


# Dutch Property Tour

April 15, 2014

# Content

# 1. Introduction

**Belinde Bakker**

- Managing Director Wereldhave Netherlands (04-2013)
- Founder & partner ACTM (2009 – 2013)
- Sr. Manager Concessions & Media Amsterdam Airport Schiphol
- Several managerial positions in retail organisations

**Pieter Polman**

- Manager Leasing (2014)
- Leasing manager – Wereldhave (2011 – 2013)
- Consultant Retail Services – DTZ Zadelhoff (2008 – 2011)
- Traineeship Commercial Real Estate (retail services) - DTZ Zadelhoff (2008 – 2009)

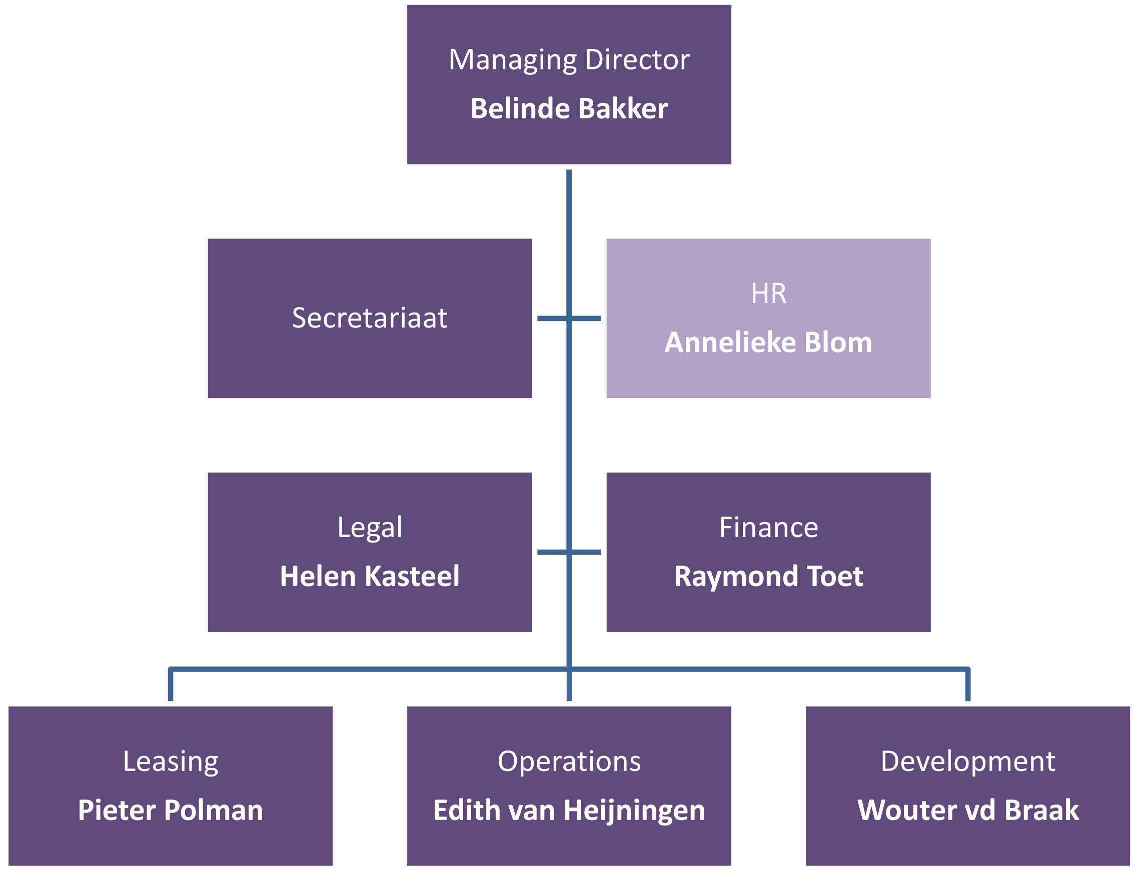
**Wouter v/d Braak**

- Manager development (06-2013)
- Senior development manager retail Wereldhave (2012-2013)
- Real estate / concept developer – Leyten (2008 – 2012)
- Asset developer (TCN) (2004 – 2008)

**Edith van Heijningen**

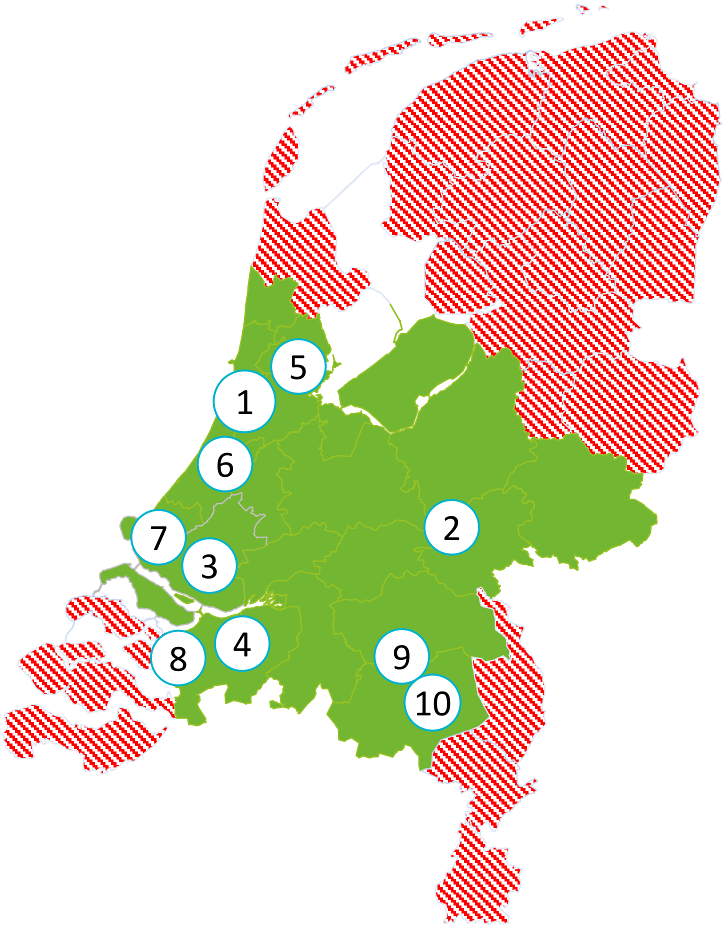
- Manager Shopping Centre Management (01-2014)
- Manager Leasing - Wereldhave (2013-2014)
- Interim - a.o. WE International, Etam, KSA Benelux, Oilily, V&D and Hunkemöller (2006-2013)
- International Buying Manager - M&S mode (2004-2006)

# Dutch organisation structure




NL organisation
Shared with the Group

# Overview Dutch shopping centre portfolio




1. Hoofddorp, Vier Meren
2. Arnhem, Kronenburg
3. Capelle a/d Ijssel, De Koperwiek
4. Winkelcentrum Etten-Leur
5. Purmerend, De Eggert
6. Leiderdorp, Winkelhof
7. Maassluis, Koningshoek
8. Roosendaal, De Roselaar
9. Eindhoven, Woensel XL
10. Geldrop, Heuvel



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# Overview Dutch shopping centre portfolio

**1. VIER MEREN, HOOFDDORP**

| | |
|---|---|
| Total n.l.a. (sqm) | 33,000 |
| Wereldhave n.l.a. (sqm) | 33,000 |
| Gross rent (€m) | 9.6 |
| Supermarkets | 2 → 3 |

**2. KRONENBURG, ARNHEM**

| | |
|---|---|
| Total n.l.a. (sqm) | 34,500 |
| Wereldhave n.l.a. (sqm) | 31,752 |
| Gross rent (€m) | 8.7 |
| Supermarkets | 3 → 4 |

**3. KOPERWIEK, CAPELLE A/D IJSSEL**

| | |
|---|---|
| Total n.l.a. (sqm) | 25,000 |
| Wereldhave n.l.a. (sqm) | 25,000 |
| Gross rent (€m) | 5.8 |
| Supermarkets | 3 → 4 |

**4. ETTEN-LEUR**

| | |
|---|---|
| Total n.l.a. (sqm) | 25,500 |
| Wereldhave n.l.a. (sqm) | 22,146 |
| Gross rent (€m) | 3.9 |
| Supermarkets | 1 → 2 |

**5. EGGERT, PURMEREND**

| | |
|---|---|
| Total n.l.a. (sqm) | 19,381 |
| Wereldhave n.l.a. (sqm) | 19,381 |
| Gross rent (€m) | 4.8 |
| Supermarkets | 1 |

**6. WINKELHOF, LEIDERDORP**

| | |
|---|---|
| Total n.l.a. (sqm) | 17,857 |
| Wereldhave n.l.a. (sqm) | 17,857 |
| Gross rent (€m) | 4.3 |
| Supermarkets | 2 |

**7. KONINGSHOEK, MAASSLUIS**

| | |
|---|---|
| Total n.l.a. (sqm) | 20,500 |
| Wereldhave n.l.a. (sqm) | 14,638 |
| Gross rent (€m) | 2.8 |
| Supermarkets | 2 → 3 |

**8. ROSELAAR, ROOSENDAAL**

| | |
|---|---|
| Total n.l.a. (sqm) | 28,000 |
| Wereldhave n.l.a. (sqm) | 12,736 |
| Gross rent (€m) | 9.6 |
| Supermarkets | 1 → 2 |

**9. WOENSXL, EINDHOVEN**

| | |
|---|---|
| Total n.l.a. (sqm) | 41,000 |
| Wereldhave n.l.a. (sqm) | 10,145 |
| Gross rent (€m) | 3.4 |
| Supermarkets | 3 |

**10. HEUVEL, GELDROP**

| | |
|---|---|
| Total n.l.a. (sqm) | 4,537 |
| Wereldhave n.l.a. (sqm) | 4,537 |
| Gross rent (€m) | 1.1 |
| Supermarkets | 2 |

| | |
|---|---|
| Wereldhave n.l.a. | 191,192sqm |
| Theoretical annual rent | €48.0m |

# 2. Positioning ‘Natuurlijk dichtbij’

**Brand**

‘Natuurlijk Dichtbij’ convenience centres

From shopping centre towards a shopping centre with a warm heart

**Connection**

Provide universal need for social and sustainable connection between individuals and their environment

**Hospitable & original**

From a cluster of stores towards a place with recreational value. A place with familiar, new and unique concepts

**Familiar, accessible & creating**

Join required shopping needs with pleasure on an easy accessible and confidential manner

**accessible**

recognizable
honest
readable
unforced
intuitive

**connecting**

**welcoming**

inviting
open
spatial
clear
accessible


**familiar**

specific
warm
safe
ease
local

**original**

lively
divers
natural
light
happy

**creating**



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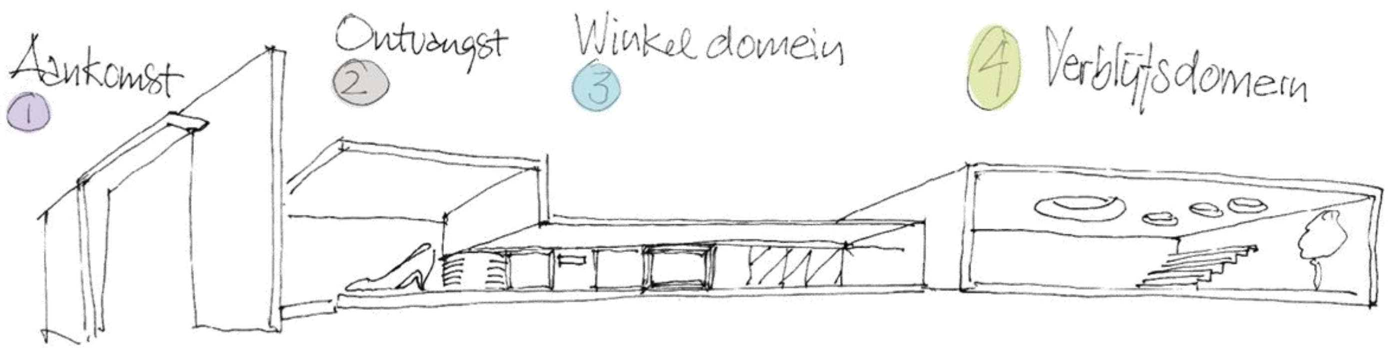
# Domains & materials









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# 3. Targets 2013 - 2015

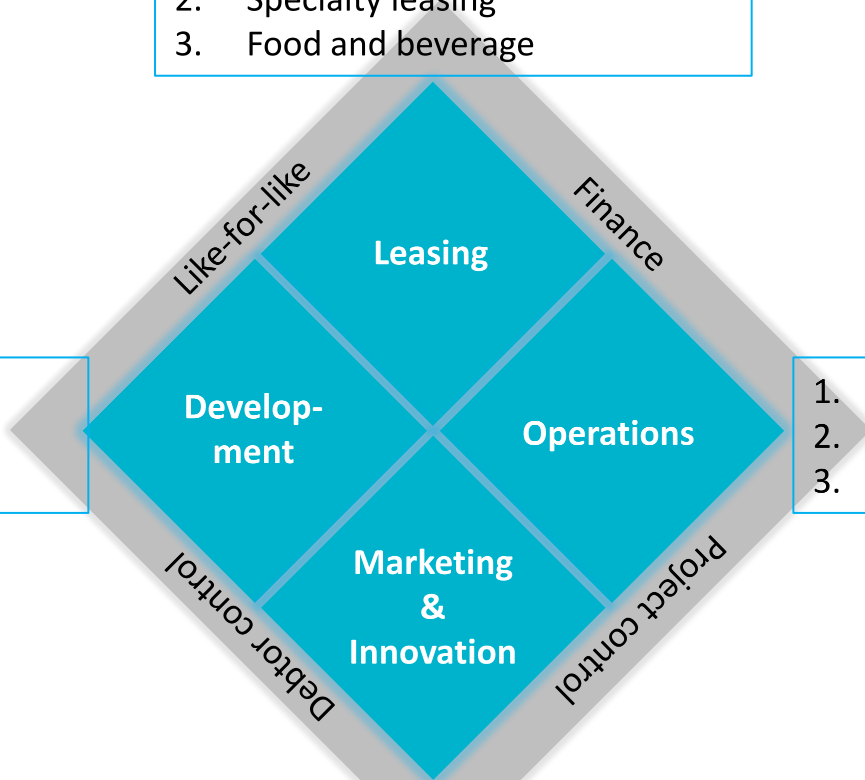
| **Portfolio** | **2013** | **2014** | **2015** |
|---|---|---|---|
| ▪ Footfall | flat* | 2.0 - 5.0% growth | 2.0 - 5.0% growth |
| ▪ Tenant rotation | 5.0% and on target | 5.0% | |
| ▪ Like for like growth | -140 bps to index | -50 to -100 bps to index | |
| ▪ Occupancy | 97.0% | 97.0 - 98.0% | |

| **Development pipeline** | |
|---|---|
| ▪ Investments | €80m (including Capelle a.d. IJssel) |
| ▪ Yield on cost | 6.0% |
| ▪ Look & feel investments | €30m at 0% YoC |

* Koningshoek and Eggert not included
Source: Flucon

# 4. Integrated plans for Wereldhave Netherlands

1. Key account management
2. Specialty leasing
3. Food and beverage




1. Rational expansion €80m
2. Look & Feel €30m
3. Sustainability

1. Service costs
2. Amenities and kids playgrounds
3. Intensive contact tenants

1. Increase footfall
2. Digital marketing
3. Social inclusion



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# Leasing


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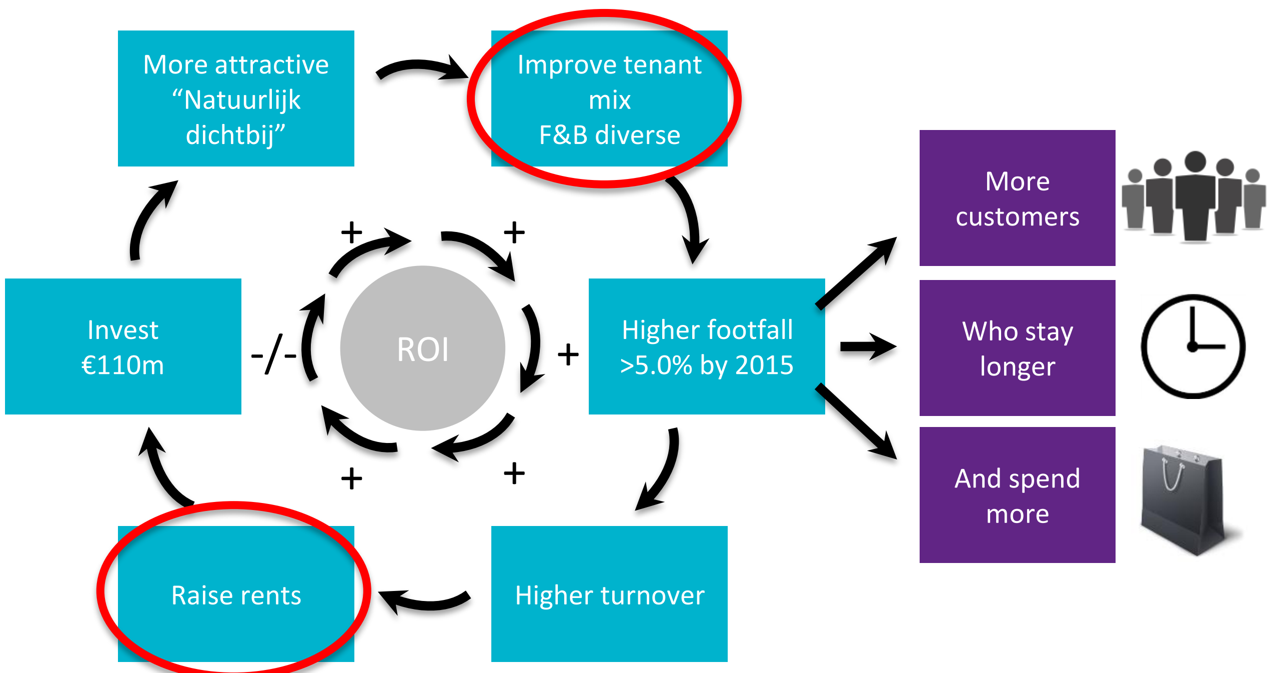
# Leasing Activities 2014

- Like-for-like growth 0.5 – 1.0%
- Occupancy rate 97.0 – 98.0%
- Green leases 75.0% of new contracts in 2016



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# Key accounts per Q1 2014

**Key accounts – based on contract value**

1 Ahold
2 Blokker
3 Kruidvat / AS Watson
4 Excellent Retail brands (a.o. MS, Coolcat)
5 H&M
6 HEMA
7 Macintosh Retail Group
8 Maxeda
9 WE
10 Bestseller (a.o. Jack & Jones, Only)
11 Van Haren schoenen
12 Douglas
13 Coltex
14 V&D
15 C&A
16 Miss Etam
17 Zeeman
18 Media Markt
19 Dirk vd Broek
20 The Sting
21 Brilmij Groep
22 Hunkemöller
23 ING
24 B32
25 ANWB

| | |
|---|---|
| €23.2m | Total contract lease income |
| 175 of 773 | Current lease contracts |



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# Specialty leasing

- 2013: €450,000 (1.3%) – Advertising and a few kiosks
- Target: increase to 2.0% in 2015


# Food & beverages

- 2013 on average 2.0% of sqm within our shopping centres

- Targets
  - Increase to max 5.0% of sqm by the end of 2015 (included in the development projects)
  - Improve quality





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# Operations


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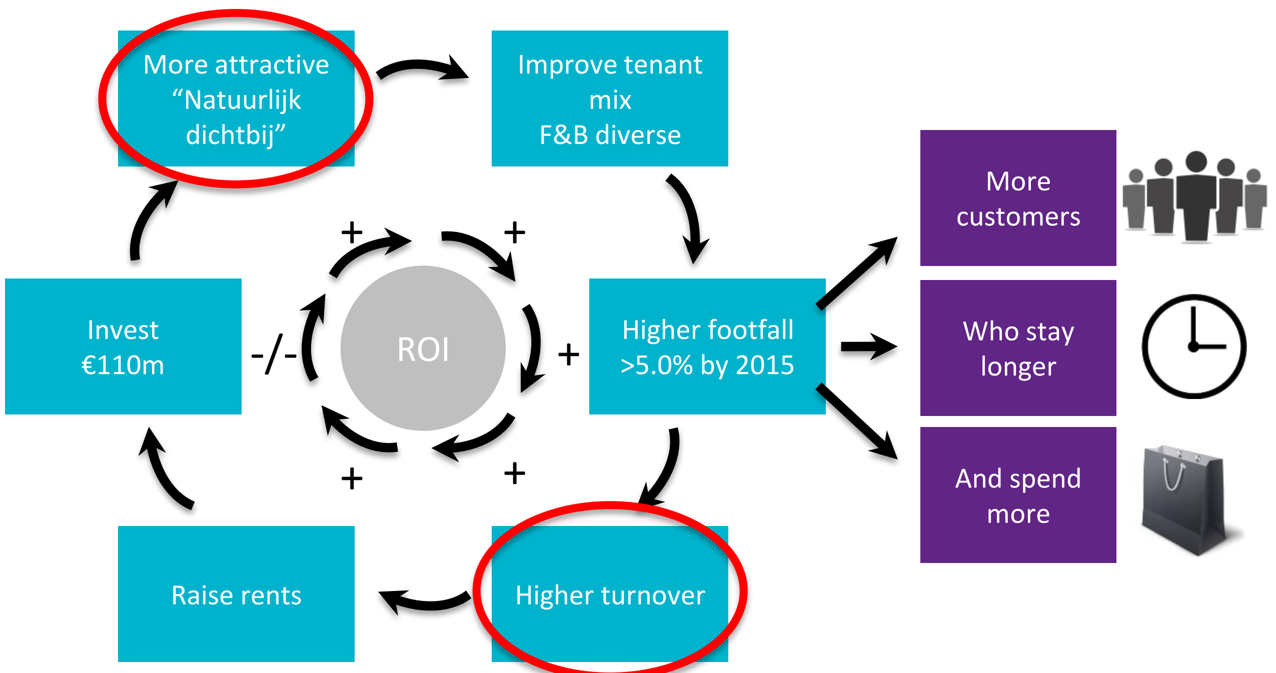
# Shopping Center Management Activities 2014

- Reduce service costs 10.0% on security and cleaning
- Amenities & kids' place present in all our shopping centres by the end of 2015
- Increase satisfaction of our customers & tenants



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# Amenities & kids play areas in all our centres by 2015

**2013**
**Interactive games**
- Arnhem
- Leiderdorp
- Purmerend
- Roosendaal
- Etten-leur
- Maassluis

**Playground**
- Maassluis

**Public toilets**
- Arnhem

**2014**
**Interactive games**
- Hoofddorp
- Capelle

**Playground**
- Leiderdorp
- Arnhem
- Purmerend

**Public toilets**
- Arnhem
- Roosendaal
- Purmerend
- Etten-Leur
- Leiderdorp



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# Market research

*Gain insight in buying behaviour and needs of customers in shopping centres and in the catchment area of shopping centres*

## MARKET RESEARCH STRATEGY

### 1. MARKET TRENDS

### 2. CATCHMENT RESEARCH

Research the catchment area (online panel research)
- Competition analysis
- Potential customer analysis (Experian consumer segments)

### 3. VISITORS RESEARCH

- Visitor analysis; measure passers, time spent, and visit frequency (PFM)
- Study visitor typology (Experian consumer segments)
- Surveys in the shopping centres (mall intercept studies)

### 4. TENANT RESEARCH

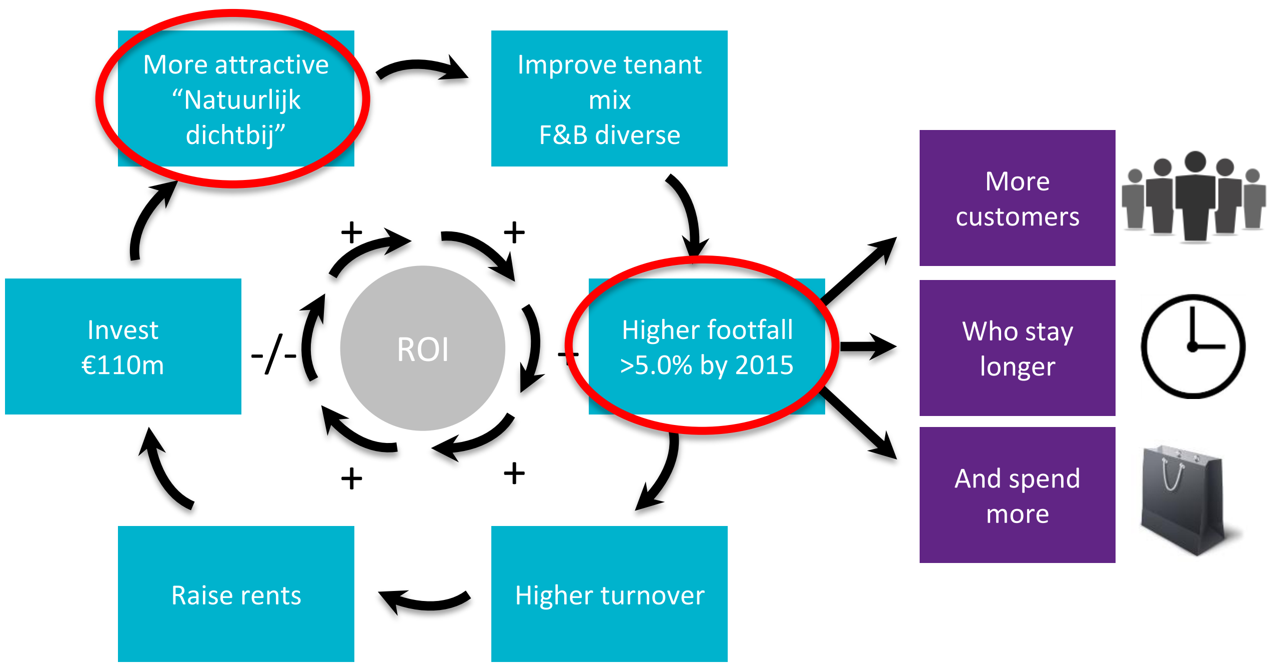
– Survey among tenants (satisfaction)

# Marketing & Innovation

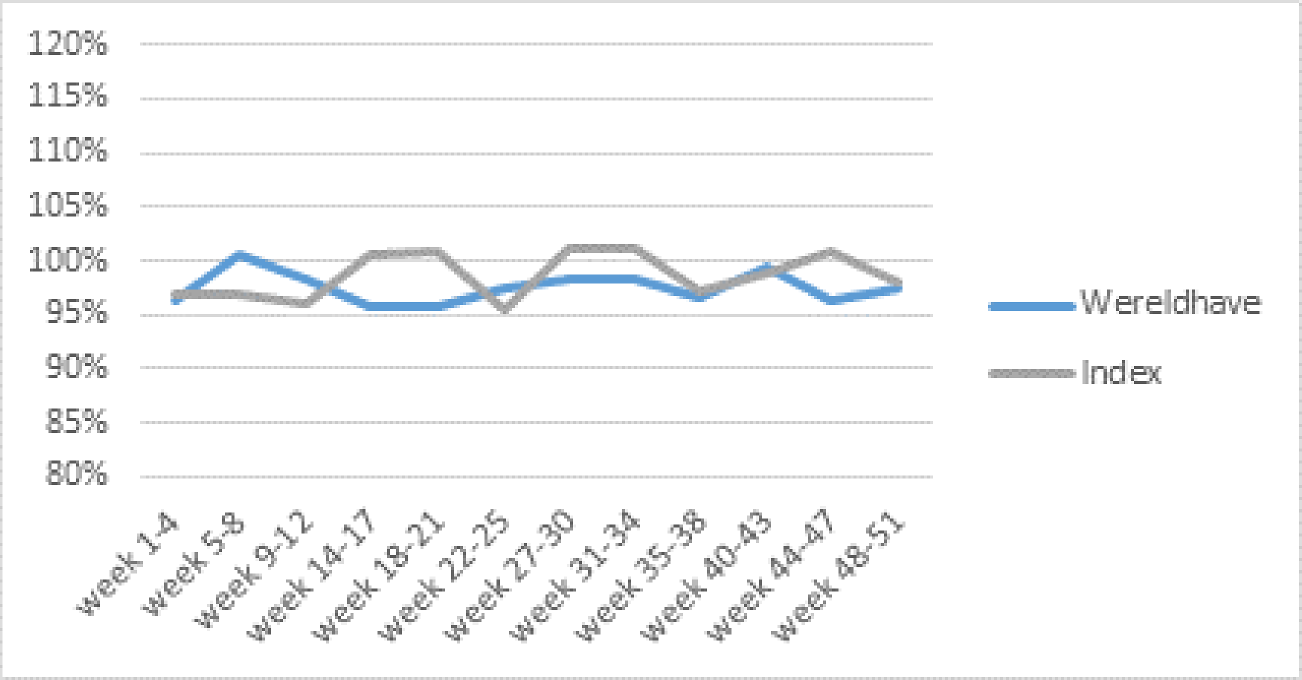

Vier Meren - The Netherlands

# Marketing & Innovation Activities 2014

- Increase footfall — 2.0 – 5.0% in 2014 and 2.0 - 5.0% in 2015
- Further develop digital strategy — Online, mobile, apps, etc.
- Social inclusion events



# Footfall Shopping centres in 2013




* Source: Flucon (Index: 43 counting systems)



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# Digital strategy

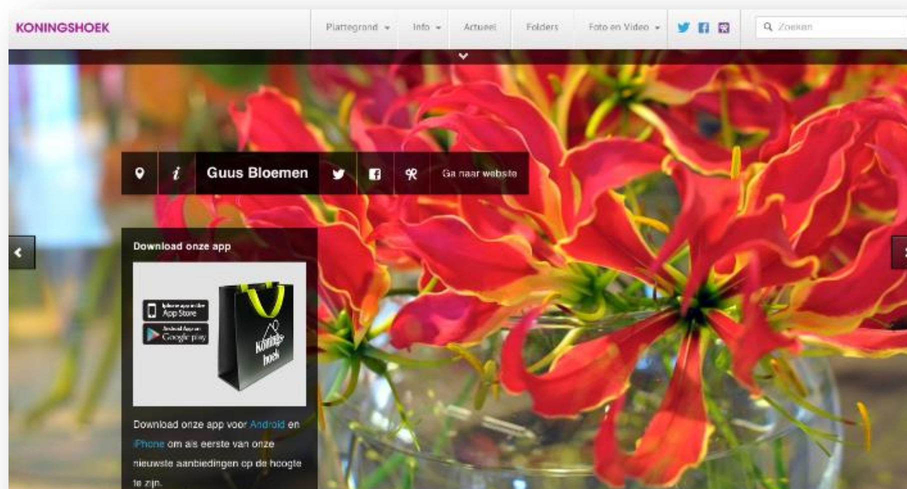
*use online channels to inform, inspire & connect customers and retailers.*

http://www.youtube.com/watch?v=WWdBuMtciS4

- Shopping Centre website with social media integration
- Shop information & special offers placed by retailers (web & app)
- Online community for retailers (intranet) for information exchange
- Social media page for shopping centre & retailers
- Shopping centre app with up-to-date information & offers

***app***


***website***



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# Events

http://www.youtube.com/watch?v=397Iwe0qYok



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# Development


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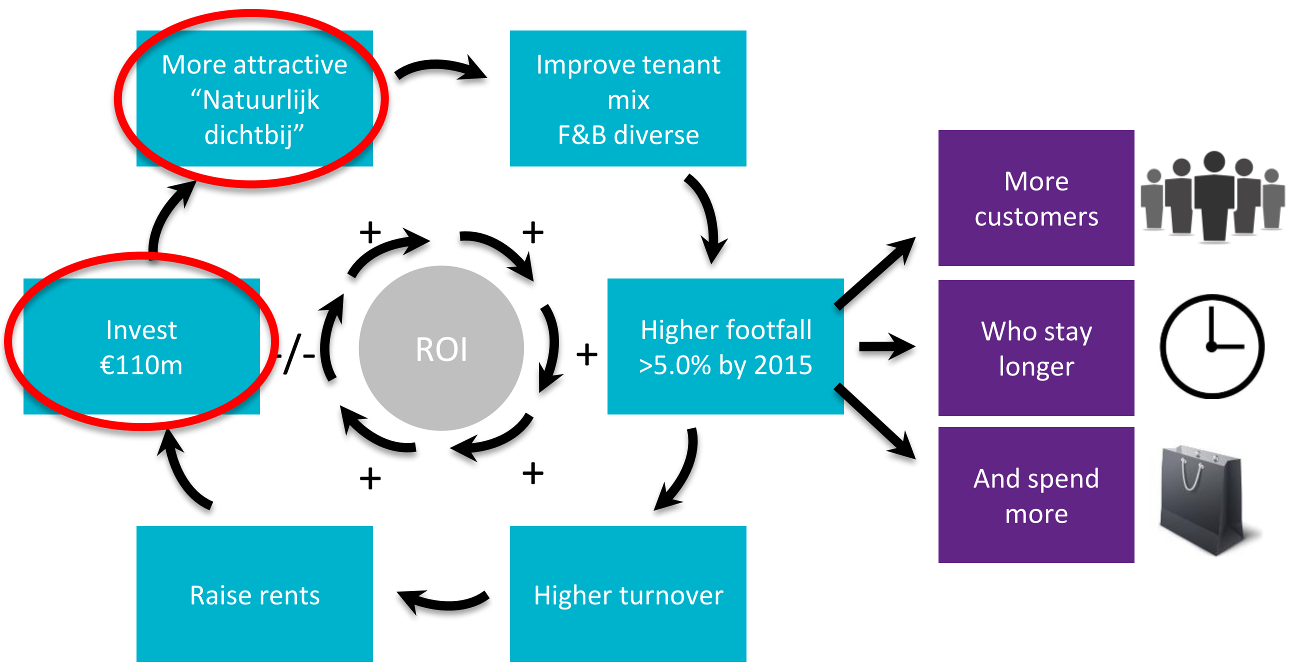
# Development Activities 2014

- Rational expansion — €80m in 2014 - 2016
- Improvement look & feel — €30m in 2014 - 2015
- Increase sustainability — BREAAM ‘Very good’



# Project Organization

- 6 projects in own management, 4 outsourced projects

**In own management**
Arnhem Kronenburg
Maassluis, Koningshoek
Etten-leur, Stadshart
Leiderdorp, Winkelhof
Purmerend, Eggert
Roosendaal, Roselaar

**Outsourced**
Arnhem Kronenburg - extension
Maassluis Koningshoek - extension
Capelle, Koperwiek
Hoofddorp, De Deining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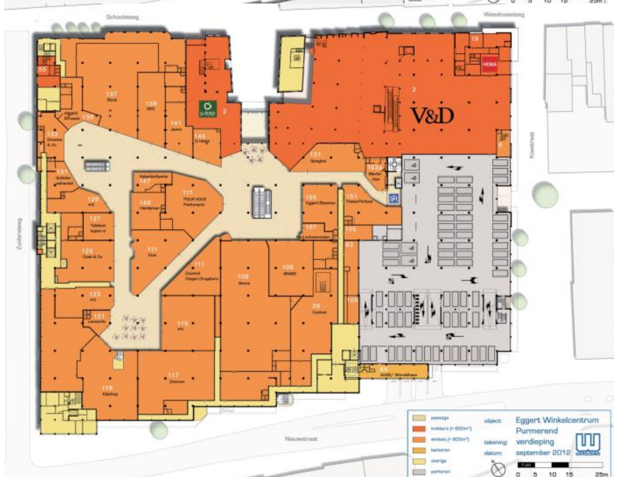
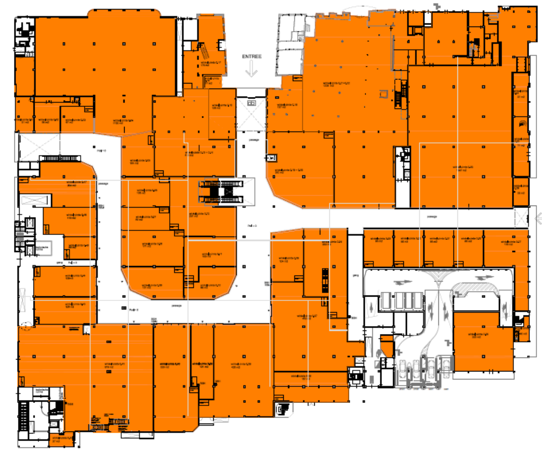
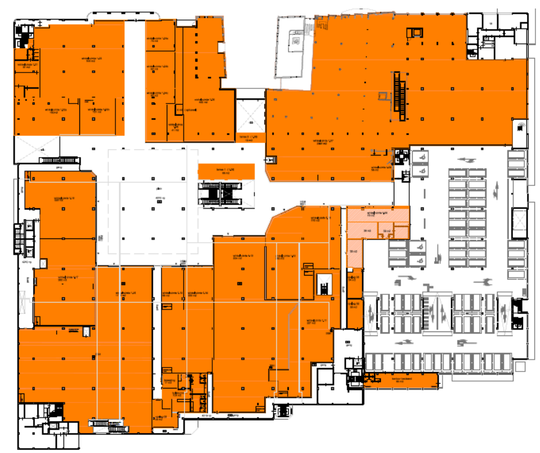
# Purmerend

# Current


# New





**Bottlenecks**

- Entrances; low visibility, uninviting and very low quality architecture
- Interior; dark passages, escalators hardly visible, disorderly and hardly visible shop fronts.
- Low quality F&B

**Solutions**

- Upgrading entrances and interior
- Introduction 100% route
- Positioning anchors
- New F&B plaza

# Maassluis Koningshoek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# Current


# New


**Bottlenecks**

- Exterior; introvert architecture, poor entrances
- Interior;  closed shop fronts, old architecture, no shopping experience, old shopping streets, low shop fronts
- Plazas without functions and F&B
- Unsafe lanes around the center

**Solutions**

- Upgrading entrances and interior
- Upgrading zone plan
- Positioning anchors
- New F&B plaza
- Extension



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# Leiderdorp Winkelhof




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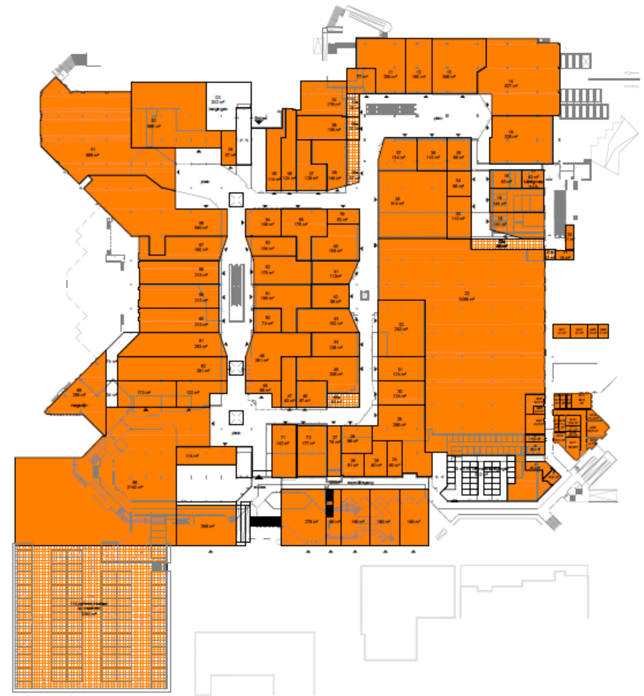
# Current


# New



### Bottlenecks

- Entrances; badly visible, uninviting and very low quality architecture
- Interior; small and low passages, low shop fronts, few natural light
- Low quality F&B
- AH not well connected with the center

### Solutions

- Creating better and less entrances
- Upgrading interior
- Positioning anchors
- New F&B plaza
- Improved circulation
- Large extension



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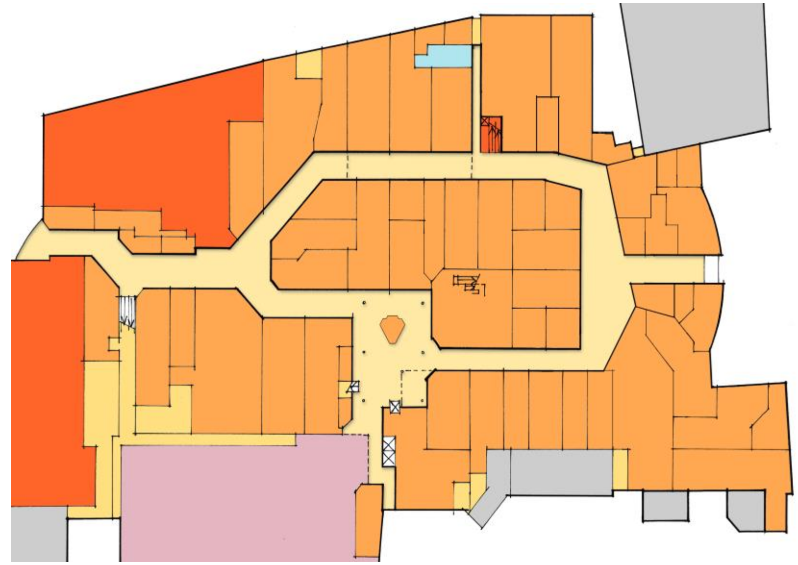
# Roosendaal
# Roselaar

# Current


# New



## Bottlenecks

- Entrances; badly visible, uninviting and very low quality architecture
- Interior; dark, small, low, very basic and outdated passages, low shop fronts
- F&B on wrong places

## Solutions

- Upgrading entrances and interior
- Improved circulation
- Positioning anchors
- New F&B plaza
- Extension



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# Etten-Leur


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# Current


# New


**Bottlenecks**

- Entrances; badly visible, uninviting and very low quality architecture
- Interior; passages to spacious, disorderly and badly visible shop fronts.
- Low quality F&B

**Solutions**

- Upgrading entrances and interior
- Extension retail floor space
- New F&B plaza



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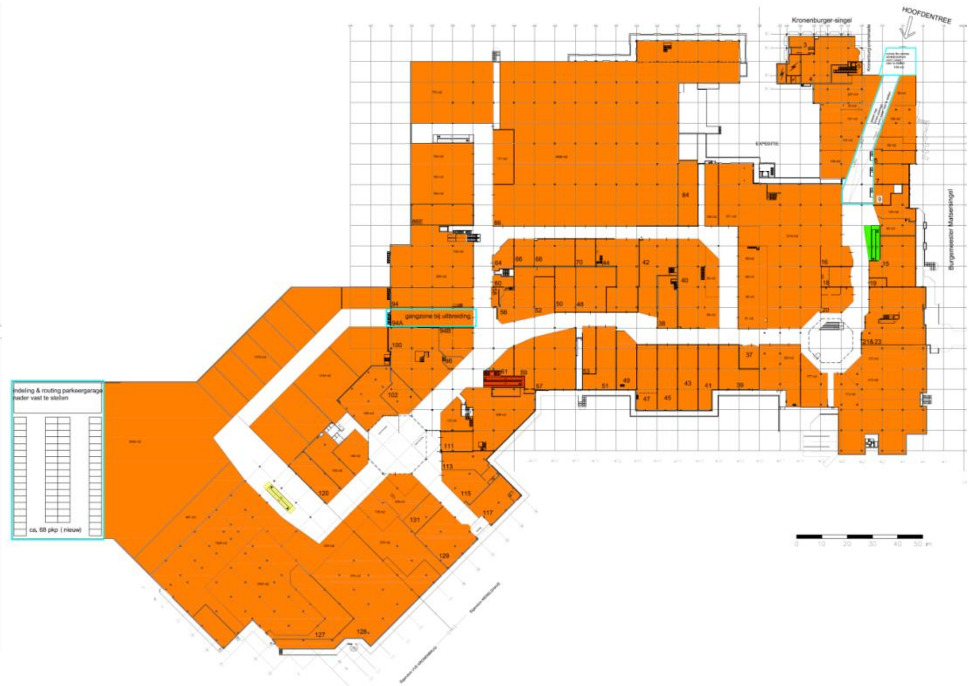
# Kronenburg

# Current


# New



**Bottlenecks**

- Interior; low quality of ceiling, not enough light, basic floor, long closed shop fronts and dead ends
- Low quality F&B

**Solutions**

- Upgrading entrance, interior and shop fronts
- Positioning anchors
- Extension of retail floor space
- New F&B plaza
- Upgrade library plaza



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# Financial projects overview

| Project name | Development cost (€) | Additional rent (€) | YoC (%) | Cost refurbishment (€) | Additional sqm |
|---|---|---|---|---|---|
| Koperwiek | 20,000,000 | 1,200,000 | 6.0 | | 5,200 |
| Koningshoek | 18,000,000 | 1,180,000 | 6.6 | 7,000,000 | 5,549 |
| Winkelhof | 11,500,000 | 450,000 | 3.9 | 7,700,000 | 2,604 |
| Eggert | 10,900,000 | 440,000 | 4.0 | 4,700,000 | 93 |
| Roselaar | 7,100,000 | 530,000 | 7.5 | 3,000,000 | 616 |
| Kronenburg | 6,400,000 | 320,000 | 5.0 | 3,800,000 | 2,352 |
| Etten-Leur | 5,100,000 | 570,000 | 11.2 | 3,800,000 | 2,667 |
| **Total** | **79,000,000** | **4,900,000** | **5.9** | **30,000,000** | **19,091** |

# Finance


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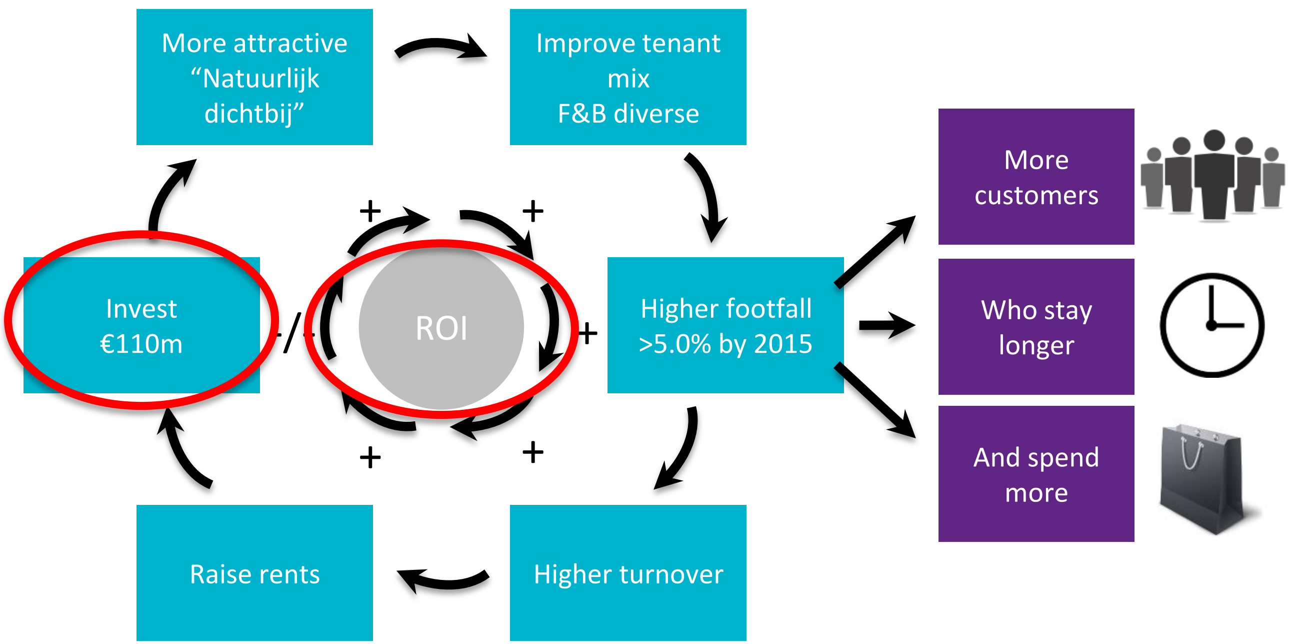
# Finance Activities 2014

- Like-for-Like growth 0.5 – 1.0 % in 2014
- Debtor control ≤ 1.0% of GRI
- Detailed project control



# Conclusions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# Priorities 2014

1. Like-for-like growth: **0.5 – 1.0%**
2. Occupancy rate: **97.0 – 98.0%**
3. Increase in footfall: **2.0 – 5.0% in 2014**
4. Realisation of the development- and look & feel projects by the end of 2016
5. Realisation of amenities and kids' place in all shopping centres



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