it.

On March 17, 2006, Wereldhave sold to its tenant an office property of 21,814 m^2 in Warwick, near Birmingham, for GBP 40.2 million, GBP 5.0 million above the book value as at December 31, 2005. Wereldhave decided to sell the property to realise the property's value increase.

No further changes were made to the composition of the portfolio. The average occupancy rate of the portfolio during the year under review amounted to 98.0% (2005: 97.3%). On December 31, 2006, the value of the investment portfolio amounted to € 423.0 million. The British portfolio increased in value by 11.3%.

Outlook

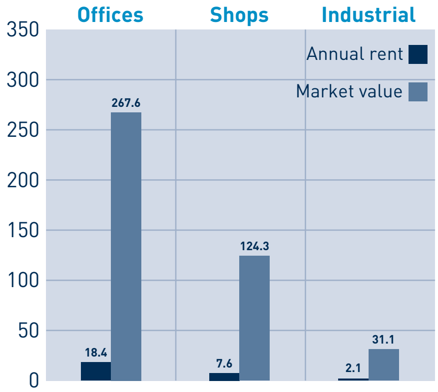
There will be a number of lease expiries in 2007, and the focus will be on maintaining the occupancy rate for the portfolio. We will also continue to explore the redevelopment potential of various properties within the portfolio, whilst continuing to seek new investment and development opportunities.

OECD Economic Outlook

	05	06	07	08
Economic growth	1.9	2.6	2.6	2.8
Average growth EU zone	1.5	2.6	2.2	2.3
Inflation	2.2	2.3	2.5	2.1
Growth private consumption	1.4	2.1	2.1	2.2
Growth corporate investment	3.2	4.9	5.7	5.7
Growth in employment	0.9	0.9	1.1	1.1
Unemployment rate	4.8	5.5	5.7	5.8

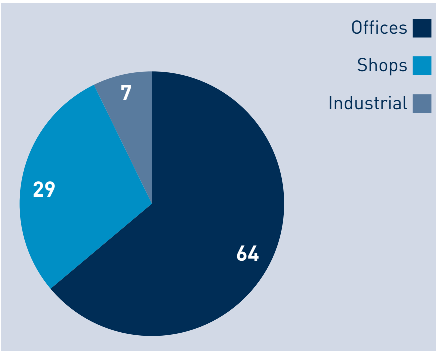
Annual rent and market value

(x € 1 mln as at December 31, 2006, assuming no vacancies)



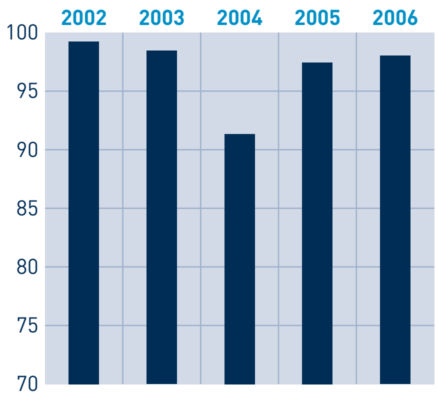
Distribution of investments

(as a % of market value)

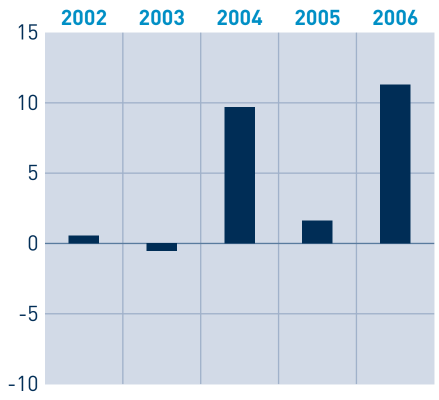


Manchester, Wilmslow Road

Average occupancy rate *(as a %)*



Property revaluation *(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 American housing market has been very strong in the past few years due to low interest rates. Household equity increased due to rising house prices. Part of this value increase was used for consumption. However, house prices started to fall in the course of 2006, particularly due to the repeated interest rate hikes by the FED. Construction of residential housing fell dramatically in 2006. Reduced equity is forcing consumers to save more and spend less. Lower oil prices might limit the slump in consumer spending.

Vacancy in the office market decreased further to 12.6% in 2006 due to higher employment. Vacancy decreased most strongly in the Central Business Districts. Effective rents for prime office property are still rising, and fewer rent concessions are provided. Top rents in New York Midtown Manhattan are USD 76/sf, in Washington DC USD 48/sf, in Austin USD 23/sf and in Dallas USD 18/sf. The strongest rent rises in 2006 (12%) took place in Midtown Manhattan, bringing rents back to the level before the attacks of September 11, 2001. In Austin, Washington DC and Dallas, rents rose by 2% on average in 2006. Average net initial yields in the Central Business Districts fell, despite interest rate hikes, to 5.5%, and in suburban areas to 6.25%.

Retail sales fell in 2006, but the decrease was largely set off by strong Christmas sales. Lower spending was due to the weaker housing market, which led to decreases in equity and in construction activity. Demand for retail space continues to be quite strong. Especially for inner city and urban retail locations. Rent rises are strongest in top inner city locations. Net initial yields fell to 6%.

Strengthening trade relations between China and the United States has prompted a growing demand for industrial property, particularly on the west coast. Technology centres like Boston, Austin and San José are doing well. Rents for industrial property saw a limited rise in 2006. The average rent price is currently USD 6/sf. In spite of the vacancy rate, new construction of industrial property abounds. Net initial yields tightened further over the past year and presently amount to approximately 7%. Yields in Los Angeles, San Francisco, San José and Washington DC fluctuate around 6.5%.

Decreasing house prices has considerably increased interest in renting homes. Monthly costs for tenants are about half the average mortgage costs. The occupancy rate of Wereldhave's American residential portfolio in 2006 was 90.2%.

On November 7, 2006, Wereldhave acquired a 21,930 m^2 office building in Washington DC. The purchase price amounted to USD 131.5 million. No further changes were made to the portfolio in 2006. In January 2007, Wereldhave sold two office buildings and bought a plot of land in Frisco, near Dallas, for USD 7.4 million for the construction of 600 homes. In San Antonio, Texas, the construction of the first phase of 500 homes will start at the end of 2007. The investment for the first phase amounts to approximately USD 190 million. The average occupancy rate of the portfolio during the year under review amounted to 89.0% (2005: 89.7%). On December 31, 2006, the value of the investment portfolio amounted to € 510.8 million, an increase of 4%, and the development portfolio was valued at € 23.8 million.

Outlook

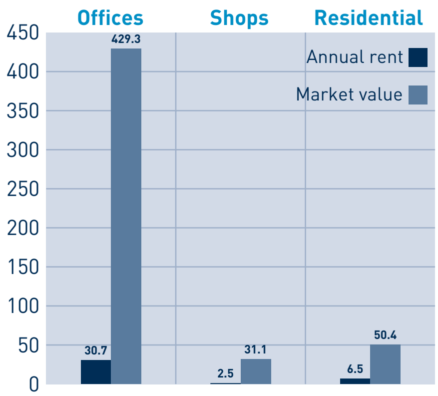
The first priority is to improve the occupancy rate. Furthermore, work is in progress on the first phase of the San Antonio project, and on planning for 600 homes in Frisco. Wereldhave has concentrated its US portfolio in the Washington DC region and in Texas (Austin, Dallas and San Antonio). Further expansion is targeted in particular near San Diego on the west coast and in the Washington DC region.

OECD Economic Outlook

	05	06	07	08
Economic growth	3.2	3.3	2.4	2.7
Average growth EU zone	1.5	2.6	2.2	2.3
Inflation	3.0	2.9	2.6	2.6
Growth private consumption	3.5	3.2	3.0	2.8
Growth corporate investment	6.8	7.6	5.2	4.4
Growth in employment	1.8	1.8	1.0	0.7
Unemployment rate	5.1	4.6	4.8	5.1

Annual rent and market value

(x € 1 mln as at December 31, 2006, assuming no vacancies)

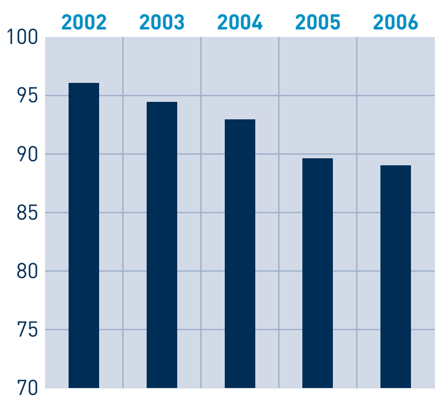


Distribution of investments

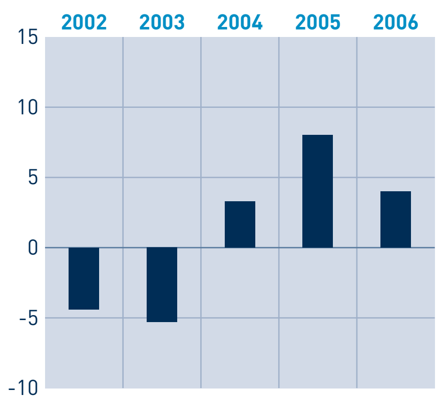
(as a % of market value)

McKinney, 4490 Eldorado Parkway

Average occupancy rate *(as a %)*



Property revaluation *(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.

Summary of development projects

Belgium

Nivelles shopping centre in Nivelles

Description The shopping complex is located in Nivelles, between Brussels and Charleroi on the A7/E19 motorway. The existing shopping centre is currently under renovation. Additionally, the end of this year will see the start of an expansion and an upgrading of the existing façades into the new scheme.

Size Existing shopping centre 19,501 m^2, expansion 9,840 m^2

Sustainable items Energy-saving installations; collective heating and cooling system with a heat pump for each unit; special focus on use of materials and routes for slow traffic.

Investment € 38,500,000 excl. VAT.

Planning Renovation finished end of 2007, start of expansion end of 2007, finished 2009.

Les Bastions shopping centre in Tournai

Description A 28,000 m^2 plot of land was acquired opposite the shopping centre. The purchase of this plot of land allows for an expansion of the existing shopping centre by approximately 4,500 m^2. On the plot of land purchased, an extension of the car park is planned, in combination with shops and a number of residential properties.

Size Existing centre 14,178 m^2, extension of approximately 4,500 m^2 on existing car park, 10,000 m^2 retail, 500 parking spaces and approximately 26 residential properties.

Sustainable items Subsequent planning will look at energy-saving measures, sustainable use of materials and a natural transition to the adjacent woodland.

Investment > € 40,000,000 excl. VAT.

Planning Planning in 2007, preparation in 2008, construction in 2009.

Finland

Espoo – conference centre with hotel facilities

Description The complex is located in park-like surroundings directly on the Finnish coast in Espoo, a suburb of Helsinki. The existing building is currently undergoing renovation; the hotel facilities will be expanded by three extra floors.

Size

Total floor area	4,135 m^2
conference halls	1,590 m^2
hotel facilities	1,425 m^2
sauna and other facilities	1,120 m^2

Sustainable items High degree of flexibility to allow for changes in the use of the building; special focus on use of materials and interior applications; energy-saving installations; attention to local flora and fauna in landscaping of built-up surroundings; facilities (restaurant) for adjacent housing for the elderly.

Investment € 4,410,000 excl. VAT.

Planning Completion August 2007, operational October 2007.

The Netherlands

Winkelhof shopping centre Leiderdorp

Description	The existing centre currently covers a floor area of 17,310 m^2. The proposed expansion amounts to 7,000 m^2 lettable floor area, an underground car park and a minimum of 35 apartments. Also, the adjacent Statendaalderplein will be transformed into a multifunctional square. Planning to take place in close consultation with the parties concerned.
Size	7,000 m^2 expansion minimum of 35 apartments underground car park with approximately 375 parking spaces upgrading existing Statendaalderplein
Sustainable items	Planning preparation focuses especially on the relationship with the built-up surroundings, public safety and routes for slow traffic. Attention will also be given to energy, water and materials usage, the interior environment and the flexibility of the complex.
Investment	> € 25,000,000 excl. VAT.
Planning	Planning in 2007, preparation in 2008, construction in 2008 – 2009.

United States

San Antonio, Texas

Description	Mixed development of residential property, offices, a hotel and central facilities, designed as an urban pedestrian zone, in a popular residential area to the north of San Antonio.
Size	Several planning stages, in total 1,400 residential properties 17,000 m^2 of offices 200 room hotel 9,000 m^2 of retail and central facilities
Sustainable items	During the development, special attention will be given to water collection and recycling, solar energy, daylight filtering, energy efficient building systems and use of sustainable, local materials.
Investment	First phase USD 190,000,000, total project USD 300,000,000.
Planning	First construction phase comprises 500 residential properties, 4,000 m^2 of shops and central facilities, offices and a hotel. Start of construction end of 2007, finished mid-2009.

Prospects

To obtain an attractive yield on investments, realising capital gain is of great importance. This is possible by using the cyclic movements of markets.

In 2007, Wereldhave will continue its policy of portfolio renewal. Portfolio renewal focuses on portfolio growth through investment in new or recently built property, but equally by disposing of property that no longer meets users' demands. In January 2007, Wereldhave sold two office buildings in the United States. Growth of the portfolio will be looked for in all markets and sectors in which Wereldhave is currently active. Additionally, Wereldhave will study the entry of new markets: the west coast of the United States (San Diego region) and Turkey.

Now the economy is strengthening, Wereldhave expects an improvement of the occupancy rate of the portfolio. Wereldhave will expand its development portfolio in 2007. On December 31, 2006, the pipeline contained five projects: two shopping centre expansions in Belgium (in Tournai and Nivelles), a conference centre in Finland (Espoo), a shopping centre expansion in Leiderdorp in the Netherlands, and in the United States (San Antonio, Texas) a mixed development of 1,400 residential properties, offices, a hotel and central facilities. In January 2007 a project yet to be started was added, consisting of some 600 residential properties in Frisco, near Dallas, Texas. These developments, representing a total investment value of € 420 million, will start to contribute to the direct result as from 2008 and following years.

The Hague, February 22, 2007

Board of Management Wereldhave N.V.
G.C.J. Verweij
J. Buijs

Annual Accounts 2006

Consolidated Annual Accounts 2006

Company Annual Accounts 2006

Consolidated balance sheet at December 31, 2006

(amounts x € 1,000)

	Notes	December 31, 2006		December 31, 2005	
Assets					
Non-current assets					
Investment properties	5	2,521,542		2,288,819	
Development projects	6	33,889		34,031	
Property and equipment	7	6,276		5,969	
Financial assets	8	22,613		23,845	
Other long term assets	9	26,665		22,879	
			2,610,985		2,375,543
Current assets					
Trade and other receivables	10	17,294		18,700	
Tax receivables	11	1,975		1,430	
Cash and cash equivalents	12	19,919		44,967	
			39,188		65,097
			2,650,173		2,440,640
Equity and Liabilities					
Equity					
Share capital	13	207,817		207,817	
Share premium	14	763,809		755,707	
General reserve	15	811,768		563,213	
Revaluation reserve		1,875		1,527	
Exchange rate differences reserve	16	-/- 9,060		13,898	
			1,776,209		1,542,162
Minority interest			113,996		106,171
			1,890,205		1,648,333
Long term liabilities					
Interest bearing liabilities	17	506,722		563,901	
Deferred tax liabilities	18	147,806		84,491	
Other long term liabilities	19	20,142		26,729	
			674,670		675,121
Short term liabilities					
Trade payables		3,893		2,289	
Taxes		5,858		6,216	
Interest bearing debts	17	34,317		66,199	
Other short term liabilities	20	41,230		42,482	
			85,298		117,186
			2,650,173		2,440,640
Net asset value per share *(x € 1)*	31		85.47		74.21
Diluted net asset value per share *(x € 1)*	31		86.09		74.21

Consolidated income statement for 2006

(amounts x € 1,000)

	Notes	2006		2005	
Gross rental income	22	168,533		168,983	
Service costs charged		40,892		39,681	
Total Revenues			209,425		208,664
Service costs paid		-/- 45,334		-/- 44,126	
Property expenses	23	-/- 12,847		-/- 12,725	
			-/- 58,181		-/- 56,851
Net rental income			151,244		151,813
Valuation results	24		266,142		99,892
Results on disposals	25		39,919		7,389
General costs	26		-/- 14,002		-/- 13,051
Other gains and losses	27		4,688		7,108
Net operational result			447,991		253,151
Interest	28		-/- 23,697		-/- 21,107
Other financial income and expense	29		1,277		-/- 3,196
Result before tax			425,571		228,848
Taxes on results	30		-/- 68,062		-/- 27,617
Profit			357,509		201,231
Shareholders			343,487		192,110
Minority interest			14,022		9,121
Profit			357,509		201,231
Earnings per share *(x € 1)*	31		16.53		9.24
Diluted earnings per share *(x € 1)*	31		15.60		9.24

Direct and indirect result for 2006

(amounts x € 1,000)

	2006		2005	
	direct result	indirect result	direct result	indirect result
Gross rental income	168,533		168,983	
Service costs charged	40,892		39,681	
Total Revenues	209,425		208,664	
Service costs paid	-/- 45,334		-/- 44,126	
Property expenses	-/- 12,847		-/- 12,725	
	-/- 58,181		-/- 56,851	
Net rental income	151,244		151,813	
Valuation differences		266,142		99,892
Results on disposals		39,919		7,389
General costs	-/- 14,002		-/- 13,051	
Other gains and losses	3,896	792	3,748	3,360
Net operating profit	141,138	306,853	142,510	110,641
Interest	-/- 22,437	-/- 1,260	-/- 21,107	
Other financial income and expense	-/- 1,341	2,618	-/- 933	-/- 2,263
Results before tax	117,360	308,211	120,470	108,378
Taxes on results	-/- 4,035	-/- 64,027	-/- 3,977	-/- 23,640
Profit	113,325	244,184	116,493	84,738
Shareholders	106,854	236,633	110,109	82,001
Minority interest	6,471	7,551	6,384	2,737
Profit	113,325	244,184	116,493	84,738
Earnings per share *(x € 1)*	5.14	11.39	5.30	3.94
Diluted earnings per share *(x € 1)*	4.97	10.63	5.30	3.94

Consolidated statement of movements in equity for 2006

(amounts x € 1,000)

	Notes	Attributable to shareholders of the Company					Minority interest	Total
		Share capital	Share premium	General reserve	Revaluation reserve	Reserve for exchange rate differences		
Balance at December 31, 2004		207,817	755,707	465,284	–	-/- 14,017	102,614	1,517,405
IFRS adjustments		–	–	170	394	–	183	747
Balance at January 1, 2005		207,817	755,707	465,454	394	-/- 14,017	102,797	1,518,152
Exchange rate differences	a	–	–	–	–	27,915	–	27,915
Revaluation of assets held for sale		–	–	–	1,133	–	526	1,659
Other	b	–	–	-/- 833	–	–	–	-/- 833
Profit book year		–	–	192,110	–	–	9,121	201,231
		207,817	755,707	656,731	1,527	13,898	112,444	1,748,124
Dividend 2004	c	–	–	-/- 93,518	–	–	-/- 6,273	-/- 99,791
Balance at December 31, 2005		207,817	755,707	563,213	1,527	13,898	106,171	1,648,333
Exchange rate differences	d	–	–	–	–	-/- 22,958	–	-/- 22,958
Revaluation of assets held for sale		–	–	–	348	–	162	510
Equity component convertible bond	e	–	8,102	–	–	–	–	8,102
Other	f	–	–	-/- 375	–	–	–	-/- 375
Profit book year		–	–	343,487	–	–	14,022	357,509
		207,817	763,809	906,325	1,875	-/- 9,060	120,355	1,991,121
Dividend 2005	g	–	–	-/- 94,557	–	–	-/- 6,359	-/-100,916
Balance at December 31, 2006		207,817	763,809	811,768	1,875	-/- 9,060	113,996	1,890,205

Notes to the consolidated statement of movements in equity

a	**Exchange rate differences**		
	Exchange rate differences on net investments in foreign entities	28,716	
	Hedges of net investments in foreign entities	-/- 3,060	
	Exchange rate differences on results in foreign currencies (difference between year-end and average rates)	2,259	
			27,915
b	**Other**		
	Non recoverable withholding tax		-/- 833
c	**Dividend for 2004**		
	Ordinary shares (€ 4.50 per share)		-/- 93,518
d	**Exchange rate differences**		
	Exchange rate differences on net investments in foreign entities	-/- 22,891	
	Hedges of net investments in foreign entities	971	
	Exchange rate differences on results in foreign currencies (difference between year-end and average rates)	-/- 1,038	
			-/- 22,958
e	**Equity component convertible bond**		
	Based upon the difference between coupon interest and interest on a comparable convertible bond		8,102
f	**Other**		
	Non recoverable withholding tax		-/- 375
g	**Dividend for 2005**		
	Ordinary shares (€ 4.55 per share)		-/- 94,557

Consolidated cash flow statement for 2006

(amounts x € 1,000)

	Notes	2006		2005	
Operating activities					
Profit		357,509		201.231	
Exchange rate differences	a	171		142	
			357,680		201,373
add/deduct:					
Interest- and other financial income and expense		22,420		24,303	
Interest paid, balance	b	-/- 23,997		-/- 22,528	
Valuation results	c	-/- 266,142		-/- 99,892	
Results on disposals		-/- 39,919		-/- 7,389	
Taxes on result		64,976		23,640	
Other movements in reserves		248		-/- 752	
Exchange rate differences deferred tax liabilities		-/- 2,396		2,354	
			-/- 244,810		-/- 80,264
			112,870		121,109
add/deduct: movements in working capital	d		2,630		-/- 6,164
Cash flow from operating activities			115,500		114,945
Investment activities					
Proceeds from disposals	e	171,925		83,273	
Investments in investment property, equipment and projects		-/- 132,076		-/- 164,802	
Investments in financial assets		-/- 4,698		-/- 17,253	
Cash flow from operating activities			35,151		-/- 98,782
Financing activities					
New loans interest bearing debts		293,621		251,666	
Repayment interest bearing debts		-/- 365,662		-/- 143,105	
Liabilities		-/- 6,714		-/- 2,672	
Dividend minority interest		-/- 6,359		-/- 6,273	
Dividend paid		-/- 94,521		-/- 93,612	
Other movements in reserves	f	3,936		2,192	
Disposal of financial instruments		–		-/- 452	
Cash flow from financing activities			-/- 175,699		7,744
Decrease/increase			-/- 25,048		23,907
Cash and bank balances at January 1			44,967		21,060
Decrease/increase			-/- 25,048		23,907
Cash and bank balances at December 31			19,919		44,967

Notes to the consolidated cash flow statement

a	**Exchange rate differences**		
	Exchange rate differences in profit and loss (difference between year-end rates versus average exchange rates)		171
b	**Interest paid, balance**		
	Interest	-/- 23,697	
	Financial income and expense	1,277	
	Capitalised interest	-/- 1,803	
	Movement in pension liabilities	-/- 1,614	
	Depreciation loans amortised cost	754	
	Rent up convertible loan	1,260	
	Movement in leasehold liabilities	-/- 174	
			-/- 23,997
c	**Valuation results**		
	Valuation results on investment properties	-/- 270,426	
	Valuation results on financial instruments	4,284	
			-/- 266,142
d	**Movements in working capital**		
	Change in receivables	861	
	Change in short term liabilities	907	
	Exchange rate differences	862	
			2,630
e	**Proceeds from disposals**		
	Net proceeds from investment properties		171,925
f	**Other movements in reserves**		
	Result on forward transactions		3,936

1. General information

Wereldhave N.V., (the company), is a property investment company. The property portfolio of Wereldhave and its subsidiaries (the group) are located in Europe and the U.S.A. The group is principally involved in leasing out investment property under operating leases. The property management is performed by group property and management companies. The company is a limited liability company incorporated and domiciled in The Netherlands. The shares of the company are listed on the Euronext Stock Exchanges of Amsterdam and Paris. The consolidated financial statements for the year 2005 have been approved and authorised for issue by the Supervisory Board on February 22, 2007.

2. Tax status

Wereldhave N.V. has the tax status of an investment company in accordance with section 28 of the Dutch 'Wet op de vennootschapsbelasting'. This means that no corporation tax is due 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 subsidiaries in Belgium, France and the United States have a similar status. Subsidiaries in other countries have no specific tax status.

3. Accounting policies

3.1 Basis for preparation of 2005 financial statements

The Group's functional currency is the Euro. The financial statements of Wereldhave N.V. have been presented in euros, rounded to the nearest thousand. They have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the EU Commission and endorsed up to December 31, 2006. Wereldhave has not early adopted IFRS standards. The consolidated financial statements and the company financial statements have been prepared on historical cost basis, unless specified otherwise. The company has made use of the exemption referred to in art. 402 BW 2.9.

The accounting policies below have been applied to the years presented, i.e. the reporting year and the preceding year, unless mentioned otherwise.

In 2006 a number of IFRS standards and interpretations became applicable. These new or adjusted standards and interpretations do not affect Wereldhave's report for the year 2006. This concerns the following standards and interpretations:

- Amendment to IAS 19, 'Actuarial gains and losses, group plans and disclosures', effective for annual periods beginning on or after January 1, 2006. The Group decided to retain its former accounting policy regarding the recognition of actuarial gains and losses;
- IAS 21 The effect of Changes in Foreign Exchange Rates: Amendment with regard to the inter-company loans in relation to net investment hedging;
- Amendment to IAS 39, Amendment to 'The fair value option', effective for annual periods beginning on or after January 1, 2006. This amendment does not have any impact on the classification and valuation of the Group's financial instruments classified as at fair value through profit and loss prior to January 1, 2006 as the Group is able to comply with the amended criteria for the designation of financial instruments at fair value through profit and loss;
- IAS 39 Financial instruments, Recognition and Measurement: Amendment regarding the allowance of hedge accounting (cash flow hedges) on risks related to planned intra-group transactions;
- IFRIC 4, 'Determining whether an arrangement contains a lease', effective for annual periods beginning on or after January 1, 2006. This clause and current regulations to this respect do not have any influence on the classification of Wereldhave's leases and leasing income;
- IFRIC 9 Reassessment of Embedded Derivatives. This new interpretation gives further information with regard to embedded derivatives.

Wereldhave has not chosen to early adopt the new standard IFRS 7 Financial Instruments: 'Disclosures, the amendment on IAS 1' with regard to the disclosure on capital. This new standard is applicable on annual accounts commencing after January 1, 2007. The accounts have been prepared before distribution of profit.

3.2 Consolidation

Subsidiaries are those entities, including special purpose entities, controlled by the company. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an entity. The financial statements of subsidiaries are included in the consolidated financial statements. Intra-group balances and unrealised gains and losses are eliminated. In case of control of less than 100%, subsidiaries are consolidated on a 100% basis. In these cases a minority share is shown in the balance sheet under equity as well as in the profit and loss account as a separate item. The purchase method is used for the recognition of acquired group companies. The acquisition is measured at the fair value of the assets and liabilities at the date of acquisition. Re-measurement at subsequent balance sheet dates is based on fair value. As soon as control ceases to exist, subsidiaries are deconsolidated.

3.3 Foreign currencies

Results in foreign currencies are translated to euros at period-average rates. Assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates at the balance sheet date.

	Average		Year-end	
	2006	**2005**	**2006**	**2005**
GBP	1.46744	1.46230	1.48920	1.45921
USD	0.79637	0.80528	0.75930	0.84767

Exchange differences on the net investment in foreign entities are recognised in the equity under reserves. Exchange differences on directly held assets and liabilities in foreign currencies are recognised in the profit and loss account under other gains and losses.

3.4 Derivatives

Derivative financial instruments are stated at fair value. The gain or loss on remeasurement is recognised in the profit and loss account. Purchase and sale are recognised and derecognised using trade date accounting.

3.5 Hedging of net investment in foreign operation

The portion of the gain or loss on an instrument used to hedge a net investment in a foreign operation and determined to be an effective hedge is recognised directly in equity. The ineffective portion, if any, is recognised in the profit and loss account. On disposal of a foreign investment cumulative gains and losses on hedges recognised in the equity are transferred to the income statement.

3.6 Investment property

Investment properties are those properties which are held either to earn rental income, for capital appreciation or both. On acquisition, investment properties are recognised at cost. Investment properties are stated at fair value at the balance sheet date. The fair values are based on the estimated amount for which a property could be exchanged on the date of valuation in an at arm's length transaction.

Market value is based on the capitalization of market rents less operating costs, such as cost of maintenance, insurance and expenses. The net capitalisation factor and the present value of the differences between market rent and contracted rent, of vacancies and of maintenance expenditure to be taken into account are calculated for each property individually. Transfer tax is deducted. After acquisition subsequent expenditure is added to the asset's carrying amount when it is probable that future economic benefits will flow to the entity. All other expenditures, such as repairs and maintenance, are charged to the income statement during the financial period in which they are incurred.

Investments for which the land has been acquired by means of an operational lease (ground rent agreement), are valued in accordance with the fair value method classifying operational leases as an investment property. The investment property valuation will include, as a deduction, the present value of the ground rent payments to be made. For accounting purposes ground rents are accounted for as financial leases, adding the present value of these lease liabilities back to the investment property value. At the same time the fair value of lease liabilities is shown under long term liabilities. In cases where the present value on the basis of market rates of lease liabilities is lower than their fair value, the present value will be shown.

Every six months half of the portfolio is valued at market value by independent external valuers, on June 30 and on December 31. All properties are internally valued at market value at the end of every quarter. Valuation differences and results on disposals are recognised in the income statement. Related tax effects are taken into account in taxes on results. Investment properties under redevelopment are continued to be classified as investment properties. Properties in own use are classified under property and equipment and its fair value at the date of reclassification is considered to be its cost for depreciation purposes of property in own use. When properties are sold the difference between the net proceeds and book value are accounted for in the profit and loss account under results on disposals.

3.7 Property and equipment

Property and equipment include property in own use. Property and equipment are stated at cost less depreciation. Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the assets:

- property : 33 year
- office furniture : 10 year
- equipment : 3-5 year
- cars (excl. residual value) : 4 year

For properties in own use the fair value at the date of reclassification is considered to be its cost for depreciation purposes. Impairment tests are performed every three years by way of valuation. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount less costs to sell. Gains and losses on disposals are recognised in the income statement.

3.8 Development projects

Property that is being constructed or developed for future use as investment property is classified as a development project. Development projects are valued at cost or at market value if lower. Cost includes the (estimated) works performed, the costs of staff directly related to technical supervision and project management on the basis of time spent, and capitalised interest costs on the basis of amounts spent and money market rates plus margin up to the date of completion. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount less costs to sell. Impairment losses are recognised in the income statement. Development projects are transferred to investment properties on the date of technical completion.

3.9 Trade receivables

Trade receivables are recognised initially at fair value, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the group company will not be able to collect all amounts due according to the original terms. The amount of the provision is the difference between the asset's carrying amount and the estimated future cash flows. The movement in the provision is recognised in the income statement.

3.10 Financial assets

Financial assets will include items due after more than twelve months, unless mentioned otherwise. Financial assets are initially recognised at market value. Capital gains on disposals are accounted for under results on disposals. Acquisitions and sales are accounted for based upon transaction date.

Loans and other receivables

Loans issued and other receivables are taken into account, initially at fair value plus transaction costs directly attributable to the loan and subsequently on an amortised cost basis. Movements are taken to the income statement under financial income and expenditure.

Derivatives
Derivatives having a long term nature are initially recognised at acquisition cost and subsequently at their fair value, based on information of well respected parties. Movements are taken to equity in case of net investment hedges and in all other cases to the income statement under valuation results.

Financial assets available for sale
Financial assets available for sale are initially recognised at market value plus acquisition costs and subsequently valued at market value. Valuation results are directly taken to the equity. Negative valuation results are taken to the profit and loss account under valuation results if market value is lower than market value and acquisition costs. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the income statement as results on disposal.

3.11 Other long term assets
Capitalised rent free periods and other leasing expenses
These costs are initially recognised at cost and subsequently valued at amortised cost over the remaining term of the lease.

Employee benefits plans
The capitalised net receivable from defined benefit plans is accounted for at present value and considered as long term. Movements in the present value are taken to the income statement. For further information, see note 3.16.

Deferred tax receivables
Deferred tax receivables are valued at the amount that is expected to be offset against future tax liabilities. Recognition of deferred tax receivables with respect to unrealized capital losses on existing property is done in the case of a foreseen sale or in case compensation can be achieved with operational results.

3.12 Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.13 Share capital
Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction from the proceeds.

3.14 Provisions
A provision is recognised in the balance sheet when a legal or actual obligation would exist, as a result of a past event and when it is probable that an outflow of economic benefits will be required to settle the obligation.

3.15 Long term debts
Interest bearing debts
On acquisition, interest bearing debts are recognised at fair value, minus transactions costs directly attributable to the loan. Any difference between the nominal value and the book value is recognised in the income statement over the period of the interest bearing liabilities on the basis of the effective interest per loan. The short term portion of loans outstanding to be repaid within twelve months is shown under current liabilities.

Convertible bonds
The fair value of the liability portion of a convertible bond which is included in long term interest bearing liabilities is determined by discounting at a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability at initial value on an amortized cost basis until extinguished on conversion or maturity of the bonds.
The remainder is allocated to the equity portion of the bond. This is recognised under share premium in shareholders' equity, net of tax.

Deferred tax liabilities
Deferred tax liabilities are valued at nominal value and are based on temporary differences between the book value of assets and liabilities and their fiscal book value for tax purposes.
The IFRS "income approach" is used to determine the deferred tax liabilities, taking into account applicable corporate tax rates. Fiscal facilities and different rates applicable at the moment of sale are only taken into account if clear plans to sell are available. Deferred tax assets and liabilities are only netted in case a legal right for compensation exists and if there is an intention to settle or realise on a net basis.

Other long term items
Long term debts from leasehold liabilities (see 3.6) and employee benefits plans (see 3.16) are stated at present value.

3.16 Employee benefit plans
Defined contribution plans
Defined contribution plans are pension schemes to which a group company makes a fixed annual contribution.
The movement in obligations for defined contribution pension plans are recognised as an expense in the income statement.

Defined benefit plans
Defined benefit plans are pension schemes where participants can derive statutory benefits at the pension date. The net receivable or liability in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned for their service in the current and prior periods. That benefit is discounted to determine its present value and the fair value of any plan assets is deducted.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. In markets where there is no deep market in such bonds, the market yields (at the balance sheet date) on government bonds are used.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are recognised under financial income and expenditure, over the average remaining service period of employees, if and as far as the balance of these gains and losses exceeds 10% of the higher of the actuarial obligations or the value of assets.

3.17 Trade and other payables
Trade and other payables are stated at their nominal values.

3.18 Leases
If a group company is the lessor, the following situations could occur:

Property leases
Properties leased out under an operating lease are included in investment property in the balance sheet. When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. When the present value of the operational leases of a property equals its value, the property is reclassified to financial assets.

Lease
Leases in which substantially all risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. Leases of assets where the group company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding obligations, net of finance charges, are included in long term liabilities. The interest element of the finance cost is charged to the income statement over the lease period. The investment properties acquired under finance leases are carried at their fair value.

3.19 Revenue

Rental income

Rental income from investment properties leased out under operating lease is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives having the nature of rent free periods are recognised as an integral part of the rental income. The incentives are amortised over the term of the lease. Amortizations are charged to rental income. Rental income does not include value added tax or amounts charged to tenants in respect of service and operating costs. Rental income is shown on an accrual basis.

3.20 Revenue

Service and operational costs

Service and operational costs are shown on a gross basis when the property owner acts as a principal. In the presentation on a gross basis costs and charges are shown separately. Costs and charges are shown on an accrual basis.

Property expenses

The amount consists of operational cost for the account of the owner attributable to the accounting period, such as:

- maintenance
- property tax
- insurance premiums
- property management
- letting expenses

Letting expenses include the depreciation of expenditure in connection with a letting. The expenditure is depreciated over the term of the lease. Investment property depreciation charges are not recognised since investment properties are valued at market value (see above under Investment properties). The market value calculation takes into account technical and economical obsolescence.

General costs

The amount comprises general costs attributable to the accounting period. Direct staff costs relating to property management are included in property expenses. Direct staff costs relating to supervising and monitoring development projects are capitalised on the basis of time spent.

3.21 Interest

Interest comprises the total of interest attributable to the accounting period on loans, other debts, accounts receivable and cash and bank balances. Due to the amortised cost valuation of loans, interest will include interest addition to loans on the basis of the effective interest rate per loan.

3.22 Income tax

Income tax on profit and loss for a year comprises current and deferred tax and is calculated on results before taxes, taking into account any tax-exempt components of profit and non-deductable costs. Losses to be compensated are recognised as deferred tax receivables. Current income tax is the expected tax payable or receivable on the taxable income or loss for the period. Deferred income tax consists of the expected tax payable or receivable on changes in the value of assets or liabilities which will be realized at the moment of sale. Tax is calculated using tax rates prevailing at the balance sheet date. Tax receivable is only taken into account if it is reasonably expected that losses will be compensated.

3.23 Direct and indirect result

In the notes to the consolidated financial statements Wereldhave presents results as direct and indirect results, enabling a better understanding of results. The direct result consists of net rental income, general costs, other gains and losses (other than exchange rate differences), financial income and expense (other than the interest addition to leasehold obligations and the interest addition to the fair value of the conversion rights of convertible bonds) and tax charges.
The indirect result consists of valuation results, exchange rate differences that are accounted for under other income and expenditure, the interest addition to leasehold obligations, the real value of the conversion rights on convertible bonds and the movement in deferred tax liabilities. This presentation is not obligatory under IFRS.

3.24 Segment reporting

A segment consists of assets and activities with specific risks and results, with differences per sector. Segment reporting presents results, assets and liabilities primarily per country and secondarily per sector. The geographical segmentation presents the countries in which the Group is active.
The segmentation by sector consists of offices. shops, industrial and residential property. Results, assets and liabilities by segment contain items that can be directly attributed to that sector. This attribution is determined on a property basis.

4 Segment information *(amounts x € 1,000)*

Primary segmentation (geographical)

The segmentation of gross rental income and assets and liabilities is shown as follows:

2006	**NL**	**BE**	**F**	**ES**	**SF**	**UK**	**USA**	**Total**
Result								
Gross rental income	30,105	23,632	14,678	8,822	29,279	28,284	33,733	168,533
Net rental income	26,455	21,889	13,605	8,324	28,019	26,813	26,139	151,244
Investment portfolio								
Balance at 01/01	375,373	331,198	211,405	104,081	423,611	421,548	421,603	2,288,819
Adjustment for exchange rate differences at 01/01	–	–	–	–	–	8,663	-/- 43,953	-/- 35,290
	375,373	331,198	211,405	104,081	423,611	430,211	377,650	2,253,529
Purchases/investments	5,728	5,389	97	205	2,582	2,292	102,868	119,161
Disposals	-/- 5,825	–	-/- 73,447	–	–	-/- 52,375	–	-/-131,647
From developments	–	–	–	–	–	–	10,415	10,415
Revaluation	26,382	25,528	44,405	13,389	97,634	42,906	19,840	270,084
Balance at 31/12	401,658	362,115	182,460	117,675	523,827	423,034	510,773	2,521,542
Other assets	63,649	23,357	3,680	3,105	4,193	-/- 18,239	48,886	128,631
Total assets *)	465,307	385,472	186,140	120,780	528,020	404,795	559,659	2,650,173
Liabilities	-/-261,072	-/- 14,012	-/- 10,875	-/- 12,598	-/- 91,286	-/-167,006	-/-203,119	-/-759,968

2005	**NL**	**BE**	**F**	**ES**	**SF**	**UK**	**USA**	**Total**
Result								
Gross rental income	29,044	22,834	18,503	8,097	29,024	28,016	33,465	168,983
Net rental income	25,787	21,637	17,187	7,354	27,147	26,655	26,046	151,813
Investment portfolio								
Balance at 01/01	352,401	319,599	202,175	103,168	386,002	338,379	313,334	2,015,058
Adjustment for exchange rate differences at 01/01	–	–	–	–	–	9,777	48,445	58,222
	352,401	319,599	202,175	103,168	386,002	348,156	361,779	2,073,280
Purchases/investments	5,541	4,203	-/- 2	126	1,527	120,372	1,949	133,716
Disposals	-/- 5,952	–	–	–	–	-/- 53,569	-/- 11,639	-/- 71,160
From developments	10,643	–	–	–	–	–	38,139	48,782
Revaluation	12,740	7,396	9,232	787	36,082	6,589	31,375	104,201
Balance at 31/12	375,373	331,198	211,405	104,081	423,611	421,548	421,603	2,288,819
Other assets	50,389	18,666	5,876	3,064	2,581	18,421	52,824	151,821
Total assets *)	425,762	349,864	217,281	107,145	426,192	439,969	474,427	2,440,640
Liabilities	-/-282,024	-/- 4,282	-/- 83,904	-/- 79,014	-/- 62,736	-/-125,372	-/-154,975	-/-792,307

**) This primary segmentation includes the office building used by Wereldhave as headquarters to the amount of € 4.3 mln (2005: € 4.3 mln) under the segment Netherlands (NL). In addition, derivative financial instruments, used for the coverage of financial risks of the Group, to the amount of € 8.8 mln (2005: € 10.3 mln) have been included in this segment.*

Secundary segmentation (per sector)

Rental income and investments are segmentated to the following sectors:

2006	Offices	Shops	Industrial	Residential	Total
Rental income					
Gross rental income	76,455	68,766	17,263	6,049	168,533
Net rental income	68,537	64,524	15,821	2,362	151,244
Investment portfolio					
Balance at 01/01	1,104,092	927,500	205,180	52,047	2,288,819
Exchange rate differences 01/01	-/- 28,914	-/- 1,506	556	-/- 5,426	-/- 35,290
	1,075,178	925,994	205,736	46,621	2,253,529
Purchases/investments	105,548	11,708	1,905	–	119,161
Disposals	-/- 125,822	–	-/- 5,825	–	-/- 131,647
From developments	10,415	–	–	–	10,415
Revaluation	91,373	160,102	14,850	3,759	270,084
Balance at 31/12	1,156,692	1,097,804	216,666	50,380	2,521,542

2005	Offices	Shops	Industrial	Residential	Total
Rental income					
Gross rental income	77,742	67,615	17,861	5,765	168,983
Net rental income	70,475	62,555	16,763	2,020	151,813
Investment portfolio					
Balance at 01/01	888,709	848,703	233,753	43,893	2,015,058
Exchange rate differences 01/01	42,525	7,328	1,582	6,787	58,222
	931,234	856,031	235,335	50,680	2,073,280
Purchases/investments	122,571	9,059	2,069	17	133,716
Disposals	-/- 33,515	–	-/- 37,645	–	-/- 71,160
From developments	38,158	645	9,998	-/- 19	48,782
Revaluation	45,644	61,765	-/- 4,577	1,369	104,201
Balance at 31/12	1,104,092	927,500	205,180	52,047	2,288,819

5 Investment properties *(x € 1,000)*

	2006	2005
Balance at January 1	2,288,819	2,015,058
Exchange rate differences	-/- 35,290	58,222
	2,253,529	2,073,280
Purchases	105,296	124,081
Investments	13,865	9,635
Transfer from development projects	10,415	48,782
Disposals	-/- 131,647	-/- 71,160
Revaluations	270,084	104,201
Balance at December 31	2,521,542	2,288,819

The transfer from development projects relates to the project McKinney Green Building (transferred on May 1, 2006). Disposals include three properties, one in the United Kingdom, an officebuilding in France and an industrial property in The Netherlands that were sold above book value. At November 7, 2006, Wereldhave purchased the US-Mint office building in Washington DC, USA.

Investment properties valued at € 132 mln (2005: € 125 mln) have been charged by way of mortgage.

The properties in the investment property portfolio were valued at December 31, 2006. External valuers involved in the valuation of properties in 2006 are Troostwijk Taxaties B.V., Amsterdam, Jones Lang LaSalle, London and Troostwijk-Roux Expertises cvba, Antwerp.

At December 31, 2006 the balance sheet valuation of investment properties valuation is as follows:

Total investment property values according to internal and external valuation reports	2,531,578
Add back: present value of future ground rent payments (leasehold)	14,726
	2,546,304
Deduct: book value of rent free periods and other leasing expenses to be amortised	-/- 24,762
Balance sheet valuation	2,521,542

Property expenses and service costs of unlet properties amount to € 249,000 (2005: € 196,000).

6 Development projects *(x € 1,000)*

	2006	2005
Balance at January 1	34,031	50,330
Exchange rate differences	-/- 3,300	5,407
	30,731	55,737
Purchases	7,562	15,450
Investments	6,011	16,693
Transfer to investment properties	-/-10,415	-/-48,782
Disposals	–	-/- 4,349
Revaluations	–	-/- 718
Balance at December 31	33,889	34,031

The purchases relate to a development project in Espoo, Finland and the purchase of a plot of land in Nivelles, Belgium. Investments in development projects were made in San Antonio, United States, and in Belgium. On May 1, 2006, the McKinney Green Building was transferred to the investment property portfolio.

7 Property and equipment *(x € 1,000)*

	property in own use	office equipment	cars	Total
Balance at January 1, 2005	4,336	884	520	5,740
Exchange rate differences	–	24	2	26
	4,336	908	522	5,766
Investments/purchases	44	620	316	980
Disposals	–	-/- 30	-/- 70	-/- 100
Depreciation	-/- 67	-/- 382	-/- 228	-/- 677
Balance at December 31, 2005	4,313	1,116	540	5,969
Balance at January 1, 2006	4,313	1,116	540	5,969
Exchange rate differences	–	-/- 41	1	-/- 40
	4,313	1,075	541	5,929
Investments/purchases	86	565	397	1,048
Disposals	–	-/- 2	-/- 63	-/- 65
Depreciation	-/- 67	-/- 381	-/- 188	-/- 636
Balance at December 31, 2006	4,332	1,257	687	6,276

	December 31, 2006	December 31, 2005
Total acquisition at costs	13,445	12,502
Total depreciation	-/- 7,169	-/- 6,533
Net book value	6,276	5,969

8 Financial assets *(x € 1,000)*

	December 31, 2006	December 31, 2005
Loans	3,494	4,209
Financial assets for sale	8,936	8,197
Deposits paid	1,131	1,130
Derivative financial instruments	9,052	10,309
Total	22,613	23,845

The fair value of financial assets coincides with their balance sheet valuation.
For a detailed explanation on derivative financial instruments, see note 21.

9 Other long term assets *(x € 1,000)*

	December 31, 2006	December 31, 2005
Pension plans	1,903	1,313
Capitalised expenses to be amortised	8,008	6,105
Capitalised agent fees	8,235	8,288
Capitalised rent free periods	8,519	7,173
	26,665	22,879

Employee benefit plans

The net asset from defined benefit plans of the Dutch group companies is composed as follows:

	December 31, 2006	December 31, 2005
Benefit obligations	30,036	32,509
Fair value of plan assets	41,488	38,427
	11,452	5,918
Past service costs	-/- 414	–
Unrecognised gains (–)/losses	-/- 9,135	-/- 4,605
Net asset	1,903	1,313

The movement in the net asset is as follows:	2006	2005
Net asset at January 1	1,313	1,101
Employer contributions	602	611
Net movement	-/- 12	-/- 399
Net asset at December 31	1,903	1,313

The assumptions used:

– discount rate obligations	4.50%	4.25%
– long term rate of return on plan assets	5.37%	5.20%
– rate of yearly salary increases	2.00%	2.50%

The mortality rates used are obtained from the mortality tables. "Gehele bevolking mannen en vrouwen 1995-2000", published by the Dutch society of actuaries. The plan assets do not include ordinary shares issued by the company (2005: € 1,075,000).

10 Trade and other receivables *(x € 1,000)*

	December 31, 2006	December 31, 2005
Tenant receivables	5,615	6,089
Prepayments	2,103	1,688
Interest to be received	1,400	1,466
Other	8,176	9,457
Total	17,294	18,700

As in 2005, other receivables do not include amounts receivable and prepaid with a remaining term of more than twelve months. The amount of receivables has been shown after deduction of a provision for doubtful debts in the amount of € 1,180,000 (2005: € 1,198,000).

11 Tax receivables *(x € 1,000)*

	December 31, 2006	December 31, 2005
Withholding tax	1,289	1,430
Income tax	686	–
Total	1,975	1,430

12 Cash and cash equivalents *(x € 1,000)*

	December 31, 2006	December 31, 2005
Bank balances	16,234	17,293
Deposits	3,685	27,674
Total	19,919	44,967

13 Share capital *(number of shares)*

	Authorised share capital	Issued share capital
Ordinary shares		
Balance at January 1, 2005	40,000,000	20,781,735
Additions in 2005	–	–
Balance at December 31, 2005	40,000,000	20,781,735
Additions in 2006	–	–
Balance at December 31, 2006	40,000,000	20,781,735

The authorised ordinary shares have a par value of € 10 each. All issued ordinary shares have been fully paid.

	Authorised share capital	Issued share capital
Priority shares A		
Balance at January 1, 2005	10	10
Additions in 2005	–	–
Balance at December 31, 2005	10	10
Additions in 2006	–	–
Balance at December 31, 2006	10	10

The priority shares A have a par value of € 10 each. All issued priority shares have been fully paid.

The principal rights attached to the A priority shares are, in addition to entitlement to profit, the determination of the number of Managing Directors and Supervisory Directors of the company and the drawing up of a nomination for their appointment.

	Authorised share capital	Issued share capital
Priority shares B		
Balance at January 1, 2005	19,999,990	–
Additions in 2005	–	–
Balance at December 31, 2005	19,999,990	–
Additions in 2006	–	–
Balance at December 31, 2006	19,999,990	–

The authorised priority shares B have a par value of € 10 each. No priority shares B have been issued. The principal rights attached to the B priority shares are, in addition to entitlement to profit, the determination of the number of Managing Directors and Supervisory Directors of the company and the drawing up of a nomination for their appointment.

14 Share premium *(x € 1,000)*

Share premium is paid up share capital in excess of nominal value. The share premium is exempted from tax to the amount of € 741.4 mln (2005: € 741.4 mln).

	2006	2005
Balance at January 1	755,707	755,707
Additions 2006	8,102	–
Balance at December 31, 2006	763,809	755,707

The addition in 2006 relates to the equity component of the convertible bond issued on March 23, 2006.

15 General reserve *(x € 1,000)*

	2006	2005
Balance at December 31 previous year	563,213	465,284
IFRS adjustments	–	170
At January 1	563,213	465,454
Profit	343,487	192,110
Dividend previous year	-/- 94,557	-/- 93,518
Other	-/- 375	-/- 833
At December 31	811,768	563,213

An amount of € 596.6 mln (2005: € 357.4 mln) is designated as a legal reserve.

16 Reserve for exchange rate differences

The exchange rate differences reserve comprises the exchange differences arising from the translation of the income statements of foreign subsidiaries denominated in USD and GBP as well as from the translation of liabilities and transactions designated as hedges together with the translation differences from the net investment in US and UK based subsidiaries and the exchange rate differences on results in foreign currencies (difference between year-end and average rates). The movements in the reserve for exchange rate differences are specified in the consolidated statement of movements in equity on page 42.

17 Interest bearing liabilities *(x € 1,000)*

Composition		December 31, 2006	December 31, 2005
Long term			
Bank debts and private loans		251,084	500,177
Debentures		65,138	63,724
Convertible bond		190,500	–
		506,722	563,901
Short term			
Interest bearing debt		34,317	66,199
Total interest bearing liabilities		541,039	630,100

Loans to the amount of € 65.1 mln (2005: € 63.7 mln) have been secured by way of mortgage.

Movements

The movement is as follows:

		2006	2005
Balance at December 31, previous year		630,100	499,960
IFRS adjustments		–	-/- 1,325
Balance at January 1		630,100	498,635
Exchange rate differences		-/- 10,931	22,871
		619,169	521,506
New loans		293,621	251,666
Repayments		-/-365,662	-/-143,105
Cost amortisation		753	33
Equity component convertible bond	-/- 8,102		
Interest addition equity component	1,260		
		-/- 6,842	–
Balance at December 31		541,039	630,100

In new loans the convertible bond issued on March 23, 2006 is included (net). This bond has been used to refinance existing interest bearing debt.

Convertible bond

The Group issued 2.5% convertible bond at a total nominal value of € 200 million on March 23, 2006. The bonds mature five years from the issue date at their nominal value of € 200 million or can be converted into shares at the holder's option at the rate of 97 euro per share for maximum 2,061,856 shares. The bonds are treated as a compound financial instrument. The value of the liability component and the equity conversion component were determined at issuance of the bond. The fair value of the liability component included in long-term borrowings was calculated using a market interest rate for an equivalent non-convertible bond. This amount is set at initial value minus transaction costs. Transaction costs are amortised and interest is added over the term of the loan, up until the moment of conversion or redemption of the loan. The residual amount, representing the value of the equity conversion component, is included in the share premium.

Nominal value convertible bond	200,000
Equity component	-/- 8,102
Transaction costs	-/- 3,148
Interest bearing debt at initial entry	188,750
Interest addition	1,260
Valuation adjustment due to valuation at amortised costs	490
Interest bearing debt at December 31, 2006	190,500

In 2006 no convertible bonds have been converted.

Significant terms and conditions

Secured interest bearing liabilities consist of two GBP mortgage debentures from 1985 and 1987 until 2015. Unsecured interest bearing liabilities have financial covenants that include various clauses. As at December 31, 2006 Wereldhave complies with these clauses.

Maturity and interest rate sensitivity

The maturity of interest bearing debt is as follows:

	December 31, 2006	December 31, 2005
– up to 12 months	34,317	66,199
– between 1 and 2 years	45,501	74,988
– between 2 and 5 years	396,082	406,439
– more than 5 years	65,139	82,474
Total interest bearing debt	541,039	630,100
Long term interest bearing debt as a percentage of total interest bearing debt:	93.7%	89.5%
Percentage of interest bearing debt at floating rates:	48.0%	85.8%

Average effective interest rate

The effective interest is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net book value of the financial asset or financial liability. Differences to the nominal interest rate may occur because of the amortisation of interest charges of a loan over the remaining duration of the instrument, or as a consequence of the addition of interest to the equity component of the convertible bonds.

The average effective interest rate at the balance sheet dates is as follows:

	2006				2005			
	EUR	USD	GBP	total	EUR	USD	GBP	total
Short term interest bearing debt	4.1%	5.7%	–	5.3%	3.0%	–	4.8%	4.3%
Long term interest bearing debt								
– unsecured								
• Convertible bonds	3.6%	–	–	3.6%	–	–	–	–
• Bank debt and other loans	5.9%	5.8%	5.6%	5.8%	3.2%	4.9%	5.1%	4.1%
– secured								
• Debentures	–	–	10.5%	10.5%	–	–	10.5%	10.5%
• Interest rate swaps	–	–	-/- 1.0%	-/- 1.0%	–	–	-/- 1.7%	-/- 1.7%
Average	3.9%	5.8%	7.7%	5.4%	3.2%	4.9%	6.2%	4.6%

Market value

Book- and market value of interest bearing debts may differ as a result of accounting adjustments, such as amortised costs and the equity component of the convertible bond, or as a result of differences in coupon interest versus market interest. Such differences do not occur in the case of floating interest bearing debts. The market value of long term interest bearing debts is, preferably, based on prices of these instruments available in the public market. In absence of these available market prices the market value is calculated as the present value of cash flows discounted with the relevant market interest percentages including a, for the company, specific mark-up. The market value of short term bearing interest debts is assumed to be equivalent to the bookvalue.

The bookvalue and fair value of long term interest bearing debt is as follows:

	December 31, 2006		December 31, 2005	
	book value	fair value	book value	fair value
Bank debt and other loans	251,084	251,294	500,177	501,792
Debentures	65,138	87,253	63,724	90,319
Convertible bond	190,500	224,982	–	–
	506,722	563,529	563,901	592,111

Currencies

The bookvalue of interest bearing debt of the group (short- and long term) are denominated in the following currencies:

	December 31, 2006		December 31, 2005	
	currency	EUR	currency	EUR
EUR	224,170	224,170	271,383	271,383
USD	257,000	195,141	173,000	146,647
GBP	81,740	121,728	145,331	212,070
		541,039		630,100

Hedges

Interest bearing debt to the amount of € 25.4 mln (2005: € 39.6 mln) have been designated as qualifying instrument of hedging net investments in foreign operations. Reference is made to note 21.

Financing arrangements

As at December 31, 2006, Wereldhave has unused uncommitted facilities to the amount of € 153 mln (2005: € 23 mln).

18 Deferred tax liabilities *(x € 1,000)*

Deferred tax liabilities are related to the difference between the fair value of investment properties and their tax book value. This item is to be considered as being of a long term nature. Movements are shown as follows:

	2006	2005
Balance at January 1	84,491	59,108
Exchange rate difference	-/- 1,745	1,513
	82,746	60,621
Movements taken to the result	65,060	23,870
Balance at December 31	147,806	84,491

The movement of deferred tax liabilities is primarily the result of revaluations. Ignoring the effects of the "IFRS income approach", the amount would be € 18.4 mln lower. This amount can be specified as follows:

Adjustment for fiscal facilities en bookvalues	3,848
Capital losses	7,758
Other effects "IFRS income approach" not taken into account	6,787
	18,393

19 Other long term liabilities *(x € 1,000)*

	December 31, 2006	December 31, 2005
Leasehold liability	12,012	13,027
Employee benefit plans	630	4,246
Tenants' deposits	3,677	3,832
Taxes payable	626	2,507
Other	3,197	3,117
Total	20,142	26,729

Leasehold liabilities

The present value and nominal value of leasehold liabilities, by duration, amount to:

	December 31, 2006		December 31, 2005	
	nominal value	present value	nominal value	present value
– < 1 year	845	845	844	844
– 2-5 year	3,380	2,868	3,377	2,530
– > 5 year	61,940	8,299	62,726	9,653

Employee benefit plans

The net liability from defined benifit plans in the United Kingdom and in Belgium is composed as follows:

	December 31, 2006	December 31, 2005
Benefits obligations	19,356	19,231
Fair value of plan assets	18,726	14,985
Net obligation	630	4,246

The movement of the net liability is as follows:	2006	2005
Net liability at January 1	4,246	2,472
Exchange rate differences	86	70
Funding pension deficit	-/-2,681	–
Employer contributions	-/- 360	-/- 337
Net movement	436	350
Actuarial gains (–)/losses	-/-1,097	1,691
Net liability at December 31	630	4,246

The assumptions used:		
– discount rate obligations	5.10%	4.75%
– long term rate of return on plan assets	6.58%	6.39%
– rate of yearly salary increases	3.00%	2.75%

The mortality rates used for the UK are obtained from the 1992 series of the tables applicable to current experience with allowance for medium cohort mortality improvements. For Belgium the mortality rates used are the MR/FR series.

Taxes	**December 31, 2006**	**December 31, 2005**
Social security tax	211	277
Company tax	415	2,230
	626	2,507

20 Other short term liabilities *(x € 1,000)*

The remaining duration of short term liabilities is less than 12 months.

	December 31, 2006	**December 31, 2005**
Deferred income	18,127	21,779
Other short term liabilities	23,103	20,703
Total	41,230	42,482

21 Financial instruments *(x € 1,000)*

Derivatives are used for the purpose of net investment hedging of foreign currency denominated assets and to convert high fixed interest rates on long term loans to low money market interest rates.

Hedge of net investments in foreign subsidiaries

Forward currency transactions, currency option transactions and foreign currency loans are designated as hedging instruments against the currency risk resulting from USD-based and GBP-based foreign subsidiaries. The market value of these instruments is summarised in the following table:

	December 31, 2006		**December 31, 2005**	
	assets	liabilities	assets	liabilities
Forward foreign exchange contracts	4,229	292	1,324	–
Currency options	–	–	32	–
Total derivatives for net investment hedging	4,229	292	1,356	–
Loans	–	25,437	–	39,558
Total hedging instruments for net investment hedging	4,229	25,729	1,356	39,558

The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and, as a current asset or liability, if the maturity of the hedged item is less than 12 months. At 2006 year-end, all derivate financial instruments are non-current.

The notional amounts of outstanding forward exchange contracts at December 31, 2006, amounts to € 292.9 mln (2005: € 109.4 mln). Gains and losses on forward foreign exchange contracts have been recognised in the reserve for exchange rate differences.

On December 31, 2006 there were no outstanding forward currency options (2005: € 84.8 mln). Gains and losses on currency option contracts as at December 31, have been recognised in the reserve for exchange rate differences.

In addition to the use of derivatives for net investment hedging, loans in local currency to the amount of € 25.4 mln (2005: € 39,6 mln) qualify as net investment hedge.

Net investment hedges

The net investment hedges versus underlying exposures in local currencies are summarised in the following table:

	December 31, 2006			December 31, 2005		
	USD	GBP	Total in €	USD	GBP	Total in €
Net investment in foreign subsidiaries before hedging	496,432	124,387	562,178	397,375	119,805	511,664
Less: hedging						
– Derivates	238,701	75,000	292,936	100,000	75,000	194,208
– Interest bearing debt	33,500	–	25,437	27,000	11,424	39,558
Net investment hedge	272,201	75,000	318,373	127,000	86,424	233,766
Net investment	224,231	49,387	243,805	270,375	33,381	277,898

Derivative financial instruments for interestconversion (swaps)

The fair value of interest rate swaps as at December 31, 2006, amounts to € 4.8 mln (2005: € 9.0 mln). The notional principal amounts of the outstanding interest rate swaps at December 31, 2006 amounts to € 65.5 mln (2005: € 64.2 mln) and is consisting of GBP denominated interest. This amount is considered to be long term.

22 Gross rental income *(x € 1,000)*

Spaces are leased out under leases of various expiry terms. Rent indexation is agreed in countries where indexation is usual or legally permitted. The leases specify the rent, the other rights and obligations of the lessor and the lessee, including notice and renewal options as well as service and operating costs changes. Service and operating costs paid and charges made are not included in gross rental income. Rent loss as a result of vacancy, expressed as a percentage of theoretical rent amounted to 6.54% in 2006 (2005: 7.79%).

The future aggregate contractual rent for the next five years from leases as at December 31, 2006 is shown in the following table (turnover leases are accounted for at the minimum rent):

	2006	2005
First year	160,040	165,189
Second up to and including fourth year	359,084	423,890
Fifth year	79,351	103,944
Total	598,475	693,023

23 Property expenses *(x € 1,000)*

	2006	2005
Property maintenance	2,933	2,864
Property taxes	2,667	2,863
Insurance premiums	692	673
Property management	2,237	2,683
Leasing expenses	3,391	2,395
Other operating costs	927	1,247
Total	12,847	12,725

24 Valuation results *(x € 1,000)*

	2006		2005	
Investment properties				
Valuation gains	270,426		101,964	
Valuation losses	–		–	
		270,426		101,964
Financial instruments				
Valuation gains	–		1,667	
Valuation losses	-/- 4,284		-/- 3,739	
		-/- 4,284		-/- 2,072
Total		266,142		99,892

25 Results on disposals *(x € 1,000)*

	2006		2005	
Properties				
Proceeds from sale, net	171,049		82,890	
Book value	-/- 131,130		-/- 75,049	
		39,919		7,841
Financial instruments				
Proceeds from sale, net	–		8,239	
Book value	–		-/- 8,691	
		–		-/- 452
Total		39,919		7,389

26 General costs *(x € 1,000)*

	2006		2005	
Salaries and social security contributions	8,976		9,035	
Pension costs	1,377		1,322	
Audit fees	607		435	
Advisory fees	711		677	
Office costs	3,580		3,097	
Other general costs	3,344		3,116	
		18,595		17,682
Allocated to property expenses/service and operational costs	-/- 3,804		-/- 4,185	
Allocated to investments	-/- 789		-/- 446	
		-/- 4,593		-/- 4,631
Total		14,002		13,051

Pension costs

Pension costs comprise premiums relating to the employee pension plan. The actual employer contribution for the defined benefit plan amounts to € 1,016,000 (2005: € 948,000) and for defined contribution plans € 360,000 (2005: € 374,000).

Employees

During the year 2006 an average of 99 persons (2005: 100) were employed by the Group, of which 43 in The Netherlands and 56 abroad.

The profit share is based on four indicators. These are the occupancy rate, property expenses, general costs and the size of the portfolio. For each indicator, a target has been set. The score against the target determines the result per indicator. The maximum profit share is a one month's salary.

Remuneration of the members of the Supervisory Board and the Board of Management

Supervisory Board	remuneration
C.J. de Swart	40
F.Th.J. Arp	27
P.H.J. Essers	27
J. Krant	27
Total	121

The members of the Supervisory Board do not hold shares or options in Wereldhave N.V. The company has not extended loans, advances or guarantees to members of the Board. Shares or options on shares are and will not be granted to members of the Board.

	salary	profit share	bonus	pension-costs	social charges	total
Board of management						
G.C.J. Verweij	336	108	22	84	9	559
J. Buijs	163	71	–	41	10	285
Total	499	179	22	125	19	844

The members of the Board of Management do not hold shares or options in Wereldhave N.V. The company has not extended loans, advances or guarantees to members of the Board. Shares or options on shares are and will not be granted to members of the Board.

The short-term bonus that may be awarded on the basis of an average-to-high performance level (the so-called 'at target' level) can add up to 33% of the annual salary. The bonus granted on the basis of an outstanding performance level may increase to 1.5 times the 'at target' level, i.e., 49.5% of the annual income. The short-term bonus depends for 70% on the annual profit objectives and for 30% on objectives that may be readily assessed on an individual basis. The 'at target' level of the long-term bonus is equivalent to 33% of the annual income and will be allocated in cash after a period of three years. The bonus granted on the basis of an outstanding performance level may also increase to 1.5 times the 'at target' level, i.e., 49.5% of the annual income.
Of the long-term bonus, 70% is based on strategic objectives and 30% on long-term personal targets. Calculated at December 31, 2006 as closing date, the long term bonus would amount to € 117,394 for Mr Verweij (2005: € 80,000) and € 70,648 for Mr Buijs (2005: nil).

27 Other gains and losses *(x € 1,000)*

	2006	**2005**
Service costs management fee and other	3,896	3,748
Exchange rate differences	792	3,360
Total	4,688	7,108

28 Interest *(x € 1,000)*

	2006	2005
Direct result		
Interest received	5,671	3,896
Capitalised interest	1,803	1,316
	7,474	5,212
Interest paid	-/- 29,911	-/- 26,319
	-/- 22,437	-/- 21,107
Indirect result		
Interest addition convertible bonds	-/- 1,260	–
Total	-/- 23,697	-/- 21,107

Capitalised interest in connection with development projects is based on interest rates which are relevant for Wereldhave. During 2006, the range of average interest rates used was 3.6% - 6.6% (2005: 2.9% - 5.8%).

29 Other financial income and expenditure *(x € 1,000)*

	2006		2005	
Direct result				
Interest addition leasehold liabilities	-/- 830		-/- 828	
Amortised costs loans	-/- 754		-/- 342	
Dividend received	494		440	
Other	-/- 251		-/- 203	
		-/- 1,341		-/- 933
Indirect result				
Movement in pension liabilities	1,614		-/- 1,509	
Other	1,004		-/- 754	
		2,618		-/- 2,263
Total		1,277		-/- 3,196

30 Taxes on result *(x € 1,000)*

	2006	2005
Profit before tax	425,571	228,848
Deduct: tax-exempt income based on fiscal status and fiscal adjustments	-/- 216,719	-/- 138,803
Taxable profit	208,852	90,045
Taxes on direct result	4,035	3,977
Taxes on indirect result	64,027	23,640
Total taxes	68,062	27,617
Average tax rate	16.0%	12.1%

The change of the average tax rate is related to the countries in which Wereldhave is present. For the determination of taxes on indirect result over the year 2006, fiscal allowances upon disposals of properties and other items have not been taken into account (€ 18.1 mln). Excluding the impact of these fiscal allowances, the average tax rate for 2006 amounts to 11.7%.

31 Result and diluted result per share

Number of shares

The movement of the number of shares upon full conversion of the convertible bonds is as follows:

Number of shares at December 31, 2006	20,781,735
Add: maximum convertible shares	2,061,856
Maximum number of shares after conversion	22,843,591
Maximum average number of shares after conversion for 2006	22,386,028

Calculation method

The result per share is calculated based on the total profit after tax, attributable to holders of ordinary shares, and the average number of ordinary shares in issue during the year. Net asset value per share is calculated based on equity as presented in the balance sheet as at December 31 and the number of shares in issue as at that date. The diluted result per share upon full conversion is calculated, based on the total profit after tax, adjusted for costs relating to the convertible bonds that are charged to the direct result, and the average number of ordinary shares during the year, including the maximum number of shares that could be converted during the year.

	2006	2005
Result per share	16.53	9.24
Add: costs and interest relating to the convertible bond, charged to the direct result	0.27	–
Result per share, excluding costs of the convertible bonds	16.80	9.24
Diluted result per share	15.60	9.24

EPRA

For information the amounts per share are shown as calculated according to the recommendations of the European Public Real Estate Association (EPRA).

In order to calculate the EPRA diluted net asset value per share, the diluted net asset value is adjusted for the difference between the fair value and the balance sheet value of loans. The adjustment for deferred tax obligations relates to certain effects, which are not taken into account under the “IFRS income-approach”. These effects consist of the ignoring of tax allowances on the disposal of properties and the use of tax rates for operational results instead of tax rates for results on disposals.

	December 31, 2006	December 31, 2005
EPRA profit per share (equals direct result per share)	5.14	5.30
Add: costs and interest relating to the convertible bond, charged to the direct result	0.21	–
Result per share excluding costs of the convertible bonds	5.35	5.30
Effect of conversion of convertible bond	-/- 0.38	–
EPRA diluted profit per share	4.97	5.30

	2006	2005
Equity component per share	85.47	74.21
Effect of conversion of convertible bond	0.62	–
Diluted net asset value per share upon full conversion	86.09	74.21
Adjustment to value loans	-/- 2.49	-/- 1.36
Adjustments deferred taxes	0.81	0.71
EPRA net asset value per share upon full conversion	84.41	73.56

32 Dividend

The Board of Management proposes a dividend per ordinary share of € 4.60 (2005: € 4.55), totalling to € 95.6 mln (2005: € 94.5 mln).

33 Contingencies

The Group has provided guarantees to third parties to the amount of € 17.2 mln (2005: € 17.3 mln). The Group has capital commitments in the amount of € 13.7 mln (2005: € 8.8 mln).

34 Expense ratio

The expense ratio for the year 2006, based on the Investments Institutions Supervision Act, amounts to 1.84% (2005: 1.94%). The percentage is calculated as the quotient of property expenses, general costs and the average of shareholders' equity at the beginning and the end of the year and the end of each quarter in between.

35 Events after balance sheet date

On January 4, 2007, Wereldhave sold an office building in Pittsburgh, USA (3000 Park Lane), together with an adjacent plot of land, for USD 12 mln, almost less equal to the book value. On January 15, 2007, Wereldhave sold the 1515 Market Street office building in Washington DC, USA, for USD 76 mln. The net result on disposal is USD 0.7 mln. On January 24, 2007, Wereldhave purchased a plot of land in Frisco, near Dallas, USA, for USD 7.4 mln for the development of 600 apartments. The building plans will be detailed further during 2007. Construction activities are not to be expected before 2008.

36 Estimates in the accounts

The assets of the Company and its subsidiaries mainly consist of the property portfolio. The market value of these assets can not be assessed using official quotations or listings. The value of the assets is based on the Company policy for the valuation of property (valuation method) and on the estimates from internal and external experts regarding some elements needed to value property. These elements mainly consist of the yield for the property, the market rent for surfaces to be let and the expenditures that are needed to maintain the property in the condition on which market rents are based. Furthermore, estimates have been applied for the measurement of derivative financial instruments and the recognition of deferred liabilities or claims.

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The group recognises liabilities for anticipated tax audit issues based on estimates whether taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax liabilities in the period in which such determination is made.

37 Related parties

The subsidiaries and the pension fund Wereldhave are considered to be related parties. The members of the Supervisory Board and of the Board of Management had no personal interest in any of the company's investments during the year. For information about the directors' remuneration reference is made to note 26. The Company has no knowledge of any transactions having taken 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.

38 Risks

Wereldhave recognises business, financial, operational and strategic risks.

Business risks
These comprise the risks that Wereldhave considers that it incurs as part of its ordinary business operations,in particular on the field of rental market developments and the developments in the value of property.

The development in the rental market, such as loss of rental income owing to vacancy, lettability and market rent developments are closely followed. The risk of a decrease in value of property relates to its negative impact on Wereldhave's capital position. The market value is calculated at the end of every quarterand assessed once a year by external advisors for each property.

The risk of the technical condition of the buildings relates to 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. Terrorism has been excluded from coverage by the insurers, with the exception of the UK, where terrorism is covered. Any costs from soil pollution are recovered from the tenant if possible. If it becomes apparent that the soil or groundwater is polluted, land will not be purchased, or only after the soil has been thoroughly decontaminated (at the seller's expense).

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 knowledge center for technological developments reports regularly on these matters to the Board of Management.

In the countries in which Wereldhave operates and owns investments, it is subject to local, regional and national regulations. Wereldhave's local management companies offer early access to relevant infomation about proposed or actual changes to laws or regulations. An internal compliance officer is charged with supervision on compliance with regulations.

The internal administrative organisation and internal control, as well as the financial system and its planning. have specifaclly been developed to comply with all legal and regulatory requirements regarding the timing and contents of the financial and non-financial information.

The tenant performance risk 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 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 debtors- and collection policy.

The supplier performance risk relates to the risk of the non-fulfilment of outsourced activities. Wereldhave's model agreements include extensive warranty and completion clauses.

Financial risks

These risks contain not only economic risks such as interest rate developments, foreign currency developments and inflation, but also refinancing risks and risks related to financial transactions.

Changes in interest rates may affect the results, the returns on and the value of the property. The interest rate policy is determined by the Board of Management based on parameters. Wereldhave has options for interest rate consolidation, which will be used as soon as interest rates show a clear upward trend.

Wereldhave owns property investments in USD and GBP areas. Lower exchange rates of GBP and USD compared to the Euro have a negative impact on the results and on the value of the property investments. The hedging policy is determined using forecasted rates. Foreign currency developments are continually monitored. The guideline for covering the USD and GBP risk for the portfolio is a fixed percentage, allowing for deviations within a range. The risks of lower exchange rates on the results are not covered.

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

The refinancing risk 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).

Financial transactions such as interest rate and foreign currency swaps are subject to risks. 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 fallability and vulnerability cannot be excluded from the processes. The risks related to people can be broken down into continuity and conduct. Succession for positions that are scheduled to become vacant within 5 years owing to retirement is considered in the annual business plan.

The conduct related risks concern primarily errors, fraud, embezzlement etc. Wereldhave has designed and implemented its own specific accounting organisation with internal controls built in. The business processes and connected controls have been described and approved by the Board of Management and are detailed in job descriptions for each job.

The administrative organisation 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. It is based on a strict separation of investment and management duties and accounting and payment tasks. The Board of Management's external power of authorisation is unlimited and independent, except for investments above € 50 million. Other holders of powers of attorney are only jointly authorised and within certain limits. Internally, a principle of two signatures and "four eyes" applies in all instances. In 2003 The 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. In December 2003, regulations for "notification of abuse" were adopted. These regulations contain procedures for employees to properly and safely report any suspicions the may have of abuse within the Group.

With respect to the risk of unsufficient availability and reliability of the information system, Wereldhave has its own Information Systems Department. Back-ups are made on the data files on a daily basis. These back-up files are stored every week in a safe. An agreement has been concluded with IBM for back-up systems.

Strategic risks

These risks are attached to the Company's strategic choices. Wereldhave distinguishes the risk of the loss of the status of a fiscal collective investment scheme under section 28 of the Dutch Corporation Tax Act and the risk of entry into new countries.
To maintain the special fiscal status, certain legal conditions must be met. Retention of the tax status is a matter of continuous attention for the Board of Management. The distribution requirement and the financing limits are discussed regularly and specifically, when entering into refinancing arrangements or drafting a dividend proposal.

Changing the geographic spread by entering into new countries in which Wereldhave has not previously deployed activities, is subject to risks. Being able to call on a local management company is a prerequisite for entering into new countries, to be closely connected to local legislation and culture. 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.

39 Claims

In November 1996 the Belgian subsidiary N.V. VastgoedMaatschappij België (VMB) received a tax assessment to the amount of BEF 1.4 bln (€ 35.9 mln). This assessment relates to the split-up of M.L.O. Ltd in N.V. M.L.O. and N.V. Seceurimmo invest, followed by the disposal of property by the new owned and the sale of the company as a cash company. The Belgian tax administration does not accept the split-up and claims that these transactions should be considered as a hidden distribution of dividends to the shareholders. In 1999, the Belgian tax administration filed a second assessment to the amount of BEF 0.6 bln (€ 15.0 mln). This supplementary assessment, which is based on the first assessment, relates to withholding tax. This assessment is secured, for preservation purposes, by a legal mortgage imposed by the Belgian tax administration on four properties. The market value of these properties amounted to € 66.7 mln at December 31, 2006 (2005: € 60.4 mln). Wereldhave maintains that the tax claims are not justified and has filed objections against these claims.
In 1999, judicial penal proceedings were started against Wereldhave Belgium, relating to the sale of a cash-company in 1993. The case has been brought before the chamber of the Court in March 2007. Wereldhave Belgium is confident it has complied with all applicable laws and regulations. More information on this matter can be found on Wereldhave's website. Wereldhave emphasises, also given several external opinions, that it has a very strong case and does not expect any material effects to arise from the fiscal and/or penal claim.

Company balance sheet at December 31, 2006

(amounts x € 1,000)

	Notes	December 31, 2006		December 31, 2005	
Assets					
Investments					
Property investments	2	364,522		339,900	
Investments in group companies	3	1,323,079		1,020,204	
Other investments	4	514,474		496,737	
			2,202,075		1,856,841
Receivables	5		11,020		15,029
Other assets			7,344		7,381
			2,220,439		1,879,251
Equity and liabilities					
Equity					
Share capital		207,817		207,817	
Share premium		763,809		755,707	
General reserve		217,036		207,353	
Revaluation reserve		596,607		357,387	
Reserve for exchange rate differences		-/- 9,060		13,898	
	6		1,776,209		1,542,162
Long term liabilities					
Loans	7	298,992		262,735	
Other debt	8	10,291		10,831	
			309,283		273,566
Short term liabilities	9		134,947		63,523
			2,220,439		1,879,251

Company income statement for 2006

(amounts x € 1,000)

		2006	2005
Result form group companies after tax	3	294,228	149,288
Other gains and losses after tax		49,259	42,822
Profit		343,487	192,110

Notes to the company balance sheet and income statement

1 General

1.1 Principles for the presentation of the company accounts

The company accounts have been made up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code. Use has been made of the option provided by article 2:362 paragraph 8 of the Civil Code to apply the same principles for determining profit and loss and balance sheet items (including the principles of accounting for financial instruments under shareholders' equity or interest bearing liabilities) as are applied in the consolidated accounts. Reference is made to the notes to the consolidated financial statements.

1.2 Investments in group companies

Investments in group companies and other entities in which the Group either exercises voting control or effective management responsibility are valued at net asset value. The initial processing in the accounts and valuations at balance sheet dates is made at the net asset value. The value is adjusted with the share of the Company in the results of the subsidiary, based on the principles for determining results as applied in the consolidated accounts and with the share in the other movements in equity of the subsidiary as from the date of acquisition, which are attributable to the Company. The net asset value is determined by valuing assets, provisions and liabilities and by determining results according to the principles which have been used in the consolidated accounts.

2 Investment properties *(x € 1,000)*

	2006	2005
Balance at January 1	339,900	318,694
Investments	5,440	5,791
Disposals	-/- 5,825	-/- 5,953
Revaluation	25,007	10,725
Transferred to investment properties	–	10,643
Balance at December 31	364,522	339,900

The investment properties are all owned by Group legal entities for the purpose of earning rental income or capital appreciation. Group companies do not utilize these properties to produce goods or services or for any other corporate purpose. The fair value of investment properties is assessed four times per year. External valuers assess the portfolio twice per year. When assessing the fair value, the size, nature and use of the property is taken into account. The following amounts were charged to the profit and loss account in respect of the investment properties:

	2006	**2005**
Rental income	26,961	26,040
Property expenses relating to income generating investments	-/- 3,563	-/- 3,769
Property expenses relating to non-income generating investments	-/- 34	-/- 95

3 Investments in group companies *(x € 1,000)*

Movements are as follows:	**2006**	**2005**
Balance at January 1	1,020,204	872,368
Exchange rate differences	-/- 24,095	32,617
Investments	89,380	–
Revaluation of financial assets held for sale	348	1,133
Withholding tax not recoverable	-/- 375	-/- 833
Result group companies	294,228	149,288
Dividends	-/- 56,611	-/- 34,369
Balance at December 31	1,323,079	1,020,204

List of group companies

At December 31, 2006, the Company had direct shareholdings in the following companies:

	Shareholding (%)
C.V.A. Belgium S.C.A. *)	37.99
Wereldhave Finland Oy	100
Kleber Investissements S.A.S.	100
Clichy Investissements S.A.S.	100
Plaine Investissements S.A.S.	100
Bollaert Investissements S.A.S.	100
Marine de Dunkerque S.A.S.	100
N.V. Wereldhave International	100
Wereldhave Management Holding B.V.	100
West World Holding N.V.	100
Relovast B.V.	100
Espamad S.L.	100
Wereldhave U.K. Holdings Ltd.	100

**) Including direct holdings 68.2%*

4 Other investments *(x € 1,000)*

	Receivables from group companies	Other financial assets	Total
Balance at January 1, 2005	468,863	1,377	470,240
Exchange rate differences	15,423	–	15,423
Investments	152,465	9,639	162,104
Disinvestments	-/- 151,030	–	-/- 151,030
Balance at December 31, 2005	485,721	11,016	496,737
Exchange rate differences	-/- 7,370	–	-/- 7,370
Investments	195,243	–	195,243
Disinvestments	-/- 166,795	-/- 3,341	-/- 170,136
Balance at December 31, 2006	506,799	7,675	514,474

5 Receivables *(x € 1,000)*

	December 31, 2006	**December 31, 2005**
Receivables from group companies	3,317	4,447
Taxes	361	5,812
Other receivables	7,342	4,770
	11,020	15,029

The receivables are due in less than one year.

6 Equity

Share capital

The share capital of the company at December 31, 2006 (exclusive of preference shares, see note 8) amounted to € 600,000,000 dividend over 40,000,000 ordinary shares of € 10 and 20,000,000 priority shares of € 10 each. The issued and paid up share capital amounts to € 207,817,350, formed by 20,781,735 ordinary shares of € 10 each.

During 2006, there have been no changes in share capital. In accordance with the IFRS principles for accounting the preference share capital is treated as long-term interest bearing liabilities.

The movements in equity during 2005 and 2006 were as follows (amounts x € 1,000):

	Share capital	Share premium reserve	General reserve	Property revaluation reserve*)	Revaluation reserve subsidiaries*)	Reserve for exchange rate differences*)	Total
Balance at December 31, 2004	207,817	755,707	200,153	66,527	198,604	-/- 14,017	1,414,791
IFRS adjustments	–	–	170	–	394	–	564
Balance at January 1, 2005	207,817	755,707	200,323	66,527	198,998	-/- 14,017	1,415,355
Exhange rate differences of foreign participations	–	–	–	–	–	27,915	27,915
Movement in reserves	–	–	-/- 833	–	1,133	–	300
Revaluation realised	–	–	17,848	-/- 1,401	-/- 16,447	–	–
Dividend payment over 2004	–	–	-/- 93,518	–	–	–	-/- 93,518
Profit for the year	–	–	83,533	18,313	90,264	–	192,110
Balance at December 31, 2005	207,817	755,707	207,353	83,439	273,948	13,898	1,542,162
Exchange rate differences of foreign participations	–	–	–	–	–	-/- 22,958	-/- 22,958
Movement in reserves	–	–	-/- 375	–	348	–	-/- 27
Equity component convertible bond	–	8,102	–	–	–	–	8,102
Revaluation realised	–	–	11,653	–	-/- 11,653	–	–
Dividend payment over 2005	–	–	-/- 94,557	–	–	–	-/- 94,557
Profit for the year	–	–	92,962	23,598	226,927	–	343,487
Balance at December 31, 2006	207,817	763,809	217,036	107,037	489,570	-/- 9,060	1,776,209

**) legal reserve*

Share premium

Share premium is paid up share capital in excess of nominal value. The share premium is exempted from tax to the amount of € 741.4 mln (2005: € 741.4 mln).

General reserve

Allocation of profit over 2005

The General Meeting of Shareholders on March 31, 2006 determined the following allocation of the profit (after IFRS adjustments) over 2005 (amounts x € 1,000):

Distributed to holders of ordinary shares		94,557
Added to:		
– Propery revaluation reserve		18,313
– Revaluation reserve participations		90,264
– General reserve		-/- 11,024
Result after tax 2005	192,110	

Dividend 2006

The accounts are presented before distribution of profit: The proposed dividend amounts to € 4.60 per ordinary share, totalling to € 95.6 mln.

The preferred dividend of 4.355% (2005: 3.84%) is included in the income statement under (interest) costs, in line with the accounting principles for valuation and determining the results.

Property revaluation reserve

Revaluation reserves are maintained with respect to the following unrealized profits on revaluation:

- Revaluations of assets, changes in the value of which are accounted for in the profit and loss account;
- Revaluations of assets which are taken directly to shareholders' equity.

Revaluation reserve participations

In this reserve positive valuation results on property investments in subsidiaries are kept.

7 Loans *(x € 1,000)*

	December 31, 2006				December 31, 2005
	Maturity 1 – 2 year	Maturity 2 – 5 year	Maturity > 5 year	Total	Total
Debts to group companies	83,492	–	–	83,492	109,451
Convertible bond	–	190,500	–	190,500	–
Debt to financial institutions	25,000	–	–	25,000	153,284
Total	108,492	190,500	–	298,992	262,735

Capital repayments due within 12 months from the end of the financial year are included under short-term interest bearing liabilities.

Currencies

All interest bearing liabilities are denominated in euros, except for a loan of GBP 11,538,474 (€ 17,183,130).

8 Other debt *(x € 1,000)*

	December 31, 2006	December 31, 2005
Leasehold liabilities	6,855	7,396
Received deposits	31	30
Preference shares	3,405	3,405
	10,291	10,831

Preference shares

The preference shares are classified as long-term debt in accordance with the principles applied in the consolidated accounts. The authorised capital with regard to preference shares amounts to € 181,600,000 and is divided over 20,000,000 shares with a par value of € 9.08. The number of preference shares amounts to 1,500,000 on which 25% has been paid. There have been no changes during 2005 and 2006 in the number of shares. Apart from voting rights, preference shares are also entitled to a preferred dividend from the profit.

9 Short term debt *(x € 1,000)*

	December 31, 2006	December 31, 2005
Debt to financial institutions	73,423	33,895
Short term portion of long term debt	39,924	18,170
Creditors	1,372	350
Debt to group companies	12,718	4,520
Taxes on profit	138	62
Dividend preference shares	149	132
Other debts	7,223	6,394
	134,947	63,523

10 Staff

During 2006 the legal entity employed an average of 2 persons (2005: 2).

11 Management and members of the Supervisory Board

For the remuneration of the members of the Board of Management and Supervisory Board reference is made to the notes to the consolidated annual account.

12 Related parties

All group entities are treated as related parties. Reference is made to Note 37 to the consolidated accounts.

13 Contingencies

The company has given guarantees to third parties for group companies totalling € 278.0 mln (2005: € 448.3 mln). Capital commitments amount to € 1.5 mln as per December 31, 2006 (2005: € 1.4 mln).

The Hague, February 22, 2007	**Supervisory Board**	**Board of Management**
	C.J. de Swart	G.C.J. Verweij
	J. Krant	J. Buijs
	F.Th.J. Arp	
	P.H.J. Essers	

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 statutory cash dividend of 4.355% on the preference shares in issue and 5% on the priority 'A' shares in issue, it is proposed to distribute to holders of ordinary shares a dividend of € 4.60 in cash in order to meet the distribution obligations under Dutch tax law, subject to dividend withholding tax.

(amounts x € 1 mln)	**2006**	**2005**
Profit	343.5	192.1
Payment to holders of ordinary shares	95.6	94.5
Added to:		
• Property revaluation reserve	23.6	18.3
• Revaluations reserve participations	226.9	90.3
Drawn from General Reserve	-/- 2.6	-/- 11.0
	343.5	192.1

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.
The recommendations of the Tabaksblat Committee were implemented early in 2004. The Annual Meeting of Shareholders granted its approval to the implementation of the Tabaksblat recommendations on March 24, 2004.
The statutory possibility of binding nominations will then remain the only deviation from the Code.

Board of Management

The Board of Management is appointed and dismissed by the Annual General Meeting of Shareholders, from a nomination to be drawn up by the Meeting of Holders of Priority Shares.
At the General Meeting of Shareholders on March 30, 2006, the members of the Board of Management have been appointed for a period of four years. The agreements contain a break option with a maximum termination fee of one year's salary. 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 nominations deviates from the best practice provisions of the Tabaksblat Committee. At first instance the nomination is not binding and can be cast by simple majority, but the second round offers the possibility for a binding nomination by the holders of Priority shares, which 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.

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 2004. In 2005, 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 pages 93.

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 of the Supervisory Directors retires each year. 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 ability 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.

Mrs F.Th.J. Arp (Chairman) and P.H.J. Essers are members of the audit committee. In August 2006, the audit committee held a meeting with the auditor to discuss the audit plan and Wereldhave's compliance. In February 2007, the audit committee held a meeting in preparation for the meeting of the Supervisory Board, and discussed the report of the Board of Management, the Annual Accounts 2006 and the auditor's report, without the presence of the Board of Management.

The Supervisory Board does not have other committees. 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 € 9.08; the priority shares and ordinary shares have a nominal value of € 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 secretary of the company 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 December 31, 2006, the total issued capital in the form of preference and priority shares amounted to € 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 of priority shares of the public limited company): 'Wereldhave N.V.'. The Board of Management of this Foundation 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. 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 December 31, 2006 was € 1.90. 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 Prioriteitsaandelen 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.

Based on an agreement that was concluded in 1992, the staff of the various local management organisations works exclusively for Wereldhave. The agreement contains clauses regarding the continuity of the interests of employees in case of a change of control of Wereldhave.

Internal risk management and monitoring systems

The Board of Management is responsible for the design, implementation and functioning of the internal risk control and monitoring system, tailored to the activities of Wereldhave. The systems are, with an acceptable level of certainty, aimed at the timely recognition of significant risks and at controlling these risks in the best way possible. The systems provide a view on how strategic, operational and financial objectives are met and on the reliability of financial reporting. The systems support the compliance with relevant laws and regulations. The Board of Management acknowledges that no risk management and monitoring system can provide absolute guarantees to achieving business objectives or that any material mistakes, losses, fraud or non-compliance with laws and regulations will not occur.
Wereldhave disposes of a description of the administrative organisation and internal control, which meets the requirements of the Dutch Investment Funds Supervision Act and the Investment Fund Supervision Decree 2005.

The main elements of the internal risk management and monitoring system are:

- the documented administrative organization and internal control (AO/IC) in which detailed descriptions of procedures are incorporated with regard to business processes, accounting, controls, internal reporting, documentation and manuals regarding the structure of financial reporting;
- an automated, integrated and central information system with which all domestic and foreign operations are directly connected;
- an internal management reporting aimed at immediate detection of developments with regard to the value of the portfolio and the result per share;
- the annually updated five-year strategic plan, including an analysis of all operational and financial objectives;
- Wereldhave's 'Business Principles' and 'Code of Conduct', applicable throughout the Wereldhave organization.

For a description of the most important business, financial, operational and strategic risk control measures, we refer to note 38 of the consolidated annual accounts. The results of the assessment by the Board of Management of the design and functioning of the internal risk management and control systems, as well as any significant changes in these, have been discussed with the Supervisory Board in conjunction with the company's strategy and risks. The results did not lead to the conclusion that the system of the administrative organisation and internal control is not compliant with Article 8 of the Investment Fund Supervision Decree 2005 and related regulations. In addition, the administrative organisation and internal control have not proven to be ineffective or deviant from its description.

On the basis of the assessment performed and taking into account the recommendations of the Monitoring commission for Corporate Governance (December 2006) to this respect, the Board of Management deems the design of Wereldhave's internal risk management and control systems to be adequate and believes these systems provide a reasonable level of certainty that the financial statements as incorporated in this annual report does not contain any material errors. The Board of Management does not have any indication that the risk and monitoring system should not have functioned according to its specifications nor that it would function inadequately during the current year. The Board of Management aims to further improve and optimize the internal risk management and control procedures.

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.

Transactions with direct related parties

As in previous years, 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.

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. This website also contains the most recent PowerPoint slide shows of the presentations to be given to investors and analysts.

Auditors Report

Report on the financial statements

We have audited the accompanying financial statements 2006 of Wereldhave N.V., The Hague as set out on pages 37 to 85. The financial statements consist of the consolidated financial statements and the company financial statements.
The consolidated financial statements comprise the consolidated balance sheet as at December 31, 2006, the profit and loss account, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The company financial statements comprise the company balance sheet as at December 31, 2006, the company profit and loss account for the year then ended and the notes.

The directors' responsibility

The directors of the company are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, with Part 9 of Book 2 of the Netherlands Civil Code and with the Investment Institutions Supervision Act and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Wereldhave N.V. as at December 31, 2006, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, with Part 9 of Book 2 of the Netherlands Civil Code and with the Investment Institutions Supervision Act.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of Wereldhave N.V. as at December 31, 2006, and of its result in accordance with Part 9 of Book 2 of the Netherlands Civil Code and with the Investment Institutions Supervision Act.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part e of the Netherlands Civil Code, we report, to the extent of our competence, that the management board report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Amsterdam, February 22, 2007
PricewaterhouseCoopers Accountants N.V.

R.A.J. Swaak RA

Supervisory Board

C.J. de Swart
(m, 65)
Member of the Supervisory Board since 2001; reappointed in 2003.
Retires by rotation in 2009.

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

Positions in Supervisory Boards:
Stadion Feyenoord N.V.
Japhet de Jong Holding B.V.
Hogeschool Rotterdam
Fondel Finance B.V.
Daf Trucks N.V.
Ordina N.V.
Ruwaard van Putten Ziekenhuis
Univé Verzekeringen
Wealth Management Partners

Board positions:
Foundation Administration office Heijmans N.V.

J. Krant
(m, 58)
Member of the Supervisory Board since 2003.
Retires by rotation in 2007.

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

Positions in Supervisory Boards:
Chairman of the Supervisory Board of Kardan N.V.

Board positions:
Chairman Jewish Historical Museum
Foundation "Hollandsche Schouwburg"

F.Th.J. Arp
(m, 53)
Member of the Supervisory Board since 2005.
Retires by rotation in 2008.

Member of the Board of Management of Telegraaf Mediagroep N.V., CFO

Positions in Supervisory Boards:
Weather News International
Several positions on behalf of De Telegraaf

Board positions:
World Association of Newspapers

P.H.J. Essers
(m, 49)
Member of the Supervisory Board since 2005.
Retires by rotation in 2010.

Hoogleraar belastingrecht, Voorzitter vakgroep belastingrecht Universiteit van Tilburg

Positions in Supervisory Boards:
none

Other positions:
Chairman committee of Finance of the Upper Chamber
Guest professor at the Sorbonne, Paris.
Editor of the Weekly magazine for fiscal law
Board member of the Center for Company Law
Board member European Tax College

General

All members of the Supervisory Board are Dutch nationals. Mr J. Krant will retire by rotation at the General Meeting of Shareholders, to be held on March 29, 2007. He will be nominated for re-election.

Board

G.C.J. Verweij
(m, 61)

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 March 1994)

J. Buijs
(m, 41)

Employed by Wereldhave as Manager Building Staff department since 2000
Director Wereldhave Management Holding B.V. from 2005
Director Wereldhave N.V. from March 2006

The Supervisory Board's activities

The Supervisory Board met six times in 2006. Regular items on the agenda of these meetings were the company's results and asset performance, developments on the relevant property markets, investments and divestments, the financial policy, the policy on foreign currency and on dividends and the company's tax position. In addition, the Board paid attention to the personnel policy and the succession of management. In the June meeting, the Board of Management presented the investment plan for the next five years. The plan identified critical conditions for success and the strategic priorities for the organisation, and describes the ensuing demands on the organisation. The investment plan further contains a description of the information systems, the financial policy, tax issues, the development of the result and investment volumes per country. The report also gives a current projection of prospects on the property markets in the countries in which Wereldhave is active and an extensive set of assumptions that were used to draw up the results forecasts, relating to interest rates, inflation and economic growth, for example. The investment plan was approved by the Supervisory Board in June 2006. The Supervisory Board believes that the annual review of an updated investment plan offers a valuable source of information concerning the state of affairs within the investment company.

Systems structure and operation

The structure and operation of the internal risk management and control systems was discussed with the Board of Management in February. No points were raised at this discussion that require adjustment or modification.

Audit committee

The audit committee is comprised of Mr F.Th.J. Arp (chairman) and Mr P.H.J. Essers. In August 2006, in the absence of the Board of Management, the audit committee discussed the relationship of the auditor with Wereldhave, the auditor's independence, the use of ICT and the internal risk management and control systems with the auditor. The audit committee also discussed compliance by Wereldhave. The minutes of the meeting of the audit committee were discussed and approved in the November meeting of the Supervisory Board.

Remuneration report

The remuneration report drawn up by the Supervisory Board will be published on www.wereldhave.com and will be sent free of charge on request. The main aspects of the report are given below.

Board of Management

The performance of the Chairman of the Board of Management is evaluated annually by the Supervisory Board. In the evaluation of the members of the Board of Management, no particular points were raised that required the Supervisory Board's special attention.

Mr Verweij's remuneration remained unchanged in the year under review. Mr Verweij's salary was made Price Index linked as at January 1, 2007. In March 2006, the Supervisory Board awarded a bonus to Mr Verweij of € 21,737 as a token of the Supervisory Board's appreciation for Mr Verweij's efforts in the absence of a second managing director.

Mr Buijs' fixed salary was raised from € 220,000 to € 243,120 as per January 1, 2007. No changes were made to Mr Buijs' other employment conditions. For a full statement of the remuneration of the Board of Management, please refer to the remuneration report drawn up by the Supervisory Board, which can be found on www.wereldhave.com.

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 65. The members of the Board of Management do not hold Wereldhave N.V. shares or option rights. No loans, advances or guarantees were provided by Wereldhave N.V. to any member of the Board of Management.

Independence

All Supervisory Board members are independent of one another, the Board of Management of Wereldhave and any subsidiary interest. The members of the Supervisory Board attended all the Board's meetings. No business transactions took place in 2006 between the members of the Supervisory Board and the Company.

Regulations

The regulations for the Board of Management and the Supervisory Board and the profile for the members of the Supervisory Board, as well as a detailed reaction to all the recommendations and best practice provisions, can be found on www.wereldhave.com.

The Hague, February 22, 2007

On behalf of the Supervisory Board,

Mr C.J. de Swart, Chairman

Property portfolio

Investment properties at December 31, 2006

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

location	offices m^2 n.l.a.	shops m^2 n.l.a.	industrial m^2 n.l.a.	residential	number of parking spaces	year of acqui-sition	year of construc-tion or renovation	annual rent 2007 (x € 1 mln)
Belgium *)								
Berchem								
76-78 Berchemstadionstraat	11,416				217	1999	2002	1.4
1-2 Roderveldlaan	12,344				238	1999	2001	1.8
3-4-5 Roderveldlaan	17,139				316	1999	2001	2.0
Brussels								
1-8 Boulevard Bischoffsheim	12,666				150	1988	2002	2.7
22-25 Boulevard Bischoffsheim	5,730				64	1990	1990	1.2
Tournai								
22 Boulevard Walter de Marvis		14,178			1,260	1988	1996	2.2
Liege								
1 Quai des Vennes		31,252			2,200	1994	1994	8.5
Meer								
35-41 Riyadhstraat			22,610		85	2001	2002	0.9
Nivelles								
18 Chaussée de Mons		19,501			802	1984	1995	2.8
Vilvoorde								
28 Medialaan	12,989				305	1998	2002	1.7
30 Medialaan	5,696				178	1999	2001	0.8
32 Medialaan	4,052				123	1999	2001	0.8
other properties	6,336	3,285	18,359		333			1.7
	88,368	**68,216**	**40,969**					**28.5**
Finland								
Espoo								
5 Lansituulentie		12,117			234	2003	1998	3.3
Helsinki								
Itäkeskus	9,537	85,009			3,000	2002	2001	27.1
	9,537	**97,126**	**-**					**30.4**
France								
Dunkirk								
Quai des Fusiliers Marins		9,895	7,944		600	1999	1999	2.5
Paris and environs								
Avenue Jules Rimet, Saint-Denis	10,993				121	1999	2001	3.0
45-49 Rue Kléber, Levallois-Perret	19,660				350	1999	1999	7.4
	30,653	**9,895**	**7,944**					**12.9**

location	offices m² n.l.a.	shops m² n.l.a.	industrial m² n.l.a.	residential	number of parking spaces	year of acqui-sition	year of construc-tion or renovation	annual rent 2007 (x € 1 mln)
Netherlands								
Alphen aan den Rijn								
2 J. Keplerweg			14,698		50	1997	2005	0.6
21-37 R. Wallenbergplein	6,177				108	1999	2002	0.9
Amersfoort								
1-3 Basicweg			11,377		96	1997	1993	0.7
Amsterdam								
64 Hornweg			12,457		117	1997	1991	0.8
Arnhem								
Shopping Center Kronenburg (leasehold till 2110)		31,752			1,000	1988	1985	7.2
Best								
4 Brem			11,283		690	1977	1971	0.9
The Hague and environs								
20-160 Laan van Ypenburg, The Hague			47,179		155	1996	1993	2.8
Winston Churchill Tower, Rijswijk	23,163				370	1974	2002	3.2
Etten-Leur								
Shopping Center Etten-Leur		22,146				1991	1995	3.3
Geldrop								
62-89A Heuvel and 1, 3, 5 and 15 Achter de Kerk		4,537		30		1978	1996	1.0
Leiderdorp								
Shopping Center Winkelhof		17,857			830	1993	1999	3.8
Moerdijk								
6 Middenweg			8,779		126	1997	1988	1.2
Nuth								
15 Thermiekstraat			18,066		690	1977	1987	1.3
Roosendaal								
23 Borchwerf			15,378		126	1997	1994	0.7
Utrecht								
1 Rutherfordweg			12,876		100	1997	1994	0.7
other properties	4,322		48,908		176			3.0
	33,662	**76,292**	**201,001**					**32.1**
Spain								
Madrid								
15 Avenida de la Vega, Alcobendas	22,676				421	1999	2000	4.7
15 Calle Fernando el Santo	3,254				39	1991	1993	0.8
1-2 Calle Mariano Benlliure, Rivas-Vaciamadrid			35,248		351	2001	2002	2.3
2 Plaza de la Lealtad	3,012					1989	1999	1.0
	28,942	**–**	**35,248**					**8.8**

location	offices m² n.l.a.	shops m² n.l.a.	industrial m² n.l.a.	residential	number of parking spaces	year of acqui-sition	year of construc-tion or renovation	annual rent 2007 (x € 1 mln)
United Kingdom								
Blackburn								
76-80 Bank Top		3,426			202	1994	1987	0.5
Burton-Upon-Trent								
Horninglow Street		2,765			140	1988	1986	0.4
Gloucester								
63-71 Northgate Street and 14-20 Hare Lane		4,047				1994	1972	0.5
Guildford								
73-75 North Street	1,085	357				1988	1976	0.5
London and environs								
126-134 Baker Street, W1	934	605				1988	1999	0.9
326-334 Chiswick High Road, W4		2,307				1988	1974	0.8
72-74 Dean Street, Royalty House, W1	2,648				12	1988	1999	1.1
14-18 Eastcheap, EC3	3,630					1988	1991	1.9
31-36 Foley Street, W1	3,155				10	1988	1993	1.4
186-188 Fulham Road		1,048			7	1988	1979	0.4
26-28 Great Portland Street, W1 (leasehold till 2105)	1,290					1988	1990	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 1, 2 and 5 Curfew Yard, Windsor	932	464			62	1988	1972	0.7
Manchester								
Wilmslow Road	27,084				927	2005	2003	7.8
Northampton								
100 Pavillion Drive	11,051				510	1998	1991	2.4
Redhill								
65/71 Grosvenor House, London Road	4,652				150	1989	1986	1.6
Rickmansworth								
1 Tolpits Lane, Olds Approach			7,334		165	1988	1993	0.7
Sheffield								
Penistone Road		3,918			163	1988	1986	0.8
Yeovil								
Bay 6, Lynx Trading Estate		3,218			207	1994	1986	0.5
other properties		4,038	15,298		29			2.6
	56,461	**33,426**	**22,632**					**28.1**

location	offices m² n.l.a.	shops m² n.l.a.	industrial m² n.l.a.	residential	number of parking spaces	year of acqui-sition	year of construc-tion or renovation	annual rent 2007 (x € 1 mln)
United States								
Austin, Texas								
3801 Cap, of Texas Highway North		11,891			550	2004	2002	2.5
6801 Cap, of Texas Highway North	8,568				344	1999	1999	0.6
8300 Mopac Expressway	8,669				431	1998	2000	0.9
4801 Plaza on the Lake Drive	10,363				491	1999	1999	1.1
5001 Plaza on the Lake Drive	11,383				539	1999	1999	1.1
Dallas and environs, Texas								
805 Central Expressway, Allen	10,702				737	1999	1999	1.1
161 Corporate Center, Irving	9,737				465	1998	1998	0.8
411 East Buckingham Road, Richardson				338	648	1999	1999	2.6
4490 Eldorado Parkway, McKinney				525	880	2000	2004	3.9
4500 Eldorado Parkway, McKinney	5,490				188	2006	2006	0.7
4600 Regent Boulevard, Irving	7,432				479	1998	1998	0.7
4650 Regent Boulevard, Irving	7,432				479	1999	1999	0.7
Philadelphia, Pennsylvania								
1515 Market Street	47,161					1989	1986	5.3
Pittsburgh, Pennsylvania								
3000 Park Lane	9,784					1998	1998	1.0
Washington D.C. and environs								
701 8th Street	12,465				101	2005	2005	3.6
801 9th Street	21,930				190	2006	1999	4.5
13600 Dulles Technology Drive, Herndon	10,507				531	1999	2000	1.4
13650 Dulles Technology Drive, Herndon	10,507				531	1999	2000	1.6
1401 New York Avenue	17,646				165	1988	1984	4.0
21660 Ridgetop Circle, Sterling	11,681					1999	2002	1.6
	221,457	**11,891**	**–**					**39.7**
Total	**469,080**	**296,846**	**307,794**					**180.5**

n.l.a. means net lettable area. All properties are freehold unless stated otherwise. The annual rent is calculated on the assumption that the buildings are fully let and before deduction of operating costs.

*) Wereldhave has a 68.2% interest in the properties in Belgium of the categories offices and shops.

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Troostwijk-Roux Expertises cvba,
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Summary of investment properties

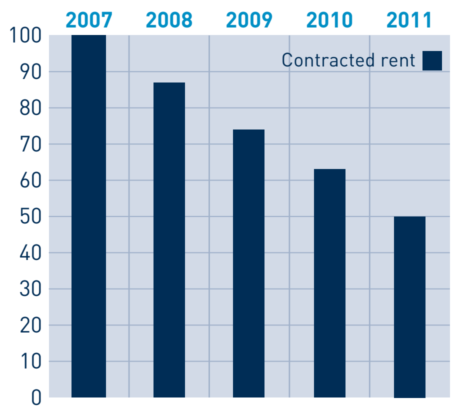
(amounts x € 1 mln)

The following is a summary of the open market value of the Group's investment properties at December 31, 2006. Foreign currencies have been converted at rates of exchange ruling at December 31, 2006. The annual rent is shown on the assumption that the buildings are fully let and before deduction of property expenses.

	offices		shops		industrial		residential		total	
	market value	annual rent	market value	annual rent	market value	annual rent	market value	annual rent	market value	annual rent
Belgium	146.5	13.1	202.3	13.9	13.3	1.5	–	–	362.1	28.5
Finland	8.3	0.5	515.5	29.9	–	–	–	–	523.8	30.4
France	163.8	10.3	10.4	1.4	8.3	1.2	–	–	182.5	12.9
The Netherlands	55.1	4.7	214.2	15.3	132.3	12.1	–	–	401.6	32.1
Spain	86.1	6.5	–	–	31.6	2.3	–	–	117.7	8.8
United Kingdom	267.6	18.4	124.3	7.6	31.1	2.1	–	–	423.0	28.1
United States	429.3	30.7	31.1	2.5	–	–	50.4	6.5	510.8	39.7
Total	1,156.7	84.2	1,097.8	70.6	216.6	19.2	50.4	6.5	2,521.5	180.5

Contracted rent

(in % of the contracted rent at December 31, 2006)



Summary of revaluations of the investment properties

(x € 1 mln)

This summary shows the revaluation in 2006 of investment properties by country and sector.

	value at December 31, 2006	revaluation in 2006	as a % of the value before revaluation				
			offices	shops	industrial	residential	total
Belgium	362.1	25.5	5.0	9.1	15.0	–	7.6
Finland	523.8	97.6	18.3	23.0	–	-	22.9
France	182.5	44.4	32.6	28.4	28.4	–	32.2
The Netherlands	401.6	26.4	5.1	10.6	2.5	–	7.0
Spain	117.7	13.4	11.5	–	16.8	–	12.8
United Kingdom	423.0	42.9	6.4	23.2	12.7	–	11.3
United States	510.8	19.9	3.7	2.3	–	8.1	4.0
Total	2,521.5	270.1	8.6	17.1	7.4	8.1	12.0

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