



# WERELDHAVE

**Summary • Securities Note • Registration Document**

## SUMMARY

Summaries are made up of disclosure requirements known as **Elements**. The Elements are numbered in Sections A – E.

This Summary contains all the Elements required to be included in a summary for the ordinary shares (the **Ordinary Shares**) being issued (the **Offer Shares**) pursuant to the prospectus issued by Wereldhave N.V. (the **Company** or **Wereldhave**) (the **Offering**), a closed-end investment company, which comprises this Summary dated 24 June 2015, a securities note dated 24 June 2015 and a registration document dated 24 June 2015 (the **Prospectus**) (with capitalised terms in this Summary having the meaning given to them in the securities note and registration documents as applicable). Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

The titles set out in each of sections A through D below are themselves summaries of the requirements set out in Annex XXII to the Prospectus Regulation. This Summary has been prepared on the basis that Annexes I, II and III to the Prospectus Regulation and certain specialist issuer requirements are applicable to the admission of the Offer Shares and, as a result, the elements referred to below are deliberately not consecutively numbered.

<b>SECTION A – INTRODUCTION AND WARNINGS</b>		
<b>A.1</b>	<b>Introduction and warnings</b>	This Summary should be read as an introduction to the Prospectus. Any decision to invest in the Offer Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Offer Shares.
<b>A.2</b>	<b>Consent by the Company to the use of the Prospectus for subsequent resale or final placement of securities by financial intermediaries</b>	Not applicable. There will be no subsequent resale or final placement of the Offer Shares by financial intermediaries.

<b>SECTION B – ISSUER</b>		
<b>B.1</b>	<b>Legal and commercial name</b>	Wereldhave N.V.

<b>B.2</b>	<b>Domicile, legal form, legislation and country of incorporation</b>	Wereldhave N.V. (the <b>Company</b> ) is a public company with limited liability ( <i>naamloze vennootschap</i> ) incorporated under the laws of the Netherlands, having its statutory seat in municipality Haarlemmermeer (Schiphol), the Netherlands, and its office address at WTC Schiphol, Tower A, 3 <sup>rd</sup> floor, Schiphol Boulevard 233, 1118 BH Schiphol, the Netherlands, and is registered with the Dutch Chamber of Commerce under number 27083420.
<b>B.3</b>	<b>Current operations and principal activities</b>	<p>The Company, through its subsidiaries (the <b>Group</b>), invests in mid-sized shopping centres in North-Western Continental Europe that are top of mind (i.e. among the first destinations for shopping centres in terms of brand awareness for local residents) in their respective catchment areas. The Group owns and operates a portfolio of 25 shopping centres and seven office buildings in the Netherlands, France, Belgium and Finland (the <b>Portfolio</b>). As of 31 March 2015 the value of the Group's Portfolio as recorded in the Group's balance sheet was €3,306 million.</p> <p>The Group generates a majority of its results from net rental income derived primarily from its shopping centres (87.1% for the three month period ended 31 March 2015) and secondarily from its offices portfolio (12.9% for the three month period ended 31 March 2015). The Group manages its business on a geographic basis, with four business segments comprising the Netherlands (generating 24.2% of the Group's net rental income for the three month period ended 31 March 2015), France (34.3%) Belgium (25.2%) and Finland (16.3%).</p> <p>The Group's net rental income and result were €114.8 million and €26.9 million, respectively, in 2014. The Group's result comprised Direct Result of €85.7 million and Indirect Result of negative €58.8 million in 2014. The Group's net rental income and result were €43.0 million and €9.8 million, respectively, in the first three months of 2015. The Group's result comprised Direct Result of €30.5 million and Indirect Result of negative €20.7 million for the first three months of 2015. General costs increased by €1.0 million or 31.0% from €3.4 million in the first three months of 2014 to €4.4 million in the first three months of 2015, primarily due to the French Retail Portfolio Acquisition (as defined in Element B.4a) and other related expenses associated with the build-out of the retail operation.</p> <p>The Group's net rental income is dependent on the rental rates it is able to charge its tenants, which are, in turn, dependent on the quality of its properties and demand for retail and office space. The Group's net rental income for the three month period ended 31 March 2015 was €43.0 million, and as of 31 March 2015, the weighted average occupancy rate (the <b>Occupancy Rate</b>) of the entire Portfolio was 92.5%.</p> <p>The Group intends to acquire from Klépierre Management Nederland B.V. (the <b>Seller</b>) an additional portfolio of nine shopping centres in the Netherlands and one development project for the extension of one of these centres (the <b>Target Portfolio</b>) pursuant to an agreement entered into on 24 June 2015 (the <b>Acquisition</b>).</p>
<b>B.4a</b>	<b>Significant recent trends affecting the Company and the industries in which it operates</b>	<p><b>Strategic Phases</b></p> <p>In response to the changing consumer, retail, real estate investment and finance environment, the Group announced a change in its strategy on 11 February 2013. The Group's strategy is to focus on shopping centres in North-Western Continental Europe, particularly in the Netherlands, France, Belgium and Finland, and on sustainable offices in Paris, France, operational excellence, a solid and sustainable balance sheet and predictable returns. This strategy is being implemented in three phases, the first "Derisk" phase, which was completed in the first half of 2013 (the <b>Derisk Phase</b>), the second "Regroup" phase, which was completed at the end of 2014 (the <b>Regroup Phase</b>) and the third "Growth" phase, into which the Company entered following the acquisition of the six shopping centres in France (the <b>French Retail Portfolio</b>) on 18 December 2014 (the <b>French Retail Portfolio Acquisition</b>) (the <b>Growth Phase</b>).</p>

	<p><b><i>Derisk</i></b></p> <p>The first phase, Derisk, started mid-2012 and was completed one year later. The Derisk Phase created a focused portfolio, a strong balance sheet, as evidenced by the Group's adherence to its policy of maintaining a loan-to-value ratio (<b>LTV Ratio</b>) between 35% - 40% at year-end, and lowered general costs. As part of the Derisk Phase, the Group completed the sale of its portfolio in the United States and the United Kingdom in January and February 2013, respectively. The proceeds were used to invest in the development portfolio, repay debt and enable further investments. The Group also promoted successful cost-cutting measures.</p> <p><b><i>Regroup</i></b></p> <p>The second strategic phase, Regroup, was aimed at strengthening and expanding the Group's position in its four core markets through operational excellence, a controlled development pipeline, value maximisation of the shopping centre "Itis", reinvesting in core markets and alignment with all stakeholders. For each objective, specific targets were set. As part of the Regroup Phase, the Group moved its head office from The Hague to Schiphol, the Netherlands in June 2013, and refreshed its corporate identity with a new branding and a new logo. In 2014, the Group made further investments in the Netherlands and Belgium and, in September 2014, sold its Spanish Portfolio.</p> <p><b><i>Growth</i></b></p> <p>In December 2014, the Group entered the Growth phase, with the acquisition of the French Retail Portfolio, for a consideration of €859 million. The French Retail Portfolio Acquisition was a major step forward in the growth of the Group, expanding the Group's Portfolio by over one third based on real estate value and bringing the total assets at 31 December 2014 to €3.5 billion. The transaction was financed with a rights issue of €550 million and interest bearing debt of €150 million. The remainder was paid with available cash, mainly from the disposal of the Spanish portfolio. At 31 December 2014, the LTV Ratio stood at 35.4%, well within the targeted range.</p> <p>France has become the Group's fourth retail market, in addition to the Netherlands, Belgium and Finland. In France, the Group is not only focused on investing in mid-sized shopping centres but also on investing in, and the development of, sustainable offices located at high-quality and easily accessible locations in the greater Paris region.</p> <p>The Group has a more focused portfolio as a result of the implementation of its strategy. Since 2012, the number of properties was reduced from 85 to 32, the number of sectors was reduced from five to two (shopping centres and offices), and the country exposure was reduced from seven to four. Over the same period, the Group's average asset size increased from €31 million to €104 million and the average portfolio size per country increased from €374 million to €810 million.</p> <p>The Group believes that the Acquisition is an important next step in its Growth strategy. The Acquisition immediately positions the Company as the market leader in mid-sized shopping centres in the Netherlands. Upon closing of the Acquisition, the Group's Dutch Portfolio will double to a value of approximately €1.5 billion and the number of shopping centres in the Netherlands will increase from 10 to 19. The top 10 largest tenants based on annual rent of the combined portfolio of the Dutch Portfolio and the Target Portfolio would have represented 31.0% of the pro forma annual rent in the Netherlands as of 31 March 2015. The Group expects the Acquisition to significantly improve its bargaining position with its tenants and broadens its tenant base with new key accounts.</p>
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<b>B.5</b>	<b>Description of the Group and the Company's position therein</b>	The Company is a holding company with no material direct business operations. The principal assets of the Company are the equity interests it directly or indirectly holds in its operating subsidiaries.																																																																																																																																														
<b>B.6</b>	<b>Major shareholders of the Company</b>	The Company is not directly or indirectly owned or controlled by any person.																																																																																																																																														
<b>B.7</b>	<b>Selected key historical financial information</b>	<p>The following selected consolidated financial information for 2014, 2013 and 2012 is derived from the Group's 2014, 2013 and 2012 audited consolidated financial statements (together, the <b>Financial Statements</b>) that have been incorporated by reference into the Prospectus. The following selected unaudited consolidated financial information for each of the three month periods ended 31 March 2015 and 2014 is derived from the Group's unaudited condensed consolidated interim financial statements (together, the <b>2015 Interim Financial Statements</b>) that have been incorporated by reference into the Prospectus.</p> <p>The comparative financial information as of and for the year ended 31 December 2012, was re-presented in the 2013 Financial Statements to represent the UK Portfolio as discontinued operations on a consistent basis with the financial information as of and for the year ended 31 December 2013. Furthermore, the comparative financial information for the year ended 31 December 2013 was re-presented in the 2014 Financial Statements to represent the Spanish Portfolio as discontinued operations on a consistent basis with the financial information for the year ended 31 December 2014. See Section 2 "<i>Important Information—The Re-presentations</i>" of the Registration Document.</p> <table border="1" data-bbox="502 1153 1396 2000"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">For the three months ended 31 March</th> <th colspan="4">For the years ended 31 December</th> </tr> <tr> <th>2015 <i>(unaudited)</i></th> <th>2014 <i>(unaudited)</i></th> <th>2014</th> <th>2013 <i>(re-presented)</i> (€ thousands)</th> <th>2013</th> <th>2012 <i>(re-presented)</i></th> <th>2012</th> </tr> </thead> <tbody> <tr> <td>Gross rental income..</td> <td>48,616</td> <td>29,363</td> <td>126,794</td> <td>109,419</td> <td>116,179</td> <td>118,359</td> <td>147,574</td> </tr> <tr> <td>Service costs charged.....</td> <td>10,678</td> <td>4,843</td> <td>21,125</td> <td>20,887</td> <td>22,721</td> <td>24,820</td> <td>30,031</td> </tr> <tr> <td><b>Total revenues.....</b></td> <td><b>59,294</b></td> <td><b>34,206</b></td> <td><b>147,919</b></td> <td><b>130,306</b></td> <td><b>138,900</b></td> <td><b>143,179</b></td> <td><b>177,605</b></td> </tr> <tr> <td>Service costs paid.....</td> <td>(12,217)</td> <td>(5,206)</td> <td>(22,618)</td> <td>(22,596)</td> <td>(25,454)</td> <td>(27,450)</td> <td>(33,494)</td> </tr> <tr> <td>Property expenses.....</td> <td>(4,118)</td> <td>(2,164)</td> <td>(10,525)</td> <td>(7,826)</td> <td>(8,586)</td> <td>(8,014)</td> <td>(13,300)</td> </tr> <tr> <td>Total expenses.....</td> <td>(16,335)</td> <td>(7,370)</td> <td>(33,143)</td> <td>(30,422)</td> <td>(34,040)</td> <td>(35,464)</td> <td>(46,794)</td> </tr> <tr> <td><b>Net rental income....</b></td> <td><b>42,959</b></td> <td><b>26,836</b></td> <td><b>114,776</b></td> <td><b>99,884</b></td> <td><b>104,860</b></td> <td><b>107,715</b></td> <td><b>130,811</b></td> </tr> <tr> <td>Valuation results.....</td> <td>214</td> <td>(170)</td> <td>(40,767)</td> <td>14,709</td> <td>4,019</td> <td>(34,672)</td> <td>(78,559)</td> </tr> <tr> <td>Results on disposals..</td> <td>(18)</td> <td>(102)</td> <td>5,899</td> <td>(3,583)</td> <td>(3,583)</td> <td>1,832</td> <td>8,941</td> </tr> <tr> <td>General costs.....</td> <td>(4,396)</td> <td>(3,355)</td> <td>(13,537)</td> <td>(13,084)</td> <td>(13,798)</td> <td>(18,740)</td> <td>(21,004)</td> </tr> <tr> <td>Other income and expense.....</td> <td>(365)</td> <td>515</td> <td>(3,642)</td> <td>1,391</td> <td>1,391</td> <td>(1,975)</td> <td>(1,981)</td> </tr> <tr> <td><b>Operational result...</b></td> <td><b>38,394</b></td> <td><b>23,724</b></td> <td><b>62,729</b></td> <td><b>99,317</b></td> <td><b>92,889</b></td> <td><b>54,160</b></td> <td><b>38,208</b></td> </tr> <tr> <td>Interest charges.....</td> <td>(7,386)</td> <td>(2,991)</td> <td>(16,263)</td> <td>(17,234)</td> <td>(20,293)</td> <td>(18,936)</td> <td>(30,305)</td> </tr> <tr> <td>Interest income.....</td> <td>53</td> <td>108</td> <td>515</td> <td>290</td> <td>290</td> <td>313</td> <td>362</td> </tr> <tr> <td><b>Net interest.....</b></td> <td><b>(7,333)</b></td> <td><b>(2,883)</b></td> <td><b>(15,748)</b></td> <td><b>(16,944)</b></td> <td><b>(20,003)</b></td> <td><b>(18,623)</b></td> <td><b>(29,943)</b></td> </tr> <tr> <td>Other financial income and expense.....</td> <td>(19,918)</td> <td>(2,105)</td> <td>(13,226)</td> <td>(10,280)</td> <td>(7,979)</td> <td>1,197</td> <td>1,197</td> </tr> </tbody> </table>		For the three months ended 31 March		For the years ended 31 December				2015 <i>(unaudited)</i>	2014 <i>(unaudited)</i>	2014	2013 <i>(re-presented)</i> (€ thousands)	2013	2012 <i>(re-presented)</i>	2012	Gross rental income..	48,616	29,363	126,794	109,419	116,179	118,359	147,574	Service costs charged.....	10,678	4,843	21,125	20,887	22,721	24,820	30,031	<b>Total revenues.....</b>	<b>59,294</b>	<b>34,206</b>	<b>147,919</b>	<b>130,306</b>	<b>138,900</b>	<b>143,179</b>	<b>177,605</b>	Service costs paid.....	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		<b>Result before tax.....</b>	<b>11,143</b>	<b>18,736</b>	<b>33,755</b>	<b>72,093</b>	<b>64,907</b>	<b>36,734</b>	<b>9,462</b>
		Taxes on result .....	(303)	(569)	(2,074)	8,167	8,167	27,858	25,544
		Result from continuing operations .....	10,840	18,167	31,681	80,260	73,074	64,592	35,006
		<b>Result from discontinued operations.....</b>	<b>(995)</b>	<b>(215)</b>	<b>(4,783)</b>	<b>(30,249)</b>	<b>(23,063)</b>	<b>(151,686)</b>	<b>(122,100)</b>
		<b>Result .....</b>	<b>9,845</b>	<b>17,952</b>	<b>26,898</b>	<b>50,011</b>	<b>50,011</b>	<b>(87,094)</b>	<b>(87,094)</b>
		<i>Profit attributable to:</i>							
		Shareholders.....	7,008	15,415	15,020	39,371	39,371	(98,439)	(98,439)
		Non-controlling interest.....	2,837	2,537	11,878	10,640	10,640	11,345	11,345
		<b>Result .....</b>	<b>9,845</b>	<b>17,952</b>	<b>26,898</b>	<b>50,011</b>	<b>50,011</b>	<b>(87,094)</b>	<b>(87,094)</b>
		<i>Consolidated balance sheet</i>							
			<b>As of 31 March</b>	<b>As of 31 December</b>					
			<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2012</b>		
			<i>(unaudited)</i>			<i>(re-presented)</i>			
			(€ thousands)						
		<b>Assets</b>							
		<b>Non-current assets</b>							
		Investment properties in operation .....	3,240,279	3,221,588	1,731,942	2,073,027	2,073,027		
		Lease incentives.....	17,292	16,672	13,237	14,812	-		
		Investment properties under construction .....	48,332	43,874	413,229	240,044	240,044		
		Investment properties .....	3,305,903	3,282,134	2,158,408	2,327,883	2,313,071		
		Property and equipment.....	2,723	2,647	2,918	4,450	4,450		
		Intangible assets.....	1,656	1,715	3,834	3,993	3,993		
		Financial assets .....	103,955	53,568	31,763	47,702	47,702		
		Deferred tax assets.....	-	-	2,605	3,129	3,129		
		Other non-current assets .....	-	-	-	1,275	17,908		
			3,414,237	3,340,064	2,199,528	2,388,432	2,390,253		
		<b>Current assets</b>							
		Trade and other receivables.....	53,650	69,308	31,590	26,126	26,126		
		Tax receivables .....	37	34	292	5	5		
		Cash and cash equivalents.....	112,330	119,205	88,466	44,406	44,406		
		Assets held for sale.....	-	-	6,000	543,166	543,166		
		Total current assets .....	166,017	188,547	126,348	613,703	613,703		
		<b>Total assets.....</b>	<b>3,580,254</b>	<b>3,528,611</b>	<b>2,325,876</b>	<b>3,002,135</b>	<b>3,003,956</b>		
		<b>Equity and liabilities</b>							
		<b>Equity</b>							
		Share capital .....	35,021	35,021	216,796	216,796	216,796		
		Share premium .....	1,466,839	1,467,196	759,740	767,315	767,315		
		Reserves.....	329,174	321,197	372,890	394,643	405,436		
			1,831,034	1,823,414	1,349,426	1,378,754	1,389,547		
		Non-controlling interest.....	169,588	152,550	150,325	146,998	147,187		
		Total equity .....	2,000,622	1,975,964	1,499,751	1,525,752	1,536,734		
		<b>Long-term liabilities</b>							
		Interest bearing liabilities .....	1,195,467	1,077,525	672,669	1,213,778	1,213,778		
		Deferred tax liabilities .....	75,224	75,091	76,270	87,492	87,492		
		Other long-term liabilities .....	50,096	30,758	14,952	12,882	3,721		

		Total long-term liabilities .....	1,320,787	1,183,374	763,891	1,314,152	1,304,991
		<b>Short term liabilities</b>					
		Trade payables.....	3,826	9,505	7,935	9,371	9,371
		Tax payable .....	61	101	1,567	599	599
		Interest bearing liabilities .....	177,054	173,423	8,000	75,000	75,000
		Other short-term liabilities.....	77,904	186,244	44,732	77,261	77,261
		Total short-term liabilities .....	258,845	369,273	62,234	162,231	162,231
		<b>Total equity and liabilities .....</b>	<b>3,580,254</b>	<b>3,528,611</b>	<b>2,325,876</b>	<b>3,002,135</b>	<b>3,003,956</b>
		<i>Consolidated cash flow statement</i>					
			<b>For the three months ended 31 March</b>		<b>For the years ended 31 December</b>		
			<b>2015</b>	<b>2014</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
			<i>(unaudited)</i>	<i>(unaudited)</i>			<i>(re-presented)</i>
					<i>(€ thousands)</i>		
		Cash flow from operating activities.....	18,914	11,058	110,593	36,632	69,164
		Cash flow used in/from investment activities .....	(105,810)	(145,656)	(1,071,312)	690,732	113,408
		Cash flow used in/from financing activities.....	79,680	134,000	983,387	(685,612)	(162,946)
		Net increase/decrease in cash .....	(7,216)	(598)	22,668	41,752	19,626
		Cash and bank balances at 1 January.....	119,205	88,466	88,466	44,406	24,400
		Foreign exchange differences.....	341	309	8,071	2,308	380
		<b>Cash and bank balances at period end .....</b>	<b>112,330</b>	<b>88,177</b>	<b>119,205</b>	<b>88,466</b>	<b>44,406</b>
		<b>Three months ended 31 March 2015 as compared with 31 March 2014</b>					
		<p>The Group's gross rental income increased by €19.3 million to €48.6 million in the first three months of 2015, primarily due to the acquisition of the French Retail Portfolio, which contributed approximately €14.0 million. Acquisitions of other shopping centres in the Netherlands and Belgium also contributed to the higher gross rental income. The Group's net rental income increased by €16.1 million to €43.0 million in the first three months of 2015.</p>					
		<p>The Group's valuation results were a €214 thousand valuation gain in the first three months of 2015 as compared with €170 thousand valuation loss in the first three months of 2014. The fair value of the portfolio is determined twice a year (30 June and 31 December) by independent external valuers and at the end of the first and third quarters by the Company. The Group's general costs increased by €1.0 million, or 31.0%, from €3.4 million in the first three months of 2014 to €4.4 million in the first three months of 2015 primarily due to the French Retail Portfolio Acquisition and other related expenses associated with the build-out of the retail operation.</p>					
		<p>The Group's interest charges increased by €4.4 million to €7.4 million due to an increase in loan volume from €1,250.9 million to €1,372.5 million. The Group's other financial expense increased €17.8 million, from €2.1 million in the first three months of 2014 to €19.9 million in the first three months of 2015, primarily due to the valuation of derivative instruments. The Group's taxes on result decreased by €266 thousand to €303 thousand in the first three months of 2015.</p>					
		<b>2014 as compared with 2013 financial information as re-presented in the 2014 Financial Statements</b>					
		<p>In order to present results on a consistent basis between periods, the financial information for the year ended 31 December 2013 captioned "re-presented" reflects</p>					

	<p>the revised presentation made by the Group in its audited 2014 Financial Statements classification of the Group's Spanish Portfolio as discontinued operations.</p> <p>The Group's gross rental income increased by €17.4 million to €126.8 million in 2014, primarily due to increases in gross rental income in the Netherlands following the acquisition of two shopping centres and part of the "Kronenburg" shopping centre, and completion of parts of the "Itis" refurbishment in Finland, which resulted in an increase to net leasable area. These increases were offset in part by decreases in rental income due to the disposals of non-core assets in the Netherlands in 2014. The Group's net rental income increased by €14.9 million to €114.8 million in 2014.</p> <p>The Group's valuation results were a €40.8 million valuation loss in 2014, including the €41.0 million write-off of transaction costs for the 2014 acquisitions primarily in France as well as the Netherlands. The Group's general costs increased by €0.5 million to €13.5 million in 2014, primarily due to headcount and other employee related expenses associated with the build-out of the retail operation.</p> <p>The Group's net interest expense, decreased by €1.2 million to €15.7 million due to lower interest charges in 2014, reflecting the repayment of higher interest rate debt and other reductions resulting from the Group's refinancing transactions. The Group's income tax increased by €10.2 million to negative €2.1 million in 2014. The positive tax position in 2013 is mainly caused by the decrease in tax rate in Finland from 24.5% to 20.0% in 2013.</p> <p>The Group's result from discontinued operations was a loss of €4.8 million in 2014 due to interest expenses on financial debt and recycling of the currency translation reserve that were partially offset by the disposal of the Spanish Portfolio, as compared with a loss of €30.2 million in 2013 due to interest expenses on financial debt and recycling of the currency translation reserve that were partly offset by rental income. The Group's result decreased by €23.1 million to €26.9 million in 2014.</p> <p><b><i>2013 compared with 2012 financial information as re-presented in the 2013 Financial Statements</i></b></p> <p>In order to present results on a consistent basis between periods, the financial information as of and for the year ended 31 December 2012 captioned "re-presented" reflects the revised presentation made by the Group in its audited 2013 Financial Statements classification of the Group's UK Portfolio as discontinued operations.</p> <p>The Group's gross rental income decreased by €2.2 million to €116.2 million in 2013 primarily due to the disposal of four non-core properties in the Netherlands in 2013 and partially offset by a 8.4% increase in gross rental income in the Belgian Portfolio, which experienced strong Like-for-Like Rental Growth of 6.3% due to a significant number of rent renewals in the Belle-Ile shopping centre in Liège coming due as well as the full year impact of the Genk acquisition. The Group's Occupancy Rate was 96.6% as of 31 December 2013, as compared with the Occupancy Rate of 94.8% as of 31 December 2012. Overall Like-for-Like Rental Growth for continuing operations in 2013 was 2.7%, with the core retail portfolio Like-for-Like Rental Growth that was 160 bps above indexation. This was offset partially by Like-for-Like Rental Growth that was 1.4% below indexation in the Netherlands due to the bankruptcies of several tenants. The Group's net rental income decreased by €2.9 million to €104.9 million in 2013 due to the decrease in total revenues which was only partially offset by a decrease in total expenses.</p> <p>The Group recorded a €4.0 million gain in the value of its property portfolio in 2013 as compared with a €34.7 million loss in the value of its property portfolio in 2012. The revaluation loss in 2012 included a valuation loss of €2.1 million for property in</p>
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		<p>own use and a valuation loss for financial instruments of €1.7 million.</p> <p>The Group's general costs decreased by €4.9 million to €13.8 million in 2013 primarily due to the implementation of cost cutting measures, including a decrease in office expenditures, a decrease in headcount of 12 staff positions and the non-recurrence of a €1.9 million restructuring charge that was secured in 2012, as well as a reduction in advisory fees and personnel costs associated with the change in chief executive officer. The Group's other income was €1.4 million in 2013 as compared with other expense of €2.0 million in 2012.</p> <p>The Group's net finance expense, comprising net interest and other financial income and expense, increased by €10.6 million to €28.0 million in 2013, primarily due to the costs of repurchasing the Group's convertible debt of €10.2 million in 2013, partly offset by a positive exchange rate difference of €2.7 million.</p> <p>The Group's taxes on result were a positive €8.2 million in 2013 as compared with a positive €27.9 million in 2012 due to a decrease in tax rates in Finland in 2013 and a deferred tax liability of €27.8 million in the Netherlands, which was almost completely released in 2012 following the negative revaluation of the U.S. Portfolio. The Group's result from discontinued operations was a loss of €23.1 million in 2013 as compared with a loss of €151.7 million in 2012. The impact from discontinued operations was lower in 2013 because the disposals of the U.S. and UK Portfolios were substantially completed in February 2013, as compared to 2012, when losses from these operations were included for the entire period.</p>
<p><b>B.8</b></p>	<p><b>Pro forma financial information</b></p>	<p><b>Unaudited Pro Forma Balance Sheet as of 31 March</b></p> <p>The unaudited pro forma balance sheet set out below has been prepared to illustrate the effect of the Offering and the Acquisition on the consolidated net assets of the Group as if the Offering and Acquisition had occurred on 31 March 2015.</p> <p>This unaudited pro forma balance sheet has been prepared for illustrative purposes only and, because of its nature, the pro forma balance sheet addresses a hypothetical situation and does not represent the actual financial position of the Group. The unaudited pro forma balance sheet is compiled on the basis set out in Section 9 "<i>Unaudited Pro Forma Financial Information – Basis of Preparation</i>" of the Registration Document and the notes to the unaudited pro forma balance sheet set out in Section 9 "<i>Unaudited Pro Forma Financial Information – Unaudited Pro Forma Balance Sheet as of 31 March 2015 – Notes to the unaudited pro forma adjustments as of 31 March 2015</i>" of the Registration Document.</p> <p>The following table sets forth the unaudited pro forma balance sheet as of 31 March 2015:</p>

	<u>Group<sup>(1)</sup></u>	<u>Target<sup>(2)</sup></u>	<u>Acquisition and the Offering</u>	<u>Pro forma balance sheet</u>	<u>Notes</u>
			(€ thousands)		
			<i>(unaudited)</i>		
<b>Assets</b>					
<b>Non-current assets</b>					
Investment properties in operation .....	3,240,279	706,130	-	3,946,409	
Lease incentives.....	17,292		-	17,292	
Investment properties under construction .....	<u>48,332</u>	<u>44,910</u>	-	<u>93,242</u>	
<b>Investment properties .....</b>	<b>3,305,903</b>	<b>751,040</b>	-	<b>4,056,943</b>	
Property and equipment.....	2,723	-	-	2,723	
Intangible assets.....	1,656	-	-	1,656	
Derivative financial instruments.....	94,343	-	-	94,343	
Financial assets held for sale .....	8,947	-	-	8,947	
Other financial assets.....	<u>665</u>	-	-	<u>665</u>	
Other non-current assets .....	<u>108,334</u>	-	-	<u>108,334</u>	
<b>Total non-current assets .....</b>	<b>3,414,237</b>	<b>751,040</b>	-	<b>4,165,277</b>	
<b>Current assets</b>					
Trade and other receivables.....	53,650	-	-	53,650	
Tax receivables.....	37	-	-	37	
Cash and cash equivalents .....	<u>112,330</u>	-	-	<u>112,330</u>	
<b>Total current assets .....</b>	<b>166,017</b>	-	-	<b>166,017</b>	
<b>Total assets</b>	<b>3,580,254</b>	<b>751,040</b>	-	<b>4,331,294</b>	
<b>Equity and liabilities</b>					
<b>Equity</b>					
Share capital.....	35,021	-	5,250	40,271	
Share premium.....	1,466,839	-	215,145	1,681,984	
Reserves.....	<u>329,174</u>	-	21,040	<u>350,214</u>	
	<b>1,831,034</b>	-	<b>241,435</b>	<b>2,072,469</b>	A
Non-controlling interest.....	<u>169,588</u>	-	-	<u>169,588</u>	
<b>Total equity</b>	<b>2,000,622</b>	-	<b>241,435</b>	<b>2,242,057</b>	
<b>Long-term liabilities</b>					
Interest bearing liabilities .....	1,195,467	-	509,605	1,705,072	B
Deferred tax liabilities .....	75,224	-	-	75,224	
Derivative financial instruments.....	36,641	-	-	36,641	
Other long-term liabilities.....	<u>13,455</u>	-	-	<u>13,455</u>	
<b>Total long-term liabilities .....</b>	<b>1,320,787</b>	-	<b>509,605</b>	<b>1,830,392</b>	
<b>Short-term liabilities</b>					
Trade payables .....	3,826	-	-	3,826	
Tax payable.....	61	-	-	61	
Interest bearing liabilities.....	177,054	-	-	177,054	
Other short-term liabilities.....	<u>77,904</u>	-	-	<u>77,904</u>	
<b>Total short-term liabilities .....</b>	<b>258,845</b>	-	-	<b>258,845</b>	
<b>Total equity and liabilities .....</b>	<b>3,580,254</b>	-	<b>751,040</b>	<b>4,331,294</b>	
(1)	The financial information for the Group has been extracted from the unaudited condensed consolidated Interim Financial Statements of the Group, prepared in accordance with IAS 34 as adopted by the European Union, as of 31 March 2015, which are incorporated by reference into the Prospectus.				
(2)	The financial information for the Target Portfolio consists of the aggregate market value of the assets comprised in the Target Portfolio, as set out in the Target Portfolio Valuation Report prepared by CBRE.				

## Unaudited Pro Forma Income Statements

The unaudited pro forma combined income statements were prepared as if (i) the Acquisition as well as the French Retail Portfolio Acquisition had both occurred on 1 January 2014; (ii) the estimated net proceeds of the Offering as well as other associated financing taken by the Group to fund the Acquisition were received on 1 January 2014; and (iii) the net proceeds of the financing obtained to fund the French Retail Portfolio Acquisition were received on 1 January 2014.

These unaudited pro forma income statements have been prepared for illustrative purposes only and, because of their nature, the pro forma income statements address a hypothetical situation and do not represent the actual financial position of the Group. The following table sets forth the unaudited pro forma income statement for the three month period ended 31 March 2015, which is compiled on the basis set out in Section 9 "Unaudited Pro Forma Financial Information – Basis of Preparation" of the Registration Document and the notes to the unaudited pro forma income statements set out in Section 9 "Unaudited Pro Forma Financial Information – Unaudited Pro Forma Financial Information for the three month period ended 31 March 2015 – Notes to the unaudited pro forma adjustments for the three month period ended 31 March 2015" of the Registration Document.

	Group <sup>(1)</sup>	Target <sup>(2)</sup>	Acquisition and the Offering (€ thousands)	Pro forma income statement	Notes
			<i>(unaudited)</i>		
Gross rental income .....	48,616	12,826	-	61,442	
Service costs charged.....	10,678	596	-	11,274	
<b>Total revenues .....</b>	<b>59,294</b>	<b>13,422</b>	<b>-</b>	<b>72,716</b>	
Service costs paid.....	(12,217)	(943)	-	(13,160)	
Property expenses .....	(4,118)	(1,237)	-	(5,355)	
<b>Net rental income.....</b>	<b>42,959</b>	<b>11,242</b>	<b>-</b>	<b>54,201</b>	
Valuation results .....	214	-	-	214	
Results on disposals.....	(18)	-	-	(18)	
General costs.....	(4,396)	(491)	-	(4,887)	
Other income and expense.....	(365)	-	-	(365)	
<b>Operational result.....</b>	<b>38,394</b>	<b>10,751</b>	<b>-</b>	<b>49,145</b>	
Interest charges .....	(7,386)	-	(2,930)	(10,316)	A
Interest income.....	53	-	-	53	
<b>Net interest.....</b>	<b>(7,333)</b>	<b>-</b>	<b>(2,930)</b>	<b>(10,263)</b>	
Other financial income and expense .....	(19,918)	-	-	(19,918)	
<b>Result before tax .....</b>	<b>11,143</b>	<b>10,751</b>	<b>(2,930)</b>	<b>18,964</b>	
Taxes on result.....	(303)	-	-	(303)	
<b>Result from continuing operations.....</b>	<b>10,840</b>	<b>10,751</b>	<b>(2,930)</b>	<b>18,661</b>	
Result from discontinued operations .....	(995)	-	-	(995)	
<b>Result.....</b>	<b>9,845</b>	<b>10,751</b>	<b>(2,930)</b>	<b>17,666</b>	

(1) The financial information for the Group has been extracted from the unaudited condensed consolidated Interim Financial Statements of the Group, prepared in accordance with IAS 34 as adopted by the European Union, as of 31 March 2015, which are incorporated by reference into the Prospectus.

(2) The financial information on the Target Portfolio consists of gross rental income, service costs charged and paid, property expenses and net rental income information for the three months ended 31 March 2015, derived from the Seller's internal management accounts.

The following table sets forth the unaudited pro forma income statement for the year

ended 31 December 2014, which is compiled on the basis set out in Section 8 "Unaudited Pro Forma Financial Information – Basis of Preparation" of the Registration Document and the notes to the unaudited pro forma income statements set out in Section 8 "Unaudited Pro Forma Financial Information – Unaudited Pro Forma Financial Information for the year ended 31 December 2014 – Notes to the unaudited pro forma adjustments for the year ended 31 December 2014" of the Registration Document.

	<u>Pro forma adjustments for</u>						
	Group <sup>(1)</sup>	French Retail Portfolio <sup>(2)</sup>	Target <sup>(3)</sup>	IFRS conversion <sup>(4)</sup>	Acquisition and the Offering	Pro forma income statement	Notes
	(€ thousands)						
	(unaudited)						
Gross rental income .....	126,794	51,097	51,772	(10,706)	–	218,957	A
Service costs charged.....	21,125	30,740	4,145	(1,051)	–	54,959	D
<b>Total revenues .....</b>	<b>147,919</b>	<b>81,837</b>	<b>55,917</b>	<b>(11,757)</b>	<b>–</b>	<b>273,916</b>	
Service cost paid.....	(22,618)	(26,918)	(5,141)	1,051	–	(53,626)	D
Property expenses .....	(10,525)	(6,758)	(4,546)	3,131	–	(18,698)	C
Depreciation.....	–	(23,286)	–	23,286	–	–	B
<b>Net rental income .....</b>	<b>114,776</b>	<b>24,875</b>	<b>46,230</b>	<b>15,711</b>	<b>–</b>	<b>201,592</b>	
Valuation results .....	(40,767)	–	–	–	(25,950)	(66,717)	E
Results on disposals.....	5,899	–	–	–	–	5,899	
General costs.....	(13,537)	–	(1,995)	(3,131)	–	(18,663)	C
Other income and expense.....	(3,642)	432	–	–	–	(3,210)	
<b>Operational result.....</b>	<b>62,729</b>	<b>25,307</b>	<b>44,235</b>	<b>12,580</b>	<b>(25,950)</b>	<b>118,901</b>	
Interest charges .....	(16,263)	(5,990)	–	5,990	(13,569)	(29,832)	F
Interest income.....	515	220	–	–	–	735	
<b>Net interest.....</b>	<b>(15,748)</b>	<b>(5,770)</b>	<b>–</b>	<b>5,990</b>	<b>(13,569)</b>	<b>(29,057)</b>	
Other financial income and expense .....	(13,226)	–	–	–	–	(13,226)	
<b>Result before tax .....</b>	<b>33,755</b>	<b>19,537</b>	<b>44,235</b>	<b>18,570</b>	<b>(39,519)</b>	<b>76,578</b>	
Taxes on result.....	(2,074)	–	–	–	–	(2,074)	
<b>Result from continuing operations .....</b>	<b>31,681</b>	<b>19,537</b>	<b>44,235</b>	<b>18,570</b>	<b>(39,519)</b>	<b>74,504</b>	
Result from discontinued operations .....	(4,783)	–	–	–	–	(4,783)	
<b>Result.....</b>	<b>26,898</b>	<b>19,537</b>	<b>44,235</b>	<b>18,570</b>	<b>(39,519)</b>	<b>69,721</b>	

(1) The financial information in the column headed 'Group' has been extracted from the audited consolidated financial statements of the Group for the year ended 31 December 2014, which are incorporated by reference into this Prospectus.

(2) The financial information in the column headed 'French Retail Portfolio' has been extracted from the income statements of the companies comprised in the French Retail Portfolio for the period 1 January 2014 until 18 December 2014, prepared under French GAAP.

(3) The financial information in the column headed 'Target' consists of gross rental income, service costs charged and paid, property expenses and net rental income information of the Target Portfolio for the year ended 31 December 2014, derived from the Seller's internal management accounts.

(4) The column headed 'IFRS conversion' shows the adjustments resulting from the conversion to IFRS of the financial information in the column headed 'French Retail Portfolio'.

**B.9 Profit forecast**

On the basis of developments in 2015 year to date, the Company for its existing business currently anticipates a compounded average growth of the Direct Result per Ordinary Share (based on the number of outstanding Ordinary Shares prior to the Offering) between 6% and 9% for 2016 as compared to 2014, which is in line with the earlier Direct Result per Ordinary Share forecasts that the Company made on 5 February 2015 and reconfirmed on 24 April 2015.

The Direct Result per Ordinary Share forecast for 2016 as compared to 2014 does not take into account the increase in the number of Ordinary Shares in issue as part of the Offering, the net proceeds of the Offering or the impact of the Acquisition.

		<p>The Company anticipates the Acquisition to be accretive (based on the outstanding number of Ordinary Shares subsequent to the Offering) to the 6% to 9% compounded average growth of Direct Result per Ordinary Share (based on the number of outstanding Ordinary Shares prior to the Offering) in the first full year (2016).</p> <p>The Group's Direct Result is defined as the sum of its net rental income, general costs, other income and expenses (i.e. other than exchange rate differences), interest income and expenses (except for certain items within interest charges (i.e. other than the interest addition to the real value of the conversion rights of convertible bonds, premiums paid on repurchased interest bearing debt and actuarial gains and losses on employee benefit plans)) and tax charges on direct result (<b>Direct Result</b>).</p>
<b>B.10</b>	<b>Qualifications in the auditor's report</b>	Not applicable.
<b>B.11</b>	<b>Working capital</b>	Not applicable. The Company believes that its working capital is sufficient for its present requirements; that is for at least 12 months from the date of the Prospectus.

<b>SECTION C – SECURITIES</b>		
<b>C.1</b>	<b>Type of security and security codes</b>	<p>Pursuant to the Offering, the Company is seeking to issue up to 5,250,000 new Ordinary Shares.</p> <p>Applications will be made to Euronext Amsterdam, a regulated market of Euronext Amsterdam N.V. (<b>Euronext Amsterdam</b>) for all the Ordinary Shares to be issued and to be admitted to listing and trading on Euronext Amsterdam. Admission of such Ordinary Shares issued will become effective and dealings in such Ordinary Shares will commence no later than 30 June 2015.</p> <p>Codes for the Offer Shares</p> <p>Symbol: WHA ISIN code: NL0000289213 Common code: 0001135912</p>
<b>C.2</b>	<b>Currency of the Ordinary Shares</b>	The Offer Shares will be denominated in Euro.
<b>C.3</b>	<b>Number of shares issued, par value per share</b>	As of the date of the Prospectus, the Company's issued share capital amounts to €35,020,921 and is divided into 35,020,921 Ordinary Shares with a nominal value of €1 each. All Ordinary Shares that are outstanding as of the date of the Prospectus are fully paid-up.
<b>C.4</b>	<b>Rights attached to securities</b>	Each Offer Share confers the right on the holder to cast one vote at a General Meeting. There are no voting restrictions, other than that the Company has no voting rights on the Ordinary Shares that it holds in treasury.
<b>C.5</b>	<b>Restrictions on free transferability of the securities</b>	<p>There are no restrictions on the transferability of the Ordinary Shares under the Articles of Association.</p> <p>However, the Ordinary Shares may be subject to specific regulations or restrictions of jurisdictions other than the Netherlands on transferability and resale and may not be transferred or resold into jurisdictions other than the Netherlands.</p>

		Specifically, subject to certain exceptions, none of the Offer Shares may be offered, issued, sold, pledged, taken up, delivered, renounced, or otherwise transferred in or into the United States, except pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.
<b>C.6</b>	<b>Listing and admission to trading</b>	Application has been made for admission to listing and trading of the Offer Shares on Euronext Amsterdam. Trading in the Offer Shares on Euronext Amsterdam is expected to commence on or about 9:00 hours (CEST) 30 June 2015, barring unforeseen circumstances. The Ordinary Shares are traded on Euronext Amsterdam under the symbol "WHA", ISIN code NL0000289213 and common code 00011135912.
<b>C.7</b>	<b>Dividend policy</b>	<p>The Company intends to gradually move towards a dividend pay-out ratio of 85-90% of the Direct Result that is in compliance with the fiscal distribution requirement to pay a dividend in cash that is at least equal to the fiscal profit of the Company, as is required for the Company to maintain its status as a FII under Dutch corporation tax law. Direct Result is a measure of commercial profit and generally exceeds the Company's fiscal profit relevant for the purposes of the FII regime. See Section 13 "<i>Regulatory Matters and Tax Status of the Group</i>" of the Registration Document.</p> <p>In 2014, 2013 and 2012, the Company's dividend pay-out ratio (calculated as the dividend paid divided by Direct Result) was 96.6%, 100% and 84.4%, respectively.</p>

#### SECTION D – RISK

<b>SECTION D – RISK</b>		
<b>D.1</b>	<b>Key risks relating to the Company's business and industry</b>	<p><b>Risks relating to the Group and the sector in which it operates</b></p> <ul style="list-style-type: none"> <li>• The Group's results are sensitive to changes in consumer confidence and spending and may be adversely affected by a slowing or reversal in economic recovery trends in the Netherlands, France, Belgium and Finland.</li> <li>• The value of the Group's properties is be impacted by market forces.</li> <li>• Real estate valuations are based on methods and other considerations that are not only subject to change but are inherently subjective and uncertain, and valuation reports, such as the ones contained in the Prospectus, may not accurately reflect the value of the real estate at which the properties could actually be sold.</li> <li>• The rents that the Group generates from its investment properties and the Group's Occupancy Rates would suffer if there were a decreased demand for, or increased supply of, rental space in shopping centres and offices in the markets in which the Group is active.</li> <li>• Competition for retaining existing and attracting new tenants in the property market may adversely affect the Group's Occupancy Rates and Like-for-Like Rental Growth.</li> <li>• Competition for acquisitions and sales in the property market may adversely affect the Group's earnings.</li> <li>• The Group's focus on shopping centres has increased its exposure to changes in consumer behaviour, including competition from alternative shopping channels such as the still growing internet shopping trend.</li> <li>• The Group is exposed to credit risk on rent payments from its tenants.</li> </ul>

		<ul style="list-style-type: none"> <li>• Increased maintenance, refurbishment and redevelopment costs may adversely affect the Group's results.</li> <li>• The Group is exposed to risks related to the acquisition of real estate properties, including that due diligence may fail to uncover hidden material deficiencies or defects or overvaluing of the properties.</li> <li>• If the Group fails to accurately assess a development opportunity or if tenant demand for a development project decreases, a substantial portion of the development project could remain vacant after completion.</li> <li>• The Group's development projects require large initial investments while they will start generating rental income only after a certain period of time, and are subject to various risks which could cause delays and increase the time until the projects generate rental income.</li> <li>• The Group may be liable for environmental remediation or decontamination of its properties or may be exposed to environmental claims.</li> <li>• The Group could be exposed to catastrophic events for which its properties are not insured or are not fully insured, such as fire, flooding, earthquakes or other force majeure events.</li> <li>• The Group is exposed to risks related to the safety of consumers and tenants in shopping centres, office buildings and other locations, including acts of terrorism and violence.</li> <li>• The Group is exposed to risks relating to ground leases (<i>erfpacht</i>).</li> <li>• The Group is subject to mandatory tenant protection laws in Belgium, the Netherlands and France that limit its flexibility in terminating or amending leases.</li> <li>• The Group is exposed to risks arising from the illiquid nature of real estate, which may result in selling properties at less than fair value should the Group be required to dispose of parts of the Portfolio on short notice.</li> <li>• The Group is now engaged in executing the Growth Phase of its strategy, and may not be able to successfully execute planned acquisitions, disposals, refurbishments or expansions of properties.</li> <li>• The Group could be adversely affected by a deterioration of the credit worthiness of other financial institutions.</li> <li>• If the Group loses or is unable to obtain licences necessary for its operations or expansion, it may not be able to carry on its business or parts of its current or planned businesses.</li> <li>• The unavailability or insolvency of contractors, subcontractors or other service providers may cause cost overruns, program delays or the acceptance of riskier contractor covenants.</li> <li>• The Group's development projects are subject to the hazards and risks normally associated with the construction and development of commercial real estate, any of which could result in increased costs and/or damage to persons or property.</li> </ul>
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		<ul style="list-style-type: none"> <li>• Loss of its managerial staff and failure to recruit or retain key personnel could hamper the ability of the Group to fulfil its strategies.</li> <li>• The Group's success is dependent on the quality of its local management.</li> <li>• The Group is exposed to risks arising from the susceptibility of the real estate market to fraud.</li> </ul>
		<p><b>Risks relating to the Acquisition</b></p> <ul style="list-style-type: none"> <li>• The Group may not be able to successfully and efficiently integrate the Acquisition into its operations or to realise the intended benefits of the Acquisition.</li> <li>• The closing of the Offering and the closing of the Acquisition are subject to conditions.</li> </ul> <p><b>Risks relating to the financing of the Group's activities</b></p> <ul style="list-style-type: none"> <li>• Access to capital on acceptable terms necessary for maintaining, growing and developing the Group's business and Portfolio may be difficult.</li> <li>• The Group's operations are restricted by the covenants of its financing instruments.</li> <li>• A breach of covenants under the Group's financing arrangements could entail increased interest payments, a forced sale of assets or a suspension of dividend payments, and cross-default provisions may exacerbate existing risks.</li> <li>• The Group is exposed to interest rate and currency risks and may have exposure in case of the unwinding of certain swaps.</li> </ul> <p><b>Risks relating to the structure of the Group</b></p> <ul style="list-style-type: none"> <li>• The Company is a holding company with no operations that relies on its operating subsidiaries to provide it with funds necessary to meet its financial obligations.</li> <li>• The Company may not be able to pay, or maintain the current levels of, cash dividends and the failure to do so could adversely affect the market price of the Ordinary Shares.</li> <li>• The Company could suffer adverse consequences if it fails to maintain its status as an FII in the Netherlands. The fulfilment of some FII requirements (such as the shareholder requirement) is beyond the Company's control.</li> <li>• The Group could suffer adverse consequences if it fails to maintain Wereldhave Belgium's status as a GVV/SIR or the SIIC status with respect to its French subsidiaries.</li> <li>• The Group could suffer adverse consequences if it fails to maintain its current beneficial tax structuring of its foreign investments due to changes in local tax law.</li> <li>• A material change in the laws and regulations to which the Group is subject, including in relation to RETT rates, the FII regime, the GVV/SIR regime or</li> </ul>



		<p>the SIIC regime, or in the interpretation or enforcement of such laws and regulations could materially adversely affect the business, results of operations and financial condition of the Group.</p> <ul style="list-style-type: none"> <li>• The return on the Group's investment in Wereldhave Belgium is subject to market fluctuations and the Company may not receive any dividends from Wereldhave Belgium.</li> <li>• Market perceptions concerning the instability of the euro and the potential re-introduction of individual currencies within the Eurozone could have adverse consequences for the Group.</li> <li>• There is a risk that the Company is or could become a passive foreign investment company, which could result in adverse U.S. federal income tax consequences to U.S. Holders.</li> </ul>
<b>D.3</b>	<b>Key information on the key risks that are specific to the securities</b>	<p><b>Risks relating to the Offering and the Ordinary Shares</b></p> <ul style="list-style-type: none"> <li>• The market price of the Ordinary Shares may fluctuate and may decline below the Offer Price.</li> <li>• The Company may in the future issue additional equity, which may impact the market price of the Ordinary Shares and could lead to a dilution of Shareholders' percentage ownership of Ordinary Shares.</li> <li>• Under certain circumstances, the Underwriting Agreement can be terminated by the Underwriters, at their discretion, which may result in the Offering being withdrawn.</li> <li>• The provisions in the Articles of Association and in contracts concluded by the Company may delay, discourage or prevent takeover attempts that may be favourable to the Shareholders.</li> <li>• The ability of Shareholders outside the Netherlands to serve process on or to enforce a foreign judgement against the Company or some or all of the members of the Management Board and/or Supervisory Board may be limited.</li> <li>• Shareholders may be subject to exchange rate risk as a result of adverse movements in the value of their local currencies against the Euro.</li> <li>• If securities or industry analysts do not publish research reports about the Group's business or industry or change their recommendations regarding the Ordinary Shares adversely, the market price and trading volume of the Ordinary Shares could decline.</li> </ul>

**SECTION E – ISSUE**

<b>E.1</b>	<b>Net proceeds and estimated expenses</b>	<p>The total net proceeds of the Offering are expected to be approximately €267.4 million based on the Company's closing share price of €52.16 per Ordinary Share as of 23 June 2015. The expenses related to the Offering are estimated to be approximately €6.4 million (excluding VAT) and include, among others, the commission for the Sole Global Coordinator and the Joint Bookrunners, the fees due to the AFM and Euronext Amsterdam, legal, accounting, property valuation and administrative expenses as well as publication costs and applicable taxes, if any.</p> <p>No expenses or taxes will be charged by the Company or the Underwriters to the applicants in the Offering.</p>
<b>E.2a</b>	<b>Reasons for the Offering, use of proceeds</b>	<p>The net proceeds of the Offering will be used to partly finance the intended Acquisition. Should the intended Acquisition not complete, the Company intends to use the net proceeds of the Offering for other potential acquisitions and/or for general corporate purposes.</p>
<b>E.3</b>	<b>Terms and conditions of the Offering</b>	<p><b>The Offering</b></p> <p>The Offering comprises up to 5,250,000 Ordinary Shares to be issued at the Offer Price to be announced in accordance with the procedures described in Section 8 "<i>The Offering</i>" of the Securities Note.</p> <p>The Offering consists of a private placement to institutional investors in the Netherlands and various other jurisdictions. The Offer Shares are being offered: (i) within the United States, to QIBs as defined in Rule 144A under the U.S. Securities Act, pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws in the United States and (ii) outside the United States, in accordance with Regulation S under the U.S. Securities Act. This Offering is made only in those jurisdictions in which, and only to those persons to whom, the Offering may be lawfully made.</p> <p>The Company may terminate the Offering in its absolute discretion at any time prior to Admission.</p> <p><b>Pre-emptive rights</b></p> <p>The statutory pre-emptive rights (<i>wettelijke voorkeursrechten</i>) of existing holders of Ordinary Shares have been excluded in connection with the Offering.</p> <p><b>Offer Period</b></p> <p>Subject to acceleration or extension of the timetable for the Offering, prospective investors may subscribe for Offer Shares during the period commencing on 24 June 2015 at 17:40 CEST and ending on or about 26 June 2015 at 8:00 CEST. In the event of an acceleration or extension of the Offer Period, pricing, allocation, listing, first trading, payment (in euro) for and delivery of the Offer Shares may be advanced or extended accordingly.</p> <p>If a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Offer Shares arises or is noted before the end of the Offer Period, a supplement to this Prospectus will be published, the Offer Period will be extended, if so required by the Prospectus Directive, the Dutch Financial Supervision Act or the rules promulgated thereunder, and investors who have already agreed to purchase Offer Shares may withdraw their subscriptions within two business days following the publication of the supplement, provided that the new factor, material mistake or inaccuracy arose or</p>

		<p>was noted before the final closing of the Offering.</p> <p><b>Timetable</b></p> <p>Subject to acceleration or extension of the timetable for, or withdrawal of, the Offering, the timetable below lists certain expected key dates for the Offering.</p> <table border="1"> <thead> <tr> <th>Event</th> <th>Time (CEST) and Date</th> </tr> </thead> <tbody> <tr> <td>Start of Offering</td> <td>24 June 2015 at 17:40 CEST</td> </tr> <tr> <td>End of Offering</td> <td>26 June 2015 at 8:00 CEST</td> </tr> <tr> <td>Publication of results of the Offering (Pricing Statement)</td> <td>26 June 2015 at 8:45 CEST</td> </tr> <tr> <td>Settlement Date (payment and delivery)</td> <td>30 June 2015</td> </tr> <tr> <td>Listing of and start of trading in the Offer Shares</td> <td>30 June 2015</td> </tr> </tbody> </table> <p>After the Offer Period has ended, the Company will announce the results of the Offering by means of a press release and file the press release as a pricing statement with the AFM.</p> <p><b>Payment</b></p> <p>Payment for the Offer Shares is expected to take place on the Settlement Date. The Offer Price must be paid in full in euro and is exclusive of any taxes and expenses, if any, which must be borne by the investor. Investors must pay the Offer Price in immediately available funds in full in Euro on or before the Settlement Date (or earlier in the case of an early closing of the Offer Period and consequent acceleration of pricing, first trading and payment and delivery).</p> <p><b>Delivery</b></p> <p>The Offer Shares will be delivered in book-entry form through the facilities of Euroclear Nederland.</p> <table border="1"> <thead> <tr> <th>Underwriter</th> <th>Percentage of Total Offer Shares</th> </tr> </thead> <tbody> <tr> <td>Goldman Sachs International .....</td> <td>55%</td> </tr> <tr> <td>Kempen &amp; Co .....</td> <td>25%</td> </tr> <tr> <td>ING.....</td> <td>20%</td> </tr> <tr> <td><b>Total.....</b></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b>Listing Agent</b></p> <p>Kempen &amp; Co. is the Listing Agent with respect to the Ordinary Shares on Euronext Amsterdam.</p> <p><b>Conditions to the Offering</b></p> <p>The Offering is subject to a number of customary conditions. If any or all of the conditions are not met or (if capable of waiver) waived by the Sole Global Coordinator and the Joint Bookrunners or if certain circumstances occur prior to payment for and delivery of the Offer Shares, the Sole Global Coordinator and the Joint Bookrunners will be allowed to terminate the Underwriting Agreement. In such event, the Offering will be withdrawn.</p>	Event	Time (CEST) and Date	Start of Offering	24 June 2015 at 17:40 CEST	End of Offering	26 June 2015 at 8:00 CEST	Publication of results of the Offering (Pricing Statement)	26 June 2015 at 8:45 CEST	Settlement Date (payment and delivery)	30 June 2015	Listing of and start of trading in the Offer Shares	30 June 2015	Underwriter	Percentage of Total Offer Shares	Goldman Sachs International .....	55%	Kempen & Co .....	25%	ING.....	20%	<b>Total.....</b>	<b>100%</b>
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E.4	Interests material to the Offering (including	Not applicable.																						

	<b>conflicting interests)</b>	
<b>E.5</b>	<b>Selling shareholders and lock-up arrangements</b>	<p>No person or entity is offering to sell Ordinary Shares as part of the Offering.</p> <p>The Company has agreed, with respect to itself and its subsidiaries, not to, among other restrictions:</p> <ul style="list-style-type: none"> <li>a) issue, offer (other than the Offering), sell, contract to issue or sell, grant any option, right or warrant to subscribe to or purchase or otherwise transfer or dispose of;</li> <li>b) grant or allow any encumbrance or beneficial interest to be created over; or</li> <li>c) enter into any agreement or any transaction that transfers in whole or in part, directly or indirectly, any of the economic consequences of ownership of,</li> </ul> <p>any shares in the Company or any securities convertible or exchangeable for shares in the Company or warrants or other rights to subscribe to or purchase shares in the Company for a period of 180 days following completion of the Offering, without the prior written consent of the Underwriters, in accordance with the terms of the Underwriting Agreement.</p> <p>Furthermore, for a period of 180 days following completion of the Offering the Company may not, and must procure that any member of the Group not, enter into any agreement, commitment or arrangement which is or may be material in the context of the business or affairs of the Company or the Group or in relation to the Offering unless the Company has obtained the prior written consent of the Underwriters, except for any acquisition or disposing of properties in the ordinary course of business at a purchase price value not exceeding €200 million in the aggregate.</p> <p>There is currently no agreement on the circumstances under which the Underwriters will provide such consent.</p>
<b>E.6</b>	<b>Dilution</b>	Existing holders of Ordinary Shares will suffer a dilution of their proportionate ownership and voting rights in the Company of approximately 13.0%, assuming the issue of 5,250,000 Offer Shares, as a result of the issue of the Offer Shares.
<b>E.7</b>	<b>Estimated expenses charged to the investor by the Company</b>	Not applicable.

**THIS SECURITIES NOTE, THE REGISTRATION DOCUMENT AND THE SUMMARY (AS DEFINED BELOW) ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you should immediately contact your stockbroker, accountant or other independent financial adviser, who is authorised under the Dutch Financial Supervision Act (Wet op het financieel toezicht) (the Dutch Financial Supervision Act) if you are in the Netherlands, or another appropriately authorised independent financial adviser if you are in a territory outside the Netherlands.**

This securities note (this **Securities Note**), the registration document (the **Registration Document**) and the summary (the **Summary**) together constitute a prospectus (the **Prospectus**) for the purposes of Article 3 of Directive 2003/71/EC of the European Parliament and the Council of the European Union (EU) (as amended, including by Directive 2010/73/EC) (the **Prospectus Directive**) relating to Wereldhave N.V. (the **Company** or **Wereldhave**) and has been prepared in accordance with chapter 5.1 of the Dutch Financial Supervision Act and the rules promulgated thereunder. The Prospectus has been approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the **AFM**). The Prospectus will be made available to the public in accordance with Section 5:21 of the Dutch Financial Supervision Act at [www.wereldhave.com](http://www.wereldhave.com).

**Investing in the Company's ordinary shares (the Ordinary Shares) involves certain risks. See Section 1 "Risk Factors" of this Securities Note and Section 1 "Risk Factors" of the Registration Document for a description of the risk factors one should carefully consider before investing in the Ordinary Shares.**

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## **Wereldhave N.V.**

*(a public company with limited liability (naamloze vennootschap) incorporated under the laws of the Netherlands, with its corporate seat in municipality Haarlemmermeer, the Netherlands)*

### **Securities Note**

**Offering of up to 5,250,000 Ordinary Shares**

**and**

**admission to listing and trading of up to 5,250,000 Ordinary Shares on Euronext Amsterdam**

*Sole Global Coordinator and Joint Bookrunner*

**Goldman Sachs International**

*Joint Bookrunners*

**Kempen & Co      ING**

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The Prospectus relates to the offering and listing of up to 5,250,000 new Ordinary Shares with a nominal value of €1 each in the capital of the Company at a price to be announced in accordance with the procedures described in Section 6 "The Offering" of this Securities Note (the **Offer Price**) per Offer Share (the **Offering**).

The Offer Price and the exact number of offer shares (the **Offer Shares**) will be determined at the end of the offer period as described herein (the Offer Period), and after taking into account the conditions described in Section 6 "The Offering" of this Securities Note. The Offer Period will

commence on 24 June 2015 at 17:40 Central European Summer Time (CEST) and is expected to end on or about 26 June 2015 at 8:00 CEST, subject to acceleration or extension of the timetable for the Offering.

A number of factors will be considered in determining the Offer Price, the amount raised in the Offering and the basis of allocation, including the level and nature of demand for the Offer Shares during the book-building process, prevailing market conditions and the objective of establishing an orderly after-market in the Offer Shares. Unless required to do so by law or regulation, the Company does not envisage publishing any supplementary prospectus or a pricing statement, as the case may be, until announcement of the Offer Price. A pricing statement containing the Offer Price, confirming the number of Offer Shares which are the subject of the Offering and containing any other outstanding information (the **Pricing Statement**) is expected to be published in accordance with the expected timetable set out on page 17 of this Securities Note. The Pricing Statement will be available on the Company's website at <http://www.wereldhave.com>.

Goldman Sachs International is acting as sole global coordinator and joint bookrunner (the **Sole Global Coordinator**), Kempen & Co N.V. (**Kempen & Co**) and ING Bank N.V. (**ING**) are acting as joint bookrunners (each a Joint Bookrunner, together with Goldman Sachs International, the **Joint Bookrunners** or the **Underwriters**) for the purpose of the Offering.

No action has been taken to permit the distribution of this Securities Note in any jurisdiction other than the Netherlands. Accordingly, this Securities Note may not be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such offer or solicitation.

This Securities Note is not being sent to investors with registered addresses in Canada, Australia, the Republic of South Africa, New Zealand, Japan or, except in the limited circumstances described below, the United States, and does not constitute an offer to sell, or the solicitation of an offer to buy, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this Securities Note is not for release, publication or distribution in or into Canada, Australia, the Republic of South Africa, New Zealand, Japan or, except in the limited circumstances described below, the United States.

Investing in the Company's Ordinary Shares involves certain risks. See Section 1 of this Securities Note as well as Section 1 of the Registration Document entitled "Risk Factors" for a description of the risk factors one should carefully consider before investing in the Ordinary Shares.

The Securities Note should be read in conjunction with the information contained in the Summary and the Registration Document.

The Offering consists of a private placement to institutional investors in the Netherlands and various other jurisdictions. The Offer Shares are being offered: (i) within the United States, to qualified institutional buyers (**QIBs**) as defined in Rule 144A (**Rule 144A**) under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**), pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws in the United States, and (ii) outside the United States, in accordance with Regulation S (**Regulation S**) under the U.S. Securities Act.

**The Offer Shares have not been and will not be registered under the U.S. Securities Act or under any securities laws of any state or other jurisdiction of the United States. Accordingly, none of the Offer Shares may be offered, issued, sold, pledged, taken up, delivered, renounced or otherwise transferred in or into the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offering of the Offer Shares in the United States.**

EXCEPT AS OTHERWISE SET OUT IN THE PROSPECTUS, THE OFFERING DESCRIBED IN THE PROSPECTUS IS NOT BEING MADE TO SHAREHOLDERS OR INVESTORS IN THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN.

The distribution of the Prospectus or Offer Shares is restricted by law in certain jurisdictions. The Prospectus may only be used where it is legal to offer, solicit offers to purchase or sell Offer Shares. Persons who obtain the Prospectus are required to inform themselves about and to observe all such restrictions.

No action has been or will be taken to permit the offer or sale of Offer Shares, or the possession or distribution of the Prospectus or any other material in relation to the Offering in any jurisdiction outside the Netherlands where action may be required for such purpose. Accordingly, neither the Prospectus nor any advertisement or any other related material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

The Offer Shares have not been approved or disapproved by the Securities and Exchange Commission, any state securities commission in the United States or any other regulatory authority of or in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Offer Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

The Offer Shares offered outside the United States are being offered in reliance on Regulation S under the U.S. Securities Act. In addition, until 40 days after the publication date, an offer, sale or transfer of the Offer Shares within the United States by a broker/dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act.

Copies of this Securities Note, the Registration Document and the Summary (along with any future Securities Note and future Summary) will be available on the Company's website ([www.wereldhave.com](http://www.wereldhave.com)) and the register approved prospectuses of the AFM at [www.afm.nl](http://www.afm.nl) and hard copies of the Prospectus can be obtained free of charge from the Company, at Schiphol Boulevard 233, WTC Schiphol, 1118 BH Schiphol, the Netherlands.

The Prospectus is prepared by the Company solely in connection with and for the purpose of the admission of the Offer Shares to trading on Euronext Amsterdam. The Prospectus may not be used for or in connection with and does not constitute any offer to sell or an invitation to purchase any of the Offer Shares in any jurisdiction in which such is not authorised or would be unlawful. If a person is in any doubt as to his position he should consult

his professional adviser without delay. See Section 3 “*Important Information—Information for US and other foreign investors*” of this Securities Note.

The Offer Shares will be delivered in book-entry form through the facilities of Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (**Euroclear Nederland**).

**NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY**

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES (RSA 421-B) WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

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## 1. RISK FACTORS

*Before making an investment decision with respect to the Ordinary Shares, prospective investors should consider carefully all of the information in the Prospectus, including the following specific risks and uncertainties. If any of the following risks actually occurs, the Group's business, results of operations or financial condition or the market price of the Ordinary Shares could be materially adversely affected. In that event, the value of the Ordinary Shares could decline and investors might lose part or all of their investment. The Group believes that the risks and uncertainties described below are the material risks and uncertainties relating to the Group, the Group's business, the Offering and the Ordinary Shares. Additional risks and uncertainties presently unknown to the Group or that the Group currently deems immaterial may also have a material adverse effect on the Group's business, results of operations or financial condition and could negatively affect the market price of the Ordinary Shares. All of these factors are contingencies which may or may not occur. The Group may face a number of the risks described below simultaneously.*

*Prospective investors should also read the detailed information set out elsewhere in the Prospectus, including, in particular, the Risk Factors in the Registration Document, and should reach their own views before making an investment decision with respect to the Ordinary Shares. Furthermore, before making an investment decision with respect to the Ordinary Shares, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers and carefully review the risks associated with such an investment decision and consider such an investment decision with respect to the Ordinary Shares in light of their prospective personal circumstances.*

### **Risks relating to the Offering and the Ordinary Shares**

#### ***The market price of the Ordinary Shares may fluctuate and may decline below the Offer Price.***

The market price of the Ordinary Shares (including, for the avoidance of doubt, the Offer Shares) may fluctuate and may decline widely in the future. Therefore, the Offer Price of the Offer Shares at the time of the Offering may not be indicative of the market price of the Ordinary Shares after the Offering has been completed. The market price of the Ordinary Shares may fluctuate, depending upon many factors beyond the Company's control. The market price of the Ordinary Shares may be significantly affected by, among others, the following factors: (i) the Group's actual or anticipated operational results, (ii) the level of the Group's debt, (iii) future issues of Ordinary Shares or rights to acquire Ordinary Shares, (iv) changes in, or the Group's failure to meet, securities analysts' expectations, (v) general market conditions, and (iv) the factors listed in Section 1 "Risk Factors—Risks relating to the Group and the sector in which it operates" of the Registration Document. The market price of the Ordinary Shares is also subject to fluctuations in response to the Offering and the investor perception of the success and impact of the Offering. As a result of these and other factors, the Ordinary Shares may trade at market prices significantly below the Offer Price and the net asset value of the Group's investments. The Company cannot assure that the market price of the Ordinary Shares will not decline.

#### ***The Company may in the future issue additional equity, which may impact the market price of the Ordinary Shares and could lead to a dilution of Shareholders' percentage ownership of Ordinary Shares.***

The Company may in the future seek to obtain funding by way of issuing additional equity and may exclude the statutory pre-emptive rights (*wettelijke voorkeursrechten*), including in respect of issues of Ordinary Shares where the offer price is lower than the net asset value attributable to the Ordinary Shares, accruing to the holders of the then issued and outstanding Ordinary Shares, which would dilute Shareholders' percentage ownership of Ordinary Shares and may have a negative impact on the market price of the Ordinary Shares and/or increase the volatility of the market price of the Ordinary Shares. On 24 April 2015, the General Meeting designated the Management Board as the competent body to issue Ordinary Shares, and to exclude the pre-emptive rights in respect of such issues, for a period of 18 months. The authorisation is limited to 10% of the Company's issued share capital as at 24 April 2015 plus an additional 10% of the Company's issued share capital in case of a merger or acquisition for a period of 18 months starting as per the same moment. As a result, the Management Board has the authority to issue a substantial number of new Ordinary Shares without further Shareholder authorisation, resulting in the possibility for substantial additional dilution with little advice. The acquisition of or participation in other companies in return for newly issued Ordinary Shares or the issuance of Ordinary Shares to the Management Board or to employees under any incentive plans could also lead to such dilution.

#### ***Under certain circumstances, the Underwriting Agreement can be terminated by the Underwriters, at their discretion, which may result in the Offering being withdrawn.***

The Underwriting Agreement provides that the obligations of the Sole Global Coordinator and the Joint Bookrunners, in their capacity of underwriter, are subject to certain conditions being met and the Underwriting Agreement not being terminated. The following conditions, among others, must not have occurred prior to the closing of the Offering: a material adverse change in the general affairs, business, credit rating, condition (financial or otherwise), results of operations or prospects of the Group or the Target Portfolio (taken as a whole); a material adverse event or calamity affecting the Netherlands, the United Kingdom or the United States; a suspension or material limitation in trading in securities generally on the New York Stock Exchange, the London Stock Exchange or Euronext or a limitation on trading in the Ordinary Shares on Euronext; or breach of representations and warranties under the Underwriting Agreement. See Section 11 “Plan of Distribution”. If any or all of the conditions are not met, or (if capable of waiver) waived by the Underwriters, or if certain circumstances occur prior to payment for and delivery of the Offer Shares, the Underwriters will be allowed to terminate the Underwriting Agreement. In such event, the obligations of the Underwriters to subscribe and pay for any Offer Shares subscribed for in the Offering but not paid for by such subscribers on the Settlement Date will lapse. In such event, the Offering will be withdrawn. Upon withdrawal of the Offering, (i) subscriptions for and allocations of Offer Shares that have been made will be disregarded, and (ii) any subscription payments made and received by the Company, the Underwriters or the Listing Agent will be returned without interest or compensation.

***The provisions in the Articles of Association and in contracts concluded by the Company may delay, discourage or prevent takeover attempts that may be favourable to the Shareholders.***

The Articles of Association contain protection provisions that may have the effect of preventing, discouraging or delaying a change of control. Stichting tot het houden van preferente aandelen Wereldhave (the **Foundation**) has a call option granted by the Company. On each exercise of the call option, the Foundation is entitled to acquire from the Company Protective Preference Shares up to a maximum corresponding with 100% of the issued share capital of the Company excluding the Protective Preference Shares as outstanding immediately prior to the exercise of the call option, less one Ordinary Share, from which maximum any Protective Preference Shares already placed with the Foundation at the time of the exercise of the call option shall be deducted. The Foundation may exercise its option right repeatedly, each time up to the aforementioned maximum. See Section 8 “Description of Share Capital and Corporate Governance—The Foundation”.

The issuance of Protective Preference Shares in this manner would cause substantial dilution to the voting power of any Shareholder, including a Shareholder attempting to gain control of the Company, and could therefore have the effect of preventing, discouraging or delaying a change of control over the Company that might otherwise be in the best interests of certain Shareholders, or have otherwise resulted in an opportunity for Shareholders to sell the Ordinary Shares at a premium to the then prevailing market price. This anti-takeover measure may have an adverse effect on the market price of the Ordinary Shares.

The Company is incorporated under the laws of the Netherlands. Accordingly, the rights and obligations of holders of Ordinary Shares may be different in certain respects from the rights and obligations of shareholders of companies incorporated under the laws of other jurisdictions, including the United States. The exercise of certain rights by holders of Ordinary Shares outside the Netherlands may be more difficult and costly than the exercise of those rights by shareholders of companies incorporated under the laws of other jurisdictions.

***The ability of Shareholders outside the Netherlands to serve process on or to enforce a foreign judgement against the Company or some or all of the members of the Management Board and/or Supervisory Board may be limited.***

It may be difficult for Shareholders outside the Netherlands to serve process on or to enforce a foreign judgement against the Company or some or all of the members of the Management Board and/or Supervisory Board. All of the members of the Management Board and Supervisory Board are Dutch citizens. Consequently, it may not be possible for a Shareholder outside the Netherlands to effect service of process upon them within such Shareholder’s country of residence or to enforce against them judgements of courts of such Shareholder’s country of residence based on civil liabilities under that country’s securities laws. In addition, Dutch or other courts may not impose civil liability on the members of the Management Board and/or Supervisory Board in any original action based solely on foreign securities laws brought against the Company or the members of the Management Board and/or Supervisory Board in a court of competent jurisdiction in the Netherlands or other countries.

***Shareholders may be subject to exchange rate risk as a result of adverse movements in the value of their local currencies against the Euro.***

The Offer Shares will be priced in Euro and any dividends that the Company may declare and pay will be declared and paid in Euro. Accordingly, Shareholders resident in non-Euro jurisdictions may be subject to exchange rate risk as a result of adverse movements in the value of their local currencies against the Euro, which may reduce the value of the Ordinary Shares (including, for the avoidance of doubt, the Offer Shares), as well as that of any dividends declared and paid.

***If securities or industry analysts do not publish research reports about the Group's business or industry, or if such analysts change their recommendations regarding the Ordinary Shares adversely, the market price and trading volume of the Ordinary Shares could decline.***

The trading market for the Ordinary Shares is influenced by the research reports that securities or industry analysts publish about the Group's business or industry. If one or more of the analysts who cover the Group's business or industry downgrade the Ordinary Shares the market price of the Ordinary Shares could decline. If one or more of these analysts ceases to cover the Group's business or industry or fails to regularly publish reports on it, the Group could lose visibility in the financial markets, which could cause the market price of the Ordinary Shares or trading volume to decline.

***Market perceptions concerning the instability of the Euro and the potential re-introduction of individual currencies within the Eurozone could have adverse consequences for the Group.***

Financial markets and the supply of credit may be negatively impacted by recent developments in Greece and fears surrounding the sovereign debts and/or fiscal deficits of several countries in Europe (primarily Greece but also, potentially Italy, Portugal and Spain), the possibility of further downgrading of, or defaults on, sovereign debt, concerns about a slowdown in growth in certain economies and uncertainties regarding the overall stability of the Euro and the sustainability of the Euro as a single currency given the diverse economic and political circumstances in individual member states. Governments and regulators in certain Eurozone countries have implemented austerity programs and other remedial measures to respond to the Eurozone debt crisis and stabilize the financial system, but the actual impact of such programs and measures are difficult to predict. For example, the current Greek government is attempting to renegotiate bailout terms and/or terms relating to the repayment of Greek national debt and prompting concerns Greece's exit from the Eurozone, which could, in turn, undermine confidence in the overall stability of the euro.

If one or more countries in the Eurozone default on their debt obligations and/or cease using the Euro and re-establish their own national currency, it is possible that there would be significant, extended and generalised dislocation in the financial markets as well as the wider economy, which may negatively affect the Group's business, results of operations and financial condition, especially as its operations are primarily in Europe. In addition, the departure of one or more countries from the Eurozone may lead to the imposition of, among other things, exchange rate control laws. Should the Euro dissolve entirely, the legal and contractual consequences for holders of euro-denominated obligations and for parties subject to other contractual provisions referencing the Euro would be determined by laws in effect at such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect the Group's operations, and values of its properties and could also, in the event of a significant decline on the value of the euro, have adverse consequences for the Group with respect to its outstanding debt obligations that are not euro-denominated.

## 2. DIRECTORS, MANAGEMENT AND ADVISORS

<b>Board of Directors</b>	Dirk Anbeek (CEO) Robert Bolier (CFO)
<b>Supervisory Board</b>	Joop van Oosten (Chairman) Joost Bomhoff Herman van Everdingen Femke Weijtens Bert Groenewegen
<b>Registered Office</b>	Schiphol Boulevard 233 WTC Schiphol 1118 BH Schiphol The Netherlands
<b>Sole Global Coordinator and Joint Bookrunner</b>	Goldman Sachs International Peterborough Court 133 Fleet Street London EC4A 2BB United Kingdom
<b>Joint Bookrunner</b>	Kempen & Co N.V. Beethovenstraat 300 1077 WZ Amsterdam The Netherlands
<b>Joint Bookrunner</b>	ING Bank N.V. Bijlmerplein 888 1102 MG Amsterdam The Netherlands
<b>Legal Advisors to the Company as to Dutch law</b>	Allen & Overy LLP Apollolaan 15 1077 AB Amsterdam The Netherlands
<b>Legal Advisors to the Company as to U.S. law</b>	Allen & Overy LLP One Bishop Square London E1 6AD United Kingdom
<b>Legal Advisors to the Underwriters as to Dutch law</b>	Freshfields Bruckhaus Deringer LLP Strawinskylaan 10 1077 XZ Amsterdam The Netherlands
<b>Legal Advisors to the Underwriters as to U.S. law</b>	Freshfields Bruckhaus Deringer LLP 65 Fleet Street London EC4Y 1HS United Kingdom
<b>Auditor &amp; Reporting Accountant</b>	PricewaterhouseCoopers Accountants N.V. Thomas R. Malthusstraat 5 1066 JR Amsterdam The Netherlands

### 3. IMPORTANT INFORMATION

*The Company accepts responsibility for the information contained in the Prospectus. To the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is in accordance with the facts and contains no omission likely to affect its import. Potential investors should not assume that the information in the Prospectus is accurate as of any other date than the date of the Prospectus.*

*No person is or has been authorised to give any information or to make any representation in connection with the Offering, other than as contained in the Prospectus, and, if given or made, any other information or representations must not be relied upon as having been authorised by the Company. The delivery of the Prospectus at any time after the date hereof will not, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof or that the information set forth in the Prospectus is correct as of any time since its date.*

#### **Information for U.S. and other foreign investors**

**The Offer Shares have not been and will not be registered under the U.S. Securities Act or under any securities laws of any state or other jurisdiction of the United States. Accordingly, none of the Offer Shares may be offered, issued, sold, pledged, taken up, delivered, renounced or otherwise transferred in or into the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offering of the Offer Shares in the United States.**

EXCEPT AS OTHERWISE SET OUT IN THE PROSPECTUS, THE OFFERING DESCRIBED IN THE PROSPECTUS IS NOT BEING MADE TO SHAREHOLDERS OR INVESTORS IN THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN.

The distribution of the Prospectus, the offer or sale of Offer Shares is restricted by law in certain jurisdictions. The Prospectus may only be used where it is legal to offer, solicit offers to purchase or sell Offer Shares. Persons who obtain the Prospectus are required to inform themselves about and to observe all such restrictions.

No action has been or will be taken to permit the offer or sale of Offer Shares, or the possession or distribution of the Prospectus or any other material in relation to the Offering in any jurisdiction outside the Netherlands where action may be required for such purpose. Accordingly, neither the Prospectus nor any advertisement or any other related material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

The Offer Shares have not been approved or disapproved by the Securities and Exchange Commission, any state securities commission in the United States or any other regulatory authority of or in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Offer Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

The Offer Shares offered outside the United States are being offered in reliance on Regulation S under the U.S. Securities Act. In addition, until 40 days after the publication date, an offer, sale or transfer of the Offer Shares within the United States by a broker/dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act.

The assurance reports issued by PricewaterhouseCoopers Accountants N.V. on the unaudited pro forma combined financial information and the profit forecast are not intended to be relied on in the United States of America and we accept no responsibility for any use that you may make of them in the United States of America. The work performed by PricewaterhouseCoopers Accountants N.V. has not been carried out in accordance with auditing standards generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards.

Investors who have a registered address in, or who are resident or located in, jurisdictions other than the Netherlands and any person (including, without limitation, agents, custodians, nominees and trustees) who has a contractual or other legal obligation to forward the Prospectus to a jurisdiction outside the Netherlands should read Section 12 "Selling and Transfer Restrictions".

In the United Kingdom, the Prospectus is being distributed only to, and is directed only at, persons (a) who have professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (**Order**), or (b) who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2) of the Order, or (c) who are believed on reasonable grounds to be persons to whom Article 43(2) of the Order applies for these purposes, or (d) to whom it may lawfully be communicated (all such persons being referred to in (a), (b), (c) and (d) are defined as **Relevant Persons**). In the United Kingdom, any investment or investment activity to which the Prospectus relates is only available to and will only be engaged in with Relevant Persons. Any other persons who receive the Prospectus should not rely on or act upon it.

Subject to certain exceptions, the Prospectus should not be forwarded or transmitted in or into the United States, Canada, Australia or Japan.

The Prospectus will be published in English only. Terms used in the Prospectus are defined in Section 15 “*Definitions and Glossary*”.

### **Responsibility statement**

The Prospectus is made available by the Company. The Company accepts sole responsibility for the information contained in the Prospectus. The Company declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is, to the best of its knowledge and beliefs, in accordance with the facts and contains no omission likely to affect its import.

### **No responsibility**

No representation or warranty, express or implied, is made or given by or on behalf of the Sole Global Coordinator, the Joint Bookrunners or any of their respective affiliates or any of their respective directors, officers or employees or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in the Prospectus, or incorporated by reference herein, and nothing in the Prospectus, or incorporated by reference herein, is, or shall be relied upon as, a promise or representation by the Sole Global Coordinator, the Joint Bookrunners or any of their respective affiliates as to the past or future.

None of the Sole Global Coordinator and the Joint Bookrunners, each in any of their respective capacities in connection with the Offering, accepts any responsibility whatsoever neither for the contents of the Prospectus nor for any other statements made or purported to be made by either itself or on its behalf in connection with the Company, the Offering or the Offer Shares. Accordingly, the Sole Global Coordinator and the Joint Bookrunners disclaim all and any liability, whether arising in tort or contract or otherwise in respect of the Prospectus and/or any such statement.

Although the Sole Global Coordinator and the Joint Bookrunners are party to various agreements pertaining to the Offering and each of the Sole Global Coordinator and the Joint Bookrunners has or might enter into a financing arrangement with the Company, this should not be considered as a recommendation by any of them to invest in the Offer Shares.

### **Documents incorporated by reference**

The Group’s historical consolidated financial information is incorporated by reference into the Prospectus as set out in Section 16 “*Documents Incorporated by Reference*” of the Registration Document.

The historical consolidated financial information contained or incorporated by reference into the Prospectus, including the audited consolidated financial statements as of and for each of the years ended 31 December 2012, 2013 and 2014, (the **Financial Statements**) the unaudited financial statements as of and for the three month periods ended 31 March 2015 and 2014 (the **2015 Interim Financial Statements**) and, except where stated otherwise, the financial data contained in the Summary, and Section 7 “*Selected Historical Financial and Business Information*” of the Registration Document have been prepared in accordance with IFRS.

## **Market and industry information**

All references to market data, industry statistics and industry forecasts in the Prospectus consist of estimates compiled by industry professionals, organisations, analysts, publicly available information or the Group's own knowledge of its sales and markets.

Industry publications generally state that their information is obtained from sources they believe reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions.

In the Prospectus, the Group makes certain statements regarding its competitive and market position. The Group believes these statements to be true, based on market data and industry statistics.

The information in the Prospectus that has been sourced from third parties has been accurately reproduced and, as far as the Group is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

### ***BREEAM Certification***

The Building Research Establishment Environmental Assessment Methodology (**BREEAM**) is an internationally utilised, scientifically-based method of assessing, rating and certifying the sustainability of buildings. Certified assessment scores are awarded on a star basis, with one star indicating an acceptable rating and six stars indicating an outstanding rating.

### ***CBRE***

As appropriate, CBRE Valuation Advisory B.V., a private limited company incorporated in the Netherlands and employing qualified valuers in accordance with the RICS Valuation – Professional Standards (January 2014) or CBRE Finland oy, a private limited company incorporated in Finland and employing qualified valuers in accordance with the RICS Valuation – Professional Standards (January 2014) (**CBRE**).

### ***Cushman & Wakefield***

Cushman & Wakefield is a privately held commercial real estate firm offering services including, among others, consulting, property valuation and appraisal.

### ***DTZ***

DTZ is a global company in the integrated property services industry providing occupiers and investors with services including, among others, investment and asset management, valuation, building consultancy and project management. In addition, DTZ's research and consulting services provide clients with global and local market knowledge, forecasting and trend analysis.

### ***Eurostat***

Eurostat is the statistical office of the European Union situated in Luxembourg and is a service of the Commission that is headed by an independent director general. Its task is to provide the European Union with statistics at the European level that enable comparisons between countries and regions.

### ***JLL***

Jones Lang LaSalle, Inc. (**JLL**) a professional services and investment management company specializing in real estate, with services including, among others, valuations and consulting and investment management.

### ***OECD***

Organisation for Economic Co-operation and Development (**OECD**) is an international economic research and discussion organisation, based in Paris.

**No incorporation of website**

With the exception of the documents incorporated by reference herein as specified in Section 16 “*Documents Incorporated by Reference*” of the Registration Document, the contents of the Group’s website, including any websites accessible from hyperlinks on the Group’s website do not form part of, and are not incorporated by reference into, the Prospectus.

**Notice to investors**

The distribution of the Prospectus in certain jurisdictions may be restricted by law. Persons in possession of the Prospectus are required to inform themselves about and to observe any such restrictions. The Prospectus may not be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, any of the Offer Shares offered hereby in any jurisdiction in which such offer or invitation would be unlawful.

**Notice to investors in the United States**

The Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold, pledged or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws. Accordingly, the Offering is being extended (i) in the United States, to QIBs pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and applicable state securities laws, and (ii) outside the United States, in offshore transactions in accordance with Regulation S. Any Offer Shares offered and sold in the United States will be subject to certain transfer restrictions as described in the Prospectus. See Section 12 “*Selling and Transfer Restrictions*”. The Offer Shares have not been recommended by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Prospectus. Any representation to the contrary is a criminal offence in the United States.

The assurance reports issued by PricewaterhouseCoopers Accountants N.V. on the unaudited pro forma combined financial information and the profit forecast are not intended to be relied on in the United States of America and we accept no responsibility for any use that you may make of them in the United States of America. The work performed by PricewaterhouseCoopers Accountants N.V. has not been carried out in accordance with auditing standards generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards.

**Enforcement of civil liabilities**

The ability of Shareholders in certain countries other than the Netherlands to bring an action against the Company may be limited under applicable law. The Company is a public limited liability company (*naamloze vennootschap*) incorporated in the Netherlands and has its statutory seat (*statutaire zetel*) in municipality Haarlemmermeer, the Netherlands. All of the members of the Management Board and the Supervisory Board and other officers of the Group named herein are non-residents of the United States. All or a substantial portion of the assets of such persons and of the Company are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or the Company or to enforce judgments obtained in courts in the United States. In addition, there is doubt as to the enforceability, in the Netherlands, of original actions or actions for enforcement based on the federal or state securities laws of the United States or judgments of courts in the United States, including judgments predicated upon the civil liability provisions of the U.S. federal or state securities laws.

The United States and the Netherlands do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Accordingly, a judgment rendered by a court in the United States will not be recognised and enforced by the Dutch courts. However, if the party in whose favour a final judgment is rendered brings a new suit in a competent court in the Netherlands, that party may submit to the Dutch court the final judgment that has been rendered in the United States. A judgment by a federal or state court in the United States against the Company will neither be recognised nor enforced by a Dutch court but such judgment may serve as evidence in a similar action in a Dutch court. Additionally, under current practice, a Dutch court will generally uphold and consider as conclusive evidence a final and conclusive judgment for a payment of money rendered by a federal or state court in the United States if (i) that final judgment resulted from legal proceedings compatible with Dutch notions of due process, (ii) that final judgment does not contravene public policy of the



Netherlands, (iii) the jurisdiction of the United States federal or state court has been based on grounds that are internationally acceptable and (iv) the final judgment has not been rendered in proceedings of a penal, revenue or other public law nature. It is uncertain whether this practice extends to default judgments as well. If a Dutch court upholds and regards as conclusive evidence the final judgment, that court generally will grant render a judgment in accordance with the judgment of the relevant court in the United States, the same judgment without renewed litigation on the merits. However, Dutch courts may deny the recognition and enforcement of punitive damages. Moreover, a Dutch court may reduce the amount of damages granted by a court in the United States and recognise damages only to the extent that they are necessary to compensate actual losses or damages. Enforcement and recognition of judgments of courts in the United States in the Netherlands are governed by the provisions of the Dutch Civil Procedure Code and pertinent Dutch case law.

#### 4. FORWARD LOOKING STATEMENTS

Certain statements contained in the Prospectus that are not historical facts are “forward-looking statements”. Forward-looking statements include statements regarding the Group’s future result of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the market in which the Group operates. Forward-looking statements are typically identified by the use of forward-looking terminology such as “may”, “will”, “would”, “should”, “expect”, “intend”, “estimate”, “anticipate”, “project”, “believe”, “could”, “hope”, “seek”, “plan”, “foresee”, “aim”, “objective”, “potential”, “goal”, “strategy”, “target”, “continue” and comparable terminology or their negatives. Forward-looking statements may be found principally in the Securities Note in Section 1 “*Risk Factors*” as well as Section 1 “*Risk factors*” in the Registration Document, Section 5 “*Reasons for the Offering*”, Section 5 “*Dividends and Dividend Policy*” of the Registration Document, Section 6 “*Business*” of the Registration Document and Section 8 “*Operating and Financial Review*” of the Registration Document and elsewhere.

Forward-looking statements are based on the Company’s beliefs, assumptions, intentions or current expectations and projections regarding future events and trends, taking into account all information currently available to the Group, and are not guarantees of future performance. These beliefs, assumptions, intentions and expectations can change as a result of possible events or factors, many of which are beyond the Group’s control and currently not known to the Group. If a change occurs, the Group’s business, financial condition, liquidity, results of operations, anticipated growth, strategies or opportunities may vary materially from those expressed in, or suggested by, these forward-looking statements. Important events and factors that could cause those differences include, but are not limited to:

- changes in the general economic and political conditions in the countries in which the Group operates, including, for example, interest rates and employment rates, consumer confidence and spending and inflation;
- realisation of the expected benefits of the Acquisition;
- integration of and realisation of the expected benefits from the French Retail Portfolio Acquisition (as defined in Section 6 “*Business – Market outlook and competition*” of the Registration Document);
- integration of and realisation of the expected benefits from the French Retail Portfolio Acquisition;
- execution of projects in the development pipeline;
- lower Occupancy Rates and vacancy at the Group’s properties;
- the Group’s ability to retain major tenants and renew related contracts;
- changes in the Group’s strategy or investment policies and objectives;
- adverse changes in the fair value of the Group’s Portfolio;
- changes in yields and the values of, or returns on, investments that the Group makes;
- the Group’s leverage and ability to obtain additional financing or refinance existing indebtedness on reasonable terms;
- the Group’s ability to generate sufficient cash to satisfy working capital requirements and service its existing and future indebtedness;
- the Group’s ability to execute the Growth Phase of its strategy and to find and acquire properties which fit the Group’s investment policies and objectives and to find purchasers for the Group’s projects and properties it is prepared to sell;
- the implementation of new tax and accounting rules and standards;
- government intervention resulting in changes to the regulatory environment in countries where the Group operates;
- the Group’s ability to satisfy the conditions required to maintain the FII status, GVV/SIR and SIIC status;

- increased competition within the real estate markets in the countries or markets in which the Group operates;
- changes in interest rates as well as the Group's ability to implement its hedging strategy in relation to such changes;
- market perceptions concerning the instability of the Euro and the potential re-introduction of individual currencies within the Eurozone;
- lost time and money pursuing acquisitions that do not reach completion;
- the Company's dependence on key individuals within the Management Board; and
- force majeure occurrences.

Should one or more of these risks or uncertainties materialize, or should any assumptions underlying forward-looking statements prove to be incorrect, the Company's actual results could differ materially from those expressed or implied by forward-looking statements. Additional risks not known to the Company or that the Company does not currently consider material could also cause the events and trends discussed in the Prospectus not to occur, and the estimates, illustrations and projections of financial performance not to be realized. Investors or potential investors should not place undue reliance on the forward-looking statements in the Prospectus. The Company urges investors to read Section 1 "*Risk factors*" as well as Section 1 "*Risk factors*" in the Registration Document, and the Sections 6 "*Business*" and 8 "*Operating and Financial Review*" in the Registration Document for a more complete discussion of the factors that could affect the Group's future performance and the market in which the Group operates.

Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. Except as otherwise required by applicable securities laws and regulations, the Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of the Prospectus.

## 5. REASONS FOR THE OFFERING

Assuming gross proceeds of €273.8 million, based on the Company's closing share price of €52.16 per Ordinary Share as of 23 June 2015, the net proceeds after deduction of expenses and selling commissions (these being estimated to be approximately €6.4 million) are expected to be approximately €267.4 million.

The Company intends to use the net proceeds to partly finance the intended Acquisition which is further described in Section 4 "*The Acquisition*" of the Registration Document.

Should the intended Acquisition not complete, it will not be possible to reverse the closing of the Offering and return the proceeds to the investors who have paid for the Offer Shares, in which case the Company intends to use the net proceeds of the Offering for other potential acquisitions, and/or general corporate purposes or return it to shareholders.

## 6. THE OFFERING

### Offer Shares in the Offering

The Prospectus relates to the offering and listing of up to 5,250,000 newly issued Offer Shares, with a nominal value of €1 each.

The Offering consists of a private placement to institutional investors in the Netherlands and various other jurisdictions. The Offer Shares are being offered: (i) within the United States, to QIBs as defined in Rule 144A under the U.S. Securities Act, pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws in the United States, and (ii) outside the United States, in accordance with Regulation S under the U.S. Securities Act.

This Offering is made only in those jurisdictions in which, and only to those persons to whom, the Offering may be lawfully made.

### Timetable

Subject to acceleration or extension of the timetable for, or withdrawal of, the Offering, the timetable below lists certain expected key dates for the Offering.

Event	Time (CEST) and Date
Start of Offering	24 June 2015 at 17:40 CEST
End of Offering	26 June 2015 at 8:00 CEST
Publication of results of the Offering (Pricing Statement)	26 June 2015 at 8:45 CEST
Settlement Date (payment and delivery)	30 June 2015
Listing of and start of trading in the Offer Shares	30 June 2015

After the Offer Period has ended, the Company will announce the results of the Offering by means of a press release to be published on its website and file the press release as a pricing statement (the **Pricing Statement**) with the AFM.

### Offer Period

Subject to acceleration or extension of the timetable for the Offering, prospective investors may subscribe for Offer Shares during the period commencing on 24 June 2015 at 9:00 CEST and ending on or about 26 June 2015 at 18:00 CEST. In the event of an acceleration or extension of the Offer Period, pricing, allocation, listing, first trading, payment (in euro) for and delivery of the Offer Shares may be advanced or extended accordingly.

If a significant new factor, material mistake or inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of the Offer Shares arises or is noted before the end of the Offer Period, a supplement to the Prospectus will be published, the Offer Period will be extended, if so required by the Prospectus Directive, the Dutch Financial Supervision Act or the rules promulgated thereunder, and investors who have already agreed to purchase Offer Shares may withdraw their subscriptions within two business days following the publication of the supplement, provided that the new factor, material mistake or inaccuracy, arose or was discovered before the final closing of the Offering.

### Offer Price and Number of Offer Shares

The Offer Price and the exact number of Offer Shares will be determined after the Offer Period has ended, including any acceleration or extension, by the Company and the Underwriters and following recommendations from the Underwriters, on the basis of a bookbuilding process, whereby the Offer Price will not exceed 110% of the closing price of the Ordinary Shares on 23 June 2015.

A number of factors will be considered in determining the Offer Price, the amount raised in the Offering and the basis of allocation, including the level and nature of demand for the Offer Shares during the book-building process, prevailing market conditions and the objective of establishing an orderly after-market in the Offer Shares. Unless required to do so by law or regulation, the Company does not envisage publishing any supplementary prospectus or a pricing statement, as the case may be, until announcement of the Offer Price. The Pricing Statement, confirming the Offer Price, the number of Offer Shares which are the subject of the Offering and containing any other outstanding information is

expected to be published in accordance with the expected timetable set out above. The Pricing Statement will be filed with the AFM and published through a press release on the Company's website at <http://www.wereldhave.com>. Printed copies of the Pricing Statement will be made available at the registered office of the Company.

### **Payment**

Payment for the Offer Shares is expected to take place on the Settlement Date. The Offer Price must be paid in full in Euro and is exclusive of any taxes and expenses, if any, which must be borne by the investor (see Section 7 "*Taxation Information*"). Investors must pay the Offer Price in immediately available funds in full in Euro on or before the Settlement Date (or earlier in the case of an early closing of the Offer Period and consequent acceleration of pricing, first trading and payment and delivery).

### **Allocation and Pricing**

All Offer Shares issued pursuant to the Offering will be issued at the Offer Price. The Offer Price and allocation of Offer Shares under the Offering will be determined by the Company in consultation with the Underwriters having regard to the outcome of the bookbuilding process.

Amongst the factors considered in determining the Offer Price will be the prevailing market conditions, the closing price of the Shares on the dealing day prior to pricing and the demand for Offer Shares in the bookbuilding.

The Offer Price is expected to be announced in accordance with the expected timetable set out in Section 6 "*The Offering - Timetable*" in this Securities Note. The Pricing Statement, which will contain the Offer Price, will be published in accordance with the timetable set out in Section 6 "*The Offering - Timetable*" in this Securities Note.

The Pricing Statement will be available on the Company's website at <http://www.wereldhave.com>. See "*Offer Price*" section above.

All Ordinary Shares sold pursuant to the Offering will be sold, payable in full, at the Offer Price. Upon notification of any allocation, prospective investors will be contractually committed to acquire the number of Ordinary Shares allocated to them at the Offer Price and, to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate, or otherwise withdraw from, such commitment. Dealing may not begin before notification is made.

The Offering is conditional upon the Underwriting Agreement becoming unconditional and not having been terminated in accordance with its terms in respect of the Offering.

If any condition in the Underwriting Agreement is not satisfied or waived in accordance with the Underwriting Agreement (or such later time and/or date as the Company and the Underwriters may agree), or has become incapable of being satisfied, or the Underwriting Agreement is terminated in accordance with its terms, the Offering will lapse. The Underwriters may at their sole discretion and upon such terms as it thinks fit, waive compliance by the Company with, or extend the time and/or date for fulfillment by the Company of the whole or any part of any of the Company's obligations in relation to the conditions in the Underwriting Agreement, save that certain conditions, including the condition relating to the admission referred to in the paragraph entitled "*Admission and Registration*" below may not be waived.

In addition, the Company reserves the right to decide not to proceed with the Offering at any time prior to the admission.

### **Delivery, Clearing, Settlement and Listing**

The Ordinary Shares are registered shares which are entered into the collection deposit (*verzameldepot*) and giro deposit (*girodepot*) on the basis of the Dutch Securities Giro Transfers Act. The Offer Shares will be delivered in book-entry form through the facilities of Euroclear Nederland. Application has been made for the Offer Shares to be accepted for clearance through the book-entry facilities of Euroclear Nederland. Euroclear Nederland is located at Herengracht 459-469, 1017 BS Amsterdam, the Netherlands. Delivery of the Offer Shares is expected to take place on the Settlement Date through the book-entry facilities of Euroclear Nederland, in accordance with its normal settlement procedures applicable to equity securities and against payment for the Offer Shares in immediately available funds. The address of Euroclear Nederland is Herengracht 459-469, 1017 BS Amsterdam, the Netherlands.

Subject to acceleration or extension of the timetable for the Offering, the Settlement Date is expected to be the second business day following the allocation. The closing of the Offering may not take place on the Settlement Date or at all if certain conditions or events referred to in the Underwriting Agreement are not satisfied or waived or occur on or prior to such date. Such conditions include: (i) the approval of the Prospectus by the AFM being in full force and effect; (ii) execution of a pricing agreement between the Company and the Underwriters (the **Pricing Agreement**), which will contain the Offer Price and the exact number of Offer Shares; (iii) receipt on or before the Settlement Date of opinions on certain legal matters from legal counsel relating to, among other things, the Company, the Underwriting Agreement, the Prospectus and the Offer Shares; (iv) certain other customary closing conditions, including, among other things, the accuracy of the warranties provided by the Company pursuant to the Underwriting Agreement and the fulfilment by the Company under the Underwriting Agreement. The Sole Global Coordinator will have the right to waive the satisfaction of any such conditions or part thereof (see Section 11 “*Plan of Distribution – Underwriting Arrangements*”).

The Company has applied for admission to listing and trading of the Offer Shares on Euronext Amsterdam. It is expected that the Offer Shares will be admitted to listing and trading and that trading in the Offer Shares will commence at 9:00 hours (CEST) on 30 June 2015, barring unforeseen circumstances. The Ordinary Shares are traded on Euronext Amsterdam under the symbol “WHA”, ISIN code NL0000289213 and common code 00011135912.

There are certain restrictions on the transfer of Shares, as set out in Section 12 “*Selling and Transfer Restrictions*”.

### **Dealings**

Application will be made for the Offer Shares to be issued pursuant to the Offering to be admitted to listing on Euronext Amsterdam. It is expected that admission of the Offer Shares will become effective and that dealings in Shares will commence in accordance with the timetable set out in Section 6 “*The Offering - Timetable*” in this Securities Note. The Company, Euronext Amsterdam and the Listing Agent do not accept any responsibility or liability with respect to any person as a result of the withdrawal of the listing or the (related) annulment of any transaction in the Ordinary Shares on Euronext Amsterdam.

### **Stabilisation**

No stabilisation shall be undertaken by the Sole Global Coordinator and/or the Joint Bookrunners in connection with the Offering.

### **Conditions to the Offering**

The Offering is subject to a number of customary conditions. If any or all of the conditions are not met or (if capable of waiver) waived by the Sole Global Coordinator and the Joint Bookrunners or if certain circumstances occur prior to payment for and delivery of the Offer Shares, the Sole Global Coordinator and the Joint Bookrunners will be allowed to terminate the Underwriting Agreement. In such event, the Offering will be withdrawn.

### **Listing Agent**

Kempen & Co is the Listing Agent with respect to the Ordinary Shares on Euronext Amsterdam.

### **Dilution**

Existing holders of Ordinary Shares will suffer a dilution of their proportionate ownership and voting rights in the Company of approximately 13%, assuming the issue of 5,250,000 Offer Shares, as a result of the issue of the Offer Shares.

### **Ranking and dividends**

The Offer Shares will, upon issue, rank *pari passu* in all respects with the Ordinary Shares issued and outstanding at that time. The Offer Shares will be eligible for any dividend payment which the Company may declare on the Ordinary Shares after the Settlement Date (see Section 5 “*Dividends and Dividend Policy*” of the Registration Document).

**Non-Dutch stamp taxes**

Purchasers of the Offer Shares may be required to pay stamp taxes and other taxes in addition to the Offer Price, such in accordance with the laws and practices of the county of purchase.

**Currency**

The Offering will be carried out and trading in the Offer Shares will be effected in Euro. The Offer Shares will be denominated in Euro. Distributions, if any, will also be made in Euro.

**Governing law and competent courts**

The Offer Shares and the Offering are governed by and construed in accordance with Dutch law. Any dispute arising out of or in connection with the Offer Shares or the Offering shall be subject to the non-exclusive jurisdiction of the competent courts in Amsterdam, the Netherlands.



## 7. TAXATION INFORMATION

### Netherlands tax considerations

The following summary outlines certain Netherlands tax consequences in connection with the acquisition, ownership and disposal of the Ordinary Shares. The summary does not purport to present any comprehensive or complete picture of all Netherlands tax aspects that could be of relevance to the acquisition, ownership and disposal of Ordinary Shares by a (prospective) holder of Ordinary Shares.

For purposes of Netherlands income and corporation tax, Ordinary Shares legally owned by a third party such as a trustee, foundation or similar entity or arrangement (a **Third Party**), may under certain circumstances have to be allocated to the (deemed) settlor, grantor or similar originator (the **Settlor**) or, upon the death of the Settlor, his or her beneficiaries (the **Beneficiaries**) in proportion to their entitlement to the estate of the Settlor of such trust or similar arrangement (the **Separated Private Assets**).

The summary does not address the tax consequences of a holder of Ordinary Shares who is an individual and who has a 'substantial interest' in the Company. Generally, a holder of Ordinary Shares will have a substantial interest in the Company if he, whether alone or together with his spouse or partner and/or certain other close relatives, holds directly or indirectly, or as Settlor or Beneficiary of Separated Private Assets (i) the ownership of, (ii) certain other rights, such as usufruct, over, or (iii) rights to acquire (whether or not already issued), Ordinary Shares representing 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Company .

In addition, a holder of Ordinary Shares has a substantial interest in the Company if he, whether alone or together with his spouse or partner and/or certain other close relatives, has the ownership of, or other rights over, shares in, or profit certificates issued by, the Company that represent less than 5% of the relevant aggregate that either (a) qualified as part of a substantial interest as set forth above and where shares, profit certificates and/or rights there over have been, or are deemed to have been, partially disposed of, or (b) have been acquired as part of a transaction that qualified for non-recognition of gain treatment.

The summary does not address the tax consequences of holders of Ordinary Shares receiving income or realizing capital gains in their capacity as (former) employee, (former) director and/or (former) supervisory director.

The summary is based on the tax laws and practice of the Netherlands as in effect on the date of the Prospectus, which are subject to changes that could prospectively or retrospectively affect the stated tax consequences. In this summary, the Netherlands means the part of the Kingdom of the Netherlands located in Europe.

**Prospective holders of Ordinary Shares should consult their own professional adviser with respect to the tax consequences of any acquisition, ownership or disposal of the Ordinary Shares in their individual circumstances.**

### *Dividend Withholding Tax*

#### *General*

Dividends distributed by the Company in respect of the Ordinary Shares are generally subject to dividend withholding tax imposed by the Netherlands at a rate of 15%. The expression "dividends distributed by the Company" as used herein includes, but is not limited to:

- (a) distributions in cash or in kind, deemed and constructive distributions and repayments of paid-in capital (*gestort kapitaal*) not recognized for Netherlands dividend withholding tax purposes;
- (b) liquidation proceeds, proceeds of redemption of Ordinary Shares or, as a rule, consideration for the repurchase of Ordinary Shares by the Company in excess of the average paid-in capital recognised for Netherlands dividend withholding tax purposes;
- (c) the par value of Ordinary Shares issued to a holder of Ordinary Shares or an increase of the par value of Ordinary Shares, to the extent that it does not appear that a contribution, recognized for Netherlands dividend withholding tax purposes, has been made or will be made; and
- (d) partial repayment of paid-in capital, recognized for Netherlands dividend withholding tax purposes, if and to the extent that there are net profits (*zuivere winst*), unless (i) the general meeting of the shareholders has

resolved in advance to make such repayment and (ii) the par value of the Ordinary Shares concerned has been reduced by an equal amount by way of an amendment of the articles of association.

Any reinvestment reserve (*herbeleggingsreserve*) formed by the Company as an FII should generally be considered as paid-in capital, recognized for Netherlands dividend withholding tax purposes.

#### *Holders of Ordinary Shares Resident in the Netherlands*

A holder of Ordinary Shares that is resident or deemed to be resident in the Netherlands is generally entitled, subject to the anti-dividend stripping rules described below, to a full credit against its (corporate) income tax liability, or a full refund, of the Netherlands dividend withholding tax.

#### *Holders of Ordinary Shares Resident outside the Netherlands*

A holder of Ordinary Shares that is resident in a country with which the Netherlands has a double taxation convention in effect, may, depending on the terms of such double taxation convention and subject to the anti-dividend stripping rules described below, be eligible for a full or partial exemption from, or full or partial refund of, Netherlands dividend withholding tax on dividends received.

A holder of Ordinary Shares, that is an entity resident in (i) a Member State of the European Union, or (ii) Iceland, Norway or Liechtenstein, or (iii) in a jurisdiction which has an arrangement for the exchange of tax information with the Netherlands (and such holder as described under (iii) holds its Ordinary Shares as a portfolio investment, i.e. such holding is not acquired with a view to the establishment or maintenance of lasting and direct economic links between the holder of Ordinary Shares and the Company and does not allow the holder of Ordinary Shares to participate effectively in the management or control of the Company), which is exempt from tax in its country of residence, and that would have been exempt from Netherlands corporation tax if it had been a Netherlands resident, is generally entitled, subject to the anti-dividend stripping rules described below, to a full refund of Netherlands dividend withholding tax on dividends received. This full refund will in general benefit certain pension funds, government agencies, and certain government controlled commercial entities.

According to the anti-dividend stripping rules, no exemption, reduction, credit or refund of Netherlands dividend withholding tax will be granted if the recipient of the dividend paid by the Company is not considered the beneficial owner (*uiteindelijk gerechtigde*) of the dividend as defined in these rules. A recipient of a dividend is not considered the beneficial owner of the dividend if, as a consequence of a combination of transactions, (i) a person (other than the holder of the dividend coupon), directly or indirectly, partly or wholly benefits from the dividend, (ii) such person directly or indirectly retains or acquires a comparable interest in the Ordinary Shares, and (iii) such person is entitled to a less favourable exemption, refund or credit of dividend withholding tax than the recipient of the dividend distribution. The term “combination of transactions” includes transactions that have been entered into in the anonymity of a regulated stock market, the sole acquisition of one or more dividend coupons and the establishment of short-term rights or enjoyment on the Ordinary Shares (e.g. usufruct).

The Company does not assume responsibility for taxes on income withheld at source with respect to the Ordinary Shares.

#### ***Taxes on income and capital gains***

##### *Holders of Ordinary Shares resident in the Netherlands: individuals*

A holder of Ordinary Shares, who is an individual resident or deemed to be resident in the Netherlands, or who has elected to be taxed as a resident of the Netherlands for Netherlands income tax purposes<sup>(1)</sup>, will be subject to regular Netherlands income tax on the income derived from the Ordinary Shares and the gains realized upon the acquisition, redemption and/or disposal of the Ordinary Shares by the holder thereof, if:

- (a) such holder of Ordinary Shares has an enterprise or an interest in an enterprise, to which enterprise the Ordinary Shares are attributable; and/or

<sup>1</sup> Per 1 January 2015, the election regime will be replaced by a mandatory qualification as a 'qualifying foreign taxpayer' on the basis of certain objective criteria

- (b) such income or capital gain forms “a benefit from miscellaneous activities” (*resultaat uit overige werkzaamheden*) which, for instance, would be the case if the activities with respect to the Ordinary Shares exceed “normal active asset management” (*normaal, actief vermogensbeheer*) or if income and gains are derived from the holding, whether directly or indirectly, of (a combination of) shares, debt claims or other rights (together, a lucrative interest *lucratief belang*) that the holder thereof has acquired under such circumstances that such income and gains are intended to be remuneration for work or services performed by such holder (or a related person) in the Netherlands, whether within or outside an employment relation, where such lucrative interest provides the holder thereof, economically speaking, with certain benefits that have a relation to the relevant work or services.

If either of the abovementioned conditions (a) or (b) applies, income or capital gains in respect of dividends distributed by the Company or in respect of any gain realised on the disposal of Ordinary Shares will in general be subject to Netherlands income tax at the progressive rates up to 52%.

If the abovementioned conditions (a) and (b) do not apply, the holder of Ordinary Shares who is an individual resident or deemed to be resident in the Netherlands, or who has elected to be taxed as a resident of the Netherlands for Netherlands tax purposes<sup>(2)</sup>, will not be subject to taxes on income and capital gains in the Netherlands. Instead, such individual is taxed at a flat rate of 30% on deemed income from “savings and investments” (*sparen en beleggen*). This deemed income amounts to 4% of the individual’s “yield basis” (*rendementsgrondslag*) at the beginning of the calendar year (minus a tax-free amount). The yield basis would include the fair market value of the Ordinary Shares.

#### *Holders of Ordinary Shares resident in the Netherlands: corporate entities*

A holder of Ordinary Shares that is resident or deemed to be resident in the Netherlands for Netherlands corporation tax purposes, and that is:

- (i) a corporation;
- (ii) another entity with a capital divided into shares;
- (iii) a cooperative (association); or
- (iv) another legal entity that has an enterprise or an interest in an enterprise to which the Ordinary Shares are attributable,

but which is not:

- (v) a qualifying pension fund;
- (vi) a qualifying investment fund (under article 6a or 28 of DCITA); or
- (vii) another entity exempt from corporation tax,

will in general be subject to regular Netherlands corporation tax, levied at a rate of 25% (20% over profits up to €200,000) over income derived from the Ordinary Shares and gains realized upon acquisition, redemption and disposal of the Ordinary Shares.

#### *Holders of Ordinary Shares resident outside the Netherlands: individuals*

A holder of Ordinary Shares, who is an individual not resident or deemed to be resident in the Netherlands, and who has not elected to be taxed as a resident of the Netherlands for Netherlands income tax purposes<sup>(3)</sup>, will not be subject to any Netherlands taxes on income or capital gains in respect of dividends distributed by the Company or in respect of any gain realised on the disposal of Ordinary Shares (other than the dividend withholding tax described above), unless:

<sup>2</sup> Per 1 January 2015, the election regime will be replaced by a mandatory qualification as a ‘qualifying foreign taxpayer’ on the basis of certain objective criteria.

<sup>3</sup> Per 1 January 2015, the election regime will be replaced by a mandatory qualification as a ‘qualifying foreign taxpayer’ on the basis of certain objective criteria.

- (a) such holder has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Ordinary Shares are attributable; and/or
- (b) such income or capital gain forms “a benefit from miscellaneous activities” (*resultaat uit overige werkzaamheden*) which, for instance, would be the case if the activities with respect to the Ordinary Shares exceed “normal active asset management” (*normaal, actief vermogensbeheer*) in the Netherlands or if income and gains are derived from the holding, whether directly or indirectly, of (a combination of) shares, debt claims or other rights (together, a lucrative interest (*lucratief belang*)) that the holder thereof has acquired under such circumstances that such income and gains are intended to be remuneration for work or services performed by such holder (or a related person) in the Netherlands, whether within or outside an employment relation, where such lucrative interest provides the holder thereof, economically speaking, with certain benefits that have a relation to the relevant work or services.

If either of the abovementioned conditions (a) or (b) applies, income or capital gains in respect of dividends distributed by the Company or in respect of any gain realised on the disposal of Ordinary Shares will in general be subject to Netherlands income tax at the progressive rates up to 52 %.

*Holders of Ordinary Shares resident outside the Netherlands: legal and other entities*

A holder of Ordinary Shares, that is a legal entity, another entity with a capital divided into Ordinary Shares, an association, a foundation or a fund or trust, not resident or deemed to be resident in the Netherlands for Netherlands corporate income tax purposes, will not be subject to any Netherlands taxes on income or capital gains in respect of dividends distributed by the Company or in respect of any gain realised on the disposal of Ordinary Shares (other than the dividend withholding tax described above), unless:

- (a) such holder has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Ordinary Shares are attributable; or
- (b) such holder has a substantial interest (as described under *Netherlands Tax Considerations* above) in the Company, that (i) is held with the avoidance of Netherlands income tax or dividend withholding tax as (one of) the main purpose(s) and (ii) does not form part of the assets of an enterprise.

If one of the abovementioned conditions applies, income derived from the Ordinary Shares and gains realised on the Ordinary Shares will, in general, be subject to regular corporation tax levied at a rate of 25% (20% over profits up to €200,000), except that a holder as described under (b) will generally be subject to an effective corporation tax rate of 15% if it holds the substantial interest in the Company with the avoidance of Netherlands dividend withholding tax (but not Netherlands income tax) as (one of) the main purpose(s).

***Gift, Estate and Inheritance Taxes***

*Holders of Ordinary Shares resident in the Netherlands*

Gift tax may be due in the Netherlands with respect to an acquisition of Ordinary Shares by way of a gift by a holder of Ordinary Shares who is resident or deemed to be resident of the Netherlands.

Inheritance tax may be due in the Netherlands with respect to an acquisition or deemed acquisition of Ordinary Shares by way of an inheritance or bequest on the death of a holder of Ordinary Shares who is resident or deemed to be resident of the Netherlands, or by way of a gift within 180 days before his death by an individual who is resident or deemed to be resident in the Netherlands at the time of his death.

For purposes of Netherlands gift and inheritance tax, an individual with the Netherlands nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. For purposes of Netherlands gift tax, an individual not holding the Netherlands nationality will be deemed to be resident of the Netherlands if he has been resident in the Netherlands at any time during the twelve months preceding the date of the gift.

*Holders of Ordinary Shares resident outside the Netherlands* 

No gift, estate or inheritance taxes will arise in the Netherlands with respect to an acquisition of Ordinary Shares by way of a gift by, or on the death of, a holder of Ordinary Shares who is neither resident nor deemed to be resident of the Netherlands, unless, in the case of a gift of Ordinary Shares by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

 *Certain special situations* 

For purposes of Netherlands gift, estate and inheritance tax, (i) a gift by a Third Party will be construed as a gift by the Settlor, and (ii) upon the death of the Settlor, as a rule his/her Beneficiaries will be deemed to have inherited directly from the Settlor. Subsequently, such Beneficiaries will be deemed the settlor, grantor or similar originator of the Separated Private Assets for purposes of Netherlands gift, estate and inheritance tax in case of subsequent gifts or inheritances.

For the purposes of Netherlands gift and inheritance tax, a gift that is made under a condition precedent is deemed to have been made at the moment such condition precedent is satisfied. If the condition precedent is fulfilled after the death of the donor, the gift is deemed to be made upon the death of the donor.

 **Turnover Tax** 

No Netherlands turnover tax will arise in respect of or in connection with the Offering of the Offer Shares.

 **Other Taxes and Duties** 

No Netherlands registration tax, capital tax, custom duty, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable in the Netherlands in respect of or in connection with the Offering of the Offer Shares.

 **U.S. Federal Income Tax Considerations** 

The following discussion is a summary based on present law of certain United States federal income tax considerations relevant to the acquisition, ownership and disposition of the Offer Shares. This discussion addresses only a U.S. Holder (as defined below) that purchases Offer Shares in the Offering, holds Offer Shares as capital assets and uses the U.S. dollar as its functional currency. The discussion is a general summary only; it is not a substitute for tax advice. The discussion does not consider the circumstances of particular purchasers subject to special tax rules, such as banks and other financial institutions, insurance companies, regulated investment companies, dealers in securities or currencies, traders in securities that elect to mark-to-market, tax-exempt entities, certain U.S. expatriates, individual retirement accounts and other tax-deferred accounts, persons holding 10% or more (whether directly, indirectly or constructively) of the Company's equity interests, persons holding the Offer Shares as part of a hedge, straddle, conversion or other integrated financial transaction, persons resident or ordinarily resident outside the United States and persons holding Offer Shares through a permanent establishment or fixed base outside of the United States. The discussion does not address U.S. federal taxes other than income tax (such as estate or gift taxes, net investment income tax or alternative minimum taxes), U.S. state and local tax or non-U.S. tax considerations.

As used herein, the term **U.S. Holder** means a beneficial owner of the Offer Shares that is, for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust subject to the control of one or more U.S. person and the primary supervision of a U.S. court.

The tax consequences to a partner in a partnership (or other business entity treated as a partnership for U.S. federal income tax purposes) holding Offer Shares generally will depend on the status of the partner and the activities of the partnership. Partnerships should consult their own tax advisors about the U.S. federal income tax consequences to their partners of acquiring, owning and disposing of Offer Shares.

## Dividends

Subject to the passive foreign income company (PFIC) rules discussed below, distributions with respect to the Offer Shares, including taxes withheld therefrom, if any, will generally be included in a U.S. Holder's gross income as foreign source ordinary dividend income. The dividends will not be eligible for the dividends received deduction generally allowed to U.S. corporations. U.S. Holders, however, should be taxed at the preferential rate applicable to qualified dividend income if the Company qualifies for the benefits of the income tax treaty between the United States and the Netherlands, which the Company believes it does, and the Company is not a PFIC in the year of distribution or the preceding year.

Dividends paid in currency other than U.S. dollars will be includable in income in the U.S. dollar amount calculated by reference to the exchange rate in effect on the day the dividends are actually or constructively received by the U.S. Holder, regardless of whether the non-U.S. currency is converted into U.S. dollars at that time. A U.S. Holder will have a basis in the non-U.S. currency received equal to its U.S. dollar value on the date of receipt. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date the dividend is includable in the income of the U.S. Holder to the date such payment is converted into U.S. dollars (or otherwise disposes of the non-U.S. currency) will be exchange gain or loss and will be treated as U.S. source ordinary income or loss for foreign tax credit limitation purposes. If dividends received in non-U.S. currency are converted into U.S. dollars on the day the dividends are received, the U.S. Holder generally will not be required to recognise foreign currency gain or loss in respect of the dividend income.

Subject to generally applicable limitations, a U.S. Holder may claim a deduction or a foreign tax credit for Dutch withholding tax on dividends at the appropriate rate under the income tax treaty between the United States and the Netherlands. In computing foreign tax credit limitations, non-corporate U.S. Holders eligible for the preferential tax rate applicable to qualified dividend income may take into account only the portion of the dividend effectively taxes at the highest applicable marginal rate. For purposes of the U.S. foreign tax credit limitation, dividends received with respect to the Offer Shares should generally constitute "passive category income". The rules governing foreign tax credits or deductions are complex and each prospective investor is urged to consult its own tax advisor regarding the availability of foreign tax credits or deductions under its particular circumstances.

## Sale or Other Disposition

Subject to the PFIC rules discussed below, a U.S. Holder generally will recognise capital gain or loss for U.S. federal income tax purposes on the sale, exchange or other disposition of the Offer Shares equal to the difference, if any, between the amount realised on the sale, exchange or other disposition and the U.S. Holder's adjusted tax basis in such Offer Shares, each determined in U.S. dollars. A U.S. Holder's adjusted tax basis in the Offer Shares generally will be its U.S. dollar cost. This capital gain or loss generally will be U.S. source and will be long-term capital gain or loss if the U.S. Holder's holding period in the Offer Shares exceeds one year. The deductibility of capital losses is subject to limitations.

If a U.S. Holder receives a currency other than U.S. dollars upon a sale, exchange or other disposition of the Offer Shares, such U.S. Holder will generally realise an amount equal to the U.S. dollar value of the currency received at the spot rate on the date of disposition (or, if the Offer Shares are traded on an established securities market and a U.S. Holder is a cash-basis or electing accrual basis taxpayer, at the spot rate on the settlement date). A U.S. Holder will have a tax basis in the currency received equal to the U.S. dollar value of the currency on the settlement date. Any currency gain or loss realised on the settlement date or recognised on the subsequent sale, conversion or other disposition of the non-U.S. currency for a different U.S. dollar amount generally will be U.S. source ordinary income or loss for foreign tax credit limitation purposes. However, if such non-U.S. currency is converted into U.S. dollars on the date received by the U.S. Holder, the U.S. Holder generally should not be required to recognise any gain or loss on such conversion.

## Passive Foreign Investment Company Rules

Based upon the Company's current assets and income and the manner in which the Company currently operates its business and in which it anticipates operating its business in future years, the Company does not believe that it was a PFIC for U.S. federal income tax purposes for the year ended 31 December 2014 and does not expect to become a PFIC in the foreseeable future. A non-U.S. company is a PFIC in any taxable year in which, after taking into account the income and assets of certain subsidiaries, either (i) at least 75% of its gross income is passive income or (ii) at least 50% of the quarterly average market value of its assets is attributable to assets that produce or are held to produce passive

income. Passive income for this purpose generally includes dividends, interest, royalties, rent and gains from commodities and securities transactions.

Rents derived in the active conduct of a trade or business from unrelated persons, however, generally are not passive income for purposes of determining PFIC status. Rents are considered derived in the active conduct of a trade or business if the rents are with respect to property that either (i) the lessor has manufactured or produced, or has acquired and added substantial value to, if the lessor is regularly engaged in the manufacture or production of, or in the acquisition and addition of substantial value to, property of such kind (“developer rents”) or (ii) real property with respect to which the lessor, through its own officers or staff of employees, regularly performs active and substantial management and operational functions while the property is leased (“self-managed rents”). Although the interpretation of rules applicable to rents derived in the active conduct of a business by an affiliated group of corporations are not free from doubt as they apply to a PFIC determination, to qualify as self-managed rents, the officers or employees regularly performing management and operational functions with respect to the leased real property are generally required to be officers or employees of the lessor or a 25% or greater shareholder (directly or indirectly) for which a PFIC determination is being made. As a result, to the extent that rents do not qualify as developer rents, the rules relating to self-managed rents could be interpreted in a manner which could cause the Company’s rental income to be treated as passive income to the extent the Company holds leased assets in subsidiaries that are different than the subsidiaries through which the Company conducts its rental management activities. The PFIC determination is made annually, and the Company’s status could change depending, among other things, upon changes in the composition and relative value of gross receipts and assets, which may depend on the market value of the Offer Shares. Accordingly, no assurance can be given that the United States Internal Revenue Service (“IRS”) will not assert that the Company’s rental income is passive income or that such a challenge would not be sustained. As a result, no assurance can be given that the Company will not be a PFIC in the current or any future taxable year.

If the Company were to be treated as a PFIC, U.S. Holders of the Offer Shares generally would be subject in that and subsequent years to additional taxes (including in any year taxation at ordinary income rates and an interest charge) on any “excess distributions” received from the Company and on any gain realised from a sale or other disposition of such Offer Shares (regardless of whether the Company continues to be a PFIC). A U.S. Holder would have an excess distribution to the extent that distributions on the Offer Shares during a taxable year exceed 125% of the average amount received during the three preceding taxable years (or, if shorter, the U.S. Holder’s holding period). To compute the tax on excess distributions or any gain, (i) the excess distribution or gain would be allocated rateably over the U.S. Holder’s holding period, (ii) the amount allocated to the current taxable year and any year before the Company became a PFIC would be taxed as ordinary income in the current year and (iii) the amount allocated to other taxable years would be taxed at the highest applicable marginal rate in effect for each year and an interest charge would be imposed to recover the deemed benefit from the deferred payment of the tax attributable to each earlier year.

A U.S. Holder may be able to avoid some of the adverse impacts of the PFIC rules described above with respect to the Offer Shares by electing to mark the Offer Shares to market annually. The election is available only if the Offer Shares are regularly traded in more than de minimis quantities on the Euronext Amsterdam. Any gain from marking the Offer Shares to market or from disposing of them would be ordinary income. Any loss from marking the Offer Shares to market would be recognised only to the extent of unreversed gains previously included in income. Loss from marking the Offer Shares to market would be ordinary, but loss on disposing of them would be capital loss except to the extent of mark-to-market gains previously included in income. Each U.S. Holder should ask its own tax advisor whether a mark to market election is available or desirable in such US Holder’s particular circumstances. A valid mark-to-market election cannot be revoked without the consent of the IRS unless the Offer Shares cease to be marketable.

A U.S. Holder would not be able to avoid the tax consequences described above by electing to treat the Company as a qualified electing fund (a QEF) because the Company does not intend to provide U.S. Holders with the information that would be necessary to make a QEF election with respect to the Offer Shares.

U.S. Holders should consult their own tax advisors concerning the Company’s possible PFIC status and the consequences to them, including information reporting obligations, if the Company were a PFIC for any taxable year.

### **Backup Withholding and Information Reporting**

Payments of dividends and other proceeds with respect to the Offer Shares by a U.S. paying agent or other U.S. intermediary, or made into the United States, will be reported to the IRS and to the U.S. Holder as may be required under applicable Treasury regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status. Certain U.S. Holders (including,

among others, corporations) are not subject to backup withholding. Non-U.S. Holders may be required to comply with applicable certification procedures to establish that they are not U.S. Holders in order to avoid the application of such information reporting requirements and backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a U.S. Holder will be refunded (or credited against such U.S. Holder's U.S. federal income tax liability, if any), provided the required information is furnished to the IRS.

Certain U.S. Holders are required to report to the IRS information with respect to their investment in the Offer Shares not held through an account with a financial institution. Investors who fail to report required information could become subject to substantial penalties. Prospective investors are encouraged to consult with their own tax advisors regarding information reporting requirements with respect to their investment in the Offer Shares.

**THE DISCUSSION ABOVE IS A GENERAL SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANT TO A PARTICULAR INVESTOR. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE OFFER SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.**



## 8. DESCRIPTION OF SHARE CAPITAL AND CORPORATE GOVERNANCE

### General

The Company is a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of the Netherlands.

The Company was incorporated on 30 May 1930 pursuant to the execution of a notarial deed before Robbert Louis Verhey, the Netherlands, as a public company with limited liability (*naamloze vennootschap*). The Company's legal and commercial name is Wereldhave N.V. The Company has its statutory seat (*statutaire zetel*) in the municipality of Haarlemmermeer (Schiphol), the Netherlands, and its registered office is at Schiphol Boulevard 233, WTC Schiphol, 1118 BH Schiphol, the Netherlands. The principal legislation under which the Company operates, and under which the Protective Preference Shares and the Ordinary Shares (together the **Shares**) were created, is the laws of the Netherlands. The Company is registered with the Trade Register under number 27083420. The Company's telephone number is +31 (0) 20 702 7800.

On 22 July 2014, the Management Board filed a declaration with the Trade Register in which it stated that the Company no longer qualifies as a closed-end investment company with variable capital. Upon such filing, certain provisions in the Articles of Association in relation to being a closed-end investment company with variable capital were automatically replaced, and now read as set out below in more detail.

### Corporate purpose

The Company's corporate object is the investment of capital, mainly by the direct and indirect acquisition of real estate for rental purposes, in such a manner that the ensuing risks are spread out and in order to allow the Shareholders to share in the proceeds as set out in article 3 of the Articles of Association.

### Share capital

The current authorised share capital of the Company under the Articles of Association amounts to €150,000,000 and is divided into 75,000,000 Ordinary Shares and 75,000,000 Protective Preference Shares, all with a nominal value of €1 each.

As of the date of the Prospectus, the Company's issued share capital amounts to €35,020,921 and is divided into 35,020,921 Ordinary Shares.

Currently, no Ordinary Shares are held by the Company and/or its subsidiaries, other than remuneration shares. All Ordinary Shares that are outstanding as of the date of the Prospectus are fully paid-up.

Set out below is an overview of the Company's issued share capital on 31 March 2015 and 31 December 2014, 2013 and 2012. Under the former articles of association of the Company, the authorised share capital of the Company amounted to €800,000,000 and was divided into 40,000,000 Ordinary Shares, 20,000,000 protective Preference Shares, 1,999,990 priority shares B and 10 priority shares A, all with a nominal value of €10 each. Due to the abolition of the former anti-takeover measure and the introduction of a new anti-takeover measure, as adopted by the General Meeting on 25 April 2014, the priority shares A and B in the capital of the Company were converted into Ordinary Shares. See "*The Foundation*" for a description of the anti-takeover measure under the Articles of Association.

	31 March 2015	31 December 2014	31 December 2013	31 December 2012
Ordinary Shares <sup>(1)</sup> .....	35,020,921	35,020,921	21,679,608	21,679,608
Priority Shares A <sup>(2)</sup> .....	-	-	10	10
Priority Shares B <sup>(3)</sup> .....	-	-	-	-
Protective Preference Shares <sup>(4)</sup> .....	-	-	-	-

<sup>(1)</sup> The increase in the number of ordinary shares between 2013 and 2014 is attributable to the issue of 13,341,303 new Ordinary Shares, as part of the rights offering conducted by the Company in December 2014 in order to finance the French Retail Portfolio Acquisition.

<sup>(2)</sup> The ten priority shares A were converted to ordinary shares following the amendment of the former articles of association of the Company on 24 July 2014.

<sup>(3)</sup> The priority shares B ceased to exist following the amendment of the former articles of association of the Company on 24 July 2014.

<sup>(4)</sup> The Protective Preference Shares were created following the amendment of the former articles of association of the Company on 24 July 2014.

## Form and transfer of Shares

### *Ordinary Shares*

There are no restrictions on the transferability of the Ordinary Shares under the Articles of Association.

The Ordinary Shares are either in bearer form or registered form, at the Shareholder's option. All Ordinary Shares in bearer form are embodied in a single global share certificate, which global share certificate is currently held in custody with Euroclear Nederland for safe-keeping on behalf of the parties entitled to the Ordinary Shares represented by the global share certificate.

For Ordinary Shares in registered form, no share certificates will be issued. The names and addresses of the holders of Ordinary Shares in registered form and usufructuaries (*vruchtgebruikers*) and pledgees (*pandhouders*) in respect of such Ordinary Shares are entered in the Company's shareholders' register together with any other information prescribed by Dutch law.

Pursuant to the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*), if an Ordinary Share is transferred for inclusion in a collection deposit (*verzameldepot*), the transfer will be accepted by the intermediary (*intermediar*) concerned. If an Ordinary Share is transferred for inclusion in the giro deposit (*girodepot*), the transfer will be accepted by the central institute (*centraal instituut*), being Euroclear Nederland. The transfer and acceptance of Ordinary Shares in a collection deposit or the giro deposit can be effected without the cooperation of the other participants in a collection deposit or the giro deposit. When an Ordinary Share is part of a collection deposit or the giro deposit, the Company will enter the Ordinary Share in the Company's shareholders' register in the name of the intermediary concerned or in the name of the central institute, thereby stating that the Ordinary Share has become part of a collection deposit or the giro deposit, as the case may be.

### *Protective Preference Shares*

The Protective Preference Shares are in registered form for which no share certificates will be issued. The names and addresses of the holders of Protective Preference Shares and usufructuaries (*vruchtgebruikers*) and pledgees (*pandhouders*) in respect of such Protective Preference Shares are entered in the shareholders' register of the Company together with any other information prescribed by Dutch law.

## Issue of Shares and pre-emptive rights

### *Issue of Shares*

The General Meeting, or the Management Board if so designated by the General Meeting, is authorised to resolve upon an issue of Shares. A resolution of the General Meeting to issue Shares or to designate another body of the Company, such as the Management Board, competent to do so, can only be adopted at the proposal of the Management Board, which has been approved by the Supervisory Board. A resolution to make such designation must stipulate the aggregate nominal value up to which Shares may be issued. A resolution of the General Meeting to designate the Management Board as a body of the Company competent to issue Shares cannot be withdrawn, unless provided otherwise in the resolution to make the designation. Upon such designation, the duration of the designation shall be set, which shall not exceed five years. The designation may be extended, from time to time, for periods not exceeding five years. Although the duration of the designation as provided by law may be a maximum of five years, the Company intends to adhere to the good practice of limiting this duration to eighteen months.

By the resolution to issue Shares, the issue price and the other conditions of issuance must be stipulated. The issue price may not be lower than the nominal value. When subscribing for Shares, the entire nominal amount must be paid, as well as, in case the Ordinary Shares are subscribed for at a higher price, the difference between the two amounts.

The issue of Protective Preference Shares cannot be effectuated if and insofar as, as a result of such issue, the amount of the issued capital of Protective Preference Shares would exceed half the amount of the then issued share capital. At least one-fourth of the nominal value of a Protective Preference Share must be paid-up at the moment of the subscription for such Protective Preference Shares.

The Company is not permitted to subscribe to its own Shares in the case of an issue of Shares.

***Pre-emptive rights***

The Articles of Association provide that each holder of Ordinary Shares shall have pre-emptive rights in proportion to the aggregate nominal value of its Ordinary Shares upon the issue of new Ordinary Shares and each holder of Protective Preference Shares shall have pre-emptive rights in proportion to the aggregate nominal value of its Protective Preference Shares. Holders of Ordinary Shares have no pre-emptive rights on Protective Preference Shares. Holders of Protective Preference Shares have no pre-emptive rights on Ordinary Shares. Furthermore, holders of Shares have no pre-emptive rights upon (i) the issue of Shares issued against a non-cash contribution, (ii) the issue of Shares to employees of the Group and (iii) to persons exercising a previously—granted right to subscribe for Shares. The pre-emptive rights of Shareholders shall apply *mutatis mutandis* to granting rights to subscribe for Shares.

The General Meeting may resolve to restrict or exclude the pre-emptive rights of Shareholders. The General Meeting may designate the Management Board, or another corporate body, to resolve to restrict or exclude the pre-emptive rights. A resolution of the General Meeting to restrict or exclude the pre-emptive rights or to designate another body of the Company competent to do so can only be adopted at the proposal of the Management Board, with the approval of the Supervisory Board, and shall require a majority of not less than two-third of the votes cast in the General Meeting if less than one-half of the Company's issued capital is represented at the meeting. This designation may be granted for a specified period of not more than five years and may be extended, from time to time, for no longer than five years at a time and only applies as long as the designation to issue Shares is in force.

During the annual General Meeting of 24 April 2015, the General Meeting designated the Management Board as authorised body (i) to issue Ordinary Shares and to grant rights to subscribe for those Ordinary Shares and (ii) in connection therewith, to restrict or exclude the pre-emptive right of Shareholders for a period of 18 months starting as per 24 April 2015. The authorisation is limited to 10% of the Company's issued share capital as at 24 April 2015 plus an additional 10% of the Company's issued share capital in case of a merger or acquisition for a period of 18 months starting as per the same moment.

**Repurchase of Shares**

The Company may acquire fully paid-up own Shares (or depositary receipts thereof) for no consideration or if: (i) the Company's equity after the deduction of the purchase price, exceeds the sum of the paid-up and called-up part of the issued capital and the reserves which must be maintained by virtue of the law and (ii) the nominal value of the Shares (or depositary receipts thereof), which the Company acquires, holds, holds in pledge or which are held by a subsidiary, does not exceed half of the Company's issued share capital.

The Management Board needs authorisation by the General Meeting for the repurchase of Shares for consideration. This authorisation is valid for a maximum of 18 months. As part of the authorisation, the General Meeting specifies the number and class of Shares (or depositary receipts thereof) that may be repurchased, the manner in which the Shares may be acquired and the price range within which the Shares may be acquired. The Management Board may resolve to dispose of Shares acquired by the Company in its own capital. The authorisation of the General Meeting is not required for the acquisition of Shares (or depositary receipts thereof) for employees of the Company or of another member of its Group, under a scheme applicable to such employees provided such Shares (or depositary receipts thereof) are quoted on the price list of a stock exchange.

Shares held by the Company in its own share capital shall not entitle the Company to any distribution in respect of such Shares. Neither shall Shares in respect of which the Company holds depositary receipts issued therefore entitle the Company to such distribution. For the computation of the amount of profit to be distributed on each Share, the Shares referred to in the preceding sentences shall not be included, unless a usufruct has been established on such Shares (or on depositary receipts issued therefore) for the benefit of a person other than the Company. The Company or any of its subsidiaries cannot cast votes for Shares belonging to the Company or any of its subsidiaries or in respect of which either of them has a right of usufruct or pledge. The usufructuary of Shares belonging to the Company or any of its subsidiary, however, are not excluded from the voting right, if the usufruct was created before the Share belonged to the Company or its subsidiary.

When determining to what extent a certain part of the share capital is present or represented or to what extent a majority represents a certain part of the share capital of the Company, no account shall be taken of Shares regarding which the law stipulates that no vote may be cast on them.

During the annual General Meeting of 24 April 2015, the General Meeting designated the Management Board as authorised body to repurchase Shares, whether on the stock exchange or otherwise, to a maximum of 10% of the issued capital as at 24 April 2015, whereby the acquisition price must be between the nominal value per Share and 10% above the average price for these Shares on Euronext Amsterdam on the five trading days preceding the acquisition by the Company, for a period of 18 months effective 24 April 2015.

### **Reduction of share capital**

Pursuant to the Articles of Association, upon a proposal from the Management Board, approved by the Supervisory Board, the General Meeting may resolve to reduce the issued and outstanding share capital of the Company by cancelling Shares or by reducing the nominal value of Shares by amendment of the Articles of Association. Under Dutch law, the resolution to reduce the issued share capital of the Company must specifically state the Shares concerned and lay down rules for the implementation of the resolution. The resolution to cancel Shares may only concern: (i) Shares which are held by the Company or (ii) all Protective Preference Shares held by others with repayment. A resolution to reduce the Company's issued share capital requires the approval of a majority of at least two-thirds of the votes cast in the General Meeting if less than one-half of the issued share capital is represented at that meeting. A resolution to reduce the Company's issued share capital requires the prior or simultaneous approval by each group of Shareholders of the same class of Shares whose rights are prejudiced.

Dutch law contains detailed provisions regarding the reduction of capital. A resolution to reduce the Company's issued share capital shall not take effect as long as creditors have legal recourse against the resolution.

### **Dividend distributions**

A dividend from the profit is first disbursed to the holders of Protective Preference Shares on the amount paid-up on their Protective Preference Shares, the percentage of which is 1½% higher than the twelve-month money market interest rate (European Interbank Offered Rates), applicable on the first trading day of the relevant financial year, or as much less as is available. The dividend on the Protective Preference Shares is calculated on the paid-up part of the nominal amount. Any remaining part of the profit shall be at the disposal of the General Meeting, on the understanding that no more shall be disbursed, on the Protective Preference Shares than awarded in accordance with the above.

The Company may only make distributions to the Shareholders insofar as the Company's equity exceeds the sum of the paid-up and called-up part (*gestorte en opgevraagde deel*) of its issued share capital plus the reserves that must be maintained pursuant to Dutch law or the Articles of Association. The profits are distributed after the adoption by the General Meeting of the annual accounts from which it appears that said distributions are permitted. At the suggestion of the Management Board approved by the Supervisory Board, the General Meeting can decide that a disbursement of profit to holders of Ordinary Shares is effected entirely or in part not in money, but in Ordinary Shares or marketable debt instruments of the Company and the disbursement of reserves to holders of Ordinary Shares is effected entirely or in part not in money but in Ordinary Shares or marketable debt instruments of the Company or in participations in business units or shareholdings.

The Management Board may, with due observance of Dutch law and with the approval of the Supervisory Board, resolve upon the distribution of an interim dividend to the extent the profits so permit. See Section 5 "*Dividends and Dividend Policy*" of the Registration Document.

### **Meetings of Shareholders**

#### ***General Meeting of Shareholders***

An annual General Meeting must be held no later than in the month of June. Extraordinary General Meetings can be held whenever the Management Board and/or the Supervisory Board deem desirable or if requested by one or more Shareholders or usufructuaries representing in aggregate at least 10% of the Company's issued share capital of the Company (taking into account the relevant provisions of the Articles of Association and Dutch law).

General Meetings will be held in Amsterdam, the Netherlands, The Hague, the Netherlands, or in the municipality of Haarlemmermeer (Schiphol), the Netherlands. All convocations, announcements, notifications and communications to Shareholders have to be made in accordance with the relevant provisions of Dutch law. The convocation and other notices may occur by means of sending an electronically transmitted legible and reproducible message to the address of those Shareholders which consented to this method of convocation.

### ***Convocation notice and agenda***

General Meetings can be convened by the Management Board or the Supervisory Board by a notice, which must be given no later than the forty-second day before the date of the General Meeting. Such notice must include (i) the agenda, (ii) the location and the time of the meeting, (iii) the procedure for participation in the meeting through a written proxy, (iv) the procedure for participation in the meeting and the exercise of voting rights by means of an electronic means of communication, if this right can be exercised, and (v) the address of the website of the Company. The agenda of the meeting will include *inter alia* the following topics for discussion: annual report, discussions of specifications as referred to in section 383c, 383d and 383e of Book 2 of the DCC, the adoption of the annual accounts, allocation of that portion of the profit at the disposal of the General Meeting, discharge of members of the Management Board from liability for their management and members of the Supervisory Board from liability for their supervision, filling of any vacancies, and other proposals brought up for discussion by the Management Board, the Supervisory Board, Shareholders or usufructuaries of Shares who can exercise a voting right on the said Shares brought up and announced with due observance of the provisions of the Articles of Association and Dutch law.

Under the Articles of Association, Shareholders, who, either alone or jointly, represent at least 1% of the Company's issued share capital or whose shares, either alone or jointly, according to the Official Price List of Euronext Amsterdam represent a value of at least €50,000,000, are entitled to request the Management Board or the Supervisory Board to place items on the agenda of the General Meeting. The requests will be complied with by the Management Board and the Supervisory Board, on the condition that (i) there are no serious interests of the Company that oppose those items being placed on the agenda and (ii) that the request is received in writing by the chairman of the Management Board at least sixty days before the date of the General Meeting (and in the event the chairman is absent, unable to or prevented from performing his duties, or in the event none of the members of the Management Board have been designated as chairman of the Management Board, by one of the (other) members of the Management Board) or the Chairman of the Supervisory Board. The Articles of Association provides that topics placed on the agenda in accordance with such proposal of one or more shareholders can only be adopted by an absolute majority of the votes cast, representing at least one-third of the issued share capital of the Company. If an absolute majority of the votes cast supports the proposal, but this majority does not represent at least one-third of the issued share capital of the Company, then the decision can be taken in a new meeting by an absolute majority of the votes cast regardless of the meeting, unless Dutch law or the Articles of Association prescribes a greater majority of votes or quorums.

Pursuant to Dutch law, one or more Shareholders representing solely or jointly 3% of the Company's issued and outstanding Ordinary Shares are entitled to request the Management Board to include items on the agenda of the General Meeting. The Management Board must agree to such requests, provided that (a) the request was made in writing and (b) was received at least sixty days before the date of the General Meeting.

### ***Admission and registration***

Each holder of a Share is entitled to attend the General Meeting, to address the General Meeting and to exercise voting rights *pro rata* to its shareholding, either in person or by proxy. Each Shareholder that wishes to attend the General Meeting and to exercise its voting rights must register no later than twenty-eight days before the date of the General Meeting. The convocation notice for the meeting shall state the registration date and the manner in which the persons entitled to attend the General Meeting may register and exercise their rights. Each Shareholder or its representative must sign the attendance list. Each usufructuary to whom the right to vote on the Shares accrues, is entitled to attend the General Meeting, to address the General Meeting and to exercise voting rights *pro rata* to its shareholding, either in person or by proxy. Members of the Management Board and members of the Supervisory Board may attend a General Meeting. In these General Meetings, they have an advisory vote.

The secretary of the Company will prepare a brief, concise report of the proceedings of the General Meeting. This report will be published on the Company's website (or some similar means of communication) no later than a month after the General Meeting. The report will eventually be signed by the Chairman of the meeting and the secretary, and upon the written request by individuals who attended the meeting.

### ***Voting rights***

Each Share confers the right on the holder to cast one vote at a General Meeting. Resolutions are passed by a simple majority (50% plus one) of the votes cast, unless Dutch law or the Articles of Association prescribe a larger majority.

The Management Board may decide that votes that are cast prior to the General Meeting via electronic means of communication or by letter are the equivalent of votes that are cast during the General Meeting. These votes cannot be cast before the record date announced in the convening notice.

#### ***Meetings of holders of Protective Preference Shares***

A meeting of holders of Protective Preference Shares is held as often as the Management Board or the Supervisory Board deem such necessary, or in the case of a request to do so by holders of at least 10% of the Company's issued Protective Preference Shares with the Management Board, stating the topics to be discussed.

The convocation to a meeting of holders of the Protective Preference Shares is effected with due observance of the statutory period. Convocation is effected by registered letter to the addresses of the holders of the Protective Preference Shares as recorded in the Company's shareholders' register.

#### **Annual accounts, semi-annual accounts, quarterly statements and independent auditor**

The financial year of the Company coincides with the calendar year. Annually, within four months after the end of the financial year, the Management Board prepares the annual accounts, which must be accompanied by an independent auditor's report, the annual report and certain other information required under Dutch law. All members of the Management Board and the Supervisory Board sign the annual accounts and if a member does not so sign, the reason for that must be stated.

The General Meeting may adopt the annual accounts at the annual General Meeting, in which meeting also the discharge of liability of the members of the Management Board in respect of their management and the members of the Supervisory Board in respect of their supervision thereon during the relevant financial year insofar this appears from the annual accounts, shall be discussed and resolved upon. The annual accounts, independent auditor's report, annual report and other information required under Dutch law must be made available to the Shareholders from the date of the notice convening the annual General Meeting. The annual accounts are adopted by the General Meeting.

Within two months after the end of the first six months of the financial year, the Management Board must prepare a semi-annual financial statement and make it publicly available. If the semi-annual financial reporting is audited or reviewed, the independent auditor's report must be made publicly available together with the semi-annual financial reporting.

During a period between ten weeks after the start and six weeks before the end of each half of the financial year the Management Board must prepare an interim statement and make it publicly available. The interim statement includes an explanation of the important events and transactions that took place during the relevant period and the consequences for the financial position of the Company. The interim statement also includes a general description of the financial position and the performance of the Company during that period.

#### **Amendment of the Articles of Association**

The General Meeting may resolve to amend the Articles of Association, only upon a proposal of the Management Board with the approval of the Supervisory Board. A proposal to amend the Articles of Association must be included in the notice convening the General Meeting. No changes can be made to the rights connected with the Protective Preference Shares without the approval of the meeting of holders of Protective Preference Shares.

#### **Dissolution and liquidation**

The General Meeting may resolve to dissolve the Company, only upon a proposal of the Management Board with the approval of the Supervisory Board.

In the event of the dissolution of the Company, the Company will be liquidated in accordance with statutory provisions. During the liquidation, the provisions of the Company's articles of association (as they will read at the time) will remain in full force as far as possible.

The remaining balance of the Company's assets after settlement of the debts is transferred to the Shareholders in proportion to each shareholding, with the exception that no further disbursements will be made to holders of Protective Preference Shares than the amount paid-up on those Protective Preference Shares.

## The Foundation

The Foundation is a foundation (*stichting*) incorporated under Dutch law and was established on 22 July 1983. The Foundation has its statutory seat (*statutaire zetel*) in The Hague, the Netherlands, and its registered office is at Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands. The Foundation is registered with the Trade Register under number 41203027. The Foundation's telephone number is +31 (0) 20 522 2542.

The Foundation's objectives are to promote the interests of the Company, the businesses maintained by it and all its stakeholders by, among others, protecting the Company from influences that may threaten the independence, the continuity or the identity of the Company and its businesses maintained by it. The Foundation endeavours to achieve these objects by acquiring Protective Preference Shares and by exercising the rights attaching to those Protective Preference Shares.

On 18 April 2014, the Company entered into the Call Option Agreement with the Foundation pursuant to which the Foundation has a right to subscribe for Protective Preference Shares up to a maximum corresponding with 100% of the issued share capital of the Company excluding the Protective Preference Shares as outstanding immediately prior to the exercise of the Call Option, less one Ordinary Share, from which maximum any Protective Preference Shares already placed with the Foundation at the time of the exercise of the call option shall be deducted. The Foundation may exercise its option right repeatedly, each time up to the aforementioned maximum. The Call Option can be exercised by the Foundation in order to, but not limited to:

- (a) prevent, slow down or otherwise complicate an unsolicited takeover bid for and an unsolicited acquisition of Shares by means of an acquisition at the stock market or otherwise;
- (b) prevent and countervail an unsolicited concentration of voting rights in the General Meeting;
- (c) resist unwanted influence by and pressure from Shareholders to amend the strategy of the Management Board; and
- (d) with respect to the foregoing, to give the Management Board and the Supervisory Board the opportunity to consider and to explore possible alternatives and, if required, to work these out and to implement one or more alternatives if any of the above events is happening or threatening to happen and considered to be unsolicited and not in the interest of the Company, its undertaking and the companies affiliated with it, according to the (provisional) judgement of the board of directors the Foundation (the **Foundation Board**), and to enable the Company to (temporarily) neutralise the effects of such events.

The possibility of issuing Protective Preference Shares is an anti-takeover measure.

The Foundation is independent from the Company. The Foundation is managed by the Foundation Board, the composition of which is intended to ensure that an independent judgment may be made as to the interests of the Company. The Foundation may exercise the Call Option at its sole discretion and in situations where, in the opinion of the Foundation Board, the interests of the Company, its business or the interests of its stakeholders are at stake. The Foundation Board consists of a minimum of three and a maximum of five independent members. At the date of the Prospectus, the members of the Foundation Board are: Mr Den Boogert, Mr Bouw and Mr de Jong.

Under the Call Option Agreement, the Protective Preference Shares will be issued at par value and 25% of the nominal value must be paid-up in cash by the Foundation. The Foundation will only be required to pay-up any additional amounts if and when the Company will have claimed such additional payments. The Foundation has a credit facility to enable it to pay the amount to be paid-up on the Protective Preference Shares. After three months have lapsed following the issuance of the Protective Preference Shares, the Foundation has the right to require the Company to repurchase or withdraw all the Protective Preference Shares held by the Foundation with repayment of the paid-up amount. If and when the Foundation exercises its rights to require the Company to repurchase or withdraw the Protective Preference Shares, the Management Board shall undertake all steps necessary to enable the repurchase or withdrawal of the Protective Preference Shares, including convening a General Meeting.

The General Meeting approved this anti-takeover construction with the Foundation on 25 April 2014.

## Dutch Corporate Governance Code

The Dutch Corporate Governance Code (*Nederlandse Corporate Governance Code*) of 9 December 2003, as amended on 1 January 2009 (the **Dutch Corporate Governance Code**), contains both principles and best practice provisions for listed companies in respect of their managing boards, supervisory boards, shareholders and the general meeting of shareholders, financial reporting, auditors, disclosure, compliance and enforcement standards. The Dutch Corporate Governance Code applies to all Dutch companies listed on a regulated market or a comparable system in a non-European Economic Area member state. The Dutch Corporate Governance Code is based on a “comply or explain” principle, meaning that the Company will be required to disclose in its annual reports filed in the Netherlands whether or not it is in compliance with the various best practice provisions of the Dutch Corporate Governance Code and, in the event that the Company does not apply a certain provision(s), to explain the reason for such deviation in its annual report.

The Company acknowledges the importance of good corporate governance. The Company fully endorses the underlying principles of the Dutch Corporate Governance Code and applies the Dutch Corporate Governance Code as the guiding principles for its corporate governance policy. The Company complies with all relevant best practice provisions of the Dutch Corporate Governance Code, except as noted below (or in the case of any future deviation, subject to explanation thereof at the relevant time):

The vesting period of conditionality for the long-term variable remuneration in shares is two years as from the date the variable remuneration has been granted. The General Meeting has approved the remuneration policy. The best practice provision II.2.4 of the Dutch Corporate Governance Code prescribes a three year vesting period for options.

### Code of Ethics

The Company values achieve a balance between the interest of providers of risk-bearing capital and those of other stakeholders in the Company. Matters such as transparency, 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 code of ethics for the Company and its employees, which has been adopted by the Management Board and is published on the Company’s website ([www.wereldhave.com](http://www.wereldhave.com)).

Complaints about the financial reporting, internal risk management, control systems and the audit must be submitted to the Company’s secretary, who will inform the Supervisory Board of the complaints. The Company’s secretary is responsible for the registration of complaints. The Company’s secretary will notify the complainant that his or her complaint has been received and give him an indication of when a decision is expected to be taken in respect of such claim. The Supervisory Board will notify its decision to the complainant within twelve weeks after having received the complaint.

### Market abuse regulation

The Dutch Financial Supervision Act provide for specific rules intended to prevent market abuse, such as prohibitions on insider trading, divulging inside information, tipping and market manipulation. This is an implementation of the EU Market abuse directive 2003/6/EC. These rules are applicable to the Company, the members of its Management Board and the Supervisory Board, other insiders and persons performing or conducting transactions in the Shares. In certain circumstances, the Company’s investors may also be subject to market abuse rules.

Any dealings in or from the Netherlands in the shares and other financial instruments of which the value is (co)-determined by the value of the Shares (including dealings by the Company itself) are subject to the provisions of the Dutch Financial Supervision Act with respect to insider trading, market manipulation and other market abuse rules. It is prohibited for any person to make use of inside information within or from the Netherlands by conducting or effecting a transaction in the Shares. In addition, it is prohibited for any person to pass on inside information to a third party or to recommend or induce, on the basis of inside information, any person to conduct a transaction. Furthermore, it is prohibited for any person to manipulate the market, for instance by conducting transactions which could lead to an incorrect or misleading signal of the supply of, the demand for, or the price of the Shares.

The Company must also make public certain inside information by means of a press release. Pursuant to the Financial Supervision Act, inside information is knowledge of concrete information directly or indirectly relating to the Company or the trade in its Shares which has not been made public and publication of which could significantly affect the trading price of the securities. The Company must also provide the AFM with this inside information at the time of publication.



Furthermore, the Company must without delay publish the inside information on its website and keep it available on its website for at least one year. However, under certain circumstances the Company may defer the publication of inside information. Such deferral is only possible if the publication thereof could damage the Company's legitimate interests, the deferral does not risk to mislead the market and the Company can guarantee the confidentiality of such information.

The Company has adopted an internal code on inside information in respect of the holding of and carrying out of transactions in the Shares (or in financial instruments the value of which is (co)-determined by the value of the Shares) by the members of the Management Board and the Supervisory Board and its employees. In addition, the Company has drawn up a list of those persons working for the Company who could have access to inside information on a regular or incidental basis and the Company has informed the persons concerned of the rules on insider trading and market manipulation including the sanctions which can be imposed in the event of a violation of those rules.

### **Obligations of Shareholders and members of Supervisory Board and Management Board to disclose holdings**

Pursuant to chapter 5.3 of the Dutch Financial Supervision Act any person who, directly or indirectly, acquires or disposes of a capital interest and/or voting rights in the Company must immediately give written notice to the AFM of such acquisition or disposal if, as a result of such acquisition or disposal, the percentage of capital interest and/or voting rights held by such person reaches, exceeds or falls below the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%. For the purpose of calculating the percentage of capital interest or voting rights, the following interests must, inter alia, be taken into account: (i) Shares and/or voting rights directly held (or acquired or disposed of) by any person, (ii) Shares and/or voting rights held (or acquired or disposed of) by such person's controlled entities or by a third party for such person's account (iii) voting rights held (or acquired or disposed of) by a third party with whom such person has concluded an oral or written voting agreement, (iv) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights in consideration for a payment, and (v) Shares which such person, or any controlled entity or third party referred to above, may acquire pursuant to any option or other right to acquire Shares. Controlled entities (*gecontroleerde ondernemingen*) within the meaning of the Dutch Financial Supervision Act do not themselves have notification obligations under the Dutch Financial Supervision Act as their direct and indirect interests are attributed to their (ultimate) parent. If a person who has a 3% or larger interest in the Company's share capital or voting rights ceases to be a controlled entity it must immediately notify the AFM and all notification obligations under the Dutch Financial Supervision Act will become applicable to such former controlled entity.

Special rules apply to the attribution of Shares and/or voting rights which are part of the property of a partnership or other form of joint ownership. A holder of a pledge or right of usufruct in respect of Shares can also be subject to notification obligations, if such person has, or can acquire, the right to vote on the Shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger notification obligations as if the pledgee or beneficial owner were the legal holder of the Shares and/or voting rights.

Furthermore, when calculating the percentage of capital interest a person is also considered to be in possession of Shares if (i) such person holds a financial instrument the value of which is (in part) determined by the value of the Shares or any distributions associated therewith and which does not entitle such person to acquire any Shares, (ii) such person may be obliged to purchase Shares on the basis of an option, or (iii) such person has concluded another contract whereby such person acquires an economic interest comparable to that of holding a Share.

Under the Dutch Financial Supervision Act, the Company is required to notify the AFM promptly after the Settlement Date setting out the Company's issued and outstanding share capital and voting rights. Thereafter the Company is required to notify the AFM promptly of any change of 1% or more in the Company's issued and outstanding share capital or voting rights since the previous notification. Other changes to the Company's issued and outstanding share capital or voting rights must be notified to the AFM within eight days after the end of the quarter in which the change occurred. If a person's capital interest and/or voting rights reach, exceed or fall below the above—mentioned thresholds as a result of a change in the Company's issued and outstanding share capital or voting rights, such person is required to make a notification not later than on the fourth trading day after the AFM has published the Company's notification as described above.

Each person whose holding of capital interest or voting rights amounts to 3% or more of the Company's issued and outstanding share capital at the settlement of the Offering must notify the AFM of such holding without delay.

In addition, any person with a capital interest or voting rights in the Company of at least 3% will be required to notify the AFM of any changes in the composition (actual or potential) of this interest annually within four weeks from 31 December at 24:00 hours.

Furthermore, each member of the Management Board or Supervisory Board must notify the AFM (a) immediately after the Settlement Date of the number of Shares he or she holds and the number of votes he or she is entitled to cast in respect of the Company's issued and outstanding Share capital, and (b) subsequently of each change in the number of Shares he or she holds and of each change in the number of votes he or she is entitled to cast in respect of the Company's issued and outstanding share capital, immediately after the relevant change.

Furthermore, members of the Management Board or Supervisory Board and any other person who has managerial responsibilities within the Company and in that capacity is authorised to make decisions affecting the future developments and business prospects of the Company and who has regular access to inside information relating, directly or indirectly, to the Company (each, an **Insider**) must notify the AFM of all transactions, conducted or carried out for his/her own account, relating to the or financial instruments, the value of which is (in part) determined by the value of the Shares.

In addition, persons designated by the Market Abuse Decree who are closely associated with members of the Management Board or Supervisory Board or any of the Insiders must notify the AFM of all transactions conducted for their own account relating to the Shares or financial instruments, the value of which is (in part) determined by the value of the Shares. The Market Abuse Decree designates the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse, (ii) dependent children, (iii) other relatives who have shared the same household for at least one year at the relevant transaction date, and (iv) any legal person, trust or partnership, among other things, whose managerial responsibilities are discharged by a member of the Management Board or Supervisory Board or any other Insider or by a person referred to under (i), (ii) or (iii) above. The AFM must be notified of transactions effected in either the Shares or financial instruments, the value of which is (in part) determined by the value of the Shares, no later than the fifth business day following the transaction date by means of a standard form. Notification may be postponed until the date that the value of the transactions carried out on a person's own account, together with the transactions carried out by the persons associated with that person, reach or exceed the amount of €5,000 in the calendar year in question.

The AFM keeps a public registry of and publishes all notifications made pursuant to the Dutch Financial Supervision Act at its website ([www.afm.nl](http://www.afm.nl)).

Non-compliance with these disclosure obligations is an economic offence and may lead to criminal prosecution. The AFM may impose administrative penalties for non-compliance, and the publication thereof. In addition, a civil court can impose measures against any person who fails to notify or incorrectly notifies the AFM of matters required to be notified. A claim requiring that such measures be imposed may be instituted by the Company, and/or by one or more Shareholders who alone or together with others represent at least 3% of the issued and outstanding share capital of the Company or are able to exercise at least 3% of the voting rights. The measures that the civil court may impose include:

- an order requiring the person with a duty to disclose to make the appropriate disclosure;
- suspension of the right to exercise the voting rights by the person with a duty to disclose for a period of up to three years as determined by the court;
- voiding a resolution adopted by the General Meeting, if the court determines that the resolution would not have been adopted but for the exercise of the voting rights of the person with a duty to disclose, or suspension of a resolution adopted by the General Meeting until the court makes a decision about such voiding; and
- an order to the person with a duty to disclose to refrain, during a period of up to five years as determined by the court, from acquiring Shares and/or voting rights in the Company.

Shareholders are advised to consult with their own legal advisers to determine whether the disclosure obligations apply to them.

## **Short Positions**

### ***Net Short Position***

Pursuant to EU regulation No 236/2012, each person holding a net short position attaining 0.2% of the issued share capital of the Company must report it to the AFM. Each subsequent increase of this position by 0.1% above 0.2% will also have to be reported. Each net short position equal to 0.5% of the issued share capital of the Company and any subsequent increase of that position by 0.1% will be made public via the AFM short selling register. To calculate whether a natural person or legal person has a net short position, their short positions and long positions must be examined. A short transaction in a Share can only be contracted if a reasonable case can be made that the Shares sold can actually be delivered, which requires confirmation of a third party that the Shares have been located.

### **Gross Short Position**

Furthermore, each person holding a gross short position in relation to the issued share capital of the Company that reaches, exceeds or falls below one of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%, must immediately give written notice to the AFM.

If a person's gross short position reaches, exceeds or falls below one of the abovementioned thresholds as a result of a change in the Company's issued share capital, such person is required to make a notification not later than on the fourth trading day after the AFM has published the Company's notification in the public register of the AFM.

The AFM keeps a public register of the short selling notifications. Shareholders are advised to consult with their own legal advisers to determine whether any of the above short selling notification obligations apply to them.

### **Obligations of Shareholders to make a public offer**

Pursuant to article 5:70 of the Dutch Financial Supervision Act, a party – whether acting alone or in concert with others – that acquires 30% or more of the voting rights of the Company has to make an offer for the remaining Shares of the Company. This obligation would not apply to Shareholders with existing controlling interests of more than 30% of the voting rights at the effective date of the new public offer rules. It appears from the filings with the AFM, that the Company has no Shareholder with more than 30% of the voting rights.

### **Squeeze out proceedings**

Pursuant to article 2:92a of the DCC a Shareholder who, for its own account, holds at least 95% of the issued share capital of the Company may institute proceedings against the other Shareholders jointly for the transfer of their Shares to it. The proceedings are held before the Enterprise Chamber and can be instituted by means of a writ of summons served upon each of the minority Shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for the squeeze out in relation to all minority Shareholders and will determine the price to be paid for the Shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the Shares of the minority Shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the Shares must give written notice of the date and place of payment and the price to the holders of the Shares to be acquired whose addresses are known to it. Unless the addresses of all of them are known to it, it must also publish the same in a Dutch daily newspaper with a national circulation.

In addition, pursuant to article 2:359c of the DCC, following a public offer, a holder of at least 95% of the issued share capital and voting rights of the Company has the right to require the minority Shareholders to sell their Shares to it. Where there are different classes of Shares, a claim may be instituted only with regard to the class in respect of which the claimant or claimants hold at least 95% of the issued share capital and represent 95% of the voting rights. Any such request must be filed with the Enterprise Chamber within three months after the end of the acceptance period of the public offer. Conversely, pursuant to article 2:359d of the DCC each minority Shareholder has the right to require the holder of at least 95% of the issued share capital and voting rights of the Company to purchase its Shares in such case. The minority Shareholder must file such claim with the Enterprise Chamber within three months after the end of the acceptance period of the public offer.

### **Dutch Financial Reporting Supervision Act**

On the basis of the Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*) (the **DFRSA**), the AFM supervises the application of financial reporting standards by, among others, companies whose corporate seat is in the Netherlands and whose securities are listed on a regulated Dutch or foreign stock exchange.

Pursuant to the DFRSA, the AFM has an independent right to (i) request an explanation from the Company regarding its application of the applicable financial reporting standards if, based on publicly known facts or circumstances, it has reason to doubt the Company's financial reporting meets such standards and (ii) recommend the Company to make available further explanations. If the Company does not comply with such a request or recommendation, the AFM may request that the Enterprise Chamber orders the Company to (i) provide an explanation of the way it has applied the applicable financial reporting standards to its financial reports or (ii) prepare its financial reports in accordance with the Enterprise Chamber's instructions.

## 9. CAPITALISATION AND INDEBTEDNESS

The table below sets forth the Group's consolidated capitalisation and indebtedness. The information below the column headed "Actual" is derived from the Group's interim financial statements as of 31 March 2015. The information below the column headed "As adjusted for the Offering" shows the adjustments to give full effect to the receipt of the estimated net proceeds of €267.4 million of the Offering, as if the Offering had been completed on 31 March 2015. The table below does not give effect to the Acquisition. See Section 9 "Unaudited Pro Forma Financial Information" of the Registration Document for information about the impact of the Acquisition, and the Offering combined.

This table should be read in conjunction with the consolidated financial statements of the Group, including the notes thereto, incorporated by reference into the Prospectus and the information in Section 5 "Reasons for the Offering", Section 7 "Selected Historical Financial and Business Information" of the Registration Document and Section 8 "Operating and Financial Review" of the Registration Document.

The information in the table below is unaudited. The adjustments have been prepared for illustrative purposes only and, because of their nature, do not provide an accurate representation of the Company's capitalisation and indebtedness following completion of the Offering or the Acquisition.

	As of 31 March 2015	
	Actual (x €1,000) (unaudited)	As adjusted for the Offering <sup>(1)</sup> (unaudited)
- Guaranteed .....	-	-
- Secured .....	48,179	48,179
- Unguaranteed / unsecured .....	128,875	128,875
<b>Total current debt .....</b>	<b>177,054</b>	<b>177,054</b>
- Guaranteed .....	-	-
- Secured .....	-	-
- Unguaranteed / unsecured .....	1,195,467	1,195,467
<b>Total non-current debt (excluding current portion of long-term debt) .....</b>	<b>1,195,467</b>	<b>1,195,467</b>
<b>Total debt .....</b>	<b>1,372,521</b>	<b>1,372,521</b>
<b>Shareholders' equity</b>		
Share capital .....	35,021	40,271
Legal reserve .....	444,925	444,925
Other reserves .....	1,351,088	1,613,223 <sup>(3)</sup>
<b>Total shareholders' equity attributable to shareholders .....</b>	<b>1,831,034</b>	<b>2,098,419</b>
Non-controlling interest .....	169,588	169,588
<b>Total shareholders' equity .....</b>	<b>2,000,622</b>	<b>2,268,007</b>
<b>Total capitalisation .....</b>	<b>3,203,555</b>	<b>3,470,940</b>
Cash .....	112,330	379,715
Cash equivalents .....	-	-
Trading securities .....	-	-
<b>Current financial receivable .....</b>	<b>112,330</b>	<b>379,715</b>
Current bank debt .....	-	-
Current portion of non-current debt .....	-	-
Other current financial debt .....	-	-
<b>Current financial debt .....</b>	<b>-</b>	<b>-</b>
Non-current bank loans .....	313,751	313,751
Convertible bonds issued .....	235,329	235,329
Other non-current loans .....	646,387	646,387
<b>Non-current financial indebtedness<sup>(2)</sup> .....</b>	<b>1,195,467</b>	<b>1,195,467</b>

<b>Net financial indebtedness .....</b>	<b>1,083,137</b>	<b>815,752</b>
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- (1) Does not reflect the effect of the Acquisition on the Group's capitalisation and indebtedness (i.e. the application of the net proceeds from the Offering to finance in part the purchase price of the acquired assets at the closing of the Acquisition and additional indebtedness to finance the remainder of such final purchase price. See Section 4 "The Acquisition" of the Registration Document for further details.
- (2) The amounts of non-current financial indebtedness are presented net of debt issuance costs for an amount of €6.8 million. The nominal value of the non-current financial indebtedness is therefore €1,202.3 million.
- (3) The increase in other reserves reflects the estimated net proceeds of the offering which is based on 5,250,000 newly issued shares, and the Company's closing share price of €52.16 as of 23 June 2015 and the issuing costs.

### Contingent indebtedness

The Group has contingent indebtedness related to the Group's capital expenditure program of €76 million for projects that are expected to complete by 2017. See Section 8 "Operating and Financial Review—Capital Expenditure" of the Registration Document.

The Group's leasehold liabilities represent the payments to be made on the ground leases held by the Group, which are typically of ten or more years. These leasehold liabilities are related to long-term leases of a freehold property often owned by a municipality that allows a tenant to develop a property without having to purchase the underlying land.

The Group also has undrawn Committed Credit Facilities of €355 million as of 31 March 2015.

The following table summarises the Group's capital commitments and leasehold liabilities as of 31 March 2015:

	As of 31 March 2015 <sup>(1)</sup> € thousands (unaudited)
Capital commitments.....	13,370
Leasehold liabilities <sup>(2)</sup> .....	78,615
<b>Total .....</b>	<b>91,985</b>

(1) Does not include Target Portfolio commitments that the Company expects to make following the closing of the Acquisition.

(2) Leasehold liabilities represent the payments due on the ground leases held by the Group which are typically for ten or more years.

The Group has additional contingent indebtedness of approximately €730 million, representing the contracted Purchase Price of the Acquisition prior to any adjustments. See Section 4 "The Acquisition—Sale and Purchase Agreement—Consideration" of the Registration Document. Additionally, the Group will commit €15 million of capital expenditure for the Target Portfolio over the medium term upon the closing of the Acquisition. See Section 4 "The Acquisition—Description of Properties" of the Registration Document.

## 10. ADDITIONAL INFORMATION

### Corporate resolutions

The Company has obtained all necessary consents, approvals and authorisation in the Netherlands in connection with the Offering of the Offer Shares. The Management Board and the Supervisory Board have each adopted resolutions on 19 June 2015 to approve the issuance of the Offer Shares.

### Governmental, legal or arbitration proceedings

Neither the Company nor any Group company is, or during the twelve months preceding the date of the Prospectus has been, involved in any governmental, legal or arbitration proceedings, which may have, or have had in the recent past, significant effects on the Company and/or the Group's financial position or profitability, nor is the Company aware of any such proceedings being pending or threatened.

### Significant changes in the Company's financial or trading position

No significant change in the financial or trading position of the Company or the Group has occurred since 31 March 2015, other than the Acquisition (see Section 4 "*The Acquisition*" of the Registration Document).

### Significant changes in the value of the Portfolio

No material change in the value of the Portfolio has occurred since the date of valuation of the Group's properties included in the Valuation Reports.

### Working capital statement

The Company believes that its working capital is sufficient for its present requirements; that is for at least 12 months from the date of the Prospectus.

### Material contracts

Except as set out below, in the two years immediately preceding the date of the Prospectus, neither the Company nor any Group company has, directly or indirectly, entered into any material contracts (other than contracts in the ordinary course of business) or any other contracts (other than contracts in the ordinary course of business) which contain any provision under which the Company or any Group company has any obligation or entitlement which is material to the Group as of the date of the Prospectus:

- the Call Option Agreement. See Section 8 "*Description of Share Capital and Corporate Governance—Foundation*";
- the Private Placement Notes. See Section 8 "*Operating and Financial Review—Financial Instruments—The Notes*" of the Registration Document;
- the Convertible Bonds. See Section 8 "*Operating and Financial Review—Financial Instruments—Convertible Bonds*" of the Registration Document;
- the Underwriting Agreement. See Section 11 "*Plan of Distribution—Underwriting Agreement*";
- the Sale and Purchase Agreement. See Section 4 "*The Acquisition—Sale and Purchase Agreement*" of the Registration Document;
- the Bridge Facilities. See Section 8 "*Operating and Financial Review—Financial Instruments—Bridge Facilities*" of the Registration Document; and
- the 2015 Notes. See section 8 "*Operational and Financial Review—Financial Instruments—2015 Notes Issuance*" of the Registration Document.

## Group structure

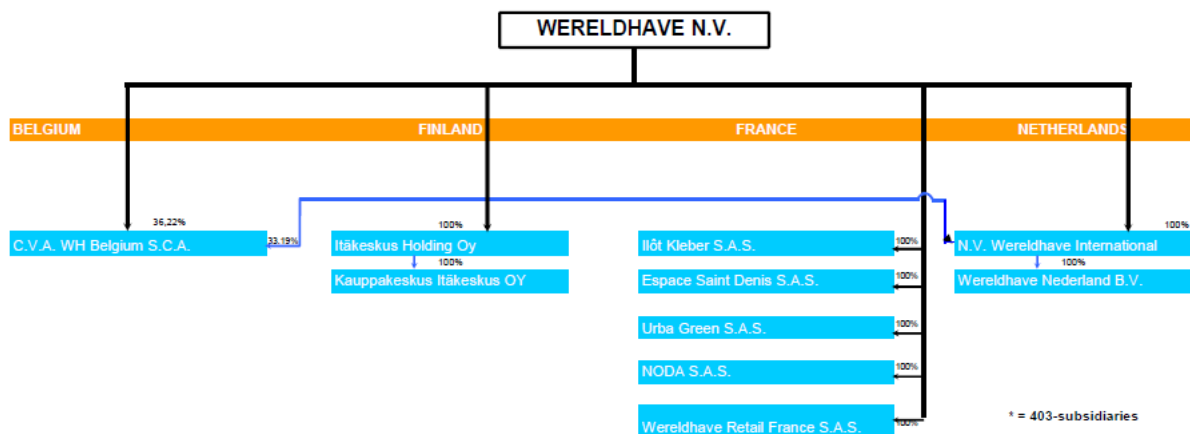
### Significant subsidiaries

The Company is the holding company of the Group and the Ordinary Shares are listed on Euronext Amsterdam. The legal structure of the Group consists of a large number of legal entities. The simplified legal structure chart below does not present all interests in companies that hold properties, but presents the structure of holdings in the Company's direct or indirect significant subsidiaries. Properties are held either directly by the legal entities referred to in the table and simplified legal structure chart below or indirectly by subsidiaries of these legal entities. The Company considers the following entities to be significant within the Group.

The following table provides an overview of the significant subsidiaries of the Company as of the date of the Prospectus.

	Shareholding (%)	Country of incorporation
Wereldhave Belgium.....	69.57	Belgium
Agenttitalo Holding Oy.....	100	Finland
Itäkeskus Holding Oy.....	100	Finland
Ilôt Kleber S.A.S.....	100	France
Urba Green S.A.S.....	100	France
Espace Saint Denis S.A.S.....	100	France
NODA S.A.S.....	100	France
N.V. Wereldhave International.....	100	The Netherlands
Wereldhave Development B.V.....	100	The Netherlands
Wereldhave Management Holding B.V.....	100	The Netherlands
Wereldhave Nederland B.V.....	100	The Netherlands
Relovast B.V.....	100	The Netherlands
Wereldhave Retail France S.A.S.....	100	France

### Simplified legal structure chart





## The Group

The following table provides an overview of all companies within the Group as of the date of the Prospectus.

	<b>Shareholding (%)</b>	<b>Country of incorporation</b>
NV WH Belgium Services S.A. ....	100	Belgium
C.V.A. WH Belgium O.G.V.V. ....	69.51	Belgium
Wereldhave Belgium.....	69.57	Belgium
N.V. J-II S.A. ....	100	Belgium
N.V. Wereldhave Belgium S.A. ....	100	Belgium
Immo Guwy N.V. ....	100	Belgium
Waterloo Shopping BVBA.....	100	Belgium
THV Tubize Parc .....	50	Belgium
WBPM N.V. ....	100	Belgium
Vastgoed Halle N.V. ....	50	Belgium
N.V. WH Management Belgium S.A. ....	100	Belgium
N.V. WH Belgium Services S.A. ....	100	Belgium
Agentitalo Holding Oy.....	100	Finland
Kiinteistö Oy Agentitalo .....	100	Finland
Itäkeskus Holding Oy.....	100	Finland
Kauppakeskus Itäkeskus Oy .....	100	Finland
Wereldhave Finland Oy .....	100	Finland
Ilôt Kleber S.A.S. ....	100	France
Espace Saint Denis S.A.S. ....	100	France
Urba Green S.A.S. ....	100	France
NODA S.A.S. ....	100	France
Wereldhave Management France S.A.S. ....	100	France
Wereldhave Retail France S.A.S. ....	100	France
West World Holding N.V. ....	100	The Netherlands
N.V. Wereldhave International.....	100	The Netherlands
Wereldhave Nederland B.V. ....	100	The Netherlands
Wereldhave Development B.V. ....	100	The Netherlands
Relovast B.V. ....	100	The Netherlands
Relovast II B.V. ....	100	The Netherlands
Relovast IV B.V. ....	100	The Netherlands
Wereldhave Management Holding B.V. ....	100	The Netherlands
Wereldhave Management Nederland B.V. ....	100	The Netherlands
Espamad S.L.U. ....	100	Spain
Wereldhave Management Spain S.A. ....	100	Spain
Wereldhave U.K. Holdings Ltd.....	99.99	United Kingdom
Wereldhave Property Corp. Plc.....	99.39	United Kingdom
Wereldhave UK Ltd. ....	99.39	United Kingdom
Wereldhave Property Management Co. Ltd. ....	99.39	United Kingdom
Wereldhave USA, Inc. ....	100	United States
Wereldhave San Antonio Inc.....	100	United States
Wereldhave USA San Antonio, LP.....	100	United States
Wereldhave Development SA, Inc. ....	100	United States
Wereldhave USA San Diego, LLC.....	100	United States
Wereldhave Management USA, Inc. ....	100	United States

## Availability of documents

Subject to any applicable selling and transfer restrictions (see Section 12 “*Selling and Transfer Restrictions*”), from the date of publication, and throughout the time it remains valid, copies of the Prospectus as well as of any supplements and update communications will be available on the Company’s website ([www.wereldhave.com](http://www.wereldhave.com)), and printed versions of the Prospectus as well as of any supplements and update communications will be available at the registered office of the Company during normal business hours at no cost. In addition, copies of the following documents will be available on the Company’s website ([www.wereldhave.com](http://www.wereldhave.com)), and printed versions of the following documents will be available at the registered office of the Company during normal business hours at no cost:

- the Articles of Association;

- copies of the Valuation Reports as included in the Prospectus;
- the Company's audited consolidated financial statements, including the notes thereto and the auditor's report, as of and for 2014, 2013 and 2012; and
- the Company's unaudited consolidated interim financial statements as of and for the three months ended 31 March 2015 and 2014.

The Company's contact details are: Schiphol Boulevard 233, WTC Schiphol, 1118 BH Schiphol, the Netherlands.

### **Independent appraisers**

The Portfolio was valued by the below-mentioned independent appraisers. They have given their written consent to the inclusion of their Valuation Reports in the Prospectus in the form and context in which they have been included.

*The appraisers of the Dutch Portfolio are:*

CBRE Valuation Advisory B.V.  
Symphony Offices  
Gustav Mahlerlaan 405  
1082 MK Amsterdam  
The Netherlands  
Authority by which CBRE is regulated: RICS

Cushman & Wakefield v.o.f.  
Strawinskylaan 3125  
1077 ZX Amsterdam  
The Netherlands  
Authority by which Cushman & Wakefield v.o.f. is regulated: RICS

DTZ Zadelhoff v.o.f.  
Parnassusweg 803  
1082 LZ Amsterdam  
The Netherlands  
Authority by which DTZ Zadelhoff v.o.f. is regulated: RICS

*The appraisers of the Belgian Portfolio are:*

Cushman & Wakefield v.o.f.  
Kunstlaan 56  
1000 Brussels  
Belgium  
Authority by which Cushman & Wakefield v.o.f. is regulated: RICS

Troostwijk-Roux Expertises CVBA  
Generaal Lemanstraat 58/2  
2600 Antwerp  
Belgium  
Authority by which Troostwijk-Roux Expertises CVBA is regulated: RICS

*The appraiser of the Finnish Portfolio is:*

CBRE Finland Oy  
Erottajankatu 9  
00130 Helsinki  
Finland  
The valuer of the Portfolio in Finland is qualified in accordance with, and is a member of, RICS

*The appraiser of the French Portfolio is:*

Jones Lang LaSalle Expertises S.A.S.  
42 Rue La Boétie  
75008 Paris  
France

Authority by which Jones Lang LaSalle Expertises S.A.S. is regulated: RICS

Cushman & Wakefield Expertise S.A.S.  
11/13 avenue de Friedland  
75008 Paris  
France

Authority by which Cushman & Wakefield Expertise S.A.S. is regulated: RICS

*The appraiser of the Target Portfolio is:*

CBRE Valuation Advisory B.V.  
Symphony Offices  
Gustav Mahlerlaan 405  
1082 MK Amsterdam  
The Netherlands  
Authority by which CBRE is regulated: RICS

### **Expenses of the Offering**

The expenses related to the Offering are estimated to be approximately €6.4 million (excluding VAT) and include, among others, the commission for the Underwriters, the fees due to the AFM and Euronext Amsterdam, legal and administrative expenses as well as publication costs and applicable taxes, if any.

No expenses or taxes will be charged by the Company or the Underwriters to the applicants in the Offering.

### **No incorporation of website**

Except for the items specified in Section 16 “*Documents Incorporated by Reference*” of the Registration Document, the contents of the Company’s website ([www.wereldhave.com](http://www.wereldhave.com)), including any websites accessible from hyperlinks on the Company’s website, do not form part of, and are not incorporated by reference into, the Prospectus.

### **Legal advisers to the Company**

In connection with the Offering, legal services to the Company are provided by law firm Allen & Overy LLP, with its address at Apollolaan 15, 1077 AB Amsterdam, the Netherlands, with respect to Dutch law and Allen & Overy LLP, with its address at One Bishops Square, London E1 6AD, United Kingdom, with respect to U.S. law.

Furthermore Allen & Overy LLP has provided and may provide other legal advice to the Company in respect of its business activities, pursuant to relevant agreements for the provision of legal advisory services. Allen & Overy LLP does not hold any material interests in the Company. In particular, on the date of the Prospectus, it does not hold any Ordinary Shares in the capital of the Company.

### **Legal advisers to the Underwriters**

In connection with the Offering, legal services to the Underwriters are provided by law firm Freshfields Bruckhaus Deringer LLP, with its address at Strawinskylaan 10, 1077 XZ Amsterdam, the Netherlands, with respect to Netherlands law and Freshfields Bruckhaus Deringer LLP, with its address at 65 Fleet Street, London EC4Y 1HS, United Kingdom, with respect to U.S. law.

Furthermore, Freshfields Bruckhaus Deringer LLP has provided and may provide other legal advice to the Underwriters in respect of their business activities, pursuant to relevant agreements for the provision of legal advisory services. Freshfields Bruckhaus Deringer LLP does not hold any material interests in the Company. In particular, on the date of the Prospectus, it does not hold any shares in the Underwriters.

## **Independent auditors**

PricewaterhouseCoopers Accountants N.V. (**PricewaterhouseCoopers**), with its address at Thomas R. Malthusstraat 5, 1066 JR Amsterdam, has audited the consolidated financial statements as of and for the financial years ended 31 December 2014, 2013 and 2012, and have reviewed the consolidated interim financial statements as of and for the three months period ended 31 March 2015, which are incorporated by reference into the Prospectus. The auditor's reports on the consolidated financial statements as of and for the financial years ended 31 December 2014, 2013 and 2012 and the review reports on the consolidated interim financial statements as of and for the three months period ended 31 March 2015 are unqualified.

PricewaterhouseCoopers has given, and not withdrawn, its written consent to the incorporation by reference into the Prospectus of its auditor's reports and review reports. The auditor signing the auditor's reports on behalf of PricewaterhouseCoopers is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

In the period covered by the financial statements included in the Prospectus, there were no events of resignation or dismissal of a certified auditor appointed to audit the financial statements of the Company.

## 11. PLAN OF DISTRIBUTION

### Underwriting Arrangements

On the date of the Prospectus, the Company, and the Underwriters entered into an underwriting agreement (the **Underwriting Agreement**) with respect to the Offering and sale of the Offer Shares.

Under the terms and subject to the conditions set out in the Underwriting Agreement, the Underwriters have severally agreed, subject to certain conditions, including the agreement of the Offer Price and number of Offer Shares as part of the Pricing Agreement, to procure subscribers for or, failing which, to subscribe themselves, all of the Offer Shares at the Offer Price. The proportion of total Offer Shares which each Underwriter may severally be required to purchase is indicated below.

<b>Underwriter</b>	<b>Percentage of Total Offer Shares</b>
Goldman Sachs International.....	55%
Kempen & Co.....	25%
ING.....	20%
<b>Total</b> .....	<b>100%</b>

The Underwriting Agreement provides that the obligations of the Underwriters to purchase the Offer Shares, are subject to, among other things, the following conditions: (i) the approval of the Prospectus by the AFM being in full force and effect; (ii) execution of the Pricing Agreement; (iii) receipt on or before the Settlement Date of opinions on certain legal matters from legal counsel relating to, among other things, the Company, the Underwriting Agreement, the Prospectus and the Offer Shares; (iv) the admission of the Offer Shares to listing on Euronext Amsterdam occurring no later than 9:00 CEST on the first trading date; and (v) certain other customary closing conditions, including, among other things, the accuracy of the warranties provided by the Company pursuant to the Underwriting Agreement. The Underwriters will have the right to waive the satisfaction of certain of the conditions or part thereof.

### Underwriters' Consideration

In consideration of the agreement by the Underwriters to procure subscribers for or, failing which, to subscribe themselves, all of the Offer Shares at the Offer Price (once determined) and subject to the Offer Shares being sold as provided for in the Underwriting Agreement, the Company has agreed to pay to the Underwriters, subject to certain conditions, a commission of 1.2% of the gross proceeds of the Offering, as well as an additional commission of 0.50% of the gross proceeds of the Offering payable at the absolute discretion of the Company. All commissions will be paid together with any value added tax chargeable thereon.

### Lock-up Arrangements

The Company has agreed, with respect to itself and its subsidiaries, not to, among other restrictions:

- issue, offer (other than the Offering), sell, contract to issue or sell, grant any option, right or warrant to subscribe to or purchase or otherwise transfer or dispose of;
- grant or allow any encumbrance or beneficial interest to be created over; or
- enter into any agreement or any transaction that transfers in whole or in part, directly or indirectly, any of the economic consequences of ownership of,

any shares in the Company or any securities convertible or exchangeable for shares in the Company or warrants or other rights to subscribe to or purchase shares in the Company for a period of 180 days following completion of the Offering, without the prior written consent of the Underwriters, in accordance with the terms of the Underwriting Agreement.

Furthermore, for a period of 180 days following completion of the Offering the Company may not, and must procure that any member of the Group not, enter into any agreement, commitment or arrangement which is or may be material in the context of the business or affairs of the Company or the Group or in relation to the Offering unless the Company has obtained the prior written consent of the Underwriters, except for any acquisition or disposing of properties in the ordinary course of business at a purchase price value not exceeding €250 million in the aggregate.

There is currently no agreement on the circumstances under which the Underwriters will provide such consent.

**Potential conflicts of interest**

The Underwriters are acting exclusively for the Company and for no one else in relation to the Offering and will not be responsible to anyone other than to the Company for giving advice in relation to the Offering. The responsibility (if any) of any Underwriter to the Company for giving advice in relation to the Offering is as documented in the Underwriting Agreement.

The Underwriters have from time to time been engaged and may in the future engage in commercial banking, investment banking, financial advisory, lending and ancillary activities in the ordinary course of their business with the Company (or any parties related to the Company) for which they have received or may in the future receive customary compensation. With respect to certain of these activities, the sharing of information is generally restricted for reasons of confidentiality by internal procedures or applicable rules and regulations (including those issued by the AFM). As a result of these activities, the Underwriters may have interests that are not aligned or could conflict with the interests of (prospective) investors or with the interests of the Group.

## 12. SELLING AND TRANSFER RESTRICTIONS

### General

Neither the Company nor the Sole Global Coordinator, nor any of the Joint Bookrunners has taken, is taking or will take any action to register the Offer Shares or otherwise to permit a public offering of the Offer Shares in any jurisdiction outside the Netherlands. The Offering to persons resident in, or who are citizens of, a particular jurisdiction may be affected by the laws of that jurisdiction. Investors should consult their professional advisers as to whether the investor requires any governmental or any other consent or needs to observe any other formalities to enable the investor to subscribe for the Offer Shares. The Offering is only made in those jurisdictions in which, and only to those persons to whom, the Offering may be lawfully made. Accordingly, receipt of the Prospectus will not constitute an invitation or offer in Ineligible Jurisdictions (as defined below) and, in those circumstances, the Prospectus will be sent for information purposes only and should not be copied nor redistributed. If an investor receives a copy of the Prospectus in any jurisdiction other than the Netherlands, the investor may not treat the Prospectus as constituting an invitation or offer to the investor, nor should the investor in any event deal in Offer Shares unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to the investor and Offer Shares can lawfully be dealt in without contravention of any registration or other legal requirements. Persons (including, without limitation, financial intermediaries, custodians, nominees and trustees) wishing to subscribe for the Offer Shares are required to inform themselves and consult their professional advisers about all applicable restrictions and conditions, to observe such restrictions and conditions, to obtain any necessary authorisations, approvals or consents and to pay any issue, transfer or other taxes due. Any failure to comply with any of these restrictions or conditions may constitute a violation of law. Neither the Company, nor the Sole Global Coordinator, nor each of the Joint Bookrunners, nor any of their advisers accepts any liability for any violation by any such person of any such restriction or condition.

A person (including, without limitation, financial intermediaries, custodians, nominees and trustees) who would or otherwise intends to forward the Prospectus or any related materials to any jurisdiction outside the Netherlands should carefully read this Section 12 “*Selling and Transfer Restrictions*” before taking any action. If such a person forwards the Prospectus or any other related materials (whether under a contractual or legal obligation or otherwise) he or she should draw the recipient’s attention to the contents of this Section 12 “*Selling and Transfer Restrictions*”.

In accordance with the terms of the Prospectus:

- the Offer Shares being offered in the Offering may not be, subject to certain exceptions, offered, sold, resold, transferred or delivered, directly or indirectly, in or into jurisdictions outside the Netherlands in which this would not be in compliance with the securities or other laws or regulations of such jurisdiction or would require any registration, approval or filing with any regulatory authority not expressly contemplated by the terms of the Prospectus (including, without limitation, the United States, Canada, Australia and Japan) (such jurisdictions the **Ineligible Jurisdictions**); and
- the Prospectus may not be sent by any person (including, without limitation, financial intermediaries, custodians, nominees and trustees) to:
  - any person residing in an Ineligible Jurisdiction or with a citizenship from an Ineligible Jurisdiction such that he or she cannot lawfully participate in the Offering; and/or
  - any Shareholder or any other person residing in a jurisdiction outside the Netherlands wherein the Offer Shares may be offered, but to whom certain restrictions apply, as set out in this Section 12 “*Selling and Transfer Restrictions*”, as a result of which he or she cannot lawfully participate in the Offering,

(each such person an **Ineligible Person**).

Persons who are not Ineligible Persons are referred to as **Eligible Persons**.

Subject to the specific restrictions described below, if investors (including, without limitation, any investors’ financial intermediaries, custodians, nominees and trustees) are outside the Netherlands and wish to subscribe for or purchase Offer Shares, they must satisfy themselves as to full observance of the applicable laws of any relevant jurisdiction including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdiction.

Subject to certain exceptions, financial intermediaries, including brokers, custodians and nominees, are not permitted to send or otherwise distribute the Prospectus or any other information regarding the Offering to any person that does not qualify as an Eligible Person.

The contents of this Section 12 “*Selling and Transfer Restrictions*” are intended as general guide only. If a person is in any doubt as to his position he or she should consult his professional adviser without delay.

### **Representations and warranties by investors in the Offering**

Subject to certain exceptions, each person who purchases, subscribes for, trades or otherwise deals in Offer Shares being offered, respectively, in the Offering, will be deemed to have made, and in some cases be required to explicitly confirm, each of the following representations and warranties to the Company, the Underwriters and to any person acting on their behalf, unless the Company, Underwriters, in their sole and absolute discretion, waive such requirement:

In relation to the Offering:

- such person may lawfully be granted or offered, accept, take up, obtain, purchase, receive, trade or otherwise deal in Offer Shares in the jurisdiction in which the investors resides or is currently located;
- such person is not located in an Ineligible Jurisdiction as a result of which such person will be qualified as an Ineligible Person;
- such person is not an Ineligible Person for any other reason;
- such person is not acting, and has not acted, for the account or benefit of an Ineligible Person; and
- such person is not acquiring Offer Shares with a view to the offer, sale, transfer, delivery or distribution, directly or indirectly, of such Offer Shares into an Ineligible Jurisdiction.

The Company, the Underwriters and any person acting on their behalf will rely upon the truth and accuracy of a person’s representations and warranties. Any provision of false information or subsequent breach of these representations and warranties may subject this person to liability. The Company and the Underwriters reserve the right, in their sole and absolute discretion, to reject any purchase of Offer Shares that the Company, the Sole Global Coordinator or the Joint Bookrunners believe may give rise to a breach or violation of any law, rule or regulation.

If a person is acting on behalf of another person purchasing Offer Shares (including, without limitation, as a financial intermediary, custodian, nominee or trustee), such person will be required to provide the foregoing representations and warranties to the Company, the Underwriters with respect to the purchase of Offer Shares on behalf of such person. If a person does not provide the foregoing representations and warranties, neither the Company, the Sole Global Coordinator or the Joint Bookrunners, nor any persons acting on behalf of either of the Company, the Sole Global Coordinator or the Joint Bookrunners, will be bound to authorise the allocation of any Offer Shares to such person or the person on whose behalf such person is acting.

### **European Economic Area**

In relation to each Member State which has implemented the Prospectus Directive (except the Netherlands) (each, a **Relevant Member State**), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, none of the Offer Shares may be offered or sold to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Offer Shares, which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that an offer of such Shares may be made to the public in that Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive (as defined below), 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,



provided that no such offer of Offer Shares shall require the Company to publish a prospectus or a supplement to an existing prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State.

For the purposes of this selling restriction, the expression “an offer to the public” in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and any Offer Shares to be offered so as to enable an investor to decide to acquire the Offer Shares varied in that Relevant Member State.

## **United States**

The Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

Each purchaser of the Offer Shares outside the United States will, pursuant to Regulation S, be deemed to have represented and agreed that it has received a copy of the Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- the purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to significant restrictions on transfer;
- the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares, were located outside the United States at the time the buy order for such Offer Shares was originated and continue to be located outside the United States and has not purchased the Offer Shares for the benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares to any person in the United States;
- the purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S as described in the Prospectus; and
- the Offer Shares have not been offered to it by means of any “directed selling efforts” as defined in Regulation S.

Each purchaser of the Offer Shares within the United States pursuant to Rule 144A will be deemed to have represented and agreed that it has received a copy of the Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- the purchaser acknowledges that neither the Offer Shares have been and/or will be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer;
- the purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and (iii) is acquiring such Offer Shares for its own account or for the account of a QIB;
- the purchaser is aware that the Offer Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act;
- if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Offer Shares, such Offer Shares may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S, or (iii) in accordance with Rule 144 (if available), in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction;
- the Offer Shares are “restricted securities” within the meaning of Rule 144(a)(3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Offer Shares; and

- the purchaser will not deposit or cause to be deposited such Offer Shares into any depository receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such Offer Shares are “restricted securities” within the meaning of Rule 144(a)(3).

### 13. DEFINITIONS AND GLOSSARY

The following definitions are used in the Prospectus:

<b>€ or Euro</b> .....	means the currency introduced at the start of the third stage of the Economic and Monetary Union, pursuant to the Treaty establishing the European Economic Community, as amended by the Treaty on the European Union.
<b>2010 PD Amending Directive</b> .....	means Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010, including all relevant implementing measures.
<b>2012</b> .....	means the year ended 31 December 2012.
<b>2012 Annual Report</b> .....	means the annual report of the Company published on 11 February 2013 by the Company on its website.
<b>2012 Financial Statements</b> .....	means the audited consolidated financial statements of the Group as of and for the year ended 31 December 2012 prepared in accordance with IFRS as included in the 2012 Annual Report.
<b>2012 Re-presentation</b> .....	means the comparative financial information as of and for the year ended 31 December 2012 as re-presented in the 2013 annual report to represent the UK Portfolio as discontinued operations on a consistent basis with the financial information as of and for the year ended 31 December 2013.
<b>2013</b> .....	means the year ended 31 December 2013.
<b>2013 Annual Report</b> .....	means the annual report of the Company published on 6 February 2014 by the Company on its website.
<b>2013 Financial Statements</b> .....	means the audited consolidated financial statements of the Group as of and for the year ended 31 December 2013 prepared in accordance with IFRS as included in the 2013 Annual Report.
<b>2013 Re-presentation</b> .....	means the comparative financial information as of and for the year ended 31 December 2013 as re-presented in the 2014 annual report to represent the Spanish Portfolio as discontinued operations on a consistent basis with the financial information as of and for the year ended 31 December 2014.
<b>2014</b> .....	means the year ended 31 December 2014.
<b>2014 Annual Report</b> .....	means the annual report of the Company published on 5 February 2015 by the Company on its website.
<b>2014 Financial Statements</b> .....	means the audited consolidated financial statements of the Group as of and for the year ended 31 December 2014 prepared in accordance with IFRS as included in the 2014 Annual Report.
<b>2015 Interim Financial Statements</b> .....	means the interim financial information of the Group as of and for the three months ended 31 March 2015 Prepared in

accordance with IAS 34 “Interim Financial Reporting” as published on 24 June 2015 on the Company’s website.

<b>2015 Notes</b> .....	means €211.0 million of US Private Placement Notes, that are expected to be issued by the Company on 17 July 2015.
<b>Acquisition</b> .....	means the acquisition of nine shopping centres and a development project in the Netherlands pursuant to the Sale and Purchase Agreement.
<b>AFM</b> .....	means the Dutch Authority for the Financial Markets ( <i>Stichting Autoriteit Financiële Markten</i> ).
<b>Articles of Association</b> .....	means the articles of association of the Company as they read at the day of the Prospectus.
<b>Audit Committee</b> .....	means the audit committee established by the Supervisory Board.
<b>Belgian Portfolio</b> .....	means the Group’s real estate portfolio in Belgium, consisting of seven shopping centres and four offices.
<b>Beneficiaries</b> .....	means, upon the death of the Settlor, his or her beneficiaries for purposes of Netherlands income and corporate income tax.
<b>GVV/SIR</b> .....	means a Belgium investment company with fixed capital ( <i>beleggingsvennootschap met vast kapitaal</i> ).
<b>Bridge Facilities</b> .....	an agreement with Goldman Sachs Bank USA for bridge facilities in an aggregate principal amount of up to €410 million.
<b>Call Option</b> .....	means the right of the Foundation to subscribe for Protective Preference Shares up to a maximum corresponding with 100% minus one of the issued share capital of the Company in the form of Ordinary Shares as outstanding immediately prior to the exercise of the subscribed rights from which maximum must be deducted any Protective Preference Shares already placed with the Foundation at the time of the exercise of the subscribed rights.
<b>Call Option Agreement</b> .....	means the call option agreement entered into between the Foundation and the Company on 18 April 2014 relating to the Call Option.
<b>CBRE</b> .....	means, as appropriate, either: CBRE Valuation Advisory B.V., a private limited company incorporated in the Netherlands; or CBRE Finland Oy, a private limited company incorporated in Finland; both of which employ qualified valuers in accordance with the RICS Valuation – Professional Standards (January 2014) or

	CBRE EMEA Research and Consulting
<b>CEST</b> .....	means Central European summer time.
<b>Chairman</b> .....	means the chairman of the Supervisory Board.
<b>CEO</b> .....	means the chief executive officer of the Company.
<b>CFO</b> .....	means the chief financial officer of the Company.
<b>Company or Wereldhave</b> .....	means Wereldhave N.V.
<b>Credit Facility</b> .....	means the €300 million syndicated revolving credit facility agreement dated 27 March 2014.
<b>Cushman &amp; Wakefield</b> .....	means a privately held commercial real estate firm offering services including, among others, consulting, valuation and appraisal.
<b>DCC</b> .....	means the Dutch Civil Code ( <i>Burgerlijk Wetboek</i> ).
<b>DCITA</b> .....	means the Dutch 1969 Corporate Income Tax Act ( <i>Wet op de vennootschapsbelasting 1969</i> ).
<b>DFRSA</b> .....	means the Dutch Financial Reporting Supervision Act ( <i>Wet toezicht financiële verslaggeving</i> ).
<b>Direct Result</b> .....	means the sum of net rental income, general costs, other income and expenses (i.e. other than exchange rate differences), interest income and expenses (except for certain items within interest charges (i.e. other than the interest addition to the real value of the conversion rights of convertible bonds, premiums paid on repurchased interest bearing debt and actuarial gains and losses on employee benefit plans)) and tax charges on direct result.
<b>Dutch Corporate Governance Code</b> .....	means the Dutch Corporate Governance Code ( <i>Nederlandse Corporate Governance Code</i> ) of 9 December 2003, as amended.
<b>Dutch Financial Supervision Act</b> .....	means the Dutch Financial Supervision Act ( <i>Wet op het financieel toezicht</i> ).
<b>Dutch Portfolio</b> .....	means the Group's real estate portfolio in the Netherlands, consisting of ten shopping centres.
<b>Eligible Persons</b> .....	means persons who are not Ineligible Persons.
<b>Enterprise Chamber</b> .....	means the Dutch enterprise chamber of the court of appeal in Amsterdam, the Netherlands ( <i>Ondernemingskamer van het Gerechtshof te Amsterdam</i> ).
<b>EPRA</b> .....	means the European Public Real Estate Association.
<b>ERV</b> .....	means the estimated rental value.
<b>EU</b> .....	means the European Union.

<b>Euroclear Nederland</b> .....	means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.
<b>Euronext Amsterdam</b> .....	means Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V.
<b>Eurozone</b> .....	means the Economic and Monetary Union, pursuant to the Treaty establishing the European Economic Community, as amended by the Treaty on the European Union.
<b>FII</b> .....	means a fiscal investment institution ( <i>fiscale beleggingsinstelling</i> ) under the DCITA.
<b>Finnish Portfolio</b> .....	means the Group's real estate portfolio in Finland, consisting of the shopping centre "Itis" in Helsinki.
<b>Fiscal Unity</b> .....	means a tax consolidation ( <i>fiscale eenheid</i> ) for Dutch corporation tax purposes.
<b>Foundation</b> .....	means Stichting tot het houden van preferente aandelen Wereldhave, incorporated under the laws of the Netherlands, having its statutory seat in The Hague, the Netherlands, and its office address at Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands, and registered with the Dutch Chamber of Commerce under number 41203027 (prior to the execution of the deed of amendment of the articles of association of the Foundation on 24 July 2014 the Foundation was named Stichting tot het houden van Preferente en Prioriteitsaandelen B Wereldhave).
<b>Foundation Board</b> .....	means the board of directors of the Foundation.
<b>French Office Portfolio</b> .....	means the Group's portfolio in France, consisting of three offices.
<b>French Portfolio</b> .....	means the Group's portfolio in France, consisting of six shopping centres and three offices.
<b>French Retail Portfolio</b> .....	means the Group's portfolio in France, consisting of six shopping centres, recently purchased in December 2014 as part of the French Retail Portfolio Acquisition.
<b>French Retail Portfolio Acquisition</b> .....	means the acquisition of six shopping centres in France on 18 December 2014.
<b>FSMA</b> .....	means the Financial Services and Markets Act 2000 of the United Kingdom, as amended.
<b>FTE</b> .....	means full-time equivalent.
<b>FTC</b> .....	means the French SIIC regime, which was enacted by the Finance Bill for 2003 under Section 208 C of the French tax code.

<b>FTC Partnerships</b> .....	means the direct or indirect shareholding in partnerships subject to the tax regime provided under Section 8 of the FTC.
<b>General Meeting</b> .....	means the general meeting of Shareholders.
<b>g.l.a.</b> .....	means gross leasable area.
<b>Governance Charter</b> .....	means the Governance Charter adopted by the Supervisory Board on 26 February 2015.
<b>Group</b> .....	means the Company and its subsidiaries.
<b>ICR</b> .....	means interest coverage ratio.
<b>IFRS</b> .....	means the International Financial Reporting Standards, as adopted by the European Union.
<b>IRS</b> .....	means United States Internal Revenue Service.
<b>Indirect Result</b> .....	means valuation results, exchange rate differences that are accounted for under other financial income and expenses, the interest addition to leasehold obligations, the real value of the conversion rights on convertible bonds, the movement in deferred tax liabilities and actuarial gains and losses on employee benefit plans.
<b>Ineligible Jurisdiction</b> .....	means a jurisdiction other than the Netherlands wherein the Offer Shares may not, subject to certain exceptions, be offered, including the United States, Canada, Australia and Japan.
<b>Ineligible Persons</b> .....	means any person residing in or with a citizenship from an Ineligible Jurisdiction, such that he or she cannot lawfully participate in the Offering; and/or any Shareholder or other person residing in a jurisdiction other the Netherlands wherein the Offer Shares may be offered, but to whom certain restrictions apply, as set out in Section 12 “ <i>Selling and Transfer Restrictions</i> ”, such that he or she cannot lawfully participate in the Offering.
<b>ING</b> .....	means ING Bank N.V.
<b>Insiders</b> .....	means person (other than members of the Management Board or Supervisory Board) who has managerial responsibilities within the Company and in that capacity is authorised to make decisions affecting the future developments and business prospects of the Company and who has regular access to inside information relating, directly or indirectly, to the Company.
<b>ISIN</b> .....	means International Securities Identification Number.
<b>Joint Bookrunners</b> .....	Goldman Sachs International, ING and Kempen & Co.
<b>Kempen &amp; Co</b> .....	means Kempen & Co N.V.
<b>Like-for-Like Rental Growth</b> .....	means a comparison of net rental income in a given year to

net rental income in the prior year by taking into account net rental income derived only from properties that were part of the Portfolio for the entirety of both years. Like-for-life rental growth is determined on a unit by unit basis. This method excludes net rental income that is attributable to properties that were added to or removed from the Portfolio as a result of acquisitions or pipeline projects entering into operation or divestments.

<b>Listing Agent</b> .....	means Kempen & Co, in its capacity as listing agent.
<b>LTV Ratio</b> .....	means loan to value ratio.
<b>Management Board</b> .....	means the management board ( <i>raad van bestuur</i> ) of the Company.
<b>Market Abuse Decree</b> .....	means the Dutch Market Abuse Decree ( <i>Besluit Marktmisbruik Wft</i> ).
<b>Member State</b> .....	means each member state of the European Economic Area.
<b>NIY</b> .....	means EPRA net initial yield, which is calculated as annualised rental income based on cash rents passing, which means actual net cash rent received on the balance sheet date, less non-recoverable estimated property operating expenses for the period, divided by the market value of the property, including estimated purchasers' cost.
<b>n.l.a.</b> .....	means net leasable area.
<b>Occupancy</b> .....	means as defined by the EPRA as the ERV of leased units divided by the ERV of total property.
<b>Offering</b> .....	means the offering and listing of up to 5,250,000 new Ordinary Shares at the price per Ordinary Share to be determined pursuant to an accelerated bookbuilding process.
<b>Offer Period</b> .....	means the period during which the Offering takes place.
<b>Offer Price</b> .....	means the price of the Offer Shares to be determined after the Offer Period has ended
<b>Offer Shares</b> .....	means the 5,250,000 new Ordinary Shares offered by the Company in connection with the Offering.
<b>Ordinary Shares</b> .....	means the ordinary shares in the capital of the Company with a nominal value of €1 each.
<b>PFIC</b> .....	means passive foreign investment company.
<b>Portfolio</b> .....	means the Group's real estate portfolio.
<b>PricewaterhouseCoopers</b> .....	means PricewaterhouseCoopers Accountants N.V.
<b>Pricing Agreement</b> .....	the pricing agreement relating to the Offer Price and number of Offer Shares to be entered by the Company and the Underwriters.



<b>Pricing Statement</b> .....	a pricing statement that sets out the Offer Price and the exact number of Offer Shares, that will be deposited with the AFM and published in a press release on the Company's website and on the website of Euronext Amsterdam.
<b>Primary Credit Facility</b> .....	means the €300 million syndicated revolving credit facility agreement dated 27 March 2014.
<b>Prospectus</b> .....	means the Summary, the Registration Document and this Securities Note together dated 24 June 2015.
<b>Prospectus Directive</b> .....	means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (and any amendments thereto, including the 2010 PD Amending Directive to the extent implemented in the relevant member state of the European Economic Area), including all relevant implementing measures.
<b>Prospectus Regulation</b> .....	means Commission Regulation (EC) No 809/2004 of 29 April 2004 (and any amendments thereto).
<b>Protective Preference Shares</b> .....	means the protective preference shares in the capital of the Company with a nominal value of €1 each.
<b>Purchase Price</b> .....	means the purchase price for the Target Portfolio of €730 million as detailed in the Sale and Purchase Agreement.
<b>QEF</b> .....	means qualified electing fund.
<b>QIB</b> .....	means a qualified institutional buyer as defined in Rule 144A.
<b>Regulation S</b> .....	means Regulation S under the U.S. Securities Act.
<b>Registration Document</b> .....	means the registration document of the same date as this Securities Note and issued by the Company in respect of the Offer Shares to which this Securities Note and any future summary and future securities note relate.
<b>Relevant Member State</b> .....	means Member State which has implemented the Prospectus Directive (except the Netherlands).
<b>Remuneration and Nomination Committee</b> .....	means the remuneration and nomination committee established by the Supervisory Board.
<b>RETT</b> .....	means Dutch real estate transfer tax.
<b>Rule 144A</b> .....	means Rule 144A under the U.S. Securities Act.
<b>Remuneration Policy</b> .....	means the policy on remuneration of the Management Board that was adopted by the General Meeting on 23 April 2012.
<b>Sale and Purchase Agreement</b> .....	means the asset sale and purchase agreement entered into on 24 June 2015 by the Purchaser, the Seller, Klépierre Participaties II B.V. and Wereldhave N.V.
<b>Seller</b> .....	means Klépierre Management Nederland B.V.

<b>Separated Private Assets</b> .....	means, for purposes of Netherlands income and corporation tax, Ordinary Shares legally owned by a Third Party, may under certain circumstances have to be allocated to the (deemed) Settlor or, upon the death of the Settlor, his or her Beneficiaries in proportion to their entitlement to the estate of the Settlor of such trust or similar arrangement.
<b>Settlement Date</b> .....	means the settlement date of the Offering, which is expected to be on 30 June 2015.
<b>Settlor</b> .....	means settlor, grantor or similar originator for purposes of Netherlands income and corporation tax.
<b>Shareholders</b> .....	means the holders of Ordinary Shares and Protective Preference Shares.
<b>Shares</b> .....	means the Ordinary Shares and Protective Preference Shares.
<b>SIIC</b> .....	means Sociétés d'Investissements Immobilières Cotées.
<b>SIIC Companies</b> .....	means companies eligible to the SIIC regime.
<b>SIIC Subsidiaries</b> .....	means Companies held directly or indirectly at 95% or more by a SIIC Company, subject to French corporation tax, and having an identical corporate purpose may also elect to the SIIC regime.
<b>Sole Global Coordinator</b> .....	means Goldman Sachs International.
<b>Spanish Portfolio</b> .....	means the Group's real estate portfolio in Spain, which comprised four properties in the greater Madrid region and was sold to Axia Real Estate in September 2014.
<b>Supervisory Board</b> .....	means the supervisory board ( <i>raad van commissarissen</i> ) of the Company.
<b>Target Portfolio</b> .....	means the shopping centres in Nieuwegein (Cityplaza), Heerhugowaard (Middenwaard), Tilburg (Centre), Rijswijk (Bogaard), Amersfoort (Emiclaer), Arnhem (Presikhaaf), Zoetermeer (Oosterheem), Dordrecht (Sterrenburg) and Zwolle (Stadshagen), all located in the Netherlands and which are owned by the Seller and form part of the Acquisition.
<b>Target Portfolio Valuation Report</b> .....	means the valuation report prepared by CBRE in relation to the aggregate market value of the shopping centres to be acquired in the Acquisition.
<b>Third Party</b> .....	means a third party such as a trustee, foundation or similar entity or arrangement who legally owns for purposes of Netherlands income and corporation tax the Ordinary Shares.
<b>Trade Register</b> .....	means the trade register of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ).
<b>Unaudited Pro Forma Financial Information</b>	means the pro forma financial information as of 31 March 2015, for the three month period ended 31 March 2015 and for the year ended 31 December 2014.

<b>Underwriters</b> .....	means the Sole Global Coordinator and the Joint Bookrunners.
<b>Underwriting Agreement</b> .....	means the underwriting agreement dated 24 June 2015 entered into between the Company and the Sole Global Coordinator and the Joint Bookrunners.
<b>United States or U.S.</b> .....	means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.
<b>U.S. Holder</b> .....	means a beneficial owner of the Offer Shares that is, for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation or other business entity treated as a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust subject to the control of one or more U.S. person and the primary supervision of a U.S. court.
<b>U.S. Securities Act</b> .....	means the United States Securities Act of 1933, as amended.
<b>Valuation Reports</b> .....	means the valuation reports included in the Prospectus in “ <i>Valuation Reports</i> ”.
<b>Wereldhave Belgium</b> .....	means C.V.A. Wereldhave Belgium S.C.A.
<b>Works Council</b> .....	means the works council ( <i>ondernemingsraad</i> ) of Wereldhave Management Holding N.V. and Wereldhave Nederland Management B.V.

**THIS REGISTRATION DOCUMENT, THE SECURITIES NOTE AND THE SUMMARY (AS DEFINED BELOW) ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you should immediately contact your stockbroker, accountant or other independent financial adviser, who is authorised under the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (Dutch Financial Supervision Act) if you are in the Netherlands, or another appropriately authorised independent financial adviser if you are in a territory outside the Netherlands.**

This registration document (this **Registration Document**), the securities note (the **Securities Note**) and the summary (the **Summary**) together constitute a prospectus (the **Prospectus**) for the purposes of Article 3 of Directive 2003/71/EC of the European Parliament and the Council of the European Union (EU) (as amended, including by Directive 2010/73/EC) (the **Prospectus Directive**) relating to Wereldhave N.V. (the **Company** or **Wereldhave**) and has been prepared in accordance with chapter 5.1 of the Dutch Financial Supervision Act and the rules promulgated thereunder. The Prospectus has been approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the AFM). The Prospectus will be made available to the public in accordance with Section 5:21 of the Dutch Financial Supervision Act at [www.wereldhave.com](http://www.wereldhave.com).

**Investing in the Company's ordinary shares (the Ordinary Shares) involves certain risks. See Section 1 "Risk Factors" of this Registration Document and Section 1 "Risk Factors" of the Securities Note or a description of the risk factors one should carefully consider before investing in the Ordinary Shares.**

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## Wereldhave N.V.

*(a public company with limited liability (naamloze vennootschap) incorporated under the laws of the Netherlands, with its corporate seat in municipality Haarlemmermeer (Schiphol), the Netherlands)*

### Registration Document

*Sole Global Coordinator and Joint Bookrunner*

### Goldman Sachs International

*Joint Bookrunners*

**Kempen & Co**                      **ING**

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The Prospectus relates to the offering and listing of up to 5,250,000 new Ordinary Shares with a nominal value of €1 each in the capital of the Company at a price to be announced in accordance with the procedures described in Section 6 "*The Offering*" of the Securities Note (the **Offer Price**) per Offer Share (the **Offering**).

The Offer Price and the exact number of offer shares (the **Offer Shares**) will be determined at the end of the offer period as described herein (the **Offer Period**), and after taking into account the conditions described in Section 6 "*The Offering*" of the Securities Note. The Offer Period will commence on 24 June 2015 at 17:40 Central European Summer Time (CEST) and is expected to end on or about 26 June 2015 at 8:00 CEST, subject to acceleration or extension of the timetable for the Offering.

A number of factors will be considered in determining the Offer Price, the amount raised in the Offering and the basis of allocation, including the level and nature of demand for the Offer Shares during the book-building process, prevailing market conditions and the objective of establishing an orderly after-market in the Offer Shares. Unless required to do so by law or regulation, the Company does not envisage publishing any supplementary prospectus or a pricing statement, as the case may be, until announcement of the Offer Price. A pricing statement containing the Offer Price, confirming the number of Offer Shares which are the subject of the Offering and containing any other outstanding information (the **Pricing Statement**) is expected to be published in accordance with the expected timetable set out on page 17 of the Securities Note. The Pricing Statement will be available on the Company's website at [www.wereldhave.com](http://www.wereldhave.com).

Goldman Sachs is acting as sole global coordinator and joint bookrunner (the **Sole Global Coordinator**) and Kempen & Co N.V. (**Kempen & Co**) ING Bank N.V. (**ING**) act as joint bookrunners (the **Joint Bookrunners** and together with the Sole Global Coordinator as the underwriters (the **Underwriters**) for the purpose of the Offering.

No action has been taken to permit the distribution of this Registration Document in any jurisdiction other than the Netherlands. Accordingly, this Registration Document may not be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such offer or solicitation.

This Registration Document is not being sent to investors with registered addresses in Canada, Australia, the Republic of South Africa, New Zealand, Japan or, except in the limited circumstances described below, the United States, and does not constitute an offer to sell, or the solicitation of an offer to buy, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this Registration Document is not for release, publication or distribution in or into Canada, Australia, the Republic of South Africa, New Zealand, Japan or, except in the limited circumstances described below, the United States.

Investing in the Company's Ordinary Shares involves certain risks. See Section 1 of this Registration Document as well as Section 1 of the Securities Note entitled "Risk Factors" for a description of the risk factors one should carefully consider before investing in the Ordinary Shares.

The Offering consists of a private placement to institutional investors in the Netherlands and various other jurisdictions. The Offer Shares are being offered: (i) within the United States, to qualified institutional buyers (**QIBs**) as defined in Rule 144A (**Rule 144A**) under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**), pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws in the United States, and (ii) outside the United States, in accordance with Regulation S (**Regulation S**) under the U.S. Securities Act.

**The Offer Shares have not been and will not be registered under the U.S. Securities Act or under any securities laws of any state or other jurisdiction of the United States. Accordingly, none of the Offer Shares may be offered, issued, sold, pledged, taken up, delivered, renounced or otherwise transferred in or into the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offering of the Offer Shares in the United States.**

EXCEPT AS OTHERWISE SET OUT IN THE PROSPECTUS, THE OFFERING DESCRIBED IN THE PROSPECTUS IS NOT BEING MADE TO SHAREHOLDERS OR INVESTORS IN THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN.

The distribution of the Prospectus or Offer Shares is restricted by law in certain jurisdictions. The Prospectus may only be used where it is legal to offer, solicit offers to purchase or sell Offer Shares. Persons who obtain the Prospectus are required to inform themselves about and to observe all such restrictions.

No action has been or will be taken to permit the offer or sale of Offer Shares, or the possession or distribution of the Prospectus or any other material in relation to the Offering in any jurisdiction outside the Netherlands where action may be required for such purpose. Accordingly, neither the Prospectus nor any advertisement or any other related material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

The Offer Shares have not been approved or disapproved by the Securities and Exchange Commission, any state securities commission in the United States or any other regulatory authority of or in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Offer Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

The Offer Shares offered outside the United States are being offered in reliance on Regulation S under the U.S. Securities Act. In addition, until 40 days after the publication date, an offer, sale or transfer of the Offer Shares within the United States by a broker/dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act.

Copies of this Registration Document, the Securities Note and the Summary (along with any future securities note and future summary) will be available on the Company's website ([www.wereldhave.com](http://www.wereldhave.com)) and the register of approved prospectuses of the AFM at [www.afm.nl](http://www.afm.nl) and hard copies of the Prospectus can be obtained free of charge from the Company, at Schiphol Boulevard 233, WTC Schiphol, 1118 BH Schiphol, the Netherlands.

The Prospectus is prepared by the Company solely in connection with and for the purpose of the admission of the Offer Shares to trading on Euronext Amsterdam. The Prospectus may not be used for or in connection with and does not constitute any offer to sell or an invitation to purchase any of the Offer Shares in any jurisdiction in which such is not authorised or would be unlawful. If a person is in any doubt as to his position he should consult his professional adviser without delay. See Section 2 "*Important Information—Information for US and other foreign investors*" of this Registration Document.

The Offer Shares will be delivered in book-entry form through the facilities of Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (**Euroclear Nederland**).

#### **NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY**

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES (RSA 421-B) WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

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## 1. RISK FACTORS

*Before making an investment decision with respect to the Ordinary Shares, prospective investors should consider carefully all of the information in the Prospectus, including the following specific risks and uncertainties. If any of the following risks actually occurs, the Group's business, results of operations or financial condition or the market price of the Ordinary Shares could be materially adversely affected. In that event, the value of the Ordinary Shares could decline and investors might lose part or all of their investment. The Group believes that the risks and uncertainties described below are the material risks and uncertainties relating to the Group, the Group's business, the Offering and the Ordinary Shares. Additional risks and uncertainties presently unknown to the Group or that the Group currently deems immaterial may also have a material adverse effect on the Group's business, results of operations or financial condition and could negatively affect the market price of the Ordinary Shares. All of these factors are contingencies which may or may not occur. The Group may face a number of the risks described below simultaneously.*

*Prospective investors should also read the detailed information set out elsewhere in the Prospectus and should reach their own views before making an investment decision with respect to the Ordinary Shares. Furthermore, before making an investment decision with respect to the Ordinary Shares, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers and carefully review the risks associated with such an investment decision and consider such an investment decision with respect to the Ordinary Shares in light of their prospective personal circumstances.*

### **Risks relating to the Group and the sector in which it operates**

***The Group's results are sensitive to changes in consumer confidence and spending and may be adversely affected by a slowing or reversal in economic recovery trends in the Netherlands, France, Belgium and Finland.***

The Group's properties are located in the Netherlands, France, Belgium and Finland. Any economic uncertainty can contribute to deterioration in the consumer and investment climate, affecting a range of economic activities, including the real estate markets, and in particular the retail segments in these countries.

The Group's real estate activities have been, and to a lesser extent may continue to be, impacted by lower consumer spending which has put pressure on retailers' profits and, in turn, on new retailer investments and sustainable rents. In particular, household consumption has been under pressure due to decreased purchasing power and disposable income, declining real estate values, increasing unemployment rates, the deteriorating situation of pension funds and decreased consumer confidence, all of which have put pressure on retailers' profits. This, together with reduced availability of financing, has prompted certain retailers to scale back or postpone their expansion plans, which has made it more difficult for retail investment companies to find appropriate tenants or to lease spaces at attractive rates. Further, the reduction in profits as well as the availability of financing has also adversely affected the ability of existing tenants to pay rent and as a result, has increased the risk of late or missed payments by tenants. See also "*The Group is exposed to credit risk on rent payments from its tenants*". Difficulty in obtaining credit can also result in shifting tenant mix to larger and more international tenants with greater financial resources, which may not meet local customers' expectations or may otherwise expose the Group to risks associated with tenants from other countries, including economic risks, local currency risks and risks related to the increased pricing power of large multi-national retailers.

Recent years have been challenging for retailers, particularly in the Netherlands. Government austerity measures to control budgets, declining real estate values and pension cuts have undermined Dutch consumer confidence and spending, and resulted in the recent bankruptcies of certain significant tenants of the Group (Miss Etam, Halfords and Schoenenreus) and financial restructuring by others (V&D). The Acquisition will increase the Group's exposure to the market in the Netherlands. In Finland, the Group has observed that consumer confidence has also decreased during recent years in part due to the belief that budget cuts are necessary in light of the ageing Finnish population. In addition, U.S. and EU sanctions arising from the conflict between Russia and Ukraine have had an indirect adverse impact on the economy and consumer confidence in Finland, resulting in a negative impact on the Group's tenants and potentially in lower rent levels and occupancy. Consumer confidence in Belgium has remained relatively stable as compared with the European economic decline following the crisis, due to the automatic indexation of wages and the absence of significant austerity measures, however, there can be no assurance that economic conditions in Belgium will remain stable and any downturn could have a material adverse effect on the Group's results. Continued weakness in the French economy and an uncertain economic outlook, along with increases in unemployment levels, a reduction in government spending and possible tax increases, may continue to adversely affect consumer spending habits, which may impact occupancy, rents and thus property values in the French Portfolio. The Group's results generated from France may be affected by, among

other things, the potential for significant fiscal and monetary reforms, risk levels of public debt, unemployment and labour market.

With respect to the Group's office properties, lower economic activity has led to decreases in total demand for office space rented or slower letting, which depresses Occupancy Rates and rents, in turn resulting in declining "like-for-like" net rental income, which is the unit-by-unit comparison of net rental income in a given year to net rental income in the prior year by taking into account net rental income derived only from properties that were part of the Portfolio for the entirety of both years (**Like-for-Like Rental Growth**). In the current economic environment, office tenants have increasingly challenged total premises cost, and have proven less willing to move to other premises in the absence of discounts, rent-free periods and other incentives. This has made it difficult to attract new office tenants. Furthermore, decreases in employment and increases in employees working from home have put downward pressure on demand for office properties.

A failure of the economic recovery and any future macro-economic downturns could have further negative consequences for, among other things, the Group's results of operations, property values, financial condition and equity base.

***The value of the Group's properties is impacted by market forces.***

In the Group's consolidated financial statements, the Group values its investment properties according to the fair value method pursuant to the International Financial Reporting Standards as adopted in the European Union (**IFRS**). The Dutch Portfolio, the Finnish Portfolio and the French Portfolio are fully appraised externally twice a year by independent and qualified appraisers. Appraisals are generally performed as of 30 June and 31 December each year, and the most recent appraisal of the French Retail Portfolio was as of 15 October 2014. The Belgian Portfolio is fully appraised externally each quarter by an independent and qualified external appraiser. Any gain or loss arising from a change in the fair value of the Group's investment property is recognised as profit or loss valuation result for the period in which it arises, potentially resulting in significant downward valuation adjustments which could have a material adverse effect on the Group's profits in any given period. The fair value of the properties of the Group is therefore subject to change.

Generally, the fair value of real estate properties depends on a variety of factors, some of which are not within the control of the Group, such as decreasing demand for renting properties or changes in supply and demand dynamics for investment properties, leading to changes in values at which properties could theoretically be sold. In addition, many qualitative factors affect the valuation of a property, including the property's expected rental income, its occupancy, its condition and its location. Should the factors considered or the assumptions made in valuing a property change to reflect new developments or for other reasons, subsequent valuations may result in a change, be it upward or downward, of the fair value ascribed to such property. If such valuations reveal significant decreases in fair value compared to prior valuations, the Group will incur significant revaluation losses with respect to such properties.

In addition, the Group's external debt financings contain certain covenants, in particular that the Group's loan to value ratio (**LTV Ratio**) be less or equal to 60% and that its interest coverage ratio (**ICR**) be at least 2x. As of 31 March 2015, the Group's LTV Ratio was 35.5% and its ICR was 5.3x. See Section 8 "*Operating and Financial Review—Liquidity*". Although the Group expects its financial ratios to remain well within its financial covenant requirements, following the Acquisition, the Group's continued compliance with certain covenants is dependent on, among others, the fair value of its properties. A significant decline in the fair value of its properties could affect the Group's compliance with its LTV Ratio, which could result in a mandatory refinancing of the existing debt facilities and/or financial distress, resulting in forced selling of assets, which could have material adverse effects on the Group's financial condition.

***Real estate valuations are based on methods and other considerations that are not only subject to change but are inherently subjective and uncertain, and valuation reports, such as the ones contained in the Prospectus, may not accurately reflect the value of the real estate at which the properties could actually be sold.***

The valuation of real estate is subjective due to the individual nature of each property and the characteristics of the local, regional and national real estate markets, which change over time and may be affected by various factors and by the valuation methods used. Moreover, appraisers generally use a large number of assumptions which are subjective by nature when preparing their valuations. The methods for preparing the valuation reports included in the Prospectus (the **Valuation Reports**) used by the appraisers may change, which may have an impact on the valuations of the Portfolio presented in the Valuation Reports. To the extent that the real estate included in the Valuation Reports is overvalued, the Group may be required to write down the value of such real estate as recorded on the Group's consolidated balance sheet and account as a revaluation loss in the Group's consolidated income statement. Since the start of the financial



crisis in 2008, the Group's Portfolio has been affected by revaluation losses, including in 2012 when the Group's properties incurred a revaluation loss of €78.6 million, including valuation results on financial assets and liabilities. The revaluation loss in 2012 was partially due to decreased market rents as well as changes in demand for comparable investment properties. Such revaluation losses, if they were to reoccur in the future, could have a material adverse effect on the business, assets and liabilities, results of operations and financial condition of the Group. See Section 8 "*Operating and Financial Review—Factors affecting results of operations—Portfolio revaluations*" and Section "*Business—Recent developments*".

The Group's real estate investments are carried at fair value. The Group makes use of various firms in order to acquire independent valuations. Every quarter, a sensitivity test is made to analyse the potential impact of value changes in relation to financing covenants. As of 31 December 2014, a change in the average initial yield of 0.25% would have had an effect of €117 million in equity (€3.33 per Ordinary Share), and a 1% decrease in estimated market rent, assuming valuations are stable in other respects, would have had a negative impact on the Group's total equity, of €121 million (€3.45 per Ordinary Share). If the independent valuations prove not to reflect the true market value, there may be a material adverse effect on the Group's business, financial condition and results from operations.

The Group's valuation methodology is described in Section 8 "*Operating and Financial Review—Factors affecting results of operations—Portfolio valuation*" and in Section 8 "*Operating and Financial Review—Factors affecting results of operations—Portfolio valuation*".

***The rents that the Group generates from its investment properties and the Group's Occupancy Rates would suffer if there were a decreased demand for, or increased supply of, rental space in shopping centres and offices in the markets in which the Group is active.***

The Group's Occupancy Rate of its shopping centre properties was 93.9% as of 31 March 2015. The Group's Occupancy Rates have recently been negatively impacted by changes to its Portfolio, specifically the addition of newly-acquired properties and the re-designation of certain development properties into the investment portfolio. See Section 8 "*Operating and Financial Review—Factors affecting results of operations—Occupancy Rates*". The acquisition of new properties (including those acquired pursuant to the Acquisition) with Occupancy Rates that are lower than the Group's average could result in further decline in the Group's Occupancy Rate over the short term.

Changes in supply and demand for rental space in real estate, especially for shopping centres, or a contraction of the property market, in the markets in which the Group is active, both in retail and office properties, may negatively influence the Occupancy Rates of the Group's properties and the rent rates, which will impact the Like-for-Like Rental Growth the Group will achieve. Given its Occupancy Rates, the Group will be particularly reliant on Like-for-Like Rental Growth to meet its targets. Failure to achieve these targets, for any reason, may have an adverse impact on the Group's share price. Similarly, the demand for retail and office space may decrease as a result of an increase in available space and heightened competition for "quality" tenants. Demand can also be affected by the general, national, regional and local economic and political conditions (including plant closures, industry slowdowns and underemployment). These factors could result in higher capital expenditure being required to attract new tenants or to retain existing tenants, as well as lower rental income, lower rent rates and lower Like-for-Like Rental Growth. The Group may also experience lower Occupancy Rates, delays by existing tenants in the renewal of expiring lease agreements and shorter lease periods.

In addition, a slowing or failure of the economic recovery in any of the geographic markets in which the Group operates could result in an increased number of tenants facing bankruptcy, resulting in lower Occupancy Rates, long vacant periods, or write offs of overdue rent payments. See also "*—The Group is exposed to credit risk on rent payments from its tenants*".

Furthermore, the key driver of the Acquisition is the Group's belief that it can use its experience to increase the Occupancy Rates and reduce vacancies at the Target Portfolio shopping centres. See Section 4 "*The Acquisition—Strategic Fit*". Should the Group be unable to achieve such increases in Occupancy Rates due to economic or other adverse conditions, it may not realise or may only partially realise the intended benefits of the Acquisition.

As a result of these and other factors, and in light of the prospect of continued economic uncertainty and low consumer confidence, in relation to the Group's shopping centres, loss of key or anchor tenants could result in additional tenants deciding to leave as a result of reduced visitor numbers. Furthermore, the Group bears maintenance costs and service charges for vacant properties, resulting in lower levels of net rental income and a negative impact on the financial position of the Group.

***Competition for retaining existing and attracting new tenants in the property market may adversely affect the Group's Occupancy Rates and Like-for-Like Rental Growth.***

The Group actively manages its Portfolio through the renewal of leases with existing tenants and the attraction of new tenants. The Group competes for both new and existing tenants with local real estate developers, private investors, property funds and other property owners. Certain of the Group's competitors may have or may be developing properties that are newer, better located or in a superior condition to the Group's properties or may have different operating models offering additional services to tenants, whether or not in the direct proximity of the Group's properties, there are relatively few barriers to entry in the property market. The competition for tenants may negatively affect the Group's ability to attract new tenants and retain existing tenants. Furthermore, laws may grant some tenants a periodic right to terminate a lease before it expires, which may affect the Group's Occupancy Rates. See "*—The Group is subject to mandatory tenant protection laws in Belgium, Netherlands and France that limit its flexibility in terminating or amending leases*". It may also negatively influence the terms of its leases, including the amount of rent that the Group is able to charge, the incentives to tenants that it provides and consequently the Group's Like-for-Like Rental Growth Rates, thereby adversely affecting the Group's business and results of operations.

In respect of retail properties, dominance of a shopping centre in a particular area is an important factor in determining the shopping centre's ability to compete for tenants. Shopping centres also compete for tenants on factors such as safety, convenience, access and maintenance level. Moreover, if there are several dominant centres in the same area, competition is more intense.

As a result of these and other factors, and in light of continued economic weakness and uncertain consumer confidence the Group's core markets, the Group may experience increased competition for tenants.

***Competition for acquisitions and sales in the property market may adversely affect the Group's earnings.***

The Group faces competition in acquiring and selling properties, including from real estate developers, private investors, property funds and other property owners. Some of the Group's competitors may have access to greater or less expensive sources of capital than the Group or may have more resources with which to pursue acquisitions. If competition for acquiring properties were to increase, the Group might have to pay higher prices for any acquisitions and/or reduce the net investment yield it is able to earn on investment properties. Due to competitive pressure, the Group might be unable to make new investments, which would have a material adverse effect on the Group's earnings, or the Group might make investments at inflated prices, which could result in future negative valuation adjustments if those investments are written down. Conversely, any increase in the number of properties on the market or a general decreased interest for properties may adversely affect the prices that the Group is able to obtain for any sales of its properties as well as increase the time required to conduct any such sales.

***The Group's focus on shopping centres has increased its exposure to changes in consumer behaviour, including competition from alternative shopping channels such as the still growing internet shopping trend.***

The Group's retail business is focused on mid-sized shopping centres. A downturn in the demand by tenants for commercial space in shopping centres will have a more pronounced negative effect on the Group's revenues and profitability than if its focus had included a substantial majority of different types of properties that are less affected by changes in consumer behaviour. Consumer preferences and needs can vary from region to region, and the Group must accurately predict and effectively address customer demands and demographic shifts in the various regions in which it operates to ensure an appropriate mix of tenants in its shopping centres. The long-term nature of a significant proportion of the Group's lease contracts may hinder the Group's ability to adjust the tenant mix in a timely fashion.

Increased competition from alternative shopping channels, such as internet-based retailers and mail order companies, may continue to have an effect on consumer spending levels at shopping centres. Consumer spending on internet shopping as a percentage of total retail sales in the Netherlands, for example, is estimated to grow from 4.6% in 2015 to 5.3% in 2018, according to eMarketer's Estimates and Forecasts 2013-2018 published in January 2015. Continued growth in the use of internet shopping may adversely affect the business of the retailers or require material changes in shopping centre operations, layout and tenant mix which could result in lower Occupancy Rates and lower Like-for-Like Rental Growth, which would have a material adverse effect on the Group's rental income and earnings.

***The Group is exposed to credit risk on rent payments from its tenants.***

As of 31 March 2015, the Group was a party to approximately 2,198 lease contracts, of which approximately 2,119 related to shopping centres and 79 to offices. Approximately 22.7% of the Group's annual rent as at 31 March 2015 was attributable to its top ten tenants.

As of 31 March 2015, the Group has identified an amount equal to €19.0 million before provisions and €11.3 million after provisions of outstanding receivables from doubtful debtors. As of 31 March 2015, if 10% of the Group's existing

doubtful debt (after provisions) were to default, this would have a negative effect of €1.1 million on the Direct Result (€0.03 per ordinary share). If 1% of the annual contracted rent is not paid, this would negatively impact annual contracted rent by €1.7 million (€0.05 per ordinary share). While the Group's standard lease terms state that rent is to be paid in advance, the Group also generally requires deposits or payment guarantees. The amounts payable to the Group under its leases with tenants that are not secured (by payment guarantees, bank guarantees or corporate guarantees) bear the risk that such tenants will be unable to pay such amounts when due. The Group may suffer from a decline in revenues, profitability and cash flow in the event that a number of its significant tenants seek bankruptcy protection or are unable to pay rent owed when due. The Group is not insured against this credit risk. The creditworthiness of a tenant can decline over the short or medium term. If a tenant seeks bankruptcy protection, the Group may be subject to delays in receipt of rental and other contractual payments, if it is able to collect such payments at all, and the Group may not be able to terminate the tenant's lease, preventing the Group from leasing out the property to a new tenant, any of which would have a material adverse effect on the reputation, business, results of operation and financial condition of the Group.

***Increased maintenance, refurbishment and redevelopment costs may adversely affect the Group's results.***

Generally, as properties age, they require increased capital expenditure for maintenance, refurbishment and redevelopment costs. Numerous factors, including the age of the relevant building, changes in consumer preferences, the material and substances used at the time of construction or currently unknown building code violations, could result in the Group incurring substantial unbudgeted costs for refurbishment, modernisation and decontamination required to remove and dispose of any hazardous materials. Removal of hazardous materials may result in a temporary inaccessibility of a part or all of the affected property. In this respect, some of the Group's properties contains asbestos, and certain of the properties in the Target Portfolio also contain asbestos. Materials containing asbestos must be removed or otherwise remediated during refurbishment or when asbestos fibres could become airborne which can lead to larger periods during which buildings are unoccupied as well as higher remediation costs. Older buildings may also require additional capital expenditure to bring them up to date with other regulations and may also have higher operating costs due to a variety of factors, including energy efficiency. The Group is undertaking a rolling development program to refresh and refurbish its properties, which may encounter cost overruns or fail to result in higher rent levels sufficient to earn back the cost of the program. As part of this rolling development program, the Group may incur costs to acquire licences and permits and otherwise utilise resources in cases where a project is abandoned or no return on that investment is realised. See Section "Business—The Dutch Portfolio—Development projects".

Despite these potential costs, if the Group does not carry out maintenance, refurbishment and redevelopment activities with respect to its properties, these properties may become less attractive to tenants (or require a higher capital expenditure to attract or retain tenants) and the Group's rental income may decrease, affecting the results and financial condition of the Group.

***The Group is exposed to risks related to the acquisition of real estate properties, including that due diligence may fail to uncover hidden material deficiencies or defects or overvaluing of the properties.***

The Group is acquiring additional shopping centres in the Netherlands as part of the Acquisition and may acquire further properties in the future. Although the Group performs a thorough due diligence, there can be no assurance that the Group's examinations in connection with any properties it considers acquiring or has acquired in the past, including those in the Target Portfolio now being acquired and the recent acquisition of the six shopping centre properties in France in 2014 (the **French Retail Portfolio**), will reveal or have revealed all of the risks associated with such properties, or the full extent of such risks. When the Group acquires or owns a property, such property may be subject to hidden material defects or deficiencies in the title to the property or otherwise, which were not apparent at the time of acquisition, including structural damage, environmental hazards, legal restrictions or encumbrances and non-compliance with existing building standards or health and safety or other administrative regulations. Although the Group typically obtains warranties from the seller of a property with respect to certain legal or factual issues, these warranties may not cover all of the problems that may arise following the acquisition and may not fully compensate the Group for any decrease in the value of such property or other loss it may suffer. In addition, it may be difficult or impossible to enforce resulting costs or any warranties against a seller for various reasons, including the insolvency of the seller or the expiration of such warranties.

Moreover, when acquiring a property, there is also the risk that the assumptions used by the Group to come to an appropriate purchase price for such property turn out to be inaccurate or incorrect, which could materially adversely affect the results and financial condition of the Group.

***If the Group fails to accurately assess a development opportunity or if tenant demand for a development project decreases, a substantial portion of the development project could remain vacant after completion.***

The Group uses its development projects to create new properties or to expand existing properties (e.g. by building an extension of an existing shopping centre) that target incremental return on investment. As of 31 March 2015, the Group had a remaining committed development pipeline of approximately €76 million relating to the development of a retail park in Tournai and the Dutch Portfolio refresh and refurbishment program. See Section 8 "Operating and Financial Review—Capital Expenditure". Following the completion of the Acquisition, the Group has identified expected capital expenditure of approximately €15 million related to the Target Portfolio over the medium term, which the Group considers to be discretionary. Of this amount, approximately half is expected to be spent in respect of the Presikhaaf property in Arnhem. See Section 4 "The Acquisition—Description of properties".

These and any future development projects involve a higher degree of risk than its standing investment properties and require that the Group accurately assesses the development opportunity, including the expected return on investment. The Group assesses the commercial viability of new investments thoroughly, together with the timing of the development project, including the date that construction will commence and will be completed. Inaccurate assessment of a development opportunity or a decrease in tenant demand due to competition from other commercial real estate properties or adverse market conditions could result in a substantial proportion of the development project remaining vacant after completion and exert pressure on the Group to provide rental incentives to tenants. Such vacancies and rental incentives to tenants would affect the return on investment as well as the value of the development property, which could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects or the price of the Ordinary Shares.

***The Group's development projects require large initial investments while they will start generating rental income only after a certain period of time, and are subject to various risks which could cause delays and increase the time until the projects generate rental income.***

The Group's development projects support its growth strategy. These projects require large investments, often including the purchase of land, in the early stages of the projects while they will start generating rental income only after a certain period of time because of the long-term nature of construction and redevelopment work. These projects are subject to various risks, each of which could cause delay of a project and therefore increase the time until the project starts generating rental income, increase the costs of a project compared to the budget, cause the loss or decrease of expected income of a project or, in some cases, even cause the termination of a project. Risks involved in these activities include but are not limited to: (i) delays resulting from, among other things, adverse weather conditions or acts of nature, work disputes, insolvency of construction contractors, shortages of or defective equipment or construction materials, accidents or unforeseen technical difficulties; (ii) difficulty in acquiring permits or other approvals required by law to complete the project; (iii) refusal by the planning authorities in the various countries in which the Group operates to approve development plans; (iv) demands of planning authorities to modify existing plans; and (v) upon completion of the development project, additional rental income from the projects and the Occupancy Rates being lower than anticipated.

***The Group may be liable for environmental remediation or decontamination of its properties or may be exposed to environmental claims.***

The operations and properties of the Group are subject to various laws and regulations in the countries where it operates concerning the protection of the environment, including but not limited to regulations of air, soil and water quality, controls of hazardous or toxic substances and guidelines regarding health and safety. The Group may be required to pay for clean-up costs (and in specific circumstances, for aftercare costs) for any contaminated property it currently owns or has owned in the past. As a property owner, the Group may also incur fines or other penalties for any deficiencies in environmental compliance and may be liable for remedial costs or be exposed to environmental claims. The Group may also be liable to third parties for harm caused to them or their property as a result of contamination. In addition, contaminated properties may experience decreases in value.

The Group believes that none of its properties currently require immediate material remediation or decontamination. However, environmental authorities could disagree with respect to any one or more of the Group's properties as a result of which the Group could be required to initiate costly, extensive and time-consuming clean-up at any such properties. Such requirements could require substantial costs make the relevant properties unattractive to potential tenants or buyers, delay capital improvements on such properties, and have a material adverse effect on the reputation, business, results of operation and financial condition of the Group.

The Group may become responsible for certain environmental remediation liabilities or similar costs for properties that the Group may acquire in the future, including through the Acquisition. The Group may not be able to successfully claim under warranties obtained from sellers that their property complies with relevant environmental regulations, and as a result may incur significant remediation costs in the future.

***The Group could be exposed to catastrophic events for which its properties are not insured or are not fully insured, such as fire, flooding, earthquakes or other force majeure events.***

Given their nature, real estate properties are exposed to the risk of catastrophic events, such as fire, flooding and earthquakes. Any of these types of events may result in severe damage to the Group's properties. Moreover, such events may create economic and political uncertainties, which could have a negative effect in ways that cannot be predicted on economic conditions in the regions in which the Group operates.

The Group seeks to maintain insurance policies covering its properties and employees with policy specifications and insured limits which the Group believes are customary for the real estate business in its markets. The Group's properties are largely covered against property damages and third party liability and the Group is covered for a loss of rental income for a period of 36 months in certain circumstances. However, the Group's properties may not be fully insured, or insured at all, against damages from catastrophic events such as flooding, earthquakes or other force majeure events.

The occurrence of a significant event that is not insured or is not fully insured or indemnified against, or the failure of the Group to meet its insurance payment obligations, could result in a loss of all or a portion of the capital invested in a property, as well as the anticipated future revenue from that property. Alternatively, an event may be covered by insurance but related costs or losses may only be reimbursed after considerable time has elapsed. In addition, the Group may not be able to maintain adequate insurance coverage in the future at commercially reasonable rates with acceptable terms.

***The Group is exposed to risks related to the safety of consumers and tenants in shopping centres, office buildings and other locations, including acts of terrorism and violence.***

Due to high visibility and the presence of large numbers of people, the Group's properties may be targets for terrorism and other forms of violence. Any terror or violent attack on a property of the Group or a similar property owned by someone else may result in damage or loss of business by conditions of the Group's tenants and may, apart from any direct losses, harm the property investments of the Group. These attacks may directly or indirectly affect the value of the Portfolio.

Even when the Group is insured against losses due to such attacks, certain losses resulting from these types of events may be uninsurable or not insurable to the full extent of the loss suffered. Moreover, any of these events could lower consumer confidence and, for example, spending in the Group's shopping centres or increase volatility and uncertainty in the worldwide financial markets and economy. Adverse economic conditions resulting from these types of events could reduce demand for space in the Group's properties and thereby reduce the value of these properties and rental income. Any of the above circumstances, were they to be realised, could have a material adverse effect on the reputation, business, results of operation and financial condition of the Group.

***The Group is exposed to risks relating to ground leases (erfpacht).***

The Group holds two properties on ground leases in the Netherlands and the Target Portfolio contains one ground lease relating to the Middenwaard shopping centre in Heerhugowaard. The annual rent amounts to approximately €15,000, with the land being owned by another party, either a municipality or a church. See Section 6 "*Business—Ground leases*". The conditions of the ground lease agreement, such as its term and the payment obligations, are key parameters that impact the value of the property. The ground lease agreement may contain provisions leading to the loss of the ground leased property if the Group is in material breach of the ground lease agreement. Furthermore, the Group may face changes in the terms and conditions of the ground lease agreement, for example with respect to payment obligations to the underlying owner of the land. Unfavourable changes to the ground lease agreements or relevant regulations may limit the Group's ability to sell the properties, which are subject to ground leases, and may thereby decrease its value, or require the Group to write down the assets value as recorded on the Group's consolidated balance sheet. Such a write down could have a material adverse effect on the Group's consolidated balance sheet and profitability and, as a result, on the value of and return on Ordinary Shares.

***The Group is subject to mandatory tenant protection laws in Belgium, the Netherlands and France that limit its flexibility in terminating or amending leases.***

Lease of retail property in Belgium, the Netherlands and France is subject to certain mandatory laws regarding tenant protection. Retail leases for a period of two years and shorter are excluded from these rules in the Netherlands. In the Netherlands, the lease of retail property requires an initial lease period of at least five years, with an automatic extension of another five years. There are also restrictions on the grounds for which a landlord can terminate a lease. The applicability of these legal regimes limits the ability of the Group to terminate leases and adversely affects the flexibility to terminate, extend or amend lease agreements with such counterparties, which flexibility may be of particular relevance where properties are, or are to be, renovated or redeveloped.

Certain provisions of Belgian and French law on commercial leases are mandatory, which means that the parties are not entitled to deviate from or contract out of these provisions. Belgian and French lease of retail property requires an initial lease period of at least nine years. The tenant has a legal right to request three renewals of the initial lease, each for a period of nine years. The tenant's request is subject to strict formal conditions and needs to be sent to the landlord within a specific timeframe prior to the expiry of the lease. In both Belgium and France, the conditions entitling the landlord to refuse such renewal requests are limited and strictly provided by law. In Belgium the tenant is always entitled to terminate the lease without motive upon expiry of the third and sixth year of the lease (and of its renewals), while this possibility is mostly excluded for the landlord unless both parties expressly agree in the lease. In France, parties can agree that the tenant waives its right to terminate the lease upon expiry of the third year. The landlord, however, can only terminate upon expiry of the lease term. As a result of these laws, in both Belgium and France the Group may be restricted by law certain leases.

Furthermore, laws may grant some tenants a periodic right to terminate a lease before it expires, which may affect the Group's Occupancy Rates. In particular, certain of the leases of the Target Portfolio are considered "leases under tacit extension" and may be terminated by the tenants at any time.

***The Group is exposed to risks arising from the illiquid nature of real estate, which may result in selling properties at less than fair value should the Group be required to dispose of parts of the Portfolio on short notice.***

The market for real estate properties is relatively illiquid. Were the Group required to dispose of parts of the Portfolio on short notice for any reason, including raising funds to support its operations, to repay outstanding indebtedness or to exit an investment the Group no longer wishes to own, the Group may not be able to sell any portion of the Portfolio on favourable terms. In the case of an accelerated sale, there may be a significant shortfall between the last appraised value of the property and the price at which the Group could sell such property. Any such shortfall could have a material adverse effect on the business, financial condition or results of operations of the Group.

***The Group is now engaged in executing the Growth Phase of its strategy, and may not be able to successfully execute planned acquisitions, disposals, refurbishments or expansions of properties.***

The Group's strategy is based on active portfolio management, which implies acquiring new properties, both as part of the Acquisition and as part of its on-going Growth Phase, as well as selling, refurbishing or expanding its existing properties to optimise the value of the Portfolio. The ability of the Group to engage in acquisitions, disposals, or expansions, and the success of its Growth Phase, may be limited by its ability to identify appropriate properties, as well as by conditions beyond its control, such as the availability of attractively priced properties, the condition of the property market or changes in governmental and municipal regulations, including in relation to obtaining required licenses, planning permissions or zoning permits. In addition, the ability of the Group to acquire additional properties may be limited by an inability to obtain financing on terms attractive to it, conditions with which the Group is required to comply in order to maintain its status as a FII or restrictions contained in its current or future credit agreements. Should the Group be unable to make acquisitions and disposals or to carry out its refurbishment and expansion programs as expected, the Group may be unable to realize its strategy.

Each acquisition, disposal, refurbishment and expansion will entail uncertainties and risks, including the risk that such project may not be completed after the Group has invested significant amounts of time and money. Furthermore, the Group may encounter difficulties in expanding the administrative operations or functions to support acquired or development properties, which may result in difficulties integrating acquired properties. The Group may be unable to successfully manage the Growth Phase in a manner which generates adequate returns on investment, and the additional demands on the Group and on members of senior management during the Growth Phase may result in difficulties managing the existing Portfolio. The upfront investments made by the Group are substantial and the investments start generating rental income only after a certain period of time because of the long-term nature of construction and redevelopment work. See "*The Group's development projects require large initial investments while they will start*

*generating rental income only after a certain period of time, and are subject to various risks which would cause delays and increase the time until the projects generate rental income."* The additional rental income and the Occupancy Rates from acquisitions, refurbishments and expansion projects might turn out to be lower than anticipated.

***The Group could be adversely affected by a deterioration of the credit worthiness of other financial institutions.***

The Group's cash on hand is on deposit with a variety of commercial banks. These relationships could expose the Group to credit risk in the event of default of a counterparty. Many of the hedging and other risk management strategies that are and may be utilised by the Group also involve transactions with financial services counterparties. The failure of these counterparties to settle or the perceived weakness of these counterparties may impair the effectiveness of the Group's hedging and other risk management strategies.

***If the Group loses or is unable to obtain licences necessary for its operations or expansion, it may not be able to carry on its business or parts of its current or planned businesses.***

The Group has obtained several other licences and permits, including zoning permits, for its properties from municipalities and other government authorities. Some of these licences are issued for a limited period of time and may not be renewed, or, if they are renewed, their terms may be changed. These licences contain a number of requirements regarding the way the Group conducts its business. Failure to meet these requirements could result in fines or other sanctions including, ultimately, revocation of licences. Moreover, the Group may be required to obtain licences following regulatory changes or where it wishes to expand into new areas of business and it may not be able to obtain these licences.

***The unavailability or insolvency of contractors, subcontractors or other service providers may cause cost overruns, program delays or the acceptance of riskier contractor covenants.***

The Group's development projects require it to hire skilled third-party contractors to provide construction, engineering and various other services for the properties it is developing or redeveloping. There is a limited selection of high-quality contractors operating in the Group's key markets. As a result, the Group may be unable to retain skilled contractors on financially and contractually efficient terms due to a high level of demand for the most reputable contractors. Furthermore, the Group may hire a contractor that subsequently becomes insolvent, causing cost overruns, program delays and the acceptance of riskier contractor covenants. The unavailability of high-quality contractors or the insolvency of a contractor currently working on one or more of the Group's development projects could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects or the price of the Ordinary Shares. The risk of such insolvency similarly increases the risk of the Group being unable to recover costs in relation to any future latent defects subject to repair covenants given by the Group to tenants, to the extent that such costs are not otherwise covered by latent defect insurance.

***The Group's development projects are subject to the hazards and risks normally associated with the construction and development of commercial real estate, any of which could result in increased costs and/or damage to persons or property.***

The Group depends on skilled third party contractors for the timely construction of its developments in accordance with international standards of quality and safety. The process of construction may be delayed or disrupted by a number of factors, such as inclement weather or acts of nature, industrial accidents and defective building methods or materials. Any of these factors, alone or in combination could delay or disrupt the construction process by halting the construction process or damaging material or the development itself.

In addition, the costs of construction depend primarily on the costs of materials and labour, which may be subject to significant unforeseen increases. The Group may not be able to recover for cost overruns under its insurance policies or from the responsible contractor or sub-contractor or may incur holding costs and the development may decrease in value, any of which could have a material adverse effect on its business, financial condition, results of operations, future prospects or the price of the Ordinary Shares.

***Loss of its managerial staff and failure to recruit or retain key personnel could hamper the ability of the Group to fulfil its strategies.***

The Group believes that its performance, success and ability to fulfil its strategic objectives depends on retaining its current executives and members of its managerial staff and other key personnel, as well as integrate new key personnel

such as the new French country manager, who are experienced in the markets and business in which the Group operates. Any changes in the Group's managerial staff that could happen in the future may have an adverse effect on the Group and on the results of its operations. In addition, the Group might find it difficult to recruit suitable employees and for other expansions of its operations as well to replace employees who may resign. Recruiting such suitable employees may entail substantial costs both in terms of salaries and other incentive instruments.

***The Group's success is dependent on the quality of its local management.***

The Group uses a centralised business model with limited levels of autonomy for local management. The members of the Management Board are also board members of the local property holding companies, in order to implement the Group's policy and strategy on a local level. The Group is therefore dependent on the quality of the local management for property management with respect to, among other activities, (i) managing shopping centres and development projects, (ii) attracting desired tenants, (iii) preparing financial reporting, and (iv) effective governance and control of the local operations. The inability of the local management to carry out these or other significant activities adequately and on time could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

In addition the Company's central management may have insufficient visibility and control over property management operations of the local management and may not be informed of local developments for it to adequately react to them on a timely basis, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects, as well as on the value of and return on the Ordinary Shares.

***The Group is exposed to risks arising from the susceptibility of the real estate market to fraud.***

Certain activities in the real estate sector have been subject to allegations of embezzlement of cash in connection with arranging large scale real estate transactions. Although the Group is currently not aware of any such fraud taking place within its business, and takes precautionary measures to reduce the risk of contracting with counterparties who engage in unethical or illegal business practices, the Group may become the target of fraud or other illicit behaviour in any of the markets in which it operates. This may have a material adverse effect on the Group's reputation, business and financial condition.

**Risks relating to the Acquisition**

The risks relating to the Group, its properties, business and markets in which it operates generally also apply to the properties to be acquired in the Acquisition. In addition, the Group faces specific risks in connection with the Acquisition, as described below.

***The Group may not be able to successfully and efficiently integrate the Target Portfolio into its operations or to realise the intended benefits of the Acquisition.***

The Acquisition involves significant costs and risks and it may not be possible to achieve a successful and efficient integration of the Target Portfolio with the Group's existing operations. Integration of the Target Portfolio will require coordination of the Group's management, its organisation and its personnel, which may prove difficult due to numerous factors such as (i) integration costs being higher than anticipated; (ii) the Acquisition being made on an "as is, where is" basis and the failure of the Group's due diligence exercise to discover liabilities for which the Group may be responsible as a successor owner or operator; (iii) the possibility that the Group will be unable to retain key staff members and customers post-Acquisition; (iv) the potential disruption of the Group's on-going business and the strain placed on the Group's management, administrative, operational and financial resources; (v) maintenance of appropriate standards, controls, procedures and policies; (vi) diversion of the management's attention away from other business concerns or opportunities; (vii) difficulties in expanding the Group's administrative operations or functions to support the Target Portfolio; and (viii) the possibility that the Target Portfolio may not achieve the anticipated improvements in Occupancy Rates or levels of revenue or profitability, and may experience a decrease in rental income due to rent cancellations during the integration process. In addition, the Group will rely on local management of the Target Portfolio. See "*The Group's success is dependent on the quality of its (local) management.*"

Furthermore, in respect of the development project "Cityplaza Phase II", which is part of the Acquisition, the Group will be subject to risks relating to the property in Nieuwegein, which is still under construction. If the third-party developer is unable to successfully complete the project, it could result in a material adverse effect on the Group's business, financial conditions and result of operations, resulting from the postponed transfer of that part of the property by Klépierre Management Nederland B.V. (the **Seller**), as further discussed in Section 4 "*The Acquisition*".



Furthermore, the Group may fail to realise intended benefits of the Acquisition, in particular, the ability to attract new tenants and secure better terms from or deepen its relationship with existing tenants as a result of the expansion of the Group's geographic footprint in the Dutch shopping centre market or the redevelopments of the Presikhaaf and Sterrenburg shopping centres, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Furthermore, the Group has conducted a due diligence review of the information about the Target Portfolio and the properties that are part of the Acquisition that was provided to the Group by the Seller; however, due diligence reviews are by nature subject to limitations. As a result, after the closing of the Acquisition, the Group may be subject to unknown liabilities of the Target Portfolio relating to the properties which are part of the Acquisition, which may have an adverse effect on the Group's financial condition and results of operations. The Group is exposed to this risk as a result of agreeing to acquire the Target Portfolio from the Seller on an "as is, where is" basis, which means that it will become owner of the assets at their present condition, and as such has limited recourse against the Seller if certain shopping centres in the Target Portfolio require any unexpected or immediate expenditures. See "*Risks relating to the Group and the Sector in which it operates—The Group is exposed to risks related to the acquisition and ownership of real estate properties.*"

***The closing of the Offering and the closing of the Acquisition are subject to conditions.***

The closing of the Acquisition and the closing of the Offering are each subject to various conditions. The closing of the Offering is subject to, inter alia, no material adverse change in the Group's business and the condition that upon closing of the Offering no condition for closing of the Acquisition has become incapable of satisfaction (without waiver) Section 4 "*The Acquisition—Sale and Purchase Agreement—Conditions Precedent*".

The completion of the Acquisition is subject to the condition that all consents, licences, approvals, permits, authorisations, waivers or co-operation required from third parties not affiliated with the Purchaser or the Seller, including the waiver of pre-emptive rights, in respect of the Acquisition have been obtained; or confirmation has been obtained that any such third-party consent cannot or will not be exercised. These third-party consents notably comprise the non-exercise of Dutch municipalities of their pre-emptive rights pursuant to the laws of the Netherlands. The completion of the Acquisition is further subject to the Seller's co-determination procedures in respect of the Acquisitions having been completed in accordance with the Dutch works councils act (*Wet op de Ondernemingsraden*). In addition, completion of the Acquisition is subject to the clearance from the Authority for Consumers and Markets (**ACM**, *Autoriteit Consument en Markt*).

The Company intends to close the Acquisition as soon as possible after the closing of the Offering, and, in any case, by 31 December 2015, but there remains a risk that the Offering will have closed and that the Acquisition does not close. In that case, it will not be possible to reverse the closing of the Offering and return the proceeds to the investors who have paid for the Offer Shares. In that case, the proceeds of the Offering will not be used for the Acquisition and the Company intends to use the net proceeds of the Offering for other potential acquisitions and/or for general corporate purposes, or return it to shareholders. There can be no assurance that the properties the Group would buy in that circumstance would meet the same criteria or would generate a similar return, if any, as the Target Portfolio described in this Registration Document. Moreover, if the Acquisition does not close, the costs related to the preparation of the Acquisition cannot be recovered from the Seller.

In connection with the Acquisition, the Group is exposed to risks of non-performance by the Seller, as well as certain other risks. Any non-performance by the Seller of its obligations under the Sale and Purchase Agreement, or any other agreements, could have a material adverse effect on the Group's business, financial condition and results of operations.

**Risks relating to the financing of the Group's activities**

***Access to capital on acceptable terms necessary for maintaining, growing and developing the Group's business and Portfolio may be difficult.***

In the ordinary course of business, the Group makes significant capital expenditures for the acquisition, (re)development and maintenance of projects or properties. The Group has so far financed its capital expenditures through operating cash flows and raising debt and equity, however, the Group may not be able to continue to do so. The ability of the Group to obtain financing and the terms of such financing will continue to depend on several factors, some of which are beyond its control, such as general economic conditions, the availability of credit from financial institutions and global and European monetary policy. Regulatory changes may adversely affect the Group's cost of financing and the Group's access to financing in the future. Reduced levels of stimulus by central banks and governments or an increase in interest rate spreads as a result of higher risk premiums may also cause the costs of new

financing to raise which may adversely affect the Group's access to future financing at favourable terms. In addition, deterioration in the Group's business results or financial condition could lead to higher financing costs. The Group may not be able to obtain financing and any financing that it can obtain may not have effective terms (whether privately or through a public transaction). Moreover, there may be a risk that the Group's financial counterparties will not be able to provide funds under the facilities agreed with the Group.

In addition, the ability of the Group to obtain debt financing may be constrained by the Company's qualification as an FII under Dutch corporation tax law and the resulting limitations on the level of its indebtedness or restrictions contained in its current or future credit agreements. See Section 11 "*Regulatory Matters and Tax Status of the Group*" for a description of the limitations on the incurrence of indebtedness imposed by the FII status. The Group may also seek additional equity financing, apart from the Offering, to fund other acquisitions or expenses in the mid-to-long term. The Group's ability to raise such additional equity financing is also dependent on market conditions, economic circumstances and/or investor appetite, which could lead to liquidity problems.

Failure to obtain financing due to any of the factors above could have an adverse effect on the business, financial condition and results of operations of the Group. See also Section 8 "*Operating and Financial Review—Liquidity*".

***The Group's operations are restricted by certain covenants in its financing instruments.***

The Group's total indebtedness as of 31 March 2015 was €1,372.5 million. In addition, the Group intends to fund the Acquisition with a further €509.6 million borrowed under its €670 million of committed credit facilities. This level of indebtedness may require the Company to dedicate a portion of its cash flow from operations to make interest and principal payments on its indebtedness and will also require the timely refinancing of certain short term liabilities before their respective maturity dates. See also Section 8 "*Operating and Financial Review—Liquidity*". This reduces the Group's available liquidity and therefore the availability of the Group's cash to fund working capital and make capital expenditures and limits the Group's flexibility in acquisitions and other growth possibilities and its ability to pay dividends. The Group is also restricted by certain covenants in its financing instruments, in particular that the Group's LTV Ratio be less or equal to 60% and that its ICR be at least 2.0x. As of 31 March 2015, the Group's LTV Ratio was 35.5% (based upon property valuations for the Portfolio as of 31 December 2014, except for the French Retail Portfolio, which was valued as of 15 October 2014), and its ICR was 5.3x. Following the Acquisition, the Group expects its financial ratios to remain within its financial covenant requirements. See also Section 8 "*Operating and Financial Review—Financial Instruments*".

A deterioration of the Group's liquidity or an increase of its indebtedness may affect the Group's ability to attract business, to enter into partnership agreements, to procure materials, services and products from suppliers and to retain services from subcontractors on favourable terms. As a result, such deterioration or increase could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

***A breach of covenants under the Group's financing arrangements could entail increased interest payments, a sale of assets or a suspension of dividend payments, and cross-default provisions may exacerbate existing risks.***

The Group's financing arrangements contain financial covenants that require it, among other things, to maintain financial ratios including an LTV Ratio of less than or equal to 60% and ICR of at least 2.0x. As of 31 March 2015, the Group's LTV Ratio was 35.5% (based upon property valuations for the Group's Portfolio as of 31 December 2014, except for the French Retail Portfolio which was valued 15 October 2014), and its ICR was 5.3x. Following the Acquisition, the Group expects its financial ratios to remain within its financial covenant requirements. In the event that the Group breaches certain covenants under its current financing this may lead to a step-up in respect of the interest rate and/or annual amortization quotes and thereby increase the Group's payment obligations significantly. In addition, the Group may even be required to immediately repay the respective borrowings in whole or in part, together with any related costs. In such a situation, the Group may be forced to sell some or all of its assets unless it has sufficient cash resources or other Credit Facilities available to make such repayments. In addition, a lender may be able to sell certain of the Group's assets or procure their sale to the extent that such assets serve as collateral for borrowings. The Group may also be required to suspend payment of its dividends in case of breaches of covenants under its current financing agreements. Furthermore, a breach of covenants could lead to a liquidity shortage as the lenders may refuse any drawdowns under the Group's Credit Facilities. See also Section 8 "*Operating and Financial Review—Financial Instruments*". All of the foregoing could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's financing arrangements also contain cross-default provisions. In case of a default under one financing arrangement, the existence of cross-default provisions in other financing arrangements might trigger defaults under those arrangements. If such cross-default provisions are triggered, this could result in substantial losses for the Group

and could significantly reduce its access to capital, which could have a material adverse effect on its business, financial condition and results of operations.

***The Group is exposed to interest rate and currency risks and may have exposure in case of the unwinding of certain swaps.***

As a result of the Group's policy to hold investments for the long term, the Group's borrowings to fund investments generally have long maturities (five years or longer). To finance the Acquisition, the Group intends to borrow an additional €509.6 million under its €670 million committed credit facilities, which carry a floating interest rate and will increase the Group's exposure to interest rate risk. Following the Acquisition, the Group expects the proportion of its indebtedness at a floating interest rate to increase from 23% to approximately 33%. An increase in interest rates can affect the Group's interest payments and investment yields, and can, in turn, impact the value of the Group's Portfolio and its financial results. The Group uses interest rate swaps to hedge the interest rate risk in its borrowing. As of 31 March 2015, 77% of the Group's borrowings had a fixed rate (including floating interest rates hedged to fixed rates).

The Group has outstanding debt comprising sterling denominated debentures due in 2015 of £35.1 million, other sterling indebtedness of £80 million, and U.S. dollar denominated loans of U.S.\$392.5 million, each as of 31 March 2015. The Group employs currency swaps and currency options to hedge its foreign exchange risk associated with the translation of these debts into Euro, and the cost and effectiveness of these hedges will be effected by fluctuations in exchange rates. Should these instruments prove ineffective, the Group could incur additional costs with the payment of this outstanding indebtedness. The Group's use of derivative instruments is limited to hedging the underlying currency and interest rate exposure. The Company employs currency swaps and currency options, and also uses financial instruments to manage its interest expenses. These financial instruments are combined to manage the exchange rate sensitivity of the net asset value per Ordinary Share and the interest rate sensitivity of the earnings per Ordinary Share. The use of financial instruments like interest rate and currency swaps accordingly serves the interest rate and currency policies referred to above. Derivatives are used in combination with the underlying loan portfolio; however, these derivatives may not be sufficient to cover the full extent of the Group's interest rate risk.

In addition, if the Group sells a property and repays part of a loan with the proceeds of such sale, there may be a mismatch between the derivatives that the Group has entered into and the loans for which that derivative has been entered into and the Group may be required to settle or otherwise unwind such a derivative. Such settlement or unwinding may be on commercially disadvantageous terms, resulting in the Group incurring significant costs or additional liabilities.

#### **Risks relating to the structure of the Group**

***The Company is a holding company with no operations which relies on its operating subsidiaries to provide it with funds necessary to meet its financial obligations.***

The Company is a holding company with no material direct business operations. The principal assets of the Company are the equity interests it directly or indirectly holds in its operating subsidiaries. As a result, the Company is dependent on loans, dividends and other payments from its subsidiaries to generate the funds necessary to meet its financial obligations, including the payment of dividends to holders of Ordinary Shares. The ability of the Company's subsidiaries to pay dividends and make other payments depends on their earnings and may be subject to statutory, legal or contractual limitations. As an equity investor in its subsidiaries, the Company's right to receive assets upon their liquidation or reorganisation will be effectively subordinated to the claims of any of their creditors. To the extent that the Company is recognised as a creditor of its subsidiaries, the Company's claims may still be subordinated to any security interest in or other lien on their assets and to any of their debt or other obligations that are senior to the Company's claims.

***The Company may not be able to pay, or maintain the current levels of, cash dividends and the failure to do so could adversely affect the market price of the Ordinary Shares.***

As of the date of the Prospectus, the Company qualifies as an FII (see Section 13 "Regulatory Matters and Tax Status of the Group"). Accordingly, the Company is obliged to pay a dividend at least equal to fiscal profit at least once a year to holders of Ordinary Shares, within eight months after the end of the relevant accounting period. The Company intends to comply with the FII requirements and gradually move towards a dividend pay-out ratio of 85% of its Direct Result.

However, the ability of the Company to pay and maintain (cash) dividends is based on many factors, including its ability to renew tenant leases and to attract new tenants, its ability to negotiate favourable lease terms and conditions, operating expense levels, the level of demand for its properties, its financial position, its compliance with the terms of

its debt financing arrangements and its actual results, any of which may vary substantially from the Group's estimates. A change in any such factor could affect the ability of the Company to pay or maintain cash dividends. Therefore, the Company cannot give any assurance as to its ability to pay cash dividends. The Company also cannot give any assurance that the current level of cash dividends will be maintained or will increase over time or that increases in demand for its properties or rental rates will also increase the cash available for dividends. The failure to pay, maintain or increase cash dividends may adversely affect the market price of the Ordinary Shares.

***The Company could suffer adverse consequences if it fails to maintain its status as an FII in the Netherlands. The fulfilment of some FII requirements (such as the shareholder requirement) is beyond the Company's control.***

For the Company to maintain its FII status, it must meet certain activity restrictions, leverage restrictions, shareholder requirements, profit distribution obligations and management and control restrictions. See Section 13 "Regulatory Matters and Tax Status of the Group". The ability to meet the conditions required for the FII status depends upon the Company's ability to successfully manage its assets and indebtedness on an on-going basis. The Company may fail to continue to meet the existing requirements in the event of a change in the Company's financial condition, or otherwise, and the applicable requirements may change in the future in a manner that would make the FII status unavailable to the Company. Changes may also occur in the composition of the Company's shareholding structure, which are beyond the Company's control, such that it is no longer able to fulfil all the requirements of its status as an FII.

In the event that the Company breaches the requirement for the timely distribution of its distributable profits and/or any of the other requirements for the FII status are breached, the Company could lose its FII status as of the start of the fiscal year in which the breach occurred, thereby becoming a regular corporation tax payer which, among others, would result in its future profits derived from going concern income and/or capital gains on assets being taxed at the general Dutch corporation tax rates (the main rate currently being 25%). Profits and gains (relating to the period in which the company no longer has the FII status) realised in respect of qualifying shareholdings are not subject to Netherlands corporation tax if the participation exemption (*deelnemingsvrijstelling*) applies. The loss of the Company's status as an FII may have an adverse effect on the Company's financial position, and hence on the market price of the Ordinary Shares.

***The Group could suffer adverse consequences if it fails to maintain Wereldhave Belgium's status as GVV/SIR or the SIIC status with respect to its French subsidiaries.***

As of the date of the Prospectus, Wereldhave Belgium qualifies as a Belgium regulated real estate company (*gereguleerde vastgoedvennootschap (GVV)/société immobilière réglementée (SIR)*). To maintain its GVV/SIR status, Wereldhave Belgium must meet certain activity restrictions, leverage restrictions, shareholder requirements, profit distribution obligations and management and control restrictions. The ability to meet the conditions required for the GVV/SIR status depends upon Wereldhave Belgium's ability to successfully manage its assets and indebtedness on an on-going basis. Wereldhave Belgium may fail to continue to meet the existing requirements in the event of a change in its financial condition, or otherwise, and the applicable requirements may change in the future in a manner that would make the GVV/SIR status unavailable to Wereldhave Belgium.

In the event that Wereldhave Belgium breaches the requirement for the timely distribution of its distributable profits, Wereldhave Belgium might lose the GVV/SIR status as of the start of the fiscal year, the profits of which were supposed to have been timely distributed. In the event that any of the requirements for the GVV/SIR status are breached, Wereldhave Belgium could lose the GVV/SIR status as of the start of the fiscal year in which such breach occurred.

If Wereldhave Belgium fails to qualify as a GVV/SIR or loses the GVV/SIR status, it becomes a regular corporation tax payer which, among others, would result in its future profits derived from going concern income and/or capital gains being taxed at the general Belgium corporation tax rates (the main rate currently being 33.99%), which would reduce Wereldhave Belgium's profits available to be paid as dividends to the Company.

The Sociétés d'Investissements Immobilières Cotées (**SIIC**) regime applies to the Group's assets in France. It has similar restrictions to the FII and GVV/SIR regimes. The ability to meet the conditions required for the SIIC regime depends upon the Group's ability to successfully manage its ancillary activities and the assets allocated to such activities. Changes may also occur in the Group's organisational structure, which are beyond its control, such that the conditions for election of the SIIC regime are no longer fulfilled. If certain of the Group's subsidiaries fail to meet the conditions to benefit from the SIIC regime, they would become regular corporation tax payers which, among others, would result in future profits derived from going concern income and/or capital gains being taxed at the standard French corporation tax rate (the main rate currently being 33.33% plus surcharges).

An exit of the SIIC regime during the ten-year period following the election for the regime entails (i) an additional taxation of latent capital gains that were subject to a reduced tax rate upon election or entry into the SIIC regime (at a rate of 16.5% or 19%) so as to bring the overall taxation of these latent gains to the standard French corporation tax rate, (ii) the taxation at the standard corporation tax rate of any retained earning derived from tax exempt profits, and (iii) the taxation at a rate of 25% of latent gains accrued during the period of application of the SIIC regime (whose basis is reduced by 10% per year of application of the SIIC regime).

The loss of Wereldhave Belgium's status as a GVV/SIR, or the inapplicability of the SIIC regime with respect to the Group's assets in France would have an adverse effect on the Company's results of operations and financial position, and hence on the market price of the Ordinary Shares.

***The Group could suffer adverse consequences if it fails to maintain its current beneficial tax structuring of its foreign investments due to changes in local tax law.***

As of the date of the Prospectus, the Group has structured its foreign investments in those countries where it does not operate its business through a regime similar to the FII, GVV/SIR or SIIC regimes (e.g. Finland) in a manner intended to result in an effective current tax rate that is very low or non-existent, based on the utilisation of current rules as enacted in local tax laws. Any change in local tax laws or practices may cause these structures to become less effective, resulting in a higher tax burden than foreseen.

***A material change in the laws and regulations to which the Group is subject, including in relation to RETT rates, the FII regime, the GVV/SIR regime or the SIIC regime or in the interpretation or enforcement of such laws and regulations could materially adversely affect the business, results of operations and financial condition of the Group.***

The Group must comply with a variety of laws and regulations, including tax, planning, zoning, environmental, health and safety and other laws and regulations, and/or other requirements. The Group may be required to pay penalties for non-compliance with any such laws and regulations and/or other requirements of local, regional and national authorities as well as authorities of the European Union (the EU) to which it is subject. A material change in the applicable laws and regulations and/or other requirements, including in relation to the Dutch or non-Dutch real estate transfer tax (RETT) rates, the FII regime, the GVV/SIR regime or the SIIC regime, or in the interpretation or enforcement of such laws and regulations and/or other requirements, could force the Group to alter its business strategy or operations, leading to additional costs or loss of revenue, which could materially adversely affect the business, results of operation and financial condition of the Group.

***The return on the Group's investment in Wereldhave Belgium is subject to market fluctuations and the Company may not receive any dividends from Wereldhave Belgium.***

Even though the Group's investment in Wereldhave Belgium is recorded in its consolidated balance sheet based on the value of the underlying assets, any potential sale by the Company of its shares in Wereldhave Belgium, which are admitted to trading on Euronext in Brussels, is subject to market fluctuations, which are outside of the Company's control. Furthermore, because the shares in Wereldhave Belgium are relatively illiquid, as the daily trading in such shares is limited, partly due to the limited free float of such shares, it may be difficult for the Company to sell its shares in Wereldhave Belgium at the current market price. In addition, the Group's dividend income from its investment in Wereldhave Belgium is uncertain as the Company only receives dividend income when Wereldhave Belgium declares and pays dividends.

***Market perceptions concerning the instability of the euro and the potential re-introduction of individual currencies within the Eurozone could have adverse consequences for the Group.***

Financial markets and the supply of credit may be negatively impacted by recent developments in Greece and fears surrounding the sovereign debts and/or fiscal deficits of several countries in Europe (primarily Greece but also, potentially Italy, Portugal and Spain), the possibility of further downgrading of, or defaults on, sovereign debt, concerns about a slowdown in growth in certain economies and uncertainties regarding the overall stability of the euro and the sustainability of the euro as a single currency given the diverse economic and political circumstances in individual member states. Governments and regulators in certain Eurozone countries have implemented austerity programs and other remedial measures to respond to the Eurozone debt crisis and stabilize the financial system, but the actual impact of such programs and measures are difficult to predict. For example, the current Greek government is attempting to renegotiate bailout terms and/or terms relating to the repayment of Greek national debt and prompting concerns Greece's exit from the Eurozone, which could, in turn, undermine confidence in the overall stability of the euro.

If one or more countries in the Eurozone default on their debt obligations and/or cease using the euro and re-establish their own national currency, it is possible that there would be significant, extended and generalised dislocation in the financial markets as well as the wider economy, which may negatively affect the Group's business, results of operations and financial condition, especially as its operations are primarily in Europe. In addition, the departure of one or more countries from the Eurozone may lead to the imposition of, among other things, exchange rate control laws. Should the euro dissolve entirely, the legal and contractual consequences for holders of euro-denominated obligations and for parties subject to other contractual provisions referencing the euro would be determined by laws in effect at such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect the Group's operations, and values of its properties and could also, in the event of a significant decline on the value of the euro, have adverse consequences for the Group with respect to its outstanding debt obligations that are not euro-denominated.

***There is a risk that the Company is or could become a passive foreign investment company, which could result in adverse U.S. federal income tax consequences to U.S. Holders.***

The Company does not believe that it was a passive foreign investment company (**PFIC**), for U.S. federal income tax purposes for the year ended 31 December 2014 and, based on the Company's present assets, income and activities, does not expect to be a PFIC for the Company's current taxable year or in the foreseeable future. However, the PFIC determination is factual and made annually, and the Company's status could change depending upon, among other things, changes in the composition of its gross receipts, relative value of its assets, which may be dependent on the market value of the Offer Shares, and the manner in which it conducts its business. In the case of the Company, this determination is also based on the interpretation of rules applicable to rents derived in the active conduct of a business that are not entirely clear when such a business is conducted by a group of affiliated corporations. No assurance can be given that the United States Internal Revenue Service (the **IRS**) will not assert that the Company's rental income is passive income or that such a challenge would not be sustained. Accordingly, no assurance can be given that the Company will not be a PFIC in the current or any future taxable year. If the Company were treated as a PFIC for any taxable year, then adverse tax consequences and additional reporting obligations could apply to U.S. Holders (as defined below) without regard to whether the Company continued to be a PFIC. Prospective investors are urged to consult their own tax advisors regarding the possible application of the PFIC rules in their particular circumstances. For further discussion of the Company's possible classification as a PFIC, and discussion of an election which could mitigate some of the adverse U.S. federal income tax consequences of PFIC status, see Section 9 "Taxation Information—Passive Foreign Investment Company Rules" of the Securities Note.

## 2. IMPORTANT INFORMATION

*The Company accepts responsibility for the information contained in the Prospectus. To the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is in accordance with the facts and contains no omission likely to affect its import. Potential investors should not assume that the information in the Prospectus is accurate as of any other date than the date of the Prospectus.*

*No person is or has been authorised to give any information or to make any representation in connection with the Offering, other than as contained in the Prospectus, and, if given or made, any other information or representations must not be relied upon as having been authorised by the Company. The delivery of the Prospectus at any time after the date hereof will not, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof or that the information set forth in the Prospectus is correct as of any time since its date.*

### **Information for U.S. and other foreign investors**

**The Offer Shares have not been and will not be registered under the U.S. Securities Act or under any securities laws of any state or other jurisdiction of the United States. Accordingly, none of the Offer Shares may be offered, issued, sold, pledged, taken up, delivered, renounced or otherwise transferred in or into the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offering of the Offer Shares in the United States.**

EXCEPT AS OTHERWISE SET OUT IN THE PROSPECTUS, THE OFFERING DESCRIBED IN THE PROSPECTUS IS NOT BEING MADE TO SHAREHOLDERS OR INVESTORS IN THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN.

The distribution of the Prospectus, the offer or sale of Offer Shares is restricted by law in certain jurisdictions. The Prospectus may only be used where it is legal to offer, solicit offers to purchase or sell Offer Shares. Persons who obtain the Prospectus are required to inform themselves about and to observe all such restrictions.

No action has been or will be taken to permit the offer or sale of Offer Shares, or the possession or distribution of the Prospectus or any other material in relation to the Offering in any jurisdiction outside the Netherlands where action may be required for such purpose. Accordingly, neither the Prospectus nor any advertisement or any other related material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

The Offer Shares have not been approved or disapproved by the Securities and Exchange Commission, any state securities commission in the United States or any other regulatory authority of or in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Offer Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

The Offer Shares offered outside the United States are being offered in reliance on Regulation S under the U.S. Securities Act. In addition, until 40 days after the publication date, an offer, sale or transfer of the Offer Shares within the United States by a broker/dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act.

The assurance reports issued by PricewaterhouseCoopers Accountants N.V. on the unaudited pro forma combined financial information and the profit forecast are not intended to be relied on in the United States of America and we accept no responsibility for any use that you may make of them in the United States of America. The work performed by PricewaterhouseCoopers Accountants N.V. has not been carried out in accordance with auditing standards generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards.

Investors who have a registered address in, or who are resident or located in, jurisdictions other than the Netherlands and any person (including, without limitation, agents, custodians, nominees and trustees) who has a contractual or other legal obligation to forward the Prospectus to a jurisdiction outside the Netherlands should read Section 14 "Selling and Transfer Restrictions" of the Securities Note.

In the United Kingdom, the Prospectus is being distributed only to, and is directed only at, persons (a) who have professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the **Order**), or (b) who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of

high value trusts, as described in Article 49(2) of the Orders, or (c) who are believed on reasonable grounds to be persons to whom Article 43(2) of the Order applies for these purposes, or (d) to whom it may lawfully be communicated (all such persons being referred to in (a), (b), (c) and (d) are defined as **Relevant Persons**). In the United Kingdom, any investment or investment activity to which the Prospectus relates is only available to and will only be engaged in with Relevant Persons. Any other persons who receive the Prospectus should not rely on or act upon it.

Subject to certain exceptions, the Prospectus should not be forwarded or transmitted in or into the United States, Canada, Australia or Japan.

The Prospectus will be published in English only. Terms used in the Prospectus are defined in Section 16 "*Definitions and Glossary*".

### **Responsibility statement**

The Prospectus is made available by the Company. The Company accepts sole responsibility for the information contained in the Prospectus. The Company declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is, to the best of its knowledge and beliefs, in accordance with the facts and contains no omission likely to affect its import.

### **No responsibility**

No representation or warranty, express or implied, is made or given by or on behalf of the Underwriters or any of their respective affiliates or any of their respective directors, officers or employees or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in the Prospectus, or incorporated by reference herein, and nothing in the Prospectus, or incorporated by reference herein, is, or shall be relied upon as, a promise or representation by the Underwriters, or any of their respective affiliates as to the past or future.

None of the Underwriters, each in any of their respective capacities in connection with the Offering, accepts any responsibility whatsoever neither for the contents of the Prospectus nor for any other statements made or purported to be made by either itself or on its behalf in connection with the Company, the Offering or the Offer Shares. Accordingly, the Underwriters disclaim all and any liability, whether arising in tort or contract or otherwise in respect of the Prospectus and/or any such statement.

Although the Underwriters are party to various agreements pertaining to the Offering and each of the Underwriters has or might enter into a financing arrangement with the Company, this should not be considered as a recommendation by any of them to invest in the Offer Shares.

### **Documents incorporated by reference**

The Group's historical consolidated financial information is incorporated by reference into the Prospectus as set out in Section 15 "*Documents Incorporated by Reference*".

The historical consolidated financial information contained or incorporated by reference into the Prospectus, including the audited consolidated financial statements as of and for each of the years ended 31 December 2012, 2013 and 2014, (the **Financial Statements**), the unaudited financial statements as of and for the three month periods ended 31 March 2015 and 2014 (the **2015 Interim Financial Statements**) and, except where stated otherwise, the financial data contained in the Summary, and Section 7 "*Selected Historical Financial and Business Information*" have been prepared in accordance with IFRS.

### **The Re-presentations**

The comparative financial information as of and for the year ended 31 December 2012 was re-presented in the 2013 Financial Statements to represent the UK Portfolio as discontinued operations on a consistent basis with the financial information as of and for the year ended 31 December 2013 (the **2012 Re-presentation**).

The comparative financial information as of and for the year ended 31 December 2013 was re-presented in the 2014 Financial Statements to represent the Spanish Portfolio as discontinued operations on a consistent basis with the financial information as of and for the year ended 31 December 2014, and to reflect the change in presentation of fair value movements of derivatives as other financial result and income instead of part of the total valuation result (the **2013 Re-presentation**).

See notes 3.2, 3.3 and 3.3 of the 2014 Financial Statements and notes 38 and 37 of the 2013 Financial Statements.



## **The comparative financial information as of and for the three months ended 31 March 2015**

The comparative financial information as of and for the three months ended 31 March 2014 reflects the Spanish Portfolio as discontinued operations; because the Group's Spanish Portfolio was disposed of in 2014, the financial information as of and for the three months ended 31 March 2015 does not include any results for the Group in Spain.

## **The Target Portfolio Financial Information**

The financial information for the Target Portfolio contained in the Prospectus in "Summary," Section 4 "The Acquisition" and Section 9 "Unaudited Pro Forma Financial Information" as of and for the three months ended 31 March 2015 comprises unaudited financial information on net rental income consisting of gross rental income, service costs charged and paid and property expenses for the three months ended 31 March 2015, derived from the Seller's internal management accounts. The financial information for the Target Portfolio for the year ended 31 December 2014 comprises unaudited financial information on net rental income consisting of gross rental income, service costs charged and paid and property expenses for the year ended 31 December 2014, derived from the Seller's internal management accounts.

## **Non-IFRS information**

The Prospectus presents certain measures that are not measures defined by IFRS, including the direct and indirect result, and "Like-for-Like Rental Growth" information. These are supplemental measures of the Group's performance which are used for management purposes and should not be considered in isolation or as an alternative to net result, Shareholders' equity, net rental income or any other performance measure derived in accordance with IFRS. In addition, such measures, as defined by the Group, may not be comparable to other similarly titled measures used by other companies.

The measures are intended only to supplement performance indicators in accordance with IFRS, and not to replace them. These measures should always be used together with the performance indicators provided for by IFRS and not in isolation, because their ability to convey meaningful information is limited in various respects. In particular, direct result does not reflect changes in valuation of the Group's properties, which can vary substantially from period to period and can have a negative effect on net result reported under IFRS.

## ***Net Initial Yield (NIY)***

The European Public Real Estate Association (**EPRA**) guidance provides that NIY is calculated as annualised rental income based on cash rents passing, which means actual net cash rent received during the previous 12 months as of a given balance sheet date, less non-recoverable estimated property operating expenses for the period, divided by the market value of the property, which may include estimated purchasers' cost.

## ***Yield on cost***

Yield on cost is calculated on the basis of net rental income divided by the cost of the property.

## ***Direct and Indirect Result***

Direct Result is net rental income, general costs, other income and expenses (i.e. other than exchange rate differences), interest income and expenses (except for certain items within interest charges (i.e. other than the interest addition to the real value of the conversion rights of convertible bonds, premiums paid on repurchased interest bearing debt and actuarial gains and losses on employee benefit plans)) and tax charges on direct result. The indirect result consists of valuation results, exchange rate differences that are accounted for under other financial income and expenses, the interest addition to leasehold obligations, the real value of the conversion rights on convertible bonds, the movement in deferred tax liabilities and actuarial gains and losses on employee benefit plans (**Indirect Result**). The Group presents direct and indirect results in its on-going financial reporting and intends to use these measures going forward. For further information on reconciliation of direct and indirect result to measures reported in the Group's consolidated financial statements, see Section 8 "Operating and Financial Review—Comparison of results of operations for years ended 31 December 2014, 2013, and 2012—Direct and Indirect Result".

Management believes that using the Direct Result measure enables it to better assess the underlying operating performance of the Group, after adjusting principally for gains or losses on sales of investment property and revaluation effects (including on deferred taxes and result of associates), which are driven by market conditions outside of the

Group's control. Management believes that this allows investors to measure and judge the ability of the business to generate underlying results, without accounting-driven adjustments.

### ***LTV Ratio***

Loan-to-value ratio (**LTV Ratio**) is calculated as net financial indebtedness (defined as interest bearing debt, including the value of the currency swap, minus cash and cash equivalents) divided by the aggregate book value of the Group's property investments (investment properties in operation, investment properties under construction, lease incentives and assets held for sale).

### ***Solvency ratio***

Solvency ratio is calculated as total equity less intangible assets plus provisions for deferred tax liabilities divided by the Group's balance sheet total less intangible assets.

### ***ICR***

Interest Coverage Ratio (**ICR**) is calculated as net rental income (including net rental income from discontinued operations) to consolidated net interest charges (defined as charges and interest cost excluding amortised cost).

## **Operating information**

### ***Like-for-Like Rental Growth***

The Group shows movements between years in Like-for-Like Rental Growth. The like-for-like presentation compares net rental income in a given year to net rental income in the prior year by taking into account net rental income derived only from properties that were part of the Portfolio for the entirety of both years. Like-for-Like Rental Growth is determined on a unit by unit basis. This method excludes net rental income that is attributable to properties that were added to or removed from the Portfolio as a result of acquisitions or development projects entering into operation or divestments. Like-for-Like Rental Growth is attributable primarily to the indexation of rents, rent increases in excess of indexation, property (re-)lettings and lease renewals.

The Group targets "Like-for-Like Rental Growth" that meets or exceeds indexation to particular indices in each jurisdiction.

### ***Net leasable area and gross leasable area and annual rent***

The Group measures its properties using net leasable area (**n.l.a.**), which includes the areas that may actually be rented to tenants. The French Retail Portfolio and the Target Portfolio measure their properties using "g.l.a.", which includes the entirety of the properties, including common areas as well as areas inaccessible to tenants. In the Prospectus, information about the Group Portfolio properties is presented in n.l.a. and information about the Target Portfolio properties is presented in g.l.a. As a result, leasable area for the Group is not directly comparable to leasable area for the Target Portfolio.

The Group measures "annual rent" for its properties as the sum of all minimum guaranteed rent for one or more properties at a certain date, including an estimate of turnover rent for those leases that have no contractual minimum rent levels.

Throughout the Prospectus, unless otherwise stated, information about n.l.a., g.l.a., annual rent and values with respect to the Portfolio is presented as follows. Where the Group has more than a 50% interest in a property, the n.l.a. or g.l.a. for the entire property is reflected in the numbers in the Prospectus. Where the Group has less than a 50% interest in a property, only the Group's pro rata interest in the n.l.a. or g.l.a. and annual rent for such property is reflected. Where the Group has more than a 50% interest in a property, the annual rent and the value of the entire property are reflected in the numbers in the Prospectus (however, property values reported in the Valuation Reports are reflected as explained below under "*Information in Valuation Reports*").

## Occupancy Rate

Occupancy Rate is defined by the EPRA as the estimated rental value (**ERV**) of leased units divided by the ERV of total property. The EPRA defines ERV as the estimate of the rent for which space would be let in the market conditions prevailing at the date of valuation. Occupancy Rate is calculated as at the end of a period.

## Rounding and negative amounts

Certain figures contained in the Prospectus, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances the sum of the numbers in the text or a column or a row in tables contained in the Prospectus may not conform exactly to the total figure given for that column or row.

In tables, negative amounts are shown between brackets. Otherwise, negative amounts are shown by "negative" before the amount.

## Currency

All references in the Prospectus to "Euros", "euros" or "€" are to the currency introduced at the start of the third stage of the Economic and Monetary Union, pursuant to the Treaty establishing the European Economic Community, as amended by the Treaty on the European Union (**Eurozone**). All references to "U.S. dollars", "USD", "U.S.\$" or "\$" are to the lawful currency of the United States. All references to "GBP" are to the lawful currency of the United Kingdom.

## Exchange rates

The Company publishes its historical consolidated financial statements in Euros. The tables below set forth period end, average, high and low exchange rates of U.S. dollars per Euro and GBP per Euro for each year indicated. Yearly averages for the U.S. dollar are computed using the noon buying rate for the Euro in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York on a daily basis during the period indicated. Yearly averages for GBP are computed using the Bloomberg London Composite (**CMPL**) rates. The exchange rates below are provided solely for information and convenience. No representation is made that the Euro could have been, or could be, converted into U.S. dollars or GBP at all or at the exchange rates stated.

Year	U.S. dollars per €1.00			
	Period End	Average	High	Low
2011.....	1.2973	1.3931	1.4875	1.2926
2012.....	1.3186	1.2859	1.3463	1.2062
2013.....	1.3779	1.3281	1.3816	1.2774
2014.....	1.2101	1.3297	1.3927	1.2101
January 2015.....	1.1289	1.1630	1.2103	1.1205
February 2015.....	1.1196	1.1351	1.1481	1.1196
March 2015 .....	1.0731	1.0844	1.1196	1.0497
April 2015 .....	1.1224	1.0818	1.1224	1.0567
May 2015.....	1.0994	1.1167	1.1428	1.0876
June 2015 (through 22 June 2015).....	1.1364	1,1243	1.1374	1.0919

Year	GBP per €1.00			
	Period End	Average	High	Low
2011.....	0.8357	0.8680	0.9032	0.8304
2012.....	0.8126	0.8112	0.8483	0.7775
2013.....	0.8323	0.8491	0.8748	0.8114
2014.....	0.77659	0.80624	0.83958	0.77659
January 2015.....	0.75150	0.76735	0.83958	0.77659
February 2015.....	0.72505	0.74094	0.75672	0.72505
March 2015 .....	0.73037	0.72333	0.73708	0.70620
April 2015 .....	0.73134	0.72310	0.73657	0.71394
May 2015.....	0.71860	0.72220	0.74340	0.70744
June 2015 (through 22 June 2015 .....	0.71785	0.72489	0.73422	0.71465

## **Information in Valuation Reports**

The Group's properties are valued in accordance with the following policies.

### ***Investment properties in operation***

Investment properties in operation are those properties which are held either to earn rental income, for capital appreciation or both. On acquisition, investment properties in operation are initially recognised at cost, including transaction costs. Subsequent to acquisition, the Group's investment properties in operation are valued at fair value by external valuers. The fair values are based on the estimated amount for which a property could be exchanged on the date of valuation at an arm's length transaction. The fair value is determined based on the capitalisation of net rental income flows. For the determination of the fair value per property, the net capitalisation factor and the present value of the contractual rent and market rent, as well as levels of vacancy, rent rebates and the cost of maintenance are taken into account. Expenditure post-dating the acquisition date is added to the carrying amount of a given property, so long as it is probable that future economic benefits will follow and the cost can be determined reliably. All other expenses such as repairs and maintenance are recognised in the Group's consolidated income statement in the period in which they are incurred.

A valuation based on fair value is a time and location-specific estimate. The estimate is based on a price level to which according to the external valuers, two well-informed parties under the market conditions as at the valuation date would make a transaction for that specific property on the date of valuation. The fair value of a property can either be determined at the moment of the actual sale of the property or by appraising the property retrospectively.

The fair value is based on a net yield calculation, whereby net rental income is recapitalised. Elements of this calculation include current and anticipated future rent levels, non-recoverable costs, expected vacancy rates, rent indexations, turnover rents, lease incentives, etc. The yields and market rents used are specific for the country, the location, the type of property, the level of maintenance and the general rent ability of every single property. The determination of appropriate yields is based upon comparable transactions, supplemented with market and property specific knowledge and other assumptions, in which the professional judgment of the appraiser will become more important if the available transaction information is not sufficient.

### ***Investment properties under construction***

Properties that are being constructed or developed for future use as investment properties in operation are classified as investment properties under construction. These include properties held for development. Investment properties under construction are initially valued at historical cost and are subsequently valued at fair value by external valuers. Fair value measurement on an investment property under construction is only applied if the market value is considered to be reliably measurable. In cases where no reliable measurement is possible, an investment property under construction is valued at initial cost, including subsequent investments and capitalisation of construction interest, less any impairment.

Costs include the works performed, the costs of staff directly related to technical supervision, project management on the basis of time spent, capitalised interest costs on the basis of amounts spent and capitalised interest charges until the date of delivery based directly on the interest to be allocated to development or on the basis of the average effective rate of the group, where no specific project financing is present. Interest charges include interest and all costs associated with the Group raising funds.

The fair value of an investment property under construction is determined on an identical basis as investment properties, with the understanding that the capitalisation factor is adjusted to reflect development risks.

Fair value changes and impairment losses are recognised in the Group's consolidated income statement as valuation result. Investment properties under construction are transferred to investment properties on the date of delivery.

Owner-occupied properties are recognised as property and equipment on the Group's consolidated balance sheet, and their fair value at the date of reclassification is considered to be the cost for depreciation in purposes of property in own use.

## **Market and industry information**

All references to market data, industry statistics and industry forecasts in the Prospectus consist of estimates compiled by industry professionals, organisations, analysts, publicly available information or the Group's own knowledge of its sales and markets.

Industry publications generally state that their information is obtained from sources they believe reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions.

In the Prospectus, the Group makes certain statements regarding its competitive and market position. The Group believes these statements to be true, based on market data and industry statistics.

The information in the Prospectus that has been sourced from third parties has been accurately reproduced and, as far as the Group is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

### ***BREEAM Certification***

The Building Research Establishment Environmental Assessment Methodology (**BREEAM**) is an internationally utilised, scientifically-based method of assessing, rating and certifying the sustainability of buildings. Certified assessment scores are awarded on a star basis, with one star indicating an acceptable rating and six stars indicating an outstanding rating.

### ***CBRE***

As appropriate, CBRE Valuation Advisory B.V., a private limited company incorporated in the Netherlands and employing qualified valuers in accordance with the RICS Valuation – Professional Standards (January 2014) or CBRE Finland oy, a private limited company incorporated in Finland and employing qualified valuers in accordance with the RICS Valuation – Professional Standards (January 2014) (**CBRE**).

### ***Cushman & Wakefield***

Cushman & Wakefield is a privately held commercial real estate firm offering services including, among others, consulting, property valuation and appraisal.

### ***DTZ***

DTZ is a global company in the integrated property services industry providing occupiers and investors with services including, among others, investment and asset management, valuation, building consultancy and project management. In addition, DTZ's research and consulting services provide clients with global and local market knowledge, forecasting and trend analysis.

### ***Eurostat***

Eurostat is the statistical office of the European Union situated in Luxembourg and is a service of the Commission that is headed by an independent director general. Its task is to provide the European Union with statistics at the European level that enable comparisons between countries and regions.

### ***JLL***

Jones Lang LaSalle, Inc. (**JLL**) a professional services and investment management company specializing in real estate, with services including, among others, valuations and consulting and investment management.

### ***OECD***

Organisation for Economic Co-operation and Development (**OECD**) is an international economic research and discussion organisation, based in Paris.

### **Information on the Group Portfolio**

For information in the Prospectus with regard to the Group Portfolio, the Group has relied on the following appraisers, who are to be regarded as third parties.

***The appraisers of the Dutch Portfolio are:***

CBRE Valuation Advisory B.V.  
Symphony Offices  
Gustav Mahlerlaan 405  
1082 MK Amsterdam  
The Netherlands  
Authority by which CBRE Valuation Advisory B.V. is regulated: RICS

Cushman & Wakefield v.o.f.  
Strawinskylaan 3125  
1077 ZX Amsterdam  
The Netherlands  
Authority by which Cushman & Wakefield v.o.f. is regulated: RICS

DTZ Zadelhoff v.o.f.  
Parnassusweg 803  
1082 LZ Amsterdam  
The Netherlands  
Authority by which DTZ Zadelhoff v.o.f. is regulated: RICS

***The appraisers of the Belgian Portfolio are:***

Cushman & Wakefield v.o.f.  
Kunstlaan 56  
1000 Brussels  
Belgium  
Authority by which Cushman & Wakefield v.o.f. is regulated: RICS

Troostwijk-Roux Expertises CVBA  
Generaal Lemanstraat 58/2  
2600 Antwerp  
Belgium  
Authority by which Troostwijk-Roux Expertises CVBA is regulated: RICS

***The appraiser of the Finnish Portfolio is:***

CBRE Finland Oy  
Erottajankatu 9  
00130 Helsinki  
Finland  
The valuer of the Portfolio in Finland is qualified in accordance with, and is a member of, RICS.

***The appraisers of the French Portfolio are:***

Jones Lang LaSalle Expertises S.A.S.  
42 Rue La Boétie  
75008 Paris  
France  
Authority by which Jones Lang LaSalle Expertises S.A.S. is regulated: RICS

Cushman & Wakefield Expertise S.A.S.  
11/13 avenue de Friedland  
75008 Paris  
France  
Authority by which Cushman & Wakefield Expertise S.A.S. is regulated: RICS

***The appraiser of the Target Portfolio is:***

CBRE Valuation Advisory B.V.  
Symphony Offices  
Gustav Mahlerlaan 405  
1082 MK Amsterdam  
The Netherlands  
Authority by which CBRE Valuation Advisory B.V. is regulated: RICS

### **Valuation dates**

The valuation dates are 31 December 2014 (in respect of the Company's current Dutch Portfolio, the Belgian Portfolio, French Office Portfolio and the Finnish Portfolio), 15 October 2014 (in respect of the Company's French Retail Portfolio), and 15 May 2015 (in respect of the Target Portfolio). The appraisers did not revalue the properties as at 31 March 2015 and make no statement as to the fair values as at that date.

The Dutch Portfolio, the French Portfolio, the Belgian Portfolio and the Finnish Portfolio are fully appraised externally twice a year by independent and qualified appraisers. Appraisals are generally performed as of 30 June and 31 December.

### **Information on the Target Portfolio**

For information in the Prospectus with regard to the Target Portfolio the Company has relied on information provided by the Seller and, with respect to the valuation report regarding the assets to be acquired, by CBRE, both of whom are to be regarded as a third party. Although the Group has conducted a due diligence investigation with respect to such information, the Group has not independently verified such information.

### **No incorporation of website**

With the exception of the documents incorporated by reference herein as specified in Section 15 "*Documents Incorporated by Reference*", the contents of the Group's website, including any websites accessible from hyperlinks on the Group's website do not form part of, and are not incorporated by reference into, the Prospectus.

### **Notice to investors**

The distribution of the Prospectus in certain jurisdictions may be restricted by law. Persons in possession of the Prospectus are required to inform themselves about and to observe any such restrictions. The Prospectus may not be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, any of the Offer Shares offered hereby in any jurisdiction in which such offer or invitation would be unlawful.

### **Notice to investors in the United States**

The Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold, pledged or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws. Accordingly, the Offering is being extended (i) in the United States, to QIBs pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and applicable state securities laws, and (ii) outside the United States, in offshore transactions in accordance with Regulation S. Any Offer Shares offered and sold in the United States will be subject to certain transfer restrictions as described in the Prospectus. See Section 14 "*Selling and Transfer Restrictions*" of the Securities Note. The Offer Shares have not been recommended by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Prospectus. Any representation to the contrary is a criminal offence in the United States.

The assurance reports issued by PricewaterhouseCoopers Accountants N.V. on the unaudited pro forma combined financial information and the profit forecast are not intended to be relied on in the United States of America and we accept no responsibility for any use that you may make of them in the United States of America. The work performed by PricewaterhouseCoopers Accountants N.V. has not been carried out in accordance with auditing standards generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards.

## **Enforcement of civil liabilities**

The ability of Shareholders in certain countries other than the Netherlands to bring an action against the Company may be limited under applicable law. The Company is a public limited liability company (*naamloze vennootschap*) incorporated in the Netherlands and has its statutory seat (*statutaire zetel*) in municipality Haarlemmermeer (Schiphol), the Netherlands. All of the members of the Management Board and the Supervisory Board and other officers of the Group named herein are non-residents of the United States. All or a substantial portion of the assets of such persons and of the Company are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or the Company or to enforce judgments obtained in courts in the United States. In addition, there is doubt as to the enforceability, in the Netherlands, of original actions or actions for enforcement based on the federal or state securities laws of the United States or judgments of courts in the United States, including judgments predicated upon the civil liability provisions of the U.S. federal or state securities laws.

The United States and the Netherlands do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Accordingly, a judgment rendered by a court in the United States will not be recognised and enforced by the Dutch courts. However, if the party in whose favour a final judgment is rendered brings a new suit in a competent court in the Netherlands, that party may submit to the Dutch court the final judgment that has been rendered in the United States. A judgment by a federal or state court in the United States against the Company will neither be recognised nor enforced by a Dutch court but such judgment may serve as evidence in a similar action in a Dutch court. Additionally, under current practice, a Dutch court will generally uphold and consider as conclusive evidence a final and conclusive judgment for a payment of money rendered by a federal or state court in the United States if (i) that final judgment resulted from legal proceedings compatible with Dutch notions of due process, (ii) that final judgment does not contravene public policy of the Netherlands, (iii) the jurisdiction of the United States federal or state court has been based on grounds that are internationally acceptable and (iv) the final judgment has not been rendered in proceedings of a penal, revenue or other public law nature. It is uncertain whether this practice extends to default judgments as well. If a Dutch court upholds and regards as conclusive evidence the final judgment, that court generally will render a judgment in accordance with the judgment of the relevant court in the United States, the same judgment without renewed litigation on the merits. However, Dutch courts may deny the recognition and enforcement of punitive damages. Moreover, a Dutch court may reduce the amount of damages granted by a court in the United States and recognise damages only to the extent that they are necessary to compensate actual losses or damages. Enforcement and recognition of judgments of courts in the United States in the Netherlands are governed by the provisions of the Dutch Civil Procedure Code and pertinent Dutch case law.



### 3. FORWARD LOOKING STATEMENTS

Certain statements contained in the Prospectus that are not historical facts are "forward-looking statements". Forward-looking statements include statements regarding the Group's future result of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the market in which the Group operates. Forward-looking statements are typically identified by the use of forward-looking terminology such as "may", "will", "would", "should", "expect", "intend", "estimate", "anticipate", "project", "believe", "could", "hope", "seek", "plan", "foresee", "aim", "objective", "potential", "goal", "strategy", "target", "continue" and comparable terminology or their negatives. Forward-looking statements may be found principally in the Prospectus in Section 1 "*Risk Factors*", Section 5 "*Dividends and Dividend Policy*", Section 6 "*Business*", Section 8 "*Operating and Financial Review*" and elsewhere.

Forward-looking statements are based on the Company's beliefs, assumptions, intentions or current expectations and projections regarding future events and trends, taking into account all information currently available to the Group, and are not guarantees of future performance. These beliefs, assumptions, intentions and expectations can change as a result of possible events or factors, many of which are beyond the Group's control and currently not known to the Group. If a change occurs, the Group's business, financial condition, liquidity, results of operations, anticipated growth, strategies or opportunities may vary materially from those expressed in, or suggested by, these forward-looking statements. Important events and factors that could cause those differences include, but are not limited to:

- changes in the general economic and political conditions in the countries in which the Group operates, including, for example, interest rates and employment rates, consumer confidence and spending and inflation;
- realisation of the expected benefits of the Acquisition;
- integration of and realisation of the expected benefits from the French Retail Portfolio Acquisition (as defined in Section 6 "*Business—Market outlook and competition*");
- execution of projects in the development pipeline;
- lower Occupancy Rates and vacancy at the Group's properties;
- the Group's ability to retain major tenants and renew related contracts;
- changes in the Group's strategy or investment policies and objectives;
- adverse changes in the fair value of the Group's Portfolio;
- changes in yields and the values of, or returns on, investments that the Group makes;
- the Group's leverage and ability to obtain additional financing or refinance existing indebtedness on reasonable terms;
- the Group's ability to generate sufficient cash to satisfy working capital requirements and service its existing and future indebtedness;
- the Group's ability to execute the Growth Phase of its strategy and to find and acquire properties which fit the Group's investment policies and objectives and to find purchasers for the Group's projects and properties it is prepared to sell;
- the implementation of new tax and accounting rules and standards;
- government intervention resulting in changes to the regulatory environment in countries where the Group operates;
- the Group's ability to satisfy the conditions required to maintain the FII status, GVV/SIR and SIIC status;
- increased competition within the real estate markets in the countries or markets in which the Group operates;

- market perceptions concerning the instability of the euro and the potential re-introduction of individual currencies within the Eurozone;
- changes in interest rates as well as the Group's ability to implement its hedging strategy in relation to such changes;
- lost time and money pursuing acquisitions that do not reach completion;
- the Company's dependence on key individuals within the Management Board; and
- force majeure occurrences.

Should one or more of these risks or uncertainties materialize, or should any assumptions underlying forward-looking statements prove to be incorrect, the Company's actual results could differ materially from those expressed or implied by forward-looking statements. Additional risks not known to the Company or that the Company does not currently consider material could also cause the events and trends discussed in the Prospectus not to occur, and the estimates, illustrations and projections of financial performance not to be realized. Investors or potential investors should not place undue reliance on the forward-looking statements in the Prospectus. The Company urges investors to read the Section 1 "*Risk Factors*", Section 6 "*Business*" and Section 8 "*Operating and Financial Review*" for a more complete discussion of the factors that could affect the Group's future performance and the market in which the Group operates.

Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. Except as otherwise required by applicable securities laws and regulations, the Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of the Prospectus.

## 4. THE ACQUISITION

*For information in this Section with regard to the Target Portfolio, the Group has relied on information provided by the Seller and, as to the valuation report by CBRE regarding the assets to be acquired, both of whom are to be regarded a third party.*

### The acquired assets

On 24 June 2015, the Company, acting through its wholly owned subsidiary Wereldhave Nederland B.V. (the **Purchaser**), entered into the Sale and Purchase Agreement with the Seller, Klépierre Participaties II B.V. and Wereldhave N.V., concerning the Acquisition of the Target Portfolio.

The total purchase price for the Target Portfolio amounts to €730 million (the **Purchase Price**) consisting of €687 million for operational assets and €43 million for the development project for the extension of one of the shopping centres (or "Cityplaza Phase II"). The Purchase Price represents a 2.8% discount to the gross asset value as calculated by CBRE and as reflected in the Target Portfolio Valuation Report. The total acquisition cost for the Target Portfolio inclusive of Dutch real estate transfer tax (**RETT**), but excluding transaction and bank costs amounts to €774 million (the **Acquisition Value**). The Acquisition will be structured as a direct property transaction. CBRE has estimated the gross market value of the assets comprising the Target Portfolio to be €751 million as of 15 May 2015. The Target Portfolio has a signed rent of approximately €45.0 million. The Target Portfolio is being acquired at a NIY of 6.2% calculated based the annualised net rental income of €45.0 million for the first quarter of 2015 and the €687 million acquisition price for the operational assets plus €41.2 million of RETT. The closing of the Acquisition is expected to occur before 31 December 2015, pending clearance from the Seller's works council and from the ACM and the satisfaction of certain other conditions as described below.

### Rationale of the Acquisition

The Group believes that the Acquisition is an important next step to achieve its growth strategy. The Acquisition immediately positions the Company as the market leader in mid-sized shopping centres in the Netherlands. Eurostat and other sources indicate a gradual improvement in Dutch macroeconomic fundamentals, which is a positive indicator for the retail environment. Moreover, prime shopping centre yields, according to CBRE, are now showing signs of compression after being largely flat over the past two years. The Group considers the Acquisition as an excellent opportunity to acquire an attractive shopping centre portfolio of scale in the Netherlands. Upon closing of the Acquisition, the Group's Dutch Portfolio will double to a value of approximately €1.5 billion and the number of the Group's shopping centres in the Netherlands will increase from 10 to 19.

The top 10 largest tenants based on annual rent of the combined portfolio of the Dutch Portfolio and the Target Portfolio would have represented 31.0% of the pro forma annual rent in the Netherlands as of 31 March 2015. The Group believes the Acquisition will significantly improve the Group's ability to leverage key account relationships with its tenants and will broaden its tenant base with new key accounts in the Netherlands.

In addition, the Company has identified upside potential to net rental income of €3 million to €5 million by 2018 (as compared with the Target Portfolio's net rental income of €45.0 million as of 31 March 2015) by bringing the Target Portfolio's management and operating performance in line with that of the Company's existing Dutch Portfolio. In particular, the Company aims to bring the Occupancy Rate in the Target Portfolio, which was 92.3% as of 31 March 2015 (including Cityplaza Phase II) in line with the Occupancy Rate of the Company's existing Dutch Portfolio which was 97.7% as for 31 March 2015. Furthermore the Company expects to increase net rental income generated at some of the Target Portfolio assets through selected refurbishment and development and to reduce operating expenses in the Target Portfolio.

### Strategic fit

The Group believes the shopping centres are a good fit with the Group's strategic criteria for new investments: properties that: (i) cover 90% of consumers' shopping needs, (ii) are top of mind in their catchment area, (iii) have a catchment area of at least 100,000 inhabitants within 10 minutes' drive time, (iv) have easy accessibility, (v) have strong national and international brands with local champions (which are prominent and well established local businesses run by local entrepreneurs), (vi) have fully embedded food and beverage and entertainment functions and (vii) have a strong food anchor, with the presence of two supermarkets.

The average occupancy rate of the Target Portfolio was 92.3% as of 31 March 2015, which provides opportunities to further improve the return. The Company believes it has the ability to create value through optimising the tenant mix, leveraging key account relationships and improving the asset quality through selected refurbishment and development, such as currently envisaged for Presikhaaf.

The Group plans to employ 25 employees from the Seller, 15 of whom are dedicated to the shopping centres, to secure a minimal disruption in asset management whilst integrating the portfolio into the Dutch organisation. As a result, the Company anticipates an additional €1.5 to €2.0 million of costs relating to payroll expenses following the Acquisition. The Dutch team at Wereldhave will endeavour to create operational leverage on leasing, re-tenanting, shopping centre management, redevelopment, development, extensions and disposals.

## Description of properties

The nine shopping centres and the development project that comprise the Target Portfolio are located within Wereldhave's geographical target area in the Netherlands. The operational properties within the Target Portfolio have an average size owned g.l.a. of 24,541 m<sup>2</sup> and had an average footfall of 4.1 million visitors in 2014.

### Shopping centres

The key characteristics of the shopping centres in the Target Portfolio are shown below.

Location	Opening Date	Last Refurbishment	Anchor Tenants	Occupancy Rate <sup>(1)</sup>	Total g.l.a. <sup>(2)</sup>	Footfall in 2014 <sup>(3)</sup>	Net rental income for the three months ended 31 March 2015 <sup>(4)</sup>	Net rental income for the year ended 31 December 2014 <sup>(5)</sup>
				(%)	(m <sup>2</sup> )	(million visits)	(€ millions)	(€ millions)
<b>Nieuwegein</b> <sup>(7)</sup> Cityplaza	1983	2013	Media Markt, Jumbo, The Sting, H&M	94.7	39,691	5.8	2.7	10.6
<b>Heerhugowaard</b> Middenwaard	1974	2011	Albert Heijn XL, Cool Cat C&A, H&M	93.6	35,715	5.8	2.1	8.8
<b>Tilburg</b> City Centre Tilburg <sup>(9)</sup>	n/a	n/a	Media Markt, Zara, The Sting, Bershka	94.8	34,412	5.7	1.6	6.5
<b>Rijswijk</b> In de Bogaard	2001	–	Media Markt, McDonalds, ANWB	95.4	19,841	2.9	1.1	4.6
<b>Amersfoort</b> Emiclaer	1993	–	Albert Heijn, Hema, Jumbo	96.6	19,326	4.3	1.1	4.3
<b>Arnhem</b> Presikhaaf	1965	1987	Albert Heijn, Coop, Hema, C&A	86.0	35,479	4.2	0.9	3.9
<b>Dordrecht</b> Sterrenburg	1974	–	Jumbo, Super de Boer, Action, Hema	94.0	12,929	3.2	0.7	2.4
<b>Zoetermeer</b> Oosterheem	2012	–	Jumbo, Hoogvliet, Aldi, Hema	97.7	11,991	2.0	0.7	2.6
<b>Zwolle</b> Stadshagen	2004	–	Albert Heijn, Jumbo, Hema, Blokker	98.4	11,489	3.1	0.5	2.4
<b>Subtotal – operational shopping centres</b>					220,873	37.0	11.2	46.2
<b>Average per operational shopping centre</b>					24,541 <sup>(8)</sup>	4.1	1.2	5.1
<b>Nieuwegein</b> <sup>(6)</sup> Cityplaza Phase	2014	–	Mango, Esprit, Dirk	85.0	13,789	n/a	n/a	n/a

II	van den Broek			
<b>Total</b>		234,662	n/a	n/a

- (1) Occupancy Rate as at 31 March 2015.
- (2) The Target Portfolio presents g.l.a. and does not present n.l.a. as the Group does. Therefore these values are not directly comparable to the Group Portfolio figures presented in the Prospectus.
- (3) Footfall is defined as the number of people who enter a shopping centre in a given period, including repeat visitors.
- (4) The net rental income figures for each property for the three months ended 31 March 2015 have been extracted from the unaudited financial information on net rental income consisting of gross rental income, service costs charged and paid and property expenses for the three months ended 31 March 2015, derived from the Seller's internal management accounts.
- (5) The net rental income figures for each property for the year ended 31 December 2014 have been extracted from the unaudited financial information on net rental income consisting of gross rental internal income, service costs charged and paid and property expenses for the twelve months ended 31 December 2014, derived from the Seller's management accounts.
- (6) The Cityplaza property comprises two parts; the part that was opened in 1983 and the part that was opened in 2014, which still qualifies as a development property.
- (7) This property has also 24 apartments.
- (8) Does not include Cityplaza Phase II.
- (9) This property has also five apartments.

### ***Cityplaza***

Cityplaza is the prime shopping area of Nieuwegein, approximately 10 kilometres south of Utrecht. Nieuwegein has approximately 60,000 inhabitants. Cityplaza is the true city centre of Nieuwegein, immediately next to city hall and the theatre. It has a regional function, as it also serves the surrounding smaller villages. The centre was built in 1983 and refurbished in 2013. The centre consists of a surface area of 39,691 m<sup>2</sup> with some 140 shops. Cityplaza offers an extensive mix of retail brands, some high quality food and beverage and is anchored by three supermarkets. Cityplaza has a parking garage for 720 cars and is easily accessible by bus.

Cityplaza Phase II is located in the city centre of Nieuwegein and it is the largest shopping centre of Nieuwegein. The property comprises the newest block of the shopping centre "City Plaza II" (Markt square "Markt" and New Passage "Binnenstede"), which was built along the older blocks to improve the routing of the shopping centre. It was completed in 2014. The property consists of 47 retail units which are leased to 33 tenants and a supermarket that consists of two units one of which unit is being used as the entrance of the supermarket.

### ***Middenwaard***

Middenwaard is the dominant shopping centre of Heerhugowaard, which has about 60,000 inhabitants and is located approximately 5 kilometres east of Alkmaar. The centre was built in four phases. Construction began in 1974, while the last phase was completed in 1990. Middenwaard was renovated in 2011 and consists of a surface area of 35,715m<sup>2</sup> with 136 shops. It is equipped for everyday shopping as well as shopping for leisure and pleasure. It is anchored by three supermarkets and provides ample parking facilities (1,345 spaces).

The Company intends to improve the Occupancy Rate to 97.0% in the medium term by increasing the percentage of units let to retail chains and filling vacant units on the ground floor of the centre. The Company also intends to achieve this improvement to the Occupancy Rate by adding fresh grocery offerings to the tenant mix.

### ***City Centre Tilburg***

This prime shopping area in the city centre of Tilburg consists of a surface area of 34,412 m<sup>2</sup> with 66 shops at the Pieter Vreedeplein and the Emmapassage. The oldest parts date from 1992; the adjacent shops at the Pieter Vreedeplein were built in 2008. Tilburg is the sixth largest city in the Netherlands, with over 210,000 inhabitants. The city centre is an urban dominant shopping area with a superregional function, benefiting from two large parking areas nearby. The retail mix is diverse, with high-end retail brands, such as Zara and Bershka, which are not yet present within Wereldhave's current portfolio.

### ***In de Bogaard***

In de Bogaard is a strategic centre location in the shopping heart of Rijswijk, immediately next to The Hague, with approximately 50,000 inhabitants. The total shopping area of in de Bogaard amounts to 53,700 m<sup>2</sup> with 174 shops and over 2,680 parking spaces. The part of In de Bogaard that Wereldhave will acquire consists of 19,841 m<sup>2</sup> with 62 shops, directly adjacent to Rijswijk's city hall. This part of the centre does not have a supermarket. Its food anchor consists of a

strong daily fresh selection with specialist shops on the square in front of the city hall. The number of visitors in 2014 was 2.9 million.

### ***Emiclaer***

Emiclaer is a suburban shopping centre in Amersfoort, a city with 146,500 inhabitants, 20 kilometres North-East of Utrecht. It comprises 19,326 m<sup>2</sup> with 78 shops. It is a non-covered centre which the Company believes has an enjoyable ambience and meets Wereldhave's criteria for convenient shopping. Emiclaer has a strong food offer with two supermarkets and a good range of fresh specialists. In addition, it houses several large national retailers as well as local champions (which are prominent and well established local businesses run by local entrepreneurs). The centre can be expanded with 5,000 m<sup>2</sup>. The number of visitors in 2014 was 4.3 million.

The Company's objective is to optimise the Emiclaer's shopping centre management through aligning the retail offering with the needs of the catchment area, driving footfall by further integrating the shopping centre in its catchment area, investigating the possibility for extension of the shopping centre with 2,500 m<sup>2</sup> to 5,000m<sup>2</sup> and improving the overall food and beverage offering.

### ***Presikhaaf***

Presikhaaf is a partially covered shopping centre of 35,479m<sup>2</sup> in Arnhem, north of the river Rhine. Arnhem has about 152,000 inhabitants. Wereldhave's Kronenburg shopping centre is located 5 kilometres away on the other side of the river. Presikhaaf was built in 1965 and refurbished in 1987. It is a shopping centre in need of refurbishment, although it still attracts high number of visitors (4.2 million per year). The centre is anchored by two supermarkets and most the major national brands are present in the centre. Vacancy is relatively high and the centre needs to be repositioned to align its retail offer with the catchment area.

The shopping centre Presikhaaf in Arnhem requires a full renovation. The Group plans to conduct a large scale refurbishment at an estimated cost in capital expenditure of €7.5 million in line with the Group's principles and addressing the deferred maintenance issue in the property. The Group aims to position the shopping centre more towards the value-for-money segment, thereby distinguishing its offer in Presikhaaf from that Kronenburg, which is being positioned towards the mid market segment. For the renovation of Presikhaaf shopping centre, the Group believes it can draw on its experience gained in the redevelopment of the Kronenburg shopping centre for which it incurred €6.5 million capital expenditure from 2012 to 2014. In Kronenburg a central area dedicated to food and beverages was created. New floors, store fronts and lighting were installed and squares within the centre were renovated. Also, a food street with fresh grocery offering was added and the quality and variety of the offer within the shopping centre was enhanced. Kronenburg realised Occupancy Rates of 96.0%, 98.0%, and 99.0% over the years 2012, 2013 and 2014, respectively. In these same periods Kronenburg achieved Like-for-Like Rental Growth of 2.0%, 4.9% and 10.4% and measured footfall of 5.3 million visitors in 2012 increasing to 5.4 million in 2013 and 5.9 million in 2014.

### ***Sterrenburg***

Sterrenburg is a shopping centre with a surface area of 12,929m<sup>2</sup> that was built in 1974. It serves the Sterrenburg quarter of Dordrecht, a city with about 118,800 inhabitants at 20 kilometres south east of Rotterdam. Sterrenburg houses 51 shops and the retail mix is primarily designed to meet everyday shopping needs, with two supermarkets and a range of smaller shops.

The Company has identified in its due diligence for the Acquisition that Sterrenburg requires capital expenditure of approximately €3 million to €4 million. In addition, the Company has identified a possible extension of the shopping centre at a net cost of €8 million which could add to net rental income over the medium term.

### ***Oosterheem***

Shopping centre Oosterheem was built in 2012 and serves as the shopping centre for the suburban quarter with the same name in Zoetermeer. This city with about 146,500 inhabitants is located at 15 kilometres east from The Hague. Oosterheem comprises a surface area of 11,991 m<sup>2</sup> retail with 37 shops, including three supermarkets and a good presence of local champions (which are prominent and well established local businesses run by local entrepreneurs).

### ***Stadshagen***

The Stadshagen shopping centre, which is uncovered, was built in 2004 and comprises 11,489 m<sup>2</sup>, which are divided over 38 units. It serves the Stadshagen quarter of Zwolle, a city with approximately 120,000 inhabitants in the eastern part of the Netherlands. The Stadshagen shopping centre is anchored by two supermarkets and houses a good number of local champions (which are prominent and well established local businesses run by local entrepreneurs), next to the national retailers.

With regard to Stadshagen in Zwolle, the Company aims to maximise value through extending leases and optimising the tenant mix, adding selected facilities (e.g. children's areas and greenery) in cooperation with the municipality and taking advantage of market opportunities to dispose of the property at the appropriate time, but not earlier than one year following the closing of the Acquisition. See *Sale and Purchase Agreement – Other Terms*.

## Leases and tenants

The Target Portfolio has a diversified tenant base and will introduce the Group to a number of new tenants.

The Target Portfolio's top ten tenants as of 31 March 2015 based on the annual rent were Ahold, Blokker, Jumbo Supermarkten, Media Markt, A.S. Watson, Hema, Pathé Theatres, The Sting, Excellent Retail Brands and Miss Etam which in the first three months of 2015, contributed 32.7% of the total rental income of the Target Portfolio. The table below sets forth the Target Portfolio's top ten tenants as of 31 March 2015.

Tenant	Number of units	Annual rent (€ thousands)	% of annual rent
Ahold.....	11	2,887	5.7
Blokker.....	22	2,547	5.0
Jumbo Supermarkten.....	5	2,145	4.2
Media Markt.....	3	1,965	3.9
A.S. Watson.....	8	1,488	2.9
Hema.....	6	1,418	2.8
Pathé Theatres.....	1	1,099	2.2
The Sting.....	2	1,091	2.1
Excellent Retail Brands.....	8	1,080	2.1
Miss Etam.....	6	957	1.9
<b>Total.....</b>	<b>72</b>	<b>16,678</b>	<b>32.7</b>

The table below sets forth, as of 31 March 2015, the percentage of annual rent due to expire for the operational properties included in the Acquisition.

Year of expiration	% of total annual rent for the Target Portfolio <sup>(1)</sup>
2015.....	6
2016.....	14
2017.....	15
2018.....	13
2019.....	14
2020.....	9
After 2020.....	19
Indefinite lease agreements	10
<b>Total.....</b>	<b>100</b>

(1) Contracts from Nieuwegein Cityplaza Phase II have been excluded from the table (due to its development status).

## Selected financial information of Target Portfolio

The financial information for the Target Portfolio as of and for the three months ended 31 March 2015 comprises unaudited financial information on net rental income consisting of gross rental income, service costs charged and paid and property expenses for the three months ended 31 March 2015, derived from the Seller's internal management accounts. The financial information for the Target Portfolio for the year ended 31 December 2014 comprises unaudited financial information on net rental income consisting of gross rental income, service costs charged and paid and property expenses for the year ended 31 December 2014, derived from the Seller's internal management accounts.

	<b>For the three months ended 31 March 2015</b>	<b>For the year ended 31 December 2014</b>
	<i>(unaudited)</i>	
	<i>(€ thousands)</i>	
Gross rental income .....	12,826	51,772
Net services charges .....	(347)	(996)
Property expenses .....	(1,237)	(4,546)
<b>Net rental income</b> .....	<b>11,242</b>	<b>46,230</b>

## Sale and Purchase Agreement

### *Key terms*

The Sale and Purchase Agreement was entered into on 24 June 2015.

Under the terms of the Sale and Purchase Agreement, the Purchaser has agreed to purchase from the Seller the Target Portfolio for the Purchase Price on an "as is, where is" basis. Correspondingly, subject to fulfilment or waiver of the conditions precedent, the Target Portfolio will be acquired by the Purchaser at the closing date with all visible and invisible defects and with the actual use of the Target Portfolio at that time. Also, the Purchaser has agreed to indemnify the Seller against for claims by third parties against the Seller as the (former) owner of the Target Portfolio provided that such claims are enforced for the first time with regard to any defect in the Target Portfolio after the closing date of the Acquisition. The Sale and Purchase Agreement only contains limited fundamental representations and warranties. Each of the Seller and the Purchaser has agreed to indemnify and hold harmless the other party for losses arising from any inaccuracy of these representations and warranties.

### *Conditions precedent*

The completion of the Acquisition is subject to the condition that all consents, licences, approvals, permits, authorisations, waivers or co-operation required from third parties not affiliated with the Purchaser or the Seller, including the waiver of pre-emptive rights, in respect of the Acquisition have been obtained, or confirmation has been obtained that any such third-party consent cannot or will not be exercised. Notably this relates to the non-exercise of Dutch municipalities of their pre-emptive rights pursuant to the laws of the Netherlands. The completion of the Acquisition is further subject to clearance from of the Authority for Consumers and Markets (**ACM**, *Autoriteit Consument en Markt*) and the Seller's co-determination procedures in respect of the Acquisitions having been completed in accordance with the Dutch works councils act (*Wet op de Ondernemingsraden*).

### *Other terms*

The Company may not dispose of any of the properties comprising the Target Portfolio within a period of twelve (12) months after the closing date of the Acquisition, without prior written consent from Seller. If this provision is violated, the Purchaser will incur an immediately payable penalty of fifty percent (50%) of the Purchase Price to the Seller.

The Sale and Purchase Agreement is governed by the laws of the Netherlands.

## Financing of the Acquisition

The Acquisition will be funded by the net proceeds of the Offering, which are expected to be approximately €267.4 million, based on the Company's closing share price of €52.16 per share as of 23 June 2015, and €509.6 million borrowed under its €670 million of committed credit facilities (the **Acquisition Borrowings**). The following table shows the expected impact of the additional borrowings incurred in connection with the Acquisition on Group's debt profile.



	<b>For the three months ended 31 March 2015</b>	<b>Following the closing of the Acquisition</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
	%	%
Private Placement Notes <sup>(1)</sup> .....	46	43
Convertible Bonds .....	28	19
Credit Facilities .....	23	35
Debentures.....	3	3
<b>Total</b> .....	<b>100</b>	<b>100</b>

(1) Private Placement Notes includes the impact of the 2015 Notes based on the issuance expected to occur on 17 July 2015.

### **Target Portfolio Valuation Report**

At the request of the Company, CBRE prepared a valuation report in relation to the aggregate fair value of the shopping centres to be acquired in the Acquisition (the **Target Portfolio Valuation Report**). Subject to the valuation methods, assumptions and qualifications set out in the Target Portfolio Valuation Report, CBRE opined that the fair market value of the Target Portfolio was €751 million, as of 15 May 2015 (see Section 17 "Valuation Reports—Target Portfolio Valuation Report").

## 5. DIVIDENDS AND DIVIDEND POLICY

### General

The Company may only make distributions to the Shareholders insofar as its Shareholder's equity exceeds the sum of the paid-up and called-up part (*gestorte en opgevraagde deel*) of its issued share capital plus the reserves that must be maintained pursuant to Dutch law or the Articles of Association. The profits are distributed after the adoption by the General Meeting of the annual accounts from which it appears that said distributions are permitted. The profits are at the disposal of the General Meeting. The Management Board may, with due observance of the Dutch law and with the approval of the Supervisory Board, resolve upon the distribution of an interim dividend to the extent the profits so permit.

### Dividend policy

In respect of the year 2014, a dividend was paid of €2.87 per Ordinary Share. The Company intends to gradually move towards a dividend pay-out ratio of 85-90% of the Direct Result, but always in compliance with the fiscal distribution requirement to pay a dividend (in cash) which is at least equal to the fiscal profit of the Company, which is required for the Company to maintain its status as a FII. Direct Result is a measure of commercial profit and generally exceeds the Company's fiscal profit relevant for the purposes of the FII regime. See Section 13 "*Regulatory Matters and Tax Status of the Group*".

### Dividend history

The following table sets forth the Company's distribution of dividends and pay-out ratio (calculated as the dividend divided by the Direct Result) relating to the financial years indicated.

	2014		2013		2012	
	Amount	Pay-out ratio	Amount	Pay-out ratio	Amount	Pay-out ratio
Final dividend.....	€2.87	96.6%	€3.30	100%	€3.30	84.4%

### Dividend ranking of the Offer Shares

The Offer Shares will, upon issue, rank equally in all respects with the currently outstanding Ordinary Shares. The Offer Shares will be eligible for any dividend payment which the Company may declare on the Ordinary Shares following the issuance of the Offer Shares.

If any Protective Preference Shares are issued, a dividend from the profits is first distributed to the holder(s) of the Protective Preference Shares on the amount paid-up on their Protective Preference Shares, the percentage of which is 1.5% higher than the twelve-month money market interest rate (**EURIBOR**), applicable on the first trading day of the relevant financial year, or as much less as is available. The dividend on the Protective Preference Shares is calculated on the paid-up part of the nominal amount. Any remaining part of the profits shall be at the disposal of the General Meeting as set out above, on the understanding that no more shall be distributed on the Protective Preference Shares.

### Manner and time of dividend payments

Payment of any dividend on the Ordinary Shares in cash will be made in Euro. Any dividends will be paid to the Shareholders through Euroclear Nederland, the Dutch centralised securities custody and administration system, and credited automatically to the Shareholders' accounts.

At the suggestion of the Management Board with the approval of the Supervisory Board, the General Meeting can decide that a distribution of profits to the holders of Ordinary Shares is effected entirely or in part not in money, but in Ordinary Shares or marketable debt instruments of the Company and the disbursement of reserves to holders of Ordinary Shares is effected entirely or in part not in money but in Ordinary Shares or marketable debt instruments of the Company or in participations in business units or shareholdings.

**Uncollected dividends**

A claim to payment of a dividend or other distributions expires five years after the day on which it first became payable. Any dividend that is not collected by the Shareholders within this period reverts to the Company.

**Taxation of dividends**

Dividend payments on the Ordinary Shares are generally subject to withholding tax in the Netherlands. See Section 13 "*Regulatory Matters and Tax Status of the Group*".

## 6. BUSINESS

### Overview

The Group invests in mid-sized shopping centres in North-Western Continental Europe that are top of mind (i.e. among the first destinations for shopping centres in terms of brand awareness for local residents) in their respective catchment areas. The Group owns and operates a portfolio of 25 shopping centres and seven offices in the Netherlands, France, Belgium and Finland. As of 31 March 2015, the value of the Group's Portfolio as recorded in the Group's balance sheet as investment properties was €3,306 million.

The Group generates a majority of its results from net rental income derived primarily from its shopping centres (87.1% for the three month period ended 31 March 2015) and secondarily from its offices portfolio (12.9% for the three month period ended 31 March 2015) for the three months ended 31 March 2015. The Group's net rental income and result were €114.8 million and €26.9 million, respectively, in 2014. The Group's result comprised Direct Result of €85.7 million and Indirect Result of negative €58.8 million in 2014. The Group's net rental income and result were €43.0 million and €9.8 million, respectively, in the first three months of 2015. The Group's result comprised Direct Result of €30.5 million and Indirect Result of negative €20.7 million for the first three months of 2015.

### History

The Company was incorporated on 30 May 1930 under the name N.V. Maatschappij tot exploitatie van onroerende goederen "De Wereldhaven". In 1947, the shares of the Company were first admitted to official daily quotation on the stock exchanges of Amsterdam and Rotterdam, the Netherlands. The main activity of the Group originally consisted of the development and construction of residential properties in Rotterdam, the Netherlands. In the early 1960s, the Group expanded its activities to other cities in the west of the Netherlands. By 1971, the activities of the Group were mainly focused on investing in properties and, to a much lesser extent, the development and construction of properties. In 1972, the Company was converted from a property developer and lessor to a property investment company with the associated tax status. In 1975, the Company changed its name to Wereldhave N.V.

Following a period of consolidation and the oil crisis in 1973, the Group purchased properties elsewhere in Europe. The Group made its first foreign investment in France in 1974, followed by investments in Belgium in 1976, in Germany in 1977 and in the United Kingdom and the United States in 1978. The investments in these countries as well as in the Netherlands rapidly expanded in the following years. In 1988, the Group expanded its property interests in the United Kingdom with the acquisition of the British property company Peachey Property Corporation plc. The Group made its first investment in Spain in the same year. At the beginning of 1991, the Group made its first investment in Budapest, Hungary. The investments of the Group in Germany were sold in 1993 and 1998 and those in Hungary in 2001 and 2004. In 2002, the Group acquired the shopping centre Itis in Helsinki, Finland, and the Group expanded its investments in the United States.

### Strategic phases

In response to the changing consumer, retail, real estate investor and finance environment, the Group announced a change in its strategy on 11 February 2013. The objectives of the strategy are focus on shopping centres in North-Western Continental Europe, particularly in the Netherlands, Belgium and Finland, and on sustainable offices in Paris, France, operational excellence, a solid and sustainable balance sheet and predictable returns. This strategy is being implemented in three phases, the first "Derisk" phase, which was completed in the first half of 2013 (the **Derisk Phase**), the second "Regroup" phase, which was completed at year-end 2014 (the **Regroup Phase**) and the third "Growth" phase, commencing with the acquisition of the French Retail Portfolio on 18 December 2014 (the **French Retail Portfolio Acquisition**) (the **Growth Phase**).

### *Derisk*

The first phase, Derisk, started mid-2012 and was completed one year later. The Derisk Phase created a focused portfolio, a strong balance sheet, as evidenced by the Group's adherence to its policy of maintaining a LTV Ratio between 35% - 40% at year-end and lowered general costs. As part of the Derisk Phase, the Group completed the sale of its Portfolio in the United States and the United Kingdom in January and February 2013, respectively. The proceeds were used to invest in the development portfolio, repay debt and enable further investments. The Group also promoted successful cost-cutting measures.

## ***Regroup***

The second strategic phase, Regroup, aimed at strengthening and expanding the Group's position in its four core markets through operational excellence, a controlled development pipeline, value maximisation of the shopping centre Itis, reinvesting in core markets and alignment with all stakeholders. For each objective, specific targets were set. As part of the Regroup Phase, the Group moved its head office from The Hague to Schiphol, the Netherlands in June 2013, and refreshed its corporate identity with new branding and a new logo. In 2014, the Group made further investments in the Netherlands and Belgium and, in September 2014, sold its Spanish Portfolio.

## ***Growth Phase***

In December 2014, the Group entered the Growth phase, with the acquisition of the French Retail Portfolio, for a consideration of €859 million. France has become the Group's fourth retail market, in addition to the Netherlands, Belgium and Finland. The French Retail Portfolio Acquisition was a major step forward in the growth of the Group, expanding the Group's Portfolio by over one third based on real estate value and bringing the balance sheet total at 31 December 2014 to €3.5 billion. The transaction was financed with a rights issue of €550 million and interest bearing debt of €150 million. The remainder was paid with available cash, mainly from the disposal of the Spanish portfolio.

The Group has a more focused portfolio as a result of the implementation of its strategy. Since 2012, the number of properties was reduced from 85 to 32 properties. The number of sectors was reduced from five to two (shopping centres and offices) and the country exposure reduced from seven to four.

France has become the Group's fourth retail market, in addition to the Netherlands, Belgium and Finland. In France, the Group is not only focused on investing in mid-sized shopping centres but also on investing in, and the development of, sustainable offices located at high-quality and easily accessible locations in the greater Paris region. Since 2012, the number of properties in the Group's Portfolio was reduced from 85 divided to 32 properties excluding the Acquisition. The number of categories reduced from five to two (shopping centres and offices) and the country exposure reduced from seven to four over the same period the Group's average asset size increased from €31 million to €104 million and the average portfolio size per country from €374 million to €810 million.

The Group believes that the Acquisition is an important next step to achieve its growth strategy. The Netherlands is the Company's home market and the Acquisition immediately positions the Company as the Dutch market leader in shopping centres of the listed property companies, doubling the Dutch Portfolio to a value of approximately €1.5 billion. Upon closing of the Acquisition, the number of shopping centres in the Netherlands will increase to 19. The top 10 largest tenants by revenue of the combined portfolio of the Dutch Portfolio and the Target Portfolio would have represented 29.1% of the combined revenue in the Netherlands for the financial year 2014. The Group expects this to significantly improve its bargaining position towards its tenants and broadens the tenant base with new key accounts.

## ***Focus***

In response to the changing environment for consumer-, retail-, real estate- and finance-markets, Wereldhave set its strategic focus on shopping centres in North-West Continental Europe and sustainable offices in Paris. Wereldhave focuses on dominant mid-sized shopping centres in larger provincial cities. The catchment area should comprise of at least 100,000 inhabitants within 10 minutes travel time. Wereldhave's shopping centres offer consumers 'convenient shopping': 90% of shopping needs, strong (inter) national tenants, fully embedded food and beverage functions and easy accessibility, in combination with strong food anchors.

## ***Growth***

Wereldhave will play a pro-active role in the consolidation of the European real estate sector and has the ambition to become the specialist owner and operator of mid-sized shopping centres in North-West Continental Europe. These are countries with stable economies and sound long-term perspectives. Dominant mid-sized shopping centres offer customers convenient shopping, have a natural footfall and a proven resilience.

To enter a new market, the Group requires a minimum starting portfolio size between €500 million and €750 million. This portfolio size will enable Wereldhave to build up and retain a team of highly qualified professionals. Wereldhave has a preference for established centres with stable and solid cash flows, matching the Group's strategic criteria for mid-sized shopping centres as set out above.

## ***Financing***

Wereldhave aims to maintain a diversified funding base, with a target LTV Ratio by year-end 2016 of between 35-40%. The Company's ability to achieve this target will be dependent, in part, by its ability to dispose of certain assets totalling €250 million by 2016.

## ***Markets***

The Group's results have been affected in its key geographic markets by macroeconomic conditions impacting consumer demand and spending. In the Netherlands, austerity measures to control budgets, declining values on the housing market and pension cuts undermined the Dutch consumer confidence and spending. Consumer confidence in Belgium has remained relatively stable as compared with the European economic decline following the crisis, due to the automatic indexation of wages and the absence of significant austerity measures. In Finland, the Group has observed that consumer confidence has also decreased during recent years in part due to the belief that budget cuts are necessary in light of the ageing Finnish population. The economy in Finland has been affected by geopolitical uncertainty and subsequent sanctions directed at Russia, a major trading partner of Finland, associated with the situation in Ukraine.

## **Competitive strengths**

The Group's key competitive strengths are the following:

### ***Specialist in mid-sized shopping centres***

The Group aims to become the leading specialist in mid-sized shopping centres. The rationale for the Group's focus on mid-sized shopping centres is their high resilience to adverse economic conditions resulting from their proximity to solid catchment areas (conveniently close) and related natural footfall.

The Group believes mid-sized shopping centres are a good fit with the Group's strategic criteria for new investments: properties with: (i) covers 90% of consumers' shopping needs, (ii) is top of mind in its catchment area, (iii) has a catchment area of at least 100,000 inhabitants within 10 minutes' drive time, (iv) has easy accessibility, (v) has strong national and international brands with local champions (which are prominent and well established local businesses run by local entrepreneurs), (vi) has fully embedded food and beverage and entertainment functions and (vii) a strong food anchor, with the presence of two supermarkets.

### ***Operational excellence***

The Group has a continued focus on operational excellence to maximize the revenues from its Portfolio, including the Acquisition. Leveraging on the expertise of its country organisations, The Group has a strong focus on maintaining high and stable Occupancy Rates of 98.0%, achieving Like-for-Like Rental Growth and controlling its overhead. The Group realised Occupancy Rates of 92.5%, 92.5%, and 97.8% as of 31 March 2015, 31 December 2014 and 2013, respectively. Although the Group's shopping centre Occupancy Rates have recently experienced a decline to 92.5%, the Group believes this decline was the result of non-recurring events including (i) the Itis shopping centre in Finland, which was partially held as a development property, coming into operation in 2014 with an Occupancy Rate of 93.0%, (ii) the shopping centre in Genk, in Belgium coming into operation in 2014 with an Occupancy Rate of 77% and (iii) the acquisition of the French Retail Portfolio, which had an average Occupancy Rate of 91%. As a result of these factors, the Group's Occupancy Rates decreased from 98.0% as of 30 September 2014 to 92.5% as of 31 March 2015.

The Group achieved Like-for-Like Rental Growth of 1.6%, 3.6% and 3.9% as of 31 March 2015, 31 December 2014 and 2013 respectively.

### ***Diversified tenant base***

The Group has a strong and well-diversified tenant base. It leases to a wide variety of international and national brands as well as to local businesses, which operate in a wide range of retail sectors. The Group's tenant mix has an attractive combination of strong national and international brands alongside robust local businesses and food, beverage and entertainment facilities.

As of 31 March 2015, no tenant (based on annual rent) accounted for more than 4.8% of annual rent and the ten largest tenants (based on annual rent) accounted for 22.7% of the annual rent. See "*—Tenant profile*".

The Group's local experience and retail experience positions it to tailor the tenant mix and product offering (e.g. food, fashion, services, leisure, etc.) of its shopping centres to the characteristics of each shopping centres' catchment area.

### ***Strong Portfolio management and focused development pipeline***

The Group actively manages its Portfolio by regularly reviewing the performance of its properties and their added value to the Portfolio as a whole. As part of the Derisk and Regroup Phases, the Group realised a more focused Portfolio by disposing of its Portfolio in the United States, the United Kingdom and Spain.

The Group has a controlled development pipeline comprising both of development projects as well as redevelopment projects where existing properties are, for example, being renovated and/or expanded, with the intent of refreshing and refurbishing the Group's Dutch Portfolio by 2017. By developing properties for its own Portfolio, the Group can acquire new, high quality properties at attractive financial returns. In addition, the Group can adjust the timing of its developments to market conditions. To control the risks that are associated with property development, the Group aims to balance the size of the committed development portfolio, with less than 10% of the total value of the Portfolio consisting of development properties from 2015 onwards.

### ***Financial strength and conservative leverage***

The Group has a balance sheet with conservative leverage, generates steady net rental income and operates well within its financial covenant ratios. The Group's cash generation is driven by the Occupancy Rates (92.5% as of 31 March 2015) of its Portfolio and is further supported by the Group's Like-for-Like Rental Growth rates (1.8% for shopping centres and 0.9% for offices for the three months ended 31 March 2015). The Group's general costs increased by €1.0 million or 31.0% from €3.4 million in the first three months of 2014 to €4.4 million in the first three months of 2015, primarily due to the growth of the business resulting from the French Retail Portfolio Acquisition for the period of the first three months of 2015, and increasing headcount and other employee related expenses associated with the strengthening of the retail operation in Belgium, Finland, the Netherlands, and the head office as part of an investment in the quality of the retail platform. However, the Group has taken several initiatives to reduce overhead costs.

The Group aims to maintain a conservative balance sheet with target LTV Ratios of between 35% and 40% by year-end 2016, which is significantly lower than its external debt financings covenants. The Company's ability to achieve this target will be dependent, in part, on its ability to dispose of approximately €250 million of assets by year-end 2016. As of 31 March 2015, the Group's LTV Ratio was 35.5% and its ICR was 5.3x, which is substantially higher than the covenants under its external debt financings require. The negative pledge figure achieved by the Group in the first three months of 2015 was 2.2%.

### ***Experienced management team***

The Group is overseen by its Management Board and Supervisory Board. The Group's management built up a track record in its four core markets (the Netherlands, France, Belgium and Finland) and has successfully executed the Group's Derisk Phase and its recent Regroup Phase. The Group is supported by a strong management team and experienced local country directors, strong networks and ties with the local communities.

### ***Sustainability***

The Group is focused on sustainable and innovative properties that offer enhanced user value, provide for lower total cost of ownership of the properties over their lifecycles, in particular maintenance costs, and have less of an environmental impact. The Group's efforts on sustainability have been awarded in September 2014, with a so-called "green star" by the Global Real Estate Sustainability Benchmark and with a silver award by EPRA.

### **Strategy**

With the completion of the Derisk Phase in 2013 and the completion of the Regroup Phase at the end of 2014, the Group is now fully focuses on the Growth Phase. The Group is executing its Growth Phase strategy by focusing on the following:

### ***Investing in mid-sized shopping centres***

The Group invests in mid-sized shopping centres in North-Western Continental Europe that are top of mind (i.e. among the first destinations for shopping in terms of brand awareness for local residents) in their respective catchment areas and in sustainable offices in Paris. The Group owns and operates a portfolio of 25 shopping centres and seven offices (including one development project) in the Netherlands, France, Belgium and Finland.

The Acquisition is an important addition to the Group's platform. Through the Acquisition, the Group adds nine shopping centre properties and a development project that the Group believes are modern, of high quality and with identified upside potential. Two of the shopping centres, Sterrenburg in Dordrecht and Presikhaaf in Arnhem, require a total of €15 million of maintenance investment in the medium term. The Target Portfolio's nine shopping centres and the development project are located in economic and demographic strongest area of the Netherlands and are easily accessible. The Target Portfolio has a proven track record, a diversified tenant base and established cash flows.

Following the Acquisition, the Group will continue to explore opportunities with the aim of making selective acquisitions that meet its investment criteria.

### ***Successfully integrating the Target Portfolio in the Netherlands***

The Acquisition of the Target Portfolio is an important addition to the Group's platform additional presence in the Dutch market.

The Dutch market is an established market for shopping centres and the Target Portfolio is a distinct opportunity to acquire a dominant shopping centre portfolio in the Netherlands. The Group believes improving macro fundamentals are likely to drive economic growth in the Netherlands from their recent cyclical lows, and that the Dutch retail real estate investment market remains attractive.

The Group is committed to the execution of the Acquisition and the successful integration of the Target Portfolio.

The Group expects the Target Portfolio to generate a 6.2% NIY. In addition, the Group intends to apply its expertise to improve on the Target Portfolio's occupancy rate (approximately 93.6% as of 31 March 2015 as compared with the Group's average Occupancy Rate for retail of 93.9% as of 31 March 2015). The Group will also seek to execute identified value creation opportunities for each of the Target Portfolio properties to create further value. See Section 4 "The Acquisition—Description of properties—Shopping Centres"

### ***Continued strong focus on operations***

The Group will continue building on its track record of operational excellence established during the Regroup Phase. In 2015, the Group has continued the refresh and refurbishment program in the Netherlands, which is making good progress. The Group's focus for the second quarter of 2015 will be on realising four large units that were signed in the first quarter. In Belgium, the execution of renovations and expansion schemes will also continue. The Group will apply the same focus on operational excellence to the Target Portfolio where it aims to increase returns by active re-tenanting and re-programming as well as realizing selective extensions of leases. In addition, the Group will also focus on executing on its development projects, including the finalisation of the refurbishment of the Dutch portfolio and the completion of the retail park in Tournai.

### ***Portfolio management through selective investments and disposals in core markets***

Going forward, the Group has a clear framework in place for its core markets, focusing on core markets with further expansion opportunity in retail and selective growth in the Paris office market. In line with its focus on core markets, the Group may seek to selectively enter new markets through the acquisition of Portfolio of shopping centres with established cash flows and only under stringent acquisition criteria. The Group will retain its focus on North-Western Continental Europe and stable economies with solid long term prospects. The starting portfolio in a new market will need to have a total value between €500 million and €750 million. In addition to the criteria previously mentioned, the Acquisition should provide the Group with the ability to build a highly qualified local team.

The Group will continue to dispose of assets that are not aligned with its strategic focus if favourable opportunities for completing such disposals arise. In 2015, the Group focuses on selective investments in core markets only and does not foresee entering into new markets, while, selective acquisition opportunities are being evaluated in existing markets. The Group has identified a divestment program of approximately €100 to 200 million for 2015.



### ***Maintaining a prudent financial strategy that supports growth***

The Group intends to maintain its prudent financial strategy of conservative leverage, including a target LTV Ratio by year-end 2016 of between 35-40%. The Company's ability to achieve this target will be dependent, in part, on its ability to dispose of approximately €250 million of assets by year-end 2016.

The Company aims for a stable and steadily growing dividend that supports growth and is sustainable in the longer term. The Company intends to move towards a dividend pay-out ratio between 85% and 90% of its Direct Result and will continue to comply with the FII regime.

### **Recent developments**

#### ***The Acquisition***

On 24 June 2015, the Company entered into the Sale and Purchase Agreement with the Seller for the acquisition of a portfolio comprising nine shopping centres and a development project in the Netherlands for a Purchase Price (as defined in "The Acquisition" of €730 million and a total cost of €47.0 million. See Section 4 "The Acquisition".

#### ***Acquisitions and disposals of properties***

In December 2014, an agreement was reached to acquire the leasehold rights over the remaining part of the Kortrijk Ring shopping centre, not already owned by the Group. This transaction was completed on 12 January 2015. As a result, the Kortrijk Ring shopping Centre is now 100% owned. The total acquisition price for the entire centre was €108 million, of which €27 million was paid in 2014 and €81 million in 2015.

On 9 March 2015, Wereldhave acquired the freehold ownership from the City of Helsinki of two plots of land, on which the Itis shopping centre is built (and were previously held leasehold). The centre is located in Helsinki, Finland. Wereldhave now owns the freehold of the entire shopping centre. The investment was purchased for €13.4 million at a NIY of 5%.

#### ***2015 Notes Issuance***

On 17 July 2015, the Group expects to issue €211.0 million US Private Placement Notes (the **2015 Notes**), and with an average maturity of 12.3 years. These notes will be issued in a variety of denominations, specifically US Dollars, Canadian Dollars, Euros and British Pounds in the amounts of \$30.0 million, \$20.0 million, €120.0 million and £35.0 million, respectively, carrying interest rates varying from 2.1% to 4.0%.

The 2015 Notes will be swapped into Euros at fixed interest rate through maturity. After currency and interest rate swaps, the weighted average interest cost for the Group of the 2015 Notes will be 2.4%. The proceeds from this issuance will be used to repay amounts borrowed under the Group's Primary Credit Facility.

#### ***Pending acquisitions of properties***

The Group currently owns the retail units of the shopping centre Cote Seine in Argenteuil, except for the units owned by L'Immobiliere Groupe Casino. Casino owns the hypermarket and the unit of 1,600m<sup>3</sup> which is let to KIABI, a fashion retailer.

On 12 May 2015, the Group signed a promissory agreement with L'Immobiliere Groupe Casino to acquire the KIABI-unit and a storage space at a purchase price of €1.8 million. The sole condition precedent for the transfer of the property is the release of the pre-emption right by the municipality of Argenteuil. On 17 June 2015, the municipality has informed the Group that the release has been signed and sent to the notary. Once the notary has received the release, the "acte authentique" will be signed. This is expected to take place early July.

### **Key performance indicators**

The following table presents the key performance indicators for the Group's shopping centres in the Portfolio, excluding any shopping centres which the Group held in the United States and the United Kingdom, which were sold in 2013. For a description of the key parameters, see Section 2 "Important Information".

## Portfolio Shopping Centres

	As of and for the three months ended 31 March	As of and for the years ended 31 December <sup>(1)</sup>		
	2015 <sup>(2)</sup>	2014	2013	2012
	(unaudited)	(unaudited)	(unaudited re- presented)	(unaudited, re- presented)
		€ millions, except percentages		
Net rental income .....	37.3	96.1	79.6	76.9
Like-for-like rental growth (%) .....	1.8	3.6	3.6	4.5
Occupancy (%) .....	93.9	93.9	98.4	98.0
NIY (%) .....	– <sup>(2)</sup>	5.6	5.7	5.4
Properties in operation <sup>(3)</sup> .....	2,744.9	2,728.4	1,340.1	1,331.0
Properties under construction .....	40.8	36.4	185.1	86.7

(1) The results of the Spanish Portfolio are shown as the results of a discontinued operation for the three months ended 31 March 2015 and for the years ended 31 December 2014 and 2013. The results of the UK and U.S. Portfolio are shown as the results of a discontinued operation for three month period ended 31 March 2015 and the years ended 31 December 2014, 2013 and 2012.

(2) The NIY percentages for the three months ended 31 March 2015 were not reported.

(3) Properties in operation do not include lease incentives.

The following table presents the key performance indicators for the Group's offices and other properties in the Portfolio, excluding any offices and other properties which the Group held in the United States and the United Kingdom, which were sold in 2013.

## Portfolio Offices

	As of and for the three months ended 31 March	As of and for the years ended 31 December <sup>(1)</sup>		
	2015	2014	2013	2012
	(unaudited)	(unaudited)	(unaudited re- presented)	(unaudited, re- presented)
		€ millions, except percentages		
Net rental income .....	5.5	18.4	18.1	30.8
Like-for-like rental growth (%) .....	0.9	3.4	5.2	0.1
Occupancy (%) .....	85.7	85.9	91.8	87.0
NIY (%) .....	– <sup>(2)</sup>	5.3	6.2	6.5
Properties in operation <sup>(3)</sup> .....	495.3	493.1	301.7	439.9
Properties under construction .....	7.5	7.5	228.2	124.3

(1) The results of the Spanish Portfolio are shown as the results of a discontinued operation for the three months ended 31 March 2015 and for the years ended 31 December 2014 and 2013. The results of the UK and U.S. Portfolio are shown as the results of a discontinued operation for three month period ended 31 December 2015 and the years ended 31 December 2014, 2013 and 2012.

(2) The NIY percentages for the three months ended 31 March 2015 were not reported.

(3) Properties in operation do not include lease incentives.

The Portfolio comprises the Group's investment and development Portfolio. The Group's investment portfolio, which was valued at €3.2 billion as of 31 December 2014 and 31 March 2015, consists of the Group's investment properties in operation, which are held to earn rental income and/or for capital appreciation. The Group's development portfolio consists of the properties under construction, which are being constructed or developed for future use as properties in operation. Properties under construction are those parts of a property that are under construction and do not generally generate any income.

The Group completed four development projects in 2014, as a result of which on the Tournai development project and the Dutch redevelopment program are the only remaining development projects, with expected further capital expenditure of €76.0 million over the remaining life of these projects. At 31 December 2014, the value of the Group's development portfolio was €43.9 million, and as of 31 March 2015 the value of the Group's development portfolio was €48.3 million. The following table presents the expected NIY and percentage prelet for the Group's development projects as of 31 March 2015.

	<u>Expected NIY<sup>(1)</sup></u>	<u>Percentage Prelet</u>
	%	
Dutch redevelopment program .....	6.5-7.0	43%
Tournai Retail Park.....	5.9	–

- (1) The expected annual net rental income of the property upon completion when fully let as compared to the cash cost of the redevelopment including capitalised interest.

The Group develops properties to lease out as investment properties, in compliance with the conditions of the FII regime. See Section 13 "Regulatory Matters and Tax Status of the Group—Netherlands FII regime—Conditions in order to apply for FII regime".

The Group measures its properties using n.l.a., which includes the areas that may actually be rented to tenants. The French Retail Portfolio and the Target Portfolio measure their properties using "g.l.a.", which includes the entirety of the properties, including common areas as well as areas inaccessible to tenants

### The Dutch Portfolio

In the Netherlands, the Group focuses on medium-sized shopping centres that have a dominant position in their catchment area. As of the date of the Prospectus, the Group's portfolio in the Netherlands comprised ten shopping centres (the **Dutch Portfolio**). As of 31 December 2014, the Dutch Portfolio of shopping centres had a total value of €696.7 million, representing 21.5% of the total value of the Group's Portfolio. Shopping centres comprise the core business of the Group in the Netherlands.

In the Netherlands, the Group focuses on improving its shopping centres, enhancing the quality of the customer experience approach towards tenants, and attracting more visitors. In line with this focus, The Group is undertaking a program of "refresh and refurbishment" makeovers of all the shopping centres in the Dutch Portfolio to renovate and, in the case of several of its ten properties, to expand these properties. See "—The Dutch Portfolio—Development projects".

### Investment portfolio

The key characteristics of the shopping centres in the Dutch Portfolio as of 31 March 2015 are shown below.

<u>Location</u>	<u>Retail (m<sup>2</sup>) n.l.a.</u>	<u>Office (m<sup>2</sup>) n.l.a.</u>	<u>Parking spaces (number)</u>	<u>Year of acquisition</u>	<u>Year of construction or renovation</u>
<b>Arnhem</b>					
Kronenburg.....	37,832	–	1,000	1988	1985
<b>Purmerend</b>					
Eggert .....	19,381	–	375	2010	1992
<b>Leiderdorp</b>					
Winkelhof.....	17,857	–	830	1993	1999
<b>Eindhoven</b>					
Woensel XL.....	10,145	–	-	2010	2006
<b>Etten-Leur</b>					
Etten-Leur.....	22,146	–	-	1991	1995
<b>Roosendaal</b>					
Roselaar .....	16,800	–	-	2010/2014	1996
<b>Capelle aan den IJssel</b>					
Koperwiek <sup>(1)</sup> .....	25,103	–	-	2010/2014	1995
<b>Maassluis</b>					
Koningshoek.....	14,638	–	-	2010	1973
<b>Geldrop</b>					
Heuvel <sup>(2)</sup> .....	4,537	–	-	1978	1996
<b>Hoofddorp</b>					
Vier Meren .....	36,600	3,700	1,037	2014	2005
<b>Total</b> .....	<b>205,039</b>	<b>3,700</b>	<b>3,242</b>		

- (1) This property also has 86 apartments.  
(2) This property also has 30 apartments.

### Key performance indicators

The following table presents the key performance indicators for the Group's shopping centres in the Netherlands.

#### Dutch Portfolio Shopping Centres

	As of and for the three months ended 31 March	As of and for the years ended 31 December		
	2015	2014	2013	2012
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	€ millions, except percentages			
Net rental income .....	10.2	38.9	29.8	30.2
Like-for-like rental growth (%) .....	1.2	1.0	1.0	3.7
Occupancy (%) .....	97.7	98.0	97.0	97.1
NIY (%) .....	– <sup>(1)</sup>	6.0	5.9	5.9
Properties in operation <sup>(2)</sup> .....	697.1	696.3	477.0	495.2
Properties under construction .....	21.6	18.1	6.3	2.7

- (1) The NIY percentages for the three months ended 31 March 2015 were not reported.  
(2) Properties in operation do not include lease incentives.

### Development projects

The Group is undertaking a program of "refresh and refurbishment" makeovers of all the shopping centres in the Dutch Portfolio. The Group expects to expand six of the ten properties. This process commenced in 2013 in Arnhem, Purmerend and Maassluis and in 2014 in Leiderdorp, Etten-Leur, Roosendaal and Capelle aan den IJssel. The works include changes in lay-out, the creation of a better look and feel, the establishment of fully-embedded food and entertainment facilities, the upgrade and creation of additional facilities and public space (for example, by improving the lighting, raising the ceiling heights and creating play squares for children) and making the shopping centres more environmentally sustainable. The Group's objective is for all shopping centres in the Dutch Portfolio to be awarded a BREEAM certificate "Very Good" following their renovation and/or expansion.

The shopping centres which are currently undergoing "refresh and refurbishment" makeovers and/or are being renovated and/or expanded as of the date of the Prospectus are set out in the table below as well as the committed total capital expenditure. As of 31 March 2015, the capital expenditure committed for both the redevelopments and refurbishments amounted to €109 million of which approximately €42 million had been spent as of 31 March 2015. The Group expects to spend the bulk of the remaining €67 million total capital expenditures by the end of 2016. See Section 8 "Operating and Financial Review—Capital Expenditure".

	Total costs (€ millions)	Yield on cost (%)
Dutch redevelopment program .....	79.0 <sup>(1)</sup>	5.9
Dutch refurbishment program .....	30.0 <sup>(2)</sup>	–
<b>Total</b> .....	<b>109.0</b>	<b>5.9</b>

- (1) The total costs for the redevelopment program are the costs relating to the renovations and expansions, including the improvements of the lay-out and quality, etc., as a result of which the Group expects to benefit from an increase of net rental income.  
(2) The total costs for the refurbishment are the costs relating to the "refresh and refurbishment" makeovers.

The shopping centre "Kronenburg" in Arnhem will be renovated and expanded. The project is not expected to be completed before 2017.

The shopping centre "Egbert" in Purmerend is being renovated. The renovation is expected to be completed in the first half of 2016.

The shopping centre "Winkelhof" in Leiderdorp is being renovated and expanded. The renovation and the expansion are expected to be completed at the end of 2016.

The shopping centre "Roselaar" in Roosendaal is being renovated and expanded. The renovation and expansion are expected to be completed by the beginning of 2016.

The shopping centre "Koperwiek" in Capelle aan den IJssel is being renovated. The renovation is expected to be completed mid-2017.

The shopping centre "Koningshoek" in Maassluis is being renovated and expanded. The project is expected to be completed by the end of 2016.

### ***Tenants***

The Group's top five tenants in the Netherlands as of 31 March 2015 based on the contracted annual rent were Ahold, Blokker, C&A, Hennes & Mauritz and A.S. Watson Group in the three months ended 31 March 2015 contributed 26.0% of the annualised contract rent of the Dutch Portfolio.

The Group's 40 largest tenants in the Netherlands based on the contracted annual rent have been assigned a key account manager who is responsible for maintaining the relationship with those tenants. In line with the Group's strategy for its Dutch Portfolio, this has marked a step towards a more customer-oriented approach in tenant interaction.

### ***Market outlook and competition***

#### **Netherlands**

The economic recovery has been uneven as business investment has been volatile, but private consumption has started to recover. Real wage gains are expected to support higher private consumption, while the improved business outlook and the ongoing recovery of the housing market are expected to support investment. Exports are set to continue to increase steadily, boosted by the recovery in the European Union and the low value of the euro. Employment is set to rise significantly and the unemployment rate to fall gradually. Growth is expected to resume somewhat as domestic demand gradually improves, but poor access to credit for small and medium-sized enterprises and low liquidity of household balance sheets are important headwinds. As a result of the tepid recovery, inflation is expected to remain low. The current account surplus exceeds 10% of gross domestic product (**GDP**), reflecting strong exports and in part weak domestic demand.

Large fiscal consolidation has led to a major structural adjustment over the recent years. With the budget deficit reduced to below 3% of GDP, little further consolidation is expected, which should lessen the drag on growth. Recent structural reforms to reduce labour market segmentation, increase work incentives and cut mortgage interest deductibility could help improve resource allocation and raise medium-term growth. These measures should be complemented with further efforts to boost financial buffers in banks and to reform the rental sector.

GDP growth for 2015 is expected to amount to 2.0%, which is below the OECD average of 2.3%. For 2016, GDP is expected to grow by 2.2% against 2.5% for the OECD average.

*Source: OECD economic forecast summary June 2015*

#### ***Retail real estate market***

According to CBRE, investment growth in the Netherlands was strong in 2014. The retail market reported an increase in investment volume of 85% in 2014, compared to 2013. The increase in investment came after four consecutive years of declining investments in retail property. The growth in investment volume was due to a higher number of portfolio deals and deals with large lot sizes. The average deal volume reached €14.6 million, compared to an annual average of €7.9 million during the period 2010-2013. The large portfolio deals have a long lead time; most of those concluded during the first half of 2014 were initiated in 2013. Shopping centres were the main asset class in 2014, just as the high-streets dominated the market in 2013.

Several economic indicators have provided and continue to provide a positive stimulus for the battered retail market, such as a declining unemployment, increasing consumer confidence, an increase of purchasing power and a low inflation. The recovering housing market is expected to have a positive impact on the sales of DIY and home furnishing branches. Even so, consumer spending is expected to increase only modestly, since many consumers are still reducing their personal debts. According to CBRE, the peak of personal bankruptcies seems to be past.

*Source: CBRE Global Research and Consulting: The Netherlands Retail – Market Overview 2014 H2*

According to CBRE, the number of bankruptcies of retailers peaked at more than 900 in 2013 and decreased to 645 in 2014. The trend is not limited to independent retailers and is primarily a result of the prolonged financial and economic

crisis. Consumer behaviour and spending had already been changing before the crisis. E-commerce has resulted and continues to result in more transparency and stronger competition between retailers not only on price, but also on brand identity. This structural change is evidenced by the large number of expanding domestic and international retailers that entered the market, most of which operate in the discount or high-end segment. CBRE suggests this activity shows that the Dutch retail market has remained highly attractive and dynamic.

These changes within the retail sector are also being reflected in the retail property market. Generally, gaps in the prime high streets and shopping centres of larger cities in the Netherlands are still being filled relatively quickly by other retailers.

Smaller shopping centres for daily goods are expected to remain attractive for both consumers and retailers and new entrants, and existing retailers primarily in the discount segment have taken up a large number of vacant units and fashion retailers and entrepreneurs beginning to expand located in secondary locations. Prime high streets with the highest footfall are expected to continue to perform well in the years to come. Conversely, shopping areas without a clear market position and lacking a well-defined retail offer are expected to face declining visitor numbers, decreasing sales volumes and increasing vacancy.

Source: CBRE viewpoint Dutch retail market: Luxury and discount reshaping the Dutch retail landscape, March 2015.

## The French Portfolio

In France, the Group is focused on mid-sized shopping centres as well as investing in, and the development of, sustainable offices located at high-quality and easily accessible locations in the greater Paris region. As of the date of the Prospectus, the Group's portfolio in France comprised six shopping centres, recently purchased in December 2014 as part of the French Retail Portfolio Acquisition, as well as three offices (the **French Portfolio**). As of 15 October 2014, the French Retail Portfolio had a total value of €831.7 million and as of 31 December 2014 the French Portfolio of offices had a total value of €380.6 million, representing 25.7% and 11.8%, respectively, of the total value of the Group's Portfolio.

The current focus of the Group's operations in France is continuing the integration of the French Retail Portfolio into the Group, including via efforts to gradually improve the Occupancy Rate from its current 90.9% to the Group's target of 98% through a process of active tenant engagement and efforts to stabilise the net rental income of the French Retail Portfolio at €46.0 million. The efforts have thus far been successful and have been led since 1 June 2015 by the new country manager for France, Eric Damiron who joined from Klépierre where he was CEO of Corio France. The Occupancy Rate of the French Retail Portfolio is currently stable, with an Occupancy Rate of 91.2% as of 31 December 2014 as compared to 90.9% as of 31 March 2015. In France, the Group is committed to achieving the highest possible sustainability certificates for its offices.

### Investment portfolio

#### Shopping centres

The key characteristics of the shopping centres in the French Portfolio as of 31 March 2015 are shown below.

Location	Retail (m <sup>2</sup> ) g.l.a.	Parking spaces (number)	Year of acquisition	Year of construction or renovation
<b>Rouen</b>				
Saint Sever.....	34,400	–	2014	2011
<b>Bordeaux</b>				
Mériadeck.....	32,400	–	2014	2008
<b>Argenteuil</b>				
Côte Seine .....	16,200	–	2014	2010
<b>Strasbourg</b>				
Rivétoile .....	28,400	–	2014	2008
<b>Le Havre</b>				
Docks Vauban .....	53,500	–	2014	2009
<b>Rouen</b>				
Docks 76.....	37,600	–	2014	2009

<b>Total</b> .....	<b>202,500</b>	–
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### Offices

The key characteristics of the offices in the French Portfolio as of 31 March 2015 are shown below.

<b>Location</b>	<b>Office n.l.a. (m<sup>2</sup>)</b>	<b>Parking spaces (number)</b>	<b>Year of acquisition</b>	<b>Year of construction or renovation</b>
<b>Paris – Levallois-Perret</b> Carré Vert.....	19,679	351	1999	1999
<b>Paris – Saint Denis</b> Le Cap.....	10,921	124	1999	2001
<b>Paris – Issy-les-Moulineaux</b> Noda.....	22,100	310	2011	2014
<b>Total</b> .....	52,700	785		

### Key performance indicators

#### Shopping centres

The following table presents the key performance indicators for the Group's shopping centres in France.

#### French Portfolio Shopping Centres

	<b>As of and for the three months ended 31 March</b>	<b>As of and for the years ended 31 December</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
	€ millions, except percentages			
Net rental income .....	11.5	1.3 <sup>(3)</sup>	–	–
Like-for-like rental growth (%) .....	–	–	–	–
Occupancy (%).....	90.9	91.2	–	–
NIY (%).....	– <sup>(1)</sup>	5.5	–	–
Properties in operation <sup>(2)</sup> .....	831.7	831.7	–	–
Properties under construction .....	–	–	–	–

(1) The NIY percentage for the three months ended 31 March 2015 was not reported.

(2) Properties in operation do not include lease incentives.

(3) Acquired in December 2014.

As of 31 December 2014, the shopping centres in the French Portfolio accounted for 25.7% of the Group's Portfolio by value.

### Offices

The following table presents an overview of the key performance indicators for the Group's offices in France.

#### French Portfolio Offices

	<b>As of and for the three months ended 31 March</b>	<b>As of and for the years ended 31 December</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
	€ millions, except percentages			
Net rental income .....	3.3	10.0	9.9	10.5
Like-for-like rental growth (%) .....	0.1	0.9	4.5	2.3

Occupancy (%).....	82.8	82.6	99.0	99.0
NIY (%).....	-(1)	4.7	6.1	5.9
Properties in operation <sup>(2)</sup> .....	369.8	367.6	177.4	174.7
Properties under construction .....	-	-	219.7	116.4

(1) The NIY percentage for the three months ended 31 March 2015 was not reported.

(2) Properties in operation do not include lease incentives.

As of 31 December 2014, the offices in the French Portfolio accounted for 11.8% of the Group's Portfolio by value.

### ***Development projects***

The "Noda" office, a Wereldhave development, was transferred to the investment portfolio in December 2014, and has been approximately 64% let. The total cost amounted to €158 million. As a result, there are currently no development properties in the French Office Portfolio.

### ***Tenants***

The Group's top five tenants in France as of 31 March 2015 based on annual rent were Electricité de France, Coca Cola Enterprise, Hennes & Mauritz, E. Leclerc and Inditex in the months ended 31 March 2015 contributed 26.0% of the annualised contract rent of the French Portfolio.

### ***Market outlook and competition***

Economic growth is projected to gain momentum in 2015 and 2016. Lower energy prices, improving financial conditions, slowing fiscal consolidation, strengthening external demand and a pro-competitive reform agenda should spur an increase in consumption and export volumes. Stabilising energy prices and euro depreciation are expected to raise the price level, although persistent and significant economic slack could continue to put downward pressure on inflation. However, weak business confidence is still weighing on investment, implying a delayed pick-up in hiring and only a marginal decline in unemployment. Real GDP growth in France for 2015 is expected to amount to 1.1%, which is below the OECD average of 2.3%. For 2016, GDP is expected to grow by 1.7% against 2.5% for the OECD average.

France's budget deficit reduction over 2014-16 is expected to be significantly less ambitious than originally planned, as the 3% of GDP deficit threshold will not be reached before 2017, rather than in 2015 as had been announced in spring 2014. The slower pace of consolidation is attributed to weaker growth than had been expected. Medium-term policy priorities are to significantly reduce, in relation to GDP, the high level of public spending, and to design and implement structural reforms to reduce complexity, lower administrative and regulatory burdens, and ease supply-side constraints on growth and competitiveness.

Source: OECD economic forecast summary June 2015

### ***Retail real estate market***

According to CBRE, although the French retail market has faced recent challenges, the fundamentals remain sound: the market is well-dimensioned, retailers still have good development potential, the country attracts many overseas tourists who add to domestic consumption and property values have been relatively resilient. Retail is an asset class that has always been important to investors in France, but opportunities to enter the market are often limited. 2014 was therefore an unprecedented year for the retail investment market, both in absolute volume and the relative share of retail in total investment, with €6.1 billion of investment (provisional figures), i.e. more than 27% of the total amount of property investment in France in that year. This figure actually understates the real total as it does not include the sale of buildings that are predominantly offices with a ground floor shop, which in some instances, can account for a significant share of the value of the property.

In 2015, the analysis of the market has been skewed by the preponderance of shopping centre portfolios; nevertheless, town-centre high-street assets on the most well-known streets in Paris and in large provincial cities have remained a key target for buying candidates. It is in this category of assets that yields have compressed the most. By contrast, the spread of yields remained very wide for shopping formats on the outskirts of towns. Yields have compressed for the properties with a well-established image and that promised steady footfall, but out-of-town assets were generally the most sensitive to fluctuations in consumer spending (and therefore to lower footfall) producing a trend of higher yields.

Source: CBRE Marketview France Retail Investment, 2014



## The Belgian Portfolio

In Belgium, the Group focuses on medium-sized shopping centres that have a dominant position in their catchment area and that preferably have potential for further expansion. As of the date of the Prospectus, the Group's portfolio in Belgium comprised seven shopping centres and the Group's offices (the **Belgian Portfolio**). As of 31 December 2014, the Belgian Portfolio of shopping centres had a total value of €597.4 million, and the Belgian Portfolio of offices had a total value of €126.9million, representing 18.4% and 3.9%, respectively, of the total value of the Group's Portfolio. The Group currently has no plans to dispose of any of its office properties in Belgium.

The Belgian Portfolio is held through the Company's 69.6% interest in Wereldhave Belgium, a company listed on Euronext in Brussels. In addition to the Belgian Portfolio, Wereldhave Belgium holds a 17.8% interest in the listed stock exchange certificates "Basilix". These real estate certificates entitle Wereldhave Belgium to the beneficial ownership of the underlying properties, i.e. to the net income derived from such properties as well as to any net proceeds when such properties are sold

In Belgium, the Group aims to create value through the active management, development, renovation and refurbishment of the shopping centres. In line with this objective, the Group is focused on reinforcing the market position of the shopping centres in the Belgian Portfolio by aiming to increase visitor numbers, retail sales and rental income. In order to achieve this, the Group has invested, and will continue to invest, in the appeal, quality and sustainability of the shopping centres in the Belgian Portfolio.

### Investment portfolio

#### Shopping centres

The key characteristics of the shopping centres in the Belgian Portfolio as of 31 March 2015 are shown below.

Location	Retail (m <sup>2</sup> ) n.l.a.	Parking spaces (number)	Year of acquisition	Year of construction or renovation
<b>Genk</b>				
Shopping1/Stadsplein .....	42,718	1904	2010/2012	2008-2014
<b>Ghent</b>				
Overpoort .....	4,000	–	2012	2014
<b>Liège</b>				
Belle-Ile .....	30,252	2,200	1994	1994
<b>Nivelles</b>				
Nivelles.....	28,600	1,452	1984	2012
<b>Tournai</b>				
Les Bastions .....	15,540	1,260	1988	1996
<b>Waterloo</b>				
Waterloo .....	3,347	95	2010	1967
<b>Kortrijk</b>				
Kortrijk Ring Shopping Centre.....	33,000	–	2014	2013
<b>Total</b> .....	<b>157,457</b>	<b>6,911</b>		

#### Offices

The key characteristics of the offices in the Belgian Portfolio as of 31 March 2015 are shown below.

Location	Office (m <sup>2</sup> ) n.l.a.	Parking spaces (number)	Year of acquisition	Year of construction or renovation
<b>Brussels</b>				
Madou Centre .....	12,666	150	1988	2002
<b>Brussels – Vilvoorde</b>				
Business & Mediapark.....	22,695	606	1998	2002

<b>Brussels – Vilvoorde</b>				
Jan Olieslagerlaan.....	3,077	82	1999	1999
<b>Antwerp – Berchem</b>				
Veldekens.....	39,971	771	1999	2002
<b>Total.....</b>	<b>78,409</b>	<b>1,609</b>		

### Key performance indicators

#### Shopping Centres

The following table presents the key performance indicators for the Group's shopping centres in Belgium.

#### Belgian Portfolio Shopping Centres

	As of and for the three months ended 31 March	As of and for the years ended 31 December		
	2015 <sup>1</sup>	2014	2013	2012
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	€ millions, except percentages			
Net rental income .....	8.6	28.0	25.9	23.1
Like-for-like rental growth (%) .....	1.0	3.2	6.3	4.9
Occupancy (%).....	94.4	94.6	99.2	98.7
NIY (%).....	– <sup>(1)</sup>	5.7	6.0	6.0
Properties in operation <sup>(1)</sup> .....	597.1	597.1	381.0	377.5
Properties under construction .....	19.2	18.3	81.7	47.3

(1) The NIY percentage for the three months ended 31 March 2015 was not reported.

(2) Properties in operation do not include lease incentives.

As of 31 December 2014, the shopping centres in the Belgian Portfolio accounted for 18.4% of the Group's Portfolio by value.

#### Offices

The following table presents the key performance indicators for the Group's offices in Belgium.

#### Belgian Portfolio Offices

	As of and for the three months ended 31 March	As of and for the years ended 31 December		
	2015 <sup>1</sup>	2014	2013	2012
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	€ millions, except percentages			
Net rental income .....	2.2	8.4	8.2	8.6
Like-for-like rental growth (%) .....	1.9	6.5	6.2	3.8
Occupancy (%).....	91.6	92.5	91.8	81.3
NIY (%).....	– <sup>(1)</sup>	6.9	6.6	6.6
Properties in operation <sup>(2)</sup> .....	125.5	125.5	124.3	122.3
Properties under construction .....	7.5	7.5	8.5	7.9

(1) The NIY percentage for the three months ended 31 March 2015 was not reported.

(2) Properties in operation do not include lease incentives.

As of 31 December 2014, the offices in the Belgian Portfolio accounted for 3.9% of the Group's Portfolio by value.

#### Development projects

In Belgium, the Group continuously invests in the appeal, quality and sustainability of its shopping centres. In December 2014, the Group completed its development of Genk Shopping 1, which was transferred to the investment portfolio. The total cost was €86 million.

The Tournai shopping centre is currently being renovated and expanded. In January 2015, Wereldhave Belgium commenced construction of a retail park adjacent to the Tournai shopping centre. Phase I of the expansion includes a 10,000 m<sup>2</sup> retail park opposite the shopping centre. The refurbishment and the expansion of the existing shopping centre is scheduled to start at the end of 2015 or early 2016. This Phase II will include the expansion (from 17,500 to 32,000 m<sup>2</sup>) and renovation of the centre. As of 31 March 2015, the capital expenditure committed for the Tournai redevelopment amounted to €15 million, of which approximately €7 million had been spent as of 31 March 2015. See Section 8 "Operating and Financial Review—Capital Expenditure".

<b>Location</b>	<b>Total costs (€ millions)</b>	<b>Expected NIY<sup>(1)</sup> (%)</b>	<b>Additional n.l.a. (m<sup>2</sup>)</b>	<b>Prelet (%)</b>
Tournai				
Tournai Retail Parc	15	6.5-7.0	14,500	43%
<b>Total</b>	<b>15</b>	<b>6.5-7.0</b>	<b>14,500</b>	

- (1) The expected annual net rental income of the property upon completion when fully let as compared to the cash cost of the redevelopment including capitalised interest.

### **Tenants**

The Group's top five tenants in Belgium as of 31 March 2015 based on annual rent were Ergo Services KDV, Hennes & Mauritz, C&A, Carrefour Belgium NV/SA and Excellent Retail Brands and in the three months ended 31 March 2015 contributed 21.0% of the annualised contract rent of the Belgian Portfolio.

### **Market outlook and competition**

Economic growth is projected to resume in 2015 after three years of contraction. Nevertheless, sluggish incomes and high unemployment could continue to weigh on private consumption and remaining spare capacity could delay investments. A pick-up in exports following the global economic recovery and the weaker euro is expected to progressively impact the domestic economy. The fiscal deficit exceeded 3% of GDP in 2014 for the first time since the mid-1990s and is expected to decline quite slowly.

Business investment is expected to recover slowly, as demand picks up and capacity utilisation rises. Slow income growth, high unemployment and uncertainty continue to impede residential investment despite low borrowing costs. Public investment has been steadily growing since 2010 and is expected to rise further in 2015, but could then weaken as fiscal constraints tighten.

GDP growth for 2015 is expected to amount to 1.3%, which is below the OECD average of 2.3%. For 2016, GDP is expected to grow by 1.8% against 2.5% for the OECD average.

Source: OECD economic forecast summary June 2015

### **Retail real estate market**

According to CBRE, of the entire spend of €3.2 billion in 2014, €2.3 billion, or 73%, were comprised specifically of office investments. An additional €430 million was invested in retail properties during 2014 of which, and €189 million was invested in industrial and logistics properties. In recent years, foreign investments have showed a strong surge, whereas domestic investments have been responsible for over 70% of total investment turnover. In 2014, cross-border investments comprised almost half of the total investment volume. Low interest rates, low inflation and falling oil prices tend to create an ideal environment for a boost in commercial real estate investment. In a period where stock markets are deemed too risky and government bonds provide insufficient returns, property provides for an attractive risk-adjusted opportunity.

Rents have remained stable or have even shown a slightly upwards trend in AAA-locations, though have declined elsewhere, specifically in poorer secondary and tertiary locations. On average, retailers in Belgium spend 12% of their sales volume on rents. Salaries for employees amount to a costs/sales ratio of 22%.

Source: CBRE Belgium Investor Survey 2015/Belgium Retailer Survey 2014

## The Finnish Portfolio

As of the date of the Prospectus, the Group's portfolio in Finland comprised the shopping centre "Itis" in Helsinki (the **Finnish Portfolio**), the refurbishment of which was completed in December 2014. As of 31 December 2014, the Finnish Portfolio in operation had a total value of €605.0 million, representing 18.7% of the total value of the Group's Portfolio.

In Finland, the Group is focused on maximising the value of the shopping centre Itis through operational excellence and increasing rental income. In line with this focus, the Group has extensively redeveloped the shopping centre. Although Itis was returned to the investment portfolio in December 2014, letting has been somewhat slower than anticipated as a result of economic conditions in Finland. Nevertheless, the success of refurbishment-related lettings was a driver of very strong Like-for-Like Rental Growth in 2014, at 610 bps above indexation. Partly due to the opening of a Gigantti electronics store and a Zara flagship store, footfall in Itis increased in 2014 by 11%.

### Investment portfolio

The key characteristics of the shopping centre Itis as of 31 March 2015 are shown below.

Location	Retail n.l.a. (m <sup>2</sup> )	Office n.l.a. (m <sup>2</sup> )	Parking spaces (number)	Year of acquisition	Year of construction or renovation
Helsinki Itis .....	94,000	10,000	1,700	2002	2013/2014

### Key performance indicators

The following table presents the key performance indicators for the Group's shopping centre in Finland.

#### Finnish Portfolio Shopping Centre

	As of and for the three months ended 31 March	As of and for the years ended 31 December		
	2015 <i>(unaudited)</i>	2014 <i>(unaudited)</i>	2013 <i>(unaudited)</i>	2012 <i>(unaudited)</i>
		€ millions, except percentages		
Net rental income .....	7.0	27.9	23.9	23.6
Like-for-like rental growth (%) .....	3.0	6.7	5.1	5.3
Occupancy (%) .....	93.1	92.1	99.4	98.5
NIY (%) .....	– <sup>(1)</sup>	5.2	5.3	4.4
Properties in operation <sup>(2)</sup> .....	619.0	603.3	482.1	458.3
Properties under construction .....	–	–	97.1	36.7

(1) The NIY percentage for the three months ended 31 March 2015 was not reported.

(2) Properties in operation do not include lease incentives.

See Section 8 "Operating and Financial Review—Factors affecting results of operations—Portfolio valuation".

### Development projects

In December 2014, the refurbishment of Itis was completed, and it was transferred to the investment portfolio after a redevelopment programme which included the opening of Gigantti for a 3,100 m<sup>2</sup> electronics store and with Zara for a 2,800 m<sup>2</sup> flagship store. The total cost amounted €102 million.

## ***Tenants***

The Group's top five tenants in Finland as of 31 March 2015 based on the contracted annual rent were Stockmann, Kesko, Hennes & Mauritz, Gigantti OYJ AB and Bestseller and in the three months ended 31 March 2015 contributed 29.0% of the annualised contract rent of the Finnish Portfolio.

## ***Market outlook and competition***

Rising unemployment and mounting uncertainties are undermining business and consumer confidence in Finland. Fiscal tightening is also weighing on economic activity. The upturn in both domestic and foreign demand is projected to be slow, as subdued income growth holds back consumption, global growth remains sluggish and ample spare capacity delays a pick-up in investment.

The implementation of the government's structural reform programme to increase labour force participation and public sector efficiency is critical to ensuring fiscal sustainability over the longer term, as age-related spending increases.

GDP growth for 2015 is expected to amount to 0.4%, which is below the OECD average of 2.3%. For 2016, GDP is expected to grow by 1.3% against 2.5% for the OECD average.

*Source: OECD economic forecast summary June 2015*

## ***Retail real estate market***

According to CBRE, transaction volume in the Finnish retail real estate market in the first quarter of 2015 was €0.45 billion, a decrease of 39% from the corresponding quarter in 2014. However, CBRE believes that this is not an indication of reduced demand and is simply as a result of prolonged sale negotiations and settlements and availability of stock. Several large sales were announced in the beginning of the second quarter of 2015, and by mid-April, transaction volume was only down by 19% from the corresponding period in 2014.

As commercial property prices have continued to increase, prime yields in the Helsinki Metropolitan Area have contracted year-on-year by ca. 50 bps for industrial, 25 bps for shopping centres and 20 bps for offices. Elsewhere in Finland, yields have generally remained relatively stable, with few exceptions. In the occupier market, which is weaker than the investment market, the vacancy rate trend has generally been slightly upwards, with the exception of certain prime market segments.

*Source: CBRE Nordic Investment Market Overview 2015 Q1*

## **The Spanish Portfolio**

The portfolio in Spain, which comprised four properties in the greater Madrid region (the **Spanish Portfolio**), was sold to Axia Real Estate in September 2014 for €99.5 million (gross), which reflected a result on the disposal of 4% after municipality taxes and fees.

## **Operational activities**

### ***Portfolio management***

The Portfolio is managed by Wereldhave Management Holding B.V., a wholly owned subsidiary of the Company, under which are grouped Building & Construction, Control & Administration, Legal & Communication, Treasury & Tax, IT and Investor Relations staff functions.

Acquisitions and disposals of properties are initiated by the Management Board and require the prior approval of the Supervisory Board for the acquisition or disposal of a single property or project exceeding €50 million. For the acquisition of shopping centres the Group applies the following investment criteria. Shopping centres should: (i) be able to provide for 90% of customers' daily shopping needs, (ii) be dominant in their catchment area of at least 100,000 inhabitants within ten minutes travel time, (iii) be easily accessible, (iv) offer a mix of strong national and international brands in combination with robust local businesses, (v) be food anchored, (vi) have good parking facilities and (vii) have fully embedded food, beverage and entertainment facilities. The Group relies on its local management and the expertise of its Group management to source new opportunities. Once an opportunity has been identified, a thorough commercial, financial, legal and technical due diligence is carried out by the Group and, where necessary, its advisors. Upon a satisfactory outcome of such due diligence, the Management Board, subject to the prior approval of the Supervisory Board, where necessary, may decide to proceed with the acquisition.

### *Property management*

The local management offices are responsible for the day-to-day management of the properties in the various countries. This day-to-day management covers all aspects relating to the properties, from lease negotiations, tenant services, rent invoicing and service charge management to debt collection and technical building management, as well as maintenance, insurance and property tax. For the optimal performance and success of its shopping centres, the Group employs local shopping centre managers whose tasks include making sure that all applicable health, safety, labour and environmental regulations are complied with and establishing and maintaining good relationships with the local community and any co-owners of the shopping centre.

### *Leasing*

In the Netherlands, France, Belgium and Finland, the Group has skilled in-house leasing managers whose task it is to maximise the Occupancy Rates of the Portfolio. In France, recruitment of the leasing team is making good progress. Current leasing functions are partially outsourced. For the offices Portfolio the Group makes use of external lease experts. Moreover, the local shopping centre managers closely monitor whether there are any new leasing possibilities and are responsible for optimising the use of the leasable area.

### *Personal contact with tenants*

To maintain direct contact with tenants and the market, the Group has its own local management offices in the countries in which it operates. Moreover, the Group employs local shopping centre managers who contribute to the establishing and maintaining of good relationships with tenants. In the Netherlands, key accounts have been identified and the Company aims to strengthen the relationship with the 40 largest tenants based on annual rent.

### *Marketing and local community involvement*

In 2013, the Group introduced a more active approach to shopping centre visitors and alliances with third parties throughout the year the Group also organises various events aimed at making the shopping centres more socially meaningful to their catchment areas. See "*—Sustainability—Society*".

All shopping centres have free wireless internet and have their own website and app. Tenants post messages via social media, including on Facebook and Twitter, and customers can "check-in" via Foursquare.

### *Property development*

The Group's development portfolio comprises both development projects as well as redevelopment projects where existing properties are, for example, being expanded. In both cases the development and construction is outsourced to third parties. In the Netherlands and Belgium, the Group has in-house development teams that manage the development projects. In Finland, also the project management was outsourced. By developing properties for its own Portfolio, the Group can acquire new, high quality properties at cost. The Group aims to adjust the timing of its developments to market conditions. To control the risks that are associated with property development, the Group aims to balance the size of the development portfolio, with less than 10% of the total value of the Portfolio consisting of development properties from 2015 onwards. The Group does not currently have any plans to pursue any new development projects.

### *Property renovation and refurbishment*

The Group has invested, and will continue to invest, in the appeal, quality and sustainability of its shopping centres by actively renovating and refurbishing its shopping centres so as to improve the overall look and feel thereof and to increase visitor numbers, retail sales and rental income.

### **Leases and occupancy**

As of 31 March 2015, the Group was party to approximately 2,198 lease agreements, of which approximately 2,119 related to shopping centres and 79 to offices. The terms of the standard lease agreements which the Group applies require tenants to provide a bank guarantee or to make a security deposit and to pay rent in advance. The standard lease agreements generally differ from one market to another as a result of differences in legal regimes, which affect lease terms and terminations and annual rent increases as well as market practice.

The table below gives an overview of the typical lease terms in each of the Group's four core markets.

Country	Term	Rent increases	Expenses
The Netherlands (includes Target Portfolio).	5 years with an option for the tenant to extend a further 5 years, as required by law <sup>1</sup>	Annual increases based on the cost of living index (CPI)	Structural maintenance, insurance, management and a part of local taxes are for the landlords' account. The remainder of the operational costs (cleaning, electricity security etc.) are recharged to the tenants (service charge)
France	3, 6 and 9 years with the tenant having the option each three years to extend the lease	Annual increases based on building cost increases (ILC-index) unless otherwise agreed	Structural maintenance only is for the landlords' account. All operational costs are recharged to the tenants (service charge)
Belgium	3, 6 or 9 years with a mutual option at the end of a term to extend or renegotiate, as required by law <sup>2</sup>	Annual increases based on increases in the health of the economy index, this reflects the CPI	Structural maintenance only is for the landlords' account, all operational costs are recharged to the tenants (service charge)
Finland	5 years with a mutual option at the end of the term to extend or renegotiate	Annual increases based on increases in the CPI. Part of the rental agreements are turnover rents	Structural maintenance only is for the landlords' account. All operational costs are recharged to the tenants (service charge)

The Group expects that in 2016, 75% of all new lease agreements will be so-called "green leases". These lease agreements contain certain minimum environmental requirements that the tenants and landlord need to implement and comply with.

The weighted average remaining term of the Group's lease agreements, as of 31 March 2015, was approximately 5.0 years. Lease agreements representing approximately 2% and 19% of the Group's annual rent as of 31 March 2015 expire in 2015 and 2016, respectively. The table below gives an overview of the remaining terms of the lease agreements as of 31 March 2015 (excluding the Target Portfolio's lease agreements).

Year of expiration	Annual rent as at 31 March 2015 <sup>(1)</sup> (€ thousands)	% of total annual rent per 31 March 2015 <sup>(1)</sup>
2015 .....	20,770	11
2016 .....	27,903	15
2017 .....	34,912	19
2018 .....	28,023	15
2019 .....	26,608	15
2020 .....	13,192	7
2021 .....	4,958	3
2022 .....	5,687	3
2023 .....	3,507	2
2024 .....	8,717	5
After 2024 .....	8,763	5
<b>Total .....</b>	<b>183,040</b>	<b>100</b>

(1) Excludes indefinite lease agreements, which accounted for approximately 4.7% of all lease agreements as of 31 March 2015.

## Tenant profile

<sup>1</sup> The lease of rental property in the Netherlands and Belgium is subject to certain mandatory laws regarding tenant protection which limit the Group's flexibility in certain respects. See Section 1 "Risk Factors–The Group is subject to mandatory tenant protection laws in Belgium, France and the Netherlands that may limit its flexibility in terminating or amending leases".

<sup>2</sup> The lease of rental property in the Netherlands, France and Belgium is subject to certain mandatory laws regarding tenant protection which limits the Group's flexibility in certain respects.

The Group's shopping centres are leased to a wide variety of national and international brands as well as to local businesses, which operate in a wide range of retail sectors. Therefore, the Group believes that it is less vulnerable to negative economic trends or changing consumer preferences. Moreover, the Group does not rely on a small group of tenants to generate a substantial portion of its rental income.

Before any lease agreement is entered into, the creditworthiness of every new tenant is thoroughly assessed.

As of 31 March 2015, the Group's ten largest tenants by rent accounted in the aggregate for approximately 22.7% of the Group's total annual rent. The table below shows the top ten tenants of the Group by rent aggregated per group of affiliated businesses for the total annual rent as of 31 March 2015 (excluding the Target Portfolio).

Parent company of the tenant	Brand names	Segments	Rent as a % of the total annual rent as of 31 March 2015	Presence in the Group's core markets
Electricité de France .....	–	Utilities	4.8	France
Hennes & Mauritz .....	H&M	Fashion	3.4	The Netherlands, Belgium, Finland
Coca Cola Enterprise .....	Coca Cola	–	2.7	France
Stockmann .....	–	Department Store	2.2	Finland
Ahold .....	Albert Heijn, Etos, Gall & Gall	Food, health & beauty	2.1	The Netherlands
C&A .....	–	Fashion	1.8	The Netherlands, Belgium, France
Blokker .....	Xenos, Bart Smit, Marskramer, Leen Bakker, Intertoys, Blokker	Home ware & household, multimedia, electronics & special goods	1.8	The Netherlands, Belgium
Ergo Services KDV .....	–	–	1.4	Belgium
Excellent Retail Brands .....	MS Mode and Cool Cat	Fashion	1.3	The Netherlands, Belgium, France
Kruidvat/AS Watson .....	Kruidvat, Ici Paris XL, Trekpleister	Hygiene, health & beauty	1.2	The Netherlands, Belgium
<b>Total</b> .....			<b>22.7</b>	

### Ground leases

The Group holds two properties on ground leases in the Netherlands. The main features of these ground leases as agreed upon with the respective owners of the land are set out in the table below.

Location	Name of property	Owner of land	Expiry of ground lease	Annual ground rent as at 31 December 2013
Arnhem, the Netherlands .....	Kronenburg	City of Arnhem	1 January 2110	11.6% of net rental income with a minimum of €433,000
Hoofddorp, the Netherlands .....	Vier Meren	Protestant Church	Perpetual	€66,000

### Tax status



The Company qualifies and aims to continue to qualify as an FII within the meaning of article 28 of the Dutch Corporate Income Tax Act (*Wet op de vennootschapsbelasting 1969*) (**DCITA**). This means that the Company is subject to corporation tax in the Netherlands at a rate of 0%, provided that certain conditions are met. The main conditions are described in Section 13 "*Regulatory Matters and Tax Status of the Group*" below. The subsidiaries in Belgium and France have a similar status. Subsidiaries in other countries have no specific tax status.

### **Licences and permits**

The Group obtains licences and permits, including zoning permits, for its properties from municipalities and other government authorities. These licences contain a number of requirements regarding the way the Group conducts its business.

### **Sustainability**

In 2013, the Group defined a new framework for sustainability, which consists of four diverse pillars that build on the Group's overall long-term strategy: Bricks, HR, Partners and Society, these pillars form a solid basis for the integration of sustainability into the Group's business operations. The complete framework and associated action plan for 2014 and 2015 have been presented in the Group's second CSR report dated May 2015. The CSR report follows the Global Reporting Initiative "GRI" G4 Guidelines and is in accordance with the GRI Construction and Real Estate Sector Supplement "CRESS". The report is also aligned with the European Public Real Estate Association "EPRA" Best Practices Recommendations on Sustainability Reporting.

The four pillars were used to manage and monitor progress. For each pillar, three key targets were defined. Key priorities were set, to create a sharp management focus on the objectives. In 2014, a Group sustainability manager was appointed, to coordinate the four pillars. Each pillar reported monthly to the Group sustainability committee.

The Group sustainability committee consists of the CEO, the CFO, the Group sustainability manager and representatives of each pillar. The committee is chaired by the CEO. Its key task is to formulate and communicate the Group's strategy and define, discuss, assess and monitor sustainability strategic progress.

The committee is supported by dedicated working groups, who are responsible for monitoring data, developing and implementing actions plans in the different country management organisations. In 2014 uniform tools/instruments have been implemented to monitor performance more effectively, such as an energy measurement tool to manage the electricity and gas consumption more actively. Based on the outcome of the reports per pillar, the committee compares performance. This forms a basis to share best practices internally.

### **External recognition**

In 2015, Wereldhave published its second sustainability report (as described above). Wereldhave was awarded EPRA silver (Best Practices on Sustainability Reporting). Early in 2015, Wereldhave was rated Industry Mover by the Dow Jones Sustainability Index (DJSI) for sustainability performance. Wereldhave's performance led to a 42% increase of the DJSI scores in respect of environmental, social and governance topics in 2014.

Further recognition came with the rating as GRESB Green Star. GRESB is the acronym for Global Real Estate Sustainability Benchmark, an initiative by institutional investors globally aiming for more transparency in the real estate sector. The average sector score improved from 43 to 54 in 2014, while Wereldhave's score increased from 39 to 69.

### **Fully integrating sustainability**

After the key priorities per country and pillar were set, business plans were drafted per shopping centre. These business plans included sustainability actions per centre. They formed the basis for a bottom-up budget, which was discussed with an approved by the Supervisory Board. Sustainability has become fully integrated in the Group's business operations.

### **Health and safety**

The Group is committed to building attractive offices and shopping centres. Not only by creating optimum ease of use with state-of-the-art facilities and designing an environment in which people are happy to be, but also by ensuring that the buildings are healthy and safe for all who work there or visit. All of the Group's Dutch shopping centres are equipped with an AED defibrillator. Three of the Group's shopping centres have obtained a "Safe Business" quality mark. Three years ago, all buildings were inspected to assess whether people with a physical disability could visit them

without any problem. Where necessary, adjustments have been made and all buildings are now fully and easily accessible.

## **Environment**

The Group is committed to environmentally sustainable living conditions of its properties. Therefore, it has a policy to reduce carbon dioxide emissions, the use of energy and water and the recycling of waste in and by its shopping centres and offices.

The carbon impact of the Portfolio reduced significantly in 2012 and 2013, mainly as a result of purchasing low carbon energy. To continue the reduction of the environmental impact, the Group set clear targets to reduce energy and water consumption, carbon emissions and increase recycling rates. Starting in 2014, environmental indicators are included in the Group's internal quarterly reporting.

In 2013, so-called green leases were signed with a number of tenants in the shopping centre "Nivelles" in Nivelles, Belgium. These lease agreements contain certain minimum environmental requirements that the tenants and landlord need to implement and comply with.

The Group is not aware of any material environmental liabilities at its properties.

## **Insurance**

The Group seeks to maintain insurance policies covering its properties and employees, such as property damage, business interruption and public liability insurance, with policy specifications and insured limits which the Group believes are customary for the real estate business in its markets. The Group's properties are largely covered against property damages and third party liability. There are, however, certain types of risks that are generally not or not fully insured against, such as damages caused by armed conflict, civil war and riots, nuclear catastrophe, terrorism, flood, earthquake and volcanic eruption or other force majeure events and civil liability for environmental damages. Loss of rental income is covered for a period of 36 months.

The Group also has a directors and officers' liability insurance with a maximum coverage of approximately €15 million per occurrence and per year. This policy also covers the liability of all directors and officers of subsidiaries of the Company.

## **Intellectual Property**

The Group has several trademarks, trade names and domain names registered in its name. Dutch intellectual property rights are registered and protected by Novagraaf. On a regular basis, the Group receives information with respect to the registered Dutch intellectual property rights, including whether the same or similar intellectual property rights are being registered by other companies so that the Group has the opportunity to oppose any such new registrations.

The protection of local intellectual property rights is the responsibility of local management.

## **Organisational structure**

The Management Board consists of the CEO and the CFO. The CEO is responsible for the operations of the Group, strategy, Legal & Communications and HR. The CFO is responsible for the financial strategy and the staff departments Control & Administration, Treasury & Tax, IT, Building & Construction. The CFO is also functionally responsible for all finance functions within the Group's local organisations.

The Board is supported by a management team which comprises Riemer Smink (Chief Investment Officer), Richard Beentjes (Legal) and Inez Blankestijn (HR director). The other members of the management team are the country directors Belinde Bakker for the Netherlands, Luc Plasman for Belgium, Jaakko Ristola for Finland and Eric Damiron, the new French county director, joined from Klépierre as of June 2015. The local management offices, headed by the country directors, employ professional staff who have strong ties with the local culture, are committed to the Group's performance and have an extensive network. The local management offices maintain regular and direct contact with the tenants and regularly report to the Management Board on all relevant market developments. The Management Board and the management team frequently visit the local management offices and monitor developments in the various markets, by means of frequent internal reports.

## **Risk management**

The Management Board is responsible for the organisation, implementation and functioning of the internal risk management and control systems that oversee to the Group's business activities. Annually, the Group's control department performs country reviews in all local management offices, by assessing the administrative organisation and internal controls, and reports on such assessments to the Audit Committee and the Supervisory Board. Any items of attention are dealt with during the year. This model enables the Group to combine the strengths of the local management offices with coordination on the Company level.

Every quarter, the Group performs a stress test to analyse the potential impact of Portfolio changes in relation to financing covenants.

## 7. SELECTED HISTORICAL FINANCIAL AND BUSINESS INFORMATION

The selected historical financial and business information of the Group shown in the tables below should be read in conjunction with the information contained in Section 1 "Risk Factors", "Important Information", Section "Business", Section 8 "Operating and Financial Review", and the consolidated financial statements, including the notes thereto, incorporated by reference into the Prospectus and other financial data appearing elsewhere in the Prospectus.

### Historical financial information

#### IFRS consolidated financial information

The audited consolidated financial information for the Group set forth below as of and for the years ended 31 December 2014, 2013 and 2012 has been derived from, should be read in conjunction with, and is qualified in its entirety by, the audited consolidated financial statements, including the notes thereto, incorporated by reference into the Prospectus, which have been prepared in accordance with IFRS. The unaudited consolidated financial information for the Group as of and for the three months ended 31 March 2015 and 31 March 2014 set forth in the table below have been prepared in accordance with IAS 34 "Interim Financial Reporting."

In the Prospectus, the Group presents its financial condition and results of operation as of and for the years ended 31 December 2012 as re-presented in the 2013 Financial Statements and the 2012 Financial Statements, respectively, in order to reflect the result from discontinued operations on a consistent basis from one year to another.

In the Prospectus, the Group presents its financial condition and results of operation as of and for the years ended 31 December 2013 as re-presented in the 2014 Financial Statements, in order to reflect the result from discontinued operations on a consistent basis from one year to another and to reflect the change in presentation of fair value movements of derivatives as other financial result and income instead of part of the total valuation result, in order to improve the insight in the accounting of the valuation results of its investment properties.

#### Consolidated income statement

	For the three months ended 31 March		For the years ended 31 December				
	2015 <i>(unaudited)</i>	2014 <i>(unaudited)</i>	2014	2013 <i>(re- presented)</i>	2013	2012 <i>(re- presented)</i>	2012
	(€ thousands)						
Gross rental income .....	48,616	29,363	126,794	109,419	116,179	118,359	147,574
Service costs charged .....	10,678	4,843	21,125	20,887	22,721	24,820	30,031
<b>Total revenues</b> .....	<b>59,294</b>	<b>34,206</b>	<b>147,919</b>	<b>130,306</b>	<b>138,900</b>	<b>143,179</b>	<b>177,605</b>
Service costs paid .....	(12,217)	(5,206)	(22,618)	(22,596)	(25,454)	(27,450)	(33,494)
Property expenses .....	(4,118)	(2,164)	(10,525)	(7,826)	(8,586)	(8,014)	(13,300)
<b>Total expenses</b> .....	<b>(16,335)</b>	<b>(7,370)</b>	<b>(33,143)</b>	<b>(30,422)</b>	<b>(34,040)</b>	<b>(35,464)</b>	<b>(46,794)</b>
<b>Net rental income</b> .....	<b>42,959</b>	<b>26,836</b>	<b>114,776</b>	<b>99,884</b>	<b>104,860</b>	<b>107,715</b>	<b>130,811</b>
Valuation results .....	214	(170)	(40,767)	14,709	4,019	(34,672)	(78,559)
Results on disposals .....	(18)	(102)	5,899	(3,583)	(3,583)	1,832	8,941
General costs .....	(4,396)	(3,355)	(13,537)	(13,084)	(13,798)	(18,740)	(21,004)
Other income and expense .....	(365)	515	(3,642)	1,391	1,391	(1,975)	(1,981)
Operational result .....	38,394	23,724	62,729	99,317	92,889	54,160	38,208
Interest charges .....	(7,386)	(2,991)	(16,263)	(17,234)	(20,293)	(18,936)	(30,305)
Interest income .....	53	108	515	290	290	313	362
Net interest .....	(7,333)	(2,883)	(15,748)	(16,944)	(20,003)	(18,623)	(29,943)

Other financial income and expense.....	<u>(19,918)</u>	<u>(2,105)</u>	<u>(13,226)</u>	<u>(10,280)</u>	<u>(7,979)</u>	<u>1,197</u>	<u>1,197</u>
<b>Result before tax.....</b>	<b>11,143</b>	<b>18,736</b>	<b>33,755</b>	<b>72,093</b>	<b>64,907</b>	<b>36,734</b>	<b>9,462</b>
Taxes on result.....	<u>(303)</u>	<u>(569)</u>	<u>(2,074)</u>	<u>8,167</u>	<u>8,167</u>	<u>27,858</u>	<u>25,544</u>
<b>Result from continuing operations.....</b>	<b>10,840</b>	<b>18,167</b>	<b>31,681</b>	<b>80,260</b>	<b>73,074</b>	<b>64,592</b>	<b>35,006</b>
Result from discontinued operations.....	<u>(995)</u>	<u>(215)</u>	<u>(4,783)</u>	<u>(30,249)</u>	<u>(23,063)</u>	<u>(151,686)</u>	<u>(122,100)</u>
<b>Result.....</b>	<b>9,845</b>	<b>17,952</b>	<b>26,898</b>	<b>50,011</b>	<b>50,011</b>	<b>(87,094)</b>	<b>(87,094)</b>
Profit attributable to Shareholders.....	7,008	15,415	15,020	39,371	39,371	(98,439)	(98,439)
Non-controlling interest.....	<u>2,837</u>	<u>2,537</u>	<u>11,878</u>	<u>10,640</u>	<u>10,640</u>	<u>11,345</u>	<u>11,345</u>
<b>Result.....</b>	<b>9,845</b>	<b>17,952</b>	<b>26,898</b>	<b>50,011</b>	<b>50,011</b>	<b>(87,094)</b>	<b>(87,094)</b>

Consolidated balance sheet

	<b>As of 31 March</b>	<b>As of 31 December</b>			
	2015 <i>(unaudited)</i>	2014	2013	2012	2012
		<i>(re-presented)</i>			
	(€ thousands)				
<b>Assets</b>					
<b>Non-current assets</b>					
Investment properties in operation.....	3,240,279	3,221,588	1,731,942	2,073,027	2,073,027
Lease incentives .....	17,292	16,672	13,237	14,812	-
Investment properties under construction.....	48,332	43,874	413,229	240,044	240,044
Investment properties .....	<u>3,305,903</u>	<u>3,282,134</u>	<u>2,158,408</u>	<u>2,327,883</u>	<u>2,313,071</u>
Property and equipment .....	2,723	2,647	2,918	4,450	4,450
Intangible assets .....	1,656	1,715	3,834	3,993	3,993
Financial assets.....	103,955	53,568	31,763	47,702	47,702
Deferred tax assets .....	-	-	2,605	3,129	3,129
Other non-current assets.....	-	-	-	1,275	17,908
Total non-current assets .....	<u>3,414,237</u>	<u>3,340,064</u>	<u>2,199,528</u>	<u>2,388,432</u>	<u>2,390,253</u>
<b>Current assets</b>					
Trade and other receivables .....	53,650	69,308	31,590	26,126	26,126
Tax receivables.....	37	34	292	5	5
Cash and cash equivalents.....	112,330	119,205	88,466	44,406	44,406
Assets held for sale.....	-	-	6,000	543,166	543,166
Total current assets .....	<u>166,017</u>	<u>188,547</u>	<u>126,348</u>	<u>613,703</u>	<u>613,703</u>
<b>Total assets</b> .....	<b><u>3,580,254</u></b>	<b><u>3,528,611</u></b>	<b><u>2,325,876</u></b>	<b><u>3,002,135</u></b>	<b><u>3,003,956</u></b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
Share capital .....	35,021	35,021	216,796	216,796	216,796
Share premium .....	1,466,839	1,467,196	759,740	767,315	767,315
Reserves.....	329,174	321,197	372,890	394,643	405,436
	<u>1,831,034</u>	<u>1,823,414</u>	<u>1,349,426</u>	<u>1,378,754</u>	<u>1,389,547</u>
Non-controlling interest .....	169,588	152,550	150,325	146,998	147,187
<b>Total equity</b> .....	<b><u>2,000,622</u></b>	<b><u>1,975,964</u></b>	<b><u>1,499,751</u></b>	<b><u>1,525,752</u></b>	<b><u>1,536,734</u></b>
<b>Long-term liabilities</b>					
Interest bearing liabilities.....	1,195,467	1,077,525	672,669	1,213,778	1,213,778
Deferred tax liabilities .....	75,224	75,091	76,270	87,492	87,492
Other long-term liabilities .....	50,096	30,758	14,952	12,882	3,721
Total long-term liabilities .....	<u>1,320,787</u>	<u>1,183,374</u>	<u>763,891</u>	<u>1,314,152</u>	<u>1,304,991</u>
<b>Short term liabilities</b>					
Trade payables.....	3,826	9,505	7,935	9,371	9,371
Tax payable .....	61	101	1,567	599	599
Interest bearing liabilities .....	177,054	173,423	8,000	75,000	75,000
Other short-term liabilities .....	77,904	186,244	44,732	77,261	77,261
Total short-term liabilities .....	<u>258,845</u>	<u>369,273</u>	<u>62,234</u>	<u>162,231</u>	<u>162,231</u>
<b>Total</b> .....	<b><u>3,580,254</u></b>	<b><u>3,528,611</u></b>	<b><u>2,325,876</u></b>	<b><u>3,002,135</u></b>	<b><u>3,003,956</u></b>

Consolidated cash flow statement

	<b>For the three months ended 31 March</b>		<b>For the years ended 31 December</b>		
	2015 <i>(unaudited)</i>	2014 <i>(unaudited)</i>	2014	2013	2012
	(€ thousands)				
Cash flow from operating activities.....	18,914	11,058	110,593	36,632	69,164
Cash flow used in/from investment activities .....	(105,810)	(145,656)	(1,071,312)	690,732	113,408
Cash flow used in financing activities ...	79,680	134,000	983,387	(685,612)	(162,946)

Net increase in cash and bank .....	(7,216)	(598)	22,668	41,752	19,626
Cash and bank balances at 1 January.....	119,205	88,466	88,466	44,406	24,400
Foreign exchange differences .....	341	309	8,071	2,308	380
<b>Cash and bank balances at period end</b> .....	<b>112,330</b>	<b>88,177</b>	<b>119,205</b>	<b>88,466</b>	<b>44,406</b>

### Non-IFRS measures

The following tables set forth the Group's Direct and Indirect Result and total result for the periods stated. Direct and Indirect Result are non- IFRS measures and have not been audited or reviewed by PricewaterhouseCoopers.

#### Direct and Indirect Results for the three month periods ending 31 March 2015 and 2014

	For the three months ended 31 March					
	2015			2014		
	<i>(unaudited)</i>			<i>(unaudited)</i>		
Direct	Indirect	Total	Direct	Indirect	Total	
	(€ thousands)					
Gross rental income.....	48,616	–	48,616	29,363	–	29,363
Service costs charged .....	10,678	–	10,678	4,843	–	4,843
Total revenues .....	59,294	–	59,294	34,206	–	34,206
Service costs paid .....	(12,217)	–	(12,217)	(5,206)	–	(5,206)
Property expenses.....	(4,118)	–	(4,118)	(2,164)	–	(2,164)
	(16,335)	–	(16,335)	(7,370)	–	(7,370)
<b>Net rental income .....</b>	<b>42,959</b>	<b>-</b>	<b>42,959</b>	<b>26,836</b>	<b>-</b>	<b>26,836</b>
Valuation results.....	–	214	214	–	(170)	(170)
Results on disposals .....	–	(18)	(18)	–	(102)	(102)
General costs .....	(4,396)	-	(4,396)	(3,355)	-	(3,355)
Other income and expense .....	24	(389)	(365)	555	(40)	515
<b>Operational result .....</b>	<b>38,587</b>	<b>(193)</b>	<b>38,394</b>	<b>24,036</b>	<b>(312)</b>	<b>23,724</b>
Interest charges.....	(7,024)	(362)	(7,386)	(2,350)	(641)	(2,991)
Interest income .....	53	–	53	108	–	108
Net interest.....	(6,971)	(362)	(7,333)	(2,242)	(641)	(2,883)
Other financial income and expense..		(19,918)	(19,918)	-	(2,105)	(2,105)
<b>Result before tax.....</b>	<b>31,616</b>	<b>(20,473)</b>	<b>11,143</b>	<b>21,794</b>	<b>(3,058)</b>	<b>18,736</b>
Taxes on result.....	(166)	(137)	(303)	(223)	(346)	(569)
<b>Result from continuing operations.</b>	<b>31,450</b>	<b>(20,610)</b>	<b>10,840</b>	<b>21,571</b>	<b>(3,404)</b>	<b>18,167</b>
<b>Result from discontinued operations.....</b>	<b>(906)</b>	<b>(89)</b>	<b>(995)</b>	<b>(17)</b>	<b>(198)</b>	<b>(215)</b>
<b>Result .....</b>	<b>30,544</b>	<b>(20,699)</b>	<b>9,845</b>	<b>21,554</b>	<b>(3,602)</b>	<b>17,952</b>

#### Direct and Indirect Results for 2014, 2013 and 2012

	For the years ended 31 December								
	2014			2013			2012		
	<i>(unaudited) (unaudited)</i>			<i>(unaudited) (unaudited) (re-presented)</i>			<i>(unaudited) (unaudited) (re-presented)</i>		
Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total	
	€ thousands								
Gross rental income .....	126,794	–	126,794	109,419	–	109,419	118,359	–	118,359
Service costs charged.....	21,125	–	21,125	20,887	–	20,887	24,820	–	24,820
Total revenues.....	147,919		147,919	130,306	–	130,306	143,179	–	143,179

**For the years ended 31 December**

	<b>2014</b>			<b>2013</b>			<b>2012</b>		
	<i>(unaudited)</i>	<i>(unaudited)</i>		<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(re-presented)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(re-presented)</i>
	<b>Direct</b>	<b>Indirect</b>	<b>Total</b>	<b>Direct</b>	<b>Indirect</b>	<b>Total</b>	<b>Direct</b>	<b>Indirect</b>	<b>Total</b>
	€ thousands								
Service costs paid..	(22,618)	–	(22,618)	(22,596)	–	(22,596)	(27,450)	–	(27,450)
Property expenses .	(10,525)	–	(10,525)	(7,826)	–	(7,826)	(8,014)	–	(8,014)
	(33,143)	–	(33,143)	(30,422)	–	(30,422)	(35,464)	–	(35,464)
<b>Net rental income</b>	<b>114,776</b>	<b>–</b>	<b>114,776</b>	<b>99,884</b>	<b>–</b>	<b>99,884</b>	<b>107,715</b>	<b>–</b>	<b>107,715</b>
Valuation results ...	–	(40,767)	(40,767)		14,709	14,709	–	(34,672)	(34,672)
Results on disposals.....	–	5,899	5,899		(3,583)	(3,583)	–	1,832	1,832
General costs.....	(13,537)		(13,537)	(13,084)	–	(13,084)	(18,740)	–	(18,740)
Other income and expense .....	1,142	(4,784)	(3,642)	1,679	(288)	1,391	1,584	(3,559)	(1,975)
<b>Operational result .....</b>	<b>102,381</b>	<b>(39,652)</b>	<b>62,729</b>	<b>88,479</b>	<b>10,838</b>	<b>99,317</b>	<b>90,559</b>	<b>(36,399)</b>	<b>54,160</b>
Interest charges .....	(15,005)	(1,258)	(16,263)	(11,611)	(5,624)	(17,235)	(14,882)	(4,054)	(18,936)
Interest income.....	515		515	291		291	313	–	313
Net interest .....	(14,490)	(1,258)	(15,748)	(11,320)	(5,624)	(16,944)	(14,569)	(4,054)	(18,623)
Other financial income and expense .....	–	(13,226)	(13,226)	–	(10,280)	(10,280)	–	1,197	1,197
<b>Result before tax .</b>	<b>87,891</b>	<b>(54,136)</b>	<b>33,755</b>	<b>77,159</b>	<b>(5,066)</b>	<b>72,093</b>	<b>75,990</b>	<b>(39,256)</b>	<b>36,734</b>
Taxes on result .....	(633)	(1,441)	(2,074)	(398)	8,565	8,167	(459)	28,317	27,858
<b>Result from continuing operations .....</b>	<b>87,258</b>	<b>(55,577)</b>	<b>31,681</b>	<b>76,761</b>	<b>3,499</b>	<b>80,260</b>	<b>75,531</b>	<b>(10,939)</b>	<b>64,592</b>
<b>Result from discontinued operations .....</b>	<b>(1,542)</b>	<b>(3,241)</b>	<b>(4,783)</b>	<b>4,492</b>	<b>(34,741)</b>	<b>(30,249)</b>	<b>18,282</b>	<b>(169,968)</b>	<b>(151,686)</b>
<b>Result.....</b>	<b>85,716</b>	<b>(58,818)</b>	<b>26,898</b>	<b>81,253</b>	<b>(31,242)</b>	<b>50,011</b>	<b>93,813</b>	<b>(180,907)</b>	<b>(87,094)</b>



## Historical Business information

The following table presents the key performance indicators for the Group's shopping centres in the Portfolio (excluding any shopping centres which the Group held in the United States and the United Kingdom which were sold in 2013 and in Spain, which were sold in September 2014).

### Portfolio Shopping Centres

	As of and for the three months ended 31 March	As of and for the years ended 31 December <sup>(2)</sup>		
	2015 <sup>(1)</sup> ( <i>unaudited</i> )	2014 ( <i>unaudited</i> )	2013 ( <i>unaudited re- presented</i> )	2012 ( <i>unaudited, re- presented</i> )
		€ millions, except percentages		
Net rental income .....	37.3	96.1	79.6	76.9
Like-for-like rental growth (%) .....	1.8	3.6	3.6	4.5
Occupancy (%) .....	93.9	93.9	98.4	98.0
NIY (%) .....	– <sup>(3)</sup>	5.6	5.7	5.4
Properties in operation <sup>(4)</sup> .....	2,744.0	2,728.4	1,340.1	1,331.0
Properties under construction .....	40.8	36.4	185.1	86.7

(1) The Spanish Portfolio is shown as a discontinued operation for the three month period ending 31 March 2015.

(2) The results of the Spanish Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2014 and 2013. The results of the UK and U.S. Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2014, 2013, and 2012.

(3) The NIY percentages for the three months ended 31 March 2015 were not reported.

(4) Properties in operation do not include lease incentives.

The following table presents the key performance indicators for the Group's offices and other properties in the Portfolio, excluding any offices and other properties which the Group held in the United States and the United Kingdom, which were sold in 2013.

### Portfolio Offices and Other Properties

	As of and for the three months ended 31 March	As of and for the years ended 31 December <sup>(2)</sup>		
	2015 <sup>(1)</sup> ( <i>unaudited</i> )	2014 ( <i>unaudited</i> )	2013 ( <i>unaudited re- presented</i> )	2012 ( <i>unaudited, re- presented</i> )
		€ millions, except percentages		
Net rental income .....	5.5	18.4	18.1	30.8
Like-for-like rental growth (%) .....	0.9	3.4	5.2	0.1
Occupancy (%) .....	85.7	85.9	91.8	87.0
NIY (%) .....	– <sup>(3)</sup>	5.3	6.2	6.5
Properties in operation <sup>(4)</sup> .....	495.3	493.1	301.7	439.9
Properties under construction .....	7.5	7.5	228.2	124.3

(1) The Spanish Portfolio is shown as a discontinued operation for the three month period ending 31 March 2015.

(2) The results of the Spanish Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2014 and 2013. The results of the UK and U.S. Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2014, 2013, and 2012.

(3) The NIY percentages for the three months ended 31 March 2015 were not reported.

(4) Properties in operation do not include lease incentives.

## 8. OPERATING AND FINANCIAL REVIEW

This Section 8 "Operating and Financial Review" should be read in conjunction with Section 7 "Selected Historical Financial and Business Information", Section "Business" and the Financial Statements incorporated by reference into the Prospectus. Prospective investors should read the entire document and not just rely on the summary set out below. The financial information considered in this Section 8 "Operating and Financial Review" is extracted from the Financial Statements incorporated by reference in the Prospectus.

The following discussion of the Group's results of operations and financial conditions contains forward-looking statements. The Group's actual results could differ materially from those that it discusses in these forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this document, particularly under Section 1 "Risk Factors" and Section 2 "Important Information".

The Spanish, UK and U.S. Portfolio were considered a discontinued operation for the purposes of the 2014 Financial Statements. The UK and U.S. Portfolio were considered discontinued operations for the purposes of the 2013 Financial Statements. The U.S. Portfolio was considered a discontinued operation for the purposes of the 2012 Financial Statements.

### Overview

The Group invests in mid-sized shopping centres in North-Western Continental Europe that are top of mind (i.e. among the first destinations for shopping centres in terms of brand awareness for local residents) in their respective catchment areas. The Group owns and operates a portfolio of 25 shopping centres and seven offices in the Netherlands, France, Belgium and Finland. As of 31 March 2015, the value of the Group's Portfolio as recorded in the Group's balance sheet as investment properties was €3,306 million.

The Group generates a majority of its results from net rental income derived primarily from its shopping centres (87.1%) and secondarily from its offices portfolio (12.9%) for the three months ended 31 March 2015. The Group's net rental income and result were €114.8 million and €26.9 million, respectively, in 2014. The Group's result comprised Direct Result of €85.7 million and Indirect Result of negative €58.8 million in 2014. The Group's net rental income and result were €43.0 million and €9.8 million, respectively, in the first three months of 2015. The Group's result comprised Direct Result of €30.5 million and Indirect Result of negative €20.7 million for the first three months of 2015.

### Segment presentation

The Group manages its business on a geographic basis, with four primary business segments comprising the Netherlands (generating 24.2% of the Group's net rental income in the three month period ended 31 March 2015), Belgium (25.2%), Finland (16.3%) and France (34.3%), excluding discontinued operations. The table below sets forth the Group's net rental income from continuing operations by business segment.

Net rental income	For the three months ended 31 March		For the years ended 31 December		
	2015	2014	2014	2013	2012
	(unaudited)	(unaudited)		(re-presented)	(re-presented)
	(€ thousands)				
The Netherlands .....	10,405	8,987	39,176	32,073	35,002
Belgium .....	10,803	8,750	36,470	34,088	31,752
Finland.....	7,002	6,611	27,871	23,854	23,565
France .....	14,749	2,488	11,259	9,869	10,501
Spain <sup>(1)</sup> .....	–	–	–	–	6,896
United Kingdom <sup>(2)</sup> .....	–	–	–	–	–
United States <sup>(3)</sup> .....	–	–	–	–	–
<b>Total.....</b>	<b>42,959</b>	<b>26,836</b>	<b>114,776</b>	<b>99,884</b>	<b>107,715</b>

(1) The results of the Spanish Portfolio, which was disposed of in September 2014, were classified as discontinued operations for the years ended 31 December 2014 and 2013.

(2) The results of the UK Portfolio, which was disposed of in February 2013, were classified as discontinued operations for the years ended 31 December 2013 and 2012, and are consequently not shown in net rental income for those periods.

- (3) The results of the U.S. Portfolio, which was disposed of in the first quarter of 2013, are shown as the results of a discontinued operation for the years ended 2013 and 2012, and are consequently not shown in net rental income for those periods.

### **Factors affecting results of operations**

The Group's results from operations have been, and will continue to be, affected by a number of factors, many of which are beyond the Group's control. See also Section 1 "*Risk Factors*". There are several key items that the Group believes have impacted its results from operations during the period under review and, in some cases, will continue to impact its results both on a consolidated basis and within its individual business segments going forward.

In addition, the Group has recently undertaken the French Retail Portfolio Acquisition and has also made a number of disposals, including its U.S., UK, and Spanish Portfolio as well as the disposal of other non-core assets. The French Retail Portfolio Acquisition and these disposals have impacted the net rental income and Direct Result that the Group is able to generate. In addition, the proceeds from these disposals has allowed for the repayment of a significant portion of the Group's Credit Facilities. Overall, these changes to the Group's Portfolio have had significant impacts on the Group's results of operation during the period under review and affect the comparability of the Group's results from period to period and will continue to impact comparability going forward. See "*—Factors Affecting Comparability—Disposal of the Portfolio in the United States, the United Kingdom, Spain and other assets*".

These items are described below.

#### ***Derisk and Regroup Phases***

In 2012, in response to the changing environment for consumer, retail, real estate and finance markets, the Group changed its strategy to focus on shopping centres in the Netherlands, Belgium and Finland, and on sustainable office properties in Paris. The Group developed a three-phase strategy of which it has completed the Derisk and Regroup Phases and, with the French Retail Portfolio Acquisition, began its Growth Phase.

#### ***Derisk Phase***

The Group's Derisk Phase (2012-2013) created a more focused portfolio by disposing portions of the U.S. and UK Portfolio in January and February 2013, for total consideration of €1.2 billion, as well as disposing of certain non-core office and other properties in the Netherlands in 2013. The Group also strengthened its balance sheet and lowered its overhead costs during the Derisk Phase. In 2012, the Group sold properties including the Aviodrome (an aviation museum) in the Netherlands, the Orion office building in Belgium, the Pole Marine leisure centre in France, Plaza de la Lealtad office building in Spain and some of its U.S. and UK properties.

#### ***Regroup Phase***

The Regroup Phase included the disposal of the Group's Dutch non-core office and logistics portfolio, further winding down of the Group's U.S. and UK Portfolio in 2013 and was completed with the disposal of the portfolio in Spain in September 2014.

During the first half of 2014, the Group acquired two shopping centres in the Netherlands, the shopping centre Vier Meren in Hoofddorp for €147.5 million on 31 January 2014 and in Capelle aan den IJssel, Wereldhave became the single owner of De Koperwiek shopping centre for €60.1 million on 11 March 2014. The Group also acquired three retail units next to shopping centre Roselaar in Roosendaal, the Netherlands on 23 April 2014 for €9.8 million. Wereldhave Belgium acquired full ownership of the shopping centre Kortijk Ring Shopping Centre (11,000 m<sup>2</sup>), owned by Redevco, in mid-December 2014.

#### ***Growth Phase***

The French Retail Portfolio Acquisition marked the beginning of the Growth Phase, in which the Group acquired six shopping centres in France on 18 December 2014 for a total consideration €859 million from Uni-Commerces, Espace Expansion Immobilière, Unibail-Rodamco SE, Union Internationale Immobilière, Rodamco Europe N.V., Société Anonyme de Lyon Garibaldi and Rodamco France. The Group financed these acquisitions through a combination of available cash, drawing on committed facilities and, in the case of the French Retail Portfolio Acquisition, a rights issue.

As the Group has refocused its Portfolio during the Derisk and Regroups Phases, net rental income decreased in line with the decrease in assets. The repayment of debt from the proceeds of the disposals has significantly lowered the Group's finance costs. See "*—Finance Costs.*"

Investment property disposals affect the Group's earnings through gains or losses on the sale of property and rental income in the period following the sale, which are recorded in the income statement as results on disposals.

The table below sets out results of disposals for the first three months of 2015 and the years 2014, 2013 and 2012:

Portfolio segment	For the three months ended 31 March	For the years ended 31 December		
	2015 (unaudited)	2014	2013 (re-presented)	2012 (re-presented)
			€ thousands	
The Netherlands <sup>(1)</sup>	(5)	(137)	(3,583)	245
Belgium	–	6,256	–	(105)
France	(13)	(220)	–	668
Finland	–	–	–	(19)
Spain <sup>(2)</sup>	–	3,296	–	1,043
United Kingdom <sup>(3)</sup>	–	–	(9,234)	7,109
United States <sup>(4)</sup>	–	–	2,464	(1,045)
<b>Total</b>	<b>(18)</b>	<b>9,195</b>	<b>(10,353)</b>	<b>7,896</b>
<b>Continuing operations only</b>	<b>(18)</b>	<b>5,899</b>	<b>(3,583)</b>	<b>1,832</b>

(1) The Netherlands Portfolio includes Head office disposals of negative €889 thousand for the year ended 2013. There were no head office disposals in 2012.

(2) The Spanish Portfolio was disposed of on 24 September 2014 as is shown as a discontinued operation for 2014.

(3) The results of the UK Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2013 and 2012.

(4) The results of the U.S. Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2013 and 2012.

### **Market demand for retail and office space driven by consumer behaviour**

The Group owns and operates a portfolio of shopping centres, offices and generates a majority of its net rental income from its shopping centres (87.1% for the three months ended 31 March 2015). The properties in the Group's Portfolio are leased predominantly on a long-term basis (five to ten years) which provides the Group with relatively stable rental income; however, the Group's tenants are predominantly consumer retail businesses and the Group is therefore subject to the effects of economic developments in the real estate industry and in the consumer retail industry with respect to terms and conditions of its lease renewals and its new leases.

The Group's results are dependent on the rental rates, Occupancy Rates and Like-for-Like Rental Growth it achieves when renting its properties. Like-for-Like Rental Growth is impacted by automatic increases via indexation of rents under the terms of the Group's rental agreements with tenants, rent increases in excess of indexation, and success in achieving higher market rents when lease renewals occur. In addition, Occupancy Rates and rental rates impact revaluations of the Portfolio which are recorded as valuation results on the Group's income statement. The Group depends on its ability to adapt to a variety of changing factors that influence the property markets, primarily factors that impact the Group's shopping centres. The Group believes that its local management teams provide it direct and timely access to information concerning its local markets and enhance the Group's ability to respond to changes in the market quickly.

In addition, market forces affect the relevant indices against which rent increases are determined under the Group's tenant agreements. For example, in the Netherlands and Finland, the relevant indices can only increase, while in Belgium, the relevant index can decrease.

The market value of assets in the Group's Portfolio and the amount of net rental income generated from the Group's properties are dependent on a number of factors, including: the attractiveness of the Group's properties, Occupancy Rates, tenant mix, the markets in which they are located, supply and demand for real estate in the Group's respective locations, the size and quality of the Group's catchment areas, legal and tax conditions, general economic trends and economic trends in the individual markets in which the Group's properties are located. In addition, the results of

property disposals are affected by the availability of capital for real estate investment, prevailing interest rates for real estate financing and the perceived attractiveness of real estate investments as compared to other forms of investments.

The recent economic crisis has negatively affected the property market in Europe for both shopping centres and office properties. Lower disposable income due to rising unemployment has resulted in lower consumer spending in the Group's key markets as well as higher levels of non-payment by tenants, in particular in the Netherlands. Continued weakness in the French economy and an uncertain outlook, along with increases in unemployment levels, a reduction in government spending and possible tax increases, may continue to adversely affect consumer spending habits, which may impact occupancy, rents and thus property values in the French Portfolio. The Group has had to be more competitive with its rental pricing and some tenants have recently entered into bankruptcy or restructuring, including Halfords, Schoenenreus and V&D in the Netherlands. This required the Group to recruit new tenants. The Group's Occupancy Rates were at 92.5% in the three months ended 31 March 2015 and 2014, and 92.5%, 96.6% and 97.8% in the years ended 2014, 2013 and 2012, respectively, despite market forces reducing tenants' revenue and profits. Although the Group's shopping centre Occupancy Rates have recently experienced a decline to 92.5%, the Group believes this decline was the result of non-recurring events including (i) the Itis shopping centre in Finland, which was partially held as a development property, coming into operation in 2014 with an Occupancy Rate of 93.0%, (ii) the shopping centre in Genk, in Belgium coming into operation in 2014 with an Occupancy Rate of 77% and (iii) the acquisition of the French Retail Portfolio, which had an average Occupancy Rate of 91%. These difficult economic conditions, as well as, with the reduced availability of financing have prompted some retailers to scale back or postpone expansion plans, reducing demand for new lettable space and reducing growth in market rents and indexation levels. In addition, some retailers have ceased trading and the situation of retail tenants in general has made it difficult for shopping centre operators such as the Group to find appropriate tenants. The economic sanctions against Russia have had a negative impact on the Finnish economy. National sales and consumer spending remain weak and the near-term growth estimates for the Finnish economy have been downgraded. Private consumption is expected to contract in 2015. Demand for retail space is largely from national retailers, but new letting activity has been slow. Many international retailers have halted or postponed their plans for expansion in Finland due to the challenging state of the economy.

While the Group believes its properties benefit from good locations, the value of its properties has been impacted by the decreases in consumer spending and overall uncertainty in its key markets, as well as in Spain, the United States, and the United Kingdom where the Group had previously had assets. See "*—Portfolio valuation*". Furthermore, the revaluation losses incurred by the Group's properties due to the general economic conditions contributed to the Group's Derisk strategy and its decision to dispose of its U.S. and UK Portfolio in 2013 and its portfolio in Spain in 2014. See "*—Change in strategy*" and "*—Portfolio valuation*".

Overall, the Company believes the economic environment remains challenging with respect to consumer spending and the letting of office properties. While there have been some signs of economic recovery in certain of the Group's markets, other of the Group's markets, such as the Netherlands and France, continue to be affected by consumer confidence and associated spending. These market conditions have had and will continue to have an impact both on the Portfolio's operational results and on revaluations of properties in the Group's Portfolio.

### ***Occupancy Rates***

The Group's net rental income is based predominantly on contracts with tenants who rent space in the Group's shopping centres. Lease tenures reflect customary terms and representative markets and usually range from five to ten years. As of 31 December 2014, the weighted average remaining term on the Group's leases was approximately 3.7 years. See Section 6 "*Business—Leases and Tenants*".

The Occupancy Rates for the Group's Portfolio have recently been negatively impacted by (i) the Itis shopping centre in Helsinki, which was partially held as a development property, coming into operation in 2014 with an Occupancy Rate of 93.0%, (ii) the shopping centre in Genk, in Belgium coming into operation in 2014 with an Occupancy Rate of 77% and (iii) the acquisition of the French Retail Portfolio, which had an average Occupancy Rate of 91%. As a result of these factors, the Group's Occupancy Rates decreased from 98.0% as of 30 September 2014 to 92.5% as of 31 March 2015.

The Group's net rental income and Like-for-Like Rental Growth depend on its ability to maintain its Occupancy Rates through the prompt execution of leases with new tenants and the renewal of leases with existing tenants. Due to the strategy of concentrating its shopping centres in high-quality locations and operating high quality office space, the average Occupancy Rate of the Group's properties has been consistently high and overall Group Occupancy Rates have improved as the Group has disposed of underperforming assets and the UK, U.S. and Spanish Portfolio. The following table sets forth the Group's Occupancy Rates at the end of the period under review for continuing operations.

	For the three months ended		For the years ended 31 December		
	31 March				
	2015	2014	2014	2013	2012
			<i>(unaudited)</i>		
			(%)		
The Netherlands .....	97.7	98.0	98.0	97.0	96.1
Belgium .....	93.8	97.1	94.1	97.0	93.7
France .....	88.5	99.0	88.7	99.0	99.0
Finland .....	93.1	99.2	92.1	99.4	98.5
Spain <sup>(1)</sup> .....	-	-	-	-	77.7
<b>Total</b> .....	<b>92.5</b>	<b>98.1</b>	<b>92.5</b>	<b>97.8<sup>(1)</sup></b>	<b>94.8<sup>(1)</sup></b>

- (1) The Spanish Portfolio was disposed of in September 2014 and is not in the Group's combined Occupancy Rate for 2014 and 2013.

### Like-for-Like Rental Growth

Like-for-Like Rental Growth is also impacted by indexation of rents of existing tenants, Occupancy Rates and renewals. The relevant indices in each country are impacted by market forces and include consumer price increases. Occupancy Rates indicate the level of demand for a particular property and can affect the level of rent increases the Group is able to negotiate from new or renewing tenants when leases come up for reletting. The number of renewals coming up for reletting at a particular point in time can also impact Like-for-Like Rental Growth in a particular period. For example, leases in shopping centres tend to renew in clusters correlated with the original opening date of that shopping centre, or a particular part of a shopping centre. As rents are renegotiated at the time of renewal and the Group aims to achieve solid improvements in rental rates at the time of reletting and there can be significant increases in Like-for-Like Rental Growth around the time that a cluster of tenancy agreements are renewed. Following a cluster of renewals that drive Like-for-Like Rental Growth, the Group generally experiences returns to Like-for-Like Rental Growth rates to be more modest.

The table below sets out the Group's Like-for-Like Rental Growth of the continuing operations of the Group Portfolio during the periods presented, compared to the corresponding period in the previous year. The French Retail Portfolio and the other 2014 acquisitions in the Netherlands and Belgium are not shown in the table below as these have not yet been owned for 13 months and therefore not analysed on a like-for-like basis.

	For the three months ended 31 March		For the years ended 31 December		
	2015	2014	2014	2013	2012
			<i>(unaudited)</i>		
			(%)		
The Netherlands .....	1.2	1.0	1.0	1.0	3.7
Belgium .....	1.0	3.5	3.2	6.3	4.9
France .....	-	-	-	-	-
Finland .....	3.0	6.3	6.7	5.1	5.3
<b>Shopping centres total</b> .....	<b>1.8</b>	<b>3.4</b>	<b>3.6</b>	<b>3.6</b>	<b>4.5</b>
Belgium .....	1.9	5.9	6.5	6.2	3.8
Paris .....	1.0	1.5	0.9	4.5	2.3
Spain <sup>(1)</sup> .....	-	-	-	-	(7.5)
<b>Offices and other portfolio total</b> .....	<b>0.9</b>	<b>3.5</b>	<b>3.4</b>	<b>5.2</b>	<b>0.1</b>
<b>Total Portfolio</b> .....	<b>1.6</b>	<b>3.4</b>	<b>3.6</b>	<b>3.9</b>	<b>3.2</b>

- (1) The Spanish Portfolio was disposed of in September 2014 and is not in the Group's combined Like-for-Like Rental Growth figures for 2014 and 2013.

### Portfolio valuation

The Group's investment property is initially carried at fair value plus transaction cost and subsequently measured at fair value and is valued every six months (at 30 June and 31 December for the Dutch, Belgian, Finnish (except for the one-off appraisal at 31 May 2014 and the French Retail Portfolio which was valued on 15 October 2014) and French Portfolio by independent external property appraisers. The Itis property is generally valued as at 30 June with the Portfolio. As a result, the value of the Group's assets depends on developments in the local real estate market in each of

the Group's countries of operations, and is subject to change. Gains and losses from changes in fair value are recognized in the Group's income statement as valuation results and are also a component of the Group's Indirect Result. The difference between the valuation figure of the investment properties as per 31 March 2015 and the valuation figure of the investment properties as per 31 December 2014 can be fully attributed to the investments made in the period in between which have been added at cost. A movement schedule is included in the 2015 Interim Financial Statements, which are incorporated by reference.

The following table sets forth the value of the Group's Portfolio as of 31 December 2014 as derived in the Valuation Reports as per 31 December 2014, with an adjustment for the Dutch Portfolio a part of which that amounts €9.7 million has been presented as 'investment properties under construction'. Due to the fact that works had to be completed amounting to €2.4 million in Itis that were not taken into account in the valuation report as per 31 December 2014, the Company has taken these into account in the balance sheet and decreased the value of the property with the same amount. For the French Retail Portfolio, the Company arrives at a value of €831.7 million, using a 2.5% deduction for purchaser's cost. In the valuation report as per 31 December 2014, a purchaser cost percentage of 6.9% is used (arriving at €797.5 million), assuming a direct sale of the asset, where in practise the assets will be sold through a special purpose vehicle.

	<b>Net fair value Valuation Reports<sup>(1)</sup></b>	<b>Investment properties in operation (including lease incentives)</b>	
	(€ millions)	(€ millions)	(%)
	<i>(unaudited)</i>		
The Netherlands .....	706.4	696.7	21.5
Belgium.....	597.4	597.4	18.4
Finland .....	607.4	605.0	18.7
France.....	797.5	831.7	25.7
<b>Shopping Centres Total .....</b>	<b>2,708.6</b>	<b>2,730.8</b>	<b>84.3</b>
Belgium.....	127.0	126.9	3.9
Paris .....	380.6	380.6	11.8
<b>Offices and Other Total .....</b>	<b>507.5</b>	<b>507.5</b>	<b>15.7</b>
<b>Total Portfolio .....</b>	<b>3,216.1</b>	<b>3,238.3</b>	<b>100.0</b>

(1) The portfolio value is based on 15 October 2014 (French Retail Portfolio) and 31 December 2014.

In 2014, 99% of the Group's Portfolio has been measured at fair value. The following table sets forth the internal valuations of the Group's total investment properties under construction which are not appraised by an external appraiser as of 31 December 2014:

	<b>Value</b> (€ thousands)	<b>Fair value / at cost</b>
<b>Investment properties under construction conform internal appraisal at fair value</b>		
Property 1	4,525.4	Fair value
Property 2	552.0	Fair value
Property 3	2,000.0	Fair value
Property 4	3,890.2	Fair value
Property 5	2,400.0	Fair value
<b>Total at fair value</b>	<b>13,367.7</b>	
<b>Investment properties under construction at cost</b>		
Property 6	13,762.7	At cost
Property 7	6,961.6	At cost
<b>Total at cost</b>	<b>20,724.3</b>	
<b>Total</b>	<b>34,091.9</b>	

The Group does not have investment properties under construction with a negative value.

The recent economic downturn caused revaluation losses of the Group's Portfolio in 2012. In 2012, the Group recorded a valuation loss on its portfolio of continuing operation assets, financial assets and liabilities of €34.7 million. The Group experienced temporary recovery of those values in 2013. In 2014, the Group recorded a valuation loss of €40.8 million of which €36.6 million on its Dutch Portfolio. The €36.6 million negative revaluation of the Dutch Portfolio consists of €19.4 million negative revaluation of investment properties in operation of which €13.8 million relates to acquisition costs and for €17.2 million of negative revaluation of investment properties under construction, of which €12.0 million relates to non-yielding maintenance capital expenditure, and the remainder of which resulted from an increase in rental yields. Non-yielding capital expenditure relates to those capital expenditures that are required to maintain the Group's assets and are therefore capitalised and added to the value of the assets, but that do not result in an increase of the market valuations. For additional details "*—Comparison of results of operations for years ended 31 December 2014 and 2013—Valuation results*" and "*—Comparison of results of operations for years ended 31 December 2013 and 2012—Valuation results*".

The following table sets forth the valuation results for the Group's Portfolio:

	<b>For the three months ended 31 March</b>	<b>For the years ended 31 December</b>				
		<b>2015 <i>(unaudited)</i></b>	<b>2014</b>	<b>2013 <i>(re- presented)</i></b>	<b>2013</b>	<b>2012 <i>(re- presented)</i></b>
(€ thousands)						
The Netherlands <sup>(1,5)</sup> .....	6	(36,608)	(32,611)	(34,915)	(40,597)	(40,597)
Belgium .....	63	(299)	3,294	3,294	7,155	7,155
France .....	145	(4,081)	20,834	20,834	28,306	28,306
Finland .....	—	221	23,192	23,192	1,101	1,101
Spain <sup>(2)</sup> .....	—	(707)	(8,386)	(8,386)	(30,637)	(30,637)
United Kingdom <sup>(3)</sup> .....	—	—	2,531	2,531	(43,887)	(43,887)
United States <sup>(4)</sup> .....	—	—	—	—	(118,474)	(118,474)
<b>Total including discontinued operations.</b>	<b>214</b>	<b>(41,474)</b>	<b>8,854</b>	<b>6,550</b>	<b>(197,033)</b>	<b>(197,033)</b>
<b>Total (continuing operations only) .....</b>	<b>214</b>	<b>(40,767)</b>	<b>14,709</b>	<b>4,019</b>	<b>(34,672)</b>	<b>(78,559)</b>

(1) Includes head office results of negative €2,303 thousand, negative €3,785 thousand for the years ended 31 December 2013 and 2012, respectively.

(2) The results of the Spanish Portfolio are shown as the results of a discontinued operation in the 2014 Financial Statements.

(3) The results of the UK Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2013 and 2012 (re-presented).

(4) The results of the U.S. Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2013, and 2012 (re-presented).

(5) As from 2014 the valuation results financial instruments are presented under other financial income and expense. The comparative figures for 2013 are adjusted (negative €2,304 thousand).

### ***Development portfolio and redevelopment program***

The Group's development portfolio and redevelopment program comprise a number of projects including the "Les Bastions" centre in Belgium and the Dutch shopping centre redevelopment program. These projects, when complete, contribute to the Group's results by increasing the lettable area of Group's Portfolio and, in turn, increasing the Group's net rental income generated by the property. For example, the recently completed redevelopment of the shopping centre Itis in Finland contributed to refurbishment-related lettings, which drove very strong Like-for-Like Rental Growth in Finland in 2014, at 610 bps above indexation, as well as an increase in the value of Itis from €450.0 million at 31 December 2012 to €605.0 million at 31 December 2014. In addition, refresh and refurbishment projects are designed to improve the look and feel of a property and can allow the Group to achieve higher rents. The future costs of these projects in the Group's redevelopment program represent, when committed, a liability for the Group, which the Group



expects to fund by drawing on its Credit Facilities. Because the Group's redevelopment program projects do not generate income until they become operational, investments in the redevelopment program that the Group makes prior to the project's completion reduce cash flows. Therefore the Group carefully manages its redevelopment program commitments and continually reviews its redevelopment program in relation to the portfolio developments in the market and available funding. The Group has certain investment criteria which it considers in determining whether the Group should go ahead with particular projects in its redevelopment portfolio. The Group selects projects for the redevelopment portfolio on the basis of cost and expected NIY as well as a leveraged and unleveraged IRR. See Section 8 "*Operating and Financial Review—Development portfolio and redevelopment program*".

As of 31 March 2015, the Group has committed to capital expenditures of €76 million through 2016 primarily to complete the redevelopment of Tournai Retail Parc in Belgium and its Dutch redevelopment, refresh and refurbishment programs. These commitments will be funded from cash from operations and drawings on the Group's Credit Facilities. See "*Capital Expenditure*". The Group has identified expected capital expenditure of approximately €15 million related to the Target Portfolio over the medium term, which the Group considers to be discretionary. Of this amount, approximately half is expected to be spent in respect of the Presikhaaf property in Arnhem. See Section 4 "*The Acquisition—Description of Properties*".

All costs associated directly with the purchasing and construction of a property and all subsequent capital expenditure connected with the development or redevelopment of that property qualifies and acquisition costs are capitalized. Borrowing costs are likewise capitalized which are directly attributable to the acquisition, construction or development or redevelopment qualifying set in accordance with IFRS. Once capitalized, development projects are valued by an external appraiser and carried at fair value. Gains and losses arising from changes in the fair value of assets are recognized in the Group's income statement as revaluation results. For a description of the Group's valuation policy, see Section 8 "*Operating and Financial Review—Factors affecting results of operations*".

To the extent the Group acquires development properties or it redevelops its properties, the Group's expenses will increase without a parallel growth in rental income until the project reaches an operational phase which may take several years.

### ***Finance expenses***

The Group increased its outstanding interest bearing debt from €1,288.8 million as of 31 December 2012 to €1,372.5 million as of 31 March 2015 (net debt of €1,260.2 million) in part due to the financing of the French Retail Portfolio Acquisition. As a result of all of the above, the Group increased its average maturity of available credit lines and debt, reduced its average cost of debt and reduced the cost on undrawn commitments due to lower margin. As a result, the Group's net interest decreased from negative 18.6 million in 2012 to negative €15.7 million in 2014 and negative €7.3 million in the first three months of 31 March 2015.

### **Factors affecting comparability**

#### ***Disposal of the Portfolio in the U.S., the UK, Spain and other assets***

Due to the shift in the Group strategy particularly its Derisk phase, the profile of the Group and its assets has changed significantly during the period under review. Notably the Group has disposed of its UK, U.S. and Spanish Portfolio. The Group also disposed of its non-core assets in the Netherlands. Therefore, there are significant differences in the composition and structure of the Group in 2011 and as of the period under review as compared with the Group's current composition and financial position. Furthermore, the results of the Spanish Portfolio are shown as continued operations for the years ended 2014, 2013 and 2012.

The disposals of the U.S., UK and Spanish Portfolio and of non-core assets in the Netherlands have resulted in portions or all of these geographic segment portfolio being classified as discontinued operations at various points, which has, in turn, led to re-presentations of the Group's comparative financial information for 2011 in the 2012 Financial Statements, to show the U.S. Portfolio as discontinued operations. In respect of the UK Portfolio, the comparative financial information for 2012 was re-presented in the 2013 Financial Statements to show the UK Portfolio as discontinued operations. The UK and U.S. Portfolio were therefore considered discontinued operations for the purposes of the entirety of the 2013 Financial Statements. In addition, the 2014 Financial Statements show the Spanish Portfolio as a discontinued operation. For these reasons, the Group's results during the period under review may not be representative of the Group's results going forward.

#### ***Acquisitions of properties in the Netherlands France, Belgium and the UK***

During the period under review, the Group acquired the following properties in the Netherlands, France and Belgium.

Country	Property	Current Portfolio	Amount (€ thousands)
<b>2012</b>			
Belgium .....	Genk Shopping Center	Development	24,550.4
Belgium .....	Genk Stadsplein	Operational	49,468.0
Netherlands.....	Winkelcentrum De Roselaar	Operational	2,611.8
Netherlands.....	Winkelcentrum De Koperwiek	Operational	378.1
			<b>77,008.3</b>
<b>2013</b>			
Netherlands.....	Extension Winkelhof Leiderdorp	Development	5,610.0
Belgium .....	Waterloo Residentieel	Development	2.2
Belgium .....	Tournai Development	Development	4,735.0
Belgium .....	Waterloo Shopping	Operational	12.3
Netherlands.....	Winkelcentrum Etten-Leur	Operational	18.7
			<b>10,378.2</b>
<b>2014</b>			
Netherlands.....	Vier Meren	Operational	14,700.0
Netherlands	Koperwiek	Operational	61,000.0
Netherlands.....	Kronenburg	Operational	Not disclosed
Belgium .....	Kortrijk	Operational	113,200.0
France .....	Docks 76	Operational	177,000.0
France .....	Saint Sever	Operational	166,000.0
France .....	Rivétoile	Operational	169,700.0
France .....	Mériadeck	Operational	127,000.0
France .....	Côte Seine	Operational	80,100.0
France .....	Docks Vauban	Operational	67,400.0
Finland.....	Itis Freehold	n/a	13,400.0
			<b>989,500.0</b>
<b>Total</b>			<b>1,207,185.0<sup>(1)</sup></b>

<sup>(1)</sup> Does not take into account Kronenburg shopping centre.

Due to these acquisitions, the Group's results during the period under review may not be representative of the Group's results going forward. As a result of the French Retail Portfolio Acquisition, for example, the Group estimates its general costs will increase by approximately 15%, or €2 million per year, compared to general costs in 2014. As a result of the French Retail Portfolio Acquisition and incorporation of the assets of the French Retail Portfolio, the Group's results of operations, particularly with regard to France, will not be comparable with the results of operations discussed below. See “- Results of Operations”.

### ***The Acquisition***

Following the completion of the Offering and the closing of the Acquisition, the Group will acquire the assets and liabilities of the Target Portfolio. It is anticipated that the Target Portfolio's assets will be classified in line with the geographic breakdown currently used by the Group and the Group's properties in the Netherlands will grow in line with the acquisition of assets and the results of operations for the Netherlands will increase. Following the Acquisition and incorporation of the Target's assets, the Group's results of operations, particularly with regard to the Netherlands, will not be comparable with the results of operations discussed below. See “—Results of Operations”.

### **Description of key line items in the balance sheet**

#### ***Investment properties in operation***

The Group's investment properties in operation comprise properties that are held either to earn rental income, for capital appreciation or both.

#### ***Investment properties under construction***

The Group's investment properties under construction comprise properties that are being constructed or developed for future use as an investment property for operation.

#### ***Financial assets***

The Group's financial assets comprise items due after more than 12 months.

#### ***Trade and other receivables***

The Group's trade and other receivables comprises tenant receivables, prepayments, interest to be received, withholding tax, value added tax, dividend tax, escrow receivables with regards to property disposals and other receivables.

#### ***Cash and cash equivalents***

The Group's cash and cash equivalents comprises highly liquid instruments that are readily convertible to fixed amounts of cash and include cash balances and call deposits at amortised cost.

#### ***Long-term interest bearing liabilities***

The Group's long term interest bearing liabilities comprises debentures, the Notes, convertible bonds and bank loans, including the Group's Credit Facilities.

#### ***Deferred tax liabilities***

The Group's deferred tax liabilities comprise temporary differences between the book value of assets and liabilities and their fiscal book value for tax purposes.

#### ***Other short term liabilities***

The Group's other short term liabilities comprises deferred rents, property expenses, interest, capital commitments payable, value added tax and other short term liabilities.

### **Description of key line items in the income statement**

#### ***Gross rental income***

The Group's gross rental income comprises rental income from the Group's tenants. The Group recognizes gross rental income in line with its revenue recognition policies. See "*Critical accounting policies*" and in note 3.27 of the 2014 Financial Statements.

#### ***Service costs charged***

The Group's service costs charged primarily comprise energy, security, and cleaning services as well as property taxes. These costs are charged to tenants.

#### ***Total revenues***

The Group's total revenues comprise gross rental income and service costs charged.

#### ***Service costs paid***

The Group's service costs paid primarily comprise energy, security, and cleaning services as well as property taxes which are paid for by the Group and are, in part, charged to tenants as service costs charged. The extent to which service costs paid correspond to service costs charged is affected by Occupancy Rates.

### ***Property expenses***

The Group's property expenses comprise property maintenance, property taxes, insurance premiums, property management fees, leasing expenses and other operating costs.

### ***Net rental income***

The Group's net rental income is total revenues less service costs paid and property expenses.

### ***Valuation results***

The Group's valuation results are the changes in the valuations of the Portfolio.

### ***Results on disposals***

The Group's results on disposals are the difference between the realized selling prices, net of selling costs, and the carrying amount, based on the last known fair value (most commonly the last appraisals). See "*—Critical accounting policies—Results on disposals*".

### ***General costs***

The Group's general costs comprise salaries and social security contributions, pension costs, audit and advisory fees and office costs. Portions of these costs are reallocated to property expense/service costs, investments/investment property under construction, intangible assets in order to align the costs with the business segment that generates the costs, for example, property management fees and the costs of IT systems.

### ***Other income and expense***

Other income primarily comprises dividends received. Other expense primarily comprises impairments of intangible assets, such as impairments to the Group's IT systems.

### ***Interest charges***

The Group's interest charges comprise interest paid, capitalized interest, amortised costs loans, interest on convertible bonds and on other loans and receivables.

### ***Interest income***

The Group's interest income comprises interest income from bank deposits.

### ***Net interest***

The Group's net interest is the sum of interest charges and interest income.

### ***Other financial income and expense***

Other financial income and expense comprises exchange rate differences, the fair value changes of financial instruments and movements in pension liabilities.

### ***Taxes on result***

Taxes on result comprises corporate tax on the Group's results in countries that do not have a FII structure (Finland) or where the Group did not apply for such structure (Spain). Furthermore, it comprises results that are not exempt from tax in a FII regime. Because the Company has the fiscal status of an FII, it pays no corporation tax in the Netherlands (other than for development activities which take place in the Netherlands). Its investments in Belgium consist of a

69.41% interest in Wereldhave Belgium, a tax exempt investment company with variable capital listed on Euronext in Brussels. The Group's investments in France are subject to the SIIC (*Sociétés d'Investissements Immobilières Cotées*) regime.

### **Results from continuing operations**

The results from continuing operations in the 2013 Financial Statements discussed below include the results of all continuing operations, including the results generated from the Spanish Portfolio.

The results from continuing operations in the 2015 Interim Financial Statements including the corresponding three month period ended 31 March 2014 discussed below exclude the results from the Spanish Portfolio. The corresponding three month period ended 31 March 2014 included in the 2015 Interim Financial Statements also excludes the results from the UK and U.S. Portfolio, which are accounted for as discontinued operations in 2013.

### **Results from discontinued operations**

Portfolio's which are designated as continuing operations in any given period will be shown in a separate line item of the Group's consolidated income statement for that period, and as a consequence will not be reflected as revenue or cost items for that period.

The UK and U.S. Portfolio were designated as discontinued operations for the purposes of the 2013 Financial Statements and the 2012 Re-presentation. Only the U.S. Portfolio was a discontinued operation for the purposes of the 2012 Financial Statements. See notes 38 of the 2014 Financial Statements and the 2013 Financial Statements and note 27 of the 2012 Financial Statements, respectively.

The Spanish Portfolio was designated as a discontinued operation for the purposes of the 2014 Financial Statements. See notes 3 and 38 of the 2014 Financial Statements.

### **Non-IFRS measures**

#### **Direct Result**

The Direct Result comprises the sum of net rental income, general costs, other income and expenses (i.e. other than exchange rate differences), interest income and expenses (except for certain items within interest charges (i.e. other than the interest addition to the real value of the conversion rights of convertible bonds, premiums paid on repurchased interest bearing debt and actuarial gains and losses on employee benefit plans)) and tax charges on direct result.

#### **Indirect Result**

The Indirect Result comprises valuation results, exchange rate differences that are accounted for under other financial income and expense, the real value of the conversion rights on convertible bonds and the real value of derivative financial instruments, the movement in deferred tax liabilities and actuarial gains and losses on employee benefit plans.

### **Comparison of results of operations for the three month periods ended 31 March 2015 and 31 March 2014**

The following table sets forth the Group's consolidated results of operations for the three month periods ended 31 March 2015 and 31 March 2014:

#### **Consolidated income statement for the three month periods ended 31 March 2015 and 2014**

	<b>For the three months ended 31 March</b>	
	<b>2015</b>	<b>2014</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
	€ thousands	
Gross rental income .....	48,616	29,363
Service costs charged .....	10,678	4,843
<b>Total revenues</b> .....	<b>59,294</b>	<b>34,206</b>
Service costs paid .....	(12,217)	(5,206)
Property expenses .....	(4,118)	(2,164)
<b>Total expenses</b> .....	<b>(16,335)</b>	<b>(7,370)</b>

	<b>For the three months ended 31 March</b>	
	<b>2015</b> <i>(unaudited)</i>	<b>2014</b> <i>(unaudited)</i>
	€ thousands	
<b>Net rental income</b> .....	<b>42,959</b>	<b>26,836</b>
Valuation results.....	214	(170)
Results on disposals.....	(18)	(102)
General costs.....	(4,396)	(3,355)
Other income and expense.....	(365)	515
<b>Operational result</b> .....	<b>38,394</b>	<b>23,724</b>
Interest charges.....	(7,386)	(2,991)
Interest income.....	53	108
Net interest.....	(7,333)	(2,883)
Other financial income and expense.....	(19,918)	(2,105)
<b>Result before tax</b> .....	<b>11,143</b>	<b>18,736</b>
Taxes on result.....	(303)	(569)
<b>Result from continuing operations</b> .....	<b>10,840</b>	<b>18,167</b>
Result from discontinued operations.....	(995)	(215)
<b>Result</b> .....	<b>9,845</b>	<b>17,952</b>
<i>Profit attributable to</i>		
- Shareholders.....	7,008	15,415
- Non-controlling interest.....	2,837	2,537
<b>Result</b> .....	<b>9,845</b>	<b>17,952</b>

#### **Results from operations for the first three months of 2015 and 2014**

Set out below is a discussion of period-on-period movements of the key line items in the Group's consolidated income statement.

#### *Gross rental income*

The Group's gross rental income increased by €19.3 million, or 65.6%, from €29.4 million in the first three months of 2014 to €48.6 million the first three months of 2015 primarily due to increases in gross rental income in France following the French Retail Portfolio Acquisition, which accounted for €14.0 million of the increase, as well as the acquisition of the Kortrijk Ring Shopping Centre, the shopping centres De Vier Meren and Koperwiek, and an increase in gross rental income.

	<b>For the three months ended 31 March</b>	
	<b>2015</b> <i>(unaudited)</i>	<b>2014</b> <i>(unaudited)</i>
	(€ thousands)	
<b>Gross rental income</b> .....		
The Netherlands.....	12,046	10,525
Belgium.....	11,552	9,271
Finland.....	7,492	7,008
France.....	17,526	2,559
<b>Total</b> .....	<b>48,616</b>	<b>29,363</b>
Shopping centres.....	42,459	24,195
Office and other.....	6,157	5,168

### Occupancy Rate

The Group's Occupancy Rate was 92.5% as of 31 March 2015 as compared with 97.0% as of 31 March 2014. Occupancy in the Group's shopping centres decreased to 93.9% as of 31 March 2015 as compared with 98.1% as of 31 March 2014. This was primarily due to (i) the Itis shopping centre, which was partially held as a development property, coming into operation in 2014 with an Occupancy Rate of 93.1%, (ii) the shopping centre in Genk, in Belgium coming into operation in 2014 with an Occupancy Rate of 77% and (iii) the acquisition of the French Retail Portfolio, which had an average Occupancy Rate of 90.9%. As a result of these factors, the Group's Occupancy Rates decreased from 98.0% as of 30 September 2014 to 92.5% as of 31 March 2015.

Occupancy of the offices and other portfolio decreased to 85.7% as of 31 March 2015 compared with 96.4% as of 31 March 2014 mainly due to the termination of certain leases for space which have not yet been re-let. The table below sets out the Group's Occupancy Rates for the three month periods ended 31 March 2015 and 2014.

Occupancy Rate	As of 31 March	
	2015 <i>(unaudited)</i>	2014 <i>(unaudited)</i>
	(%)	
The Netherlands .....	97.7	98.0
Belgium .....	93.8	97.1
France .....	88.5	99.0
Finland.....	93.1	99.2
Spain.....	- <sup>(1)</sup>	-
<b>Total</b> .....	<b>92.5</b>	<b>98.1</b>
Shopping Centres.....	93.9	98.5
Offices and Other Portfolio .....	85.7	96.4

(1) The Spanish Portfolio was disposed of in September 2014.

### Like-for-Like Rental Growth

As of 31 March 2015, Like-for-Like Rental Growth of the Group's shopping centre portfolio was 130 bps above indexation. Overall Like-for-Like Rental Growth for continuing operations as of 31 March 2015 was 1.6%. Like-for-Like Rental Growth in Finland was 3.0% due to the inclusion of rentals from the Itis shopping centre (which came into operation in December 2014) in the calculation for the period. Like-for-Like Rental Growth in Belgium was 1.0% due to the shopping centre Genk coming into operation. In the Netherlands, Like-for-Like Rental Growth was 1.2% despite the bankruptcies of certain tenants, namely Miss Etam, Halfords and Schoenenreus.

The overall Like-for-Like Rental Growth as of 31 March 2015 of the offices and other portfolio is also positive. The French Retail Portfolio and the other 2014 acquisitions in the Netherlands and Belgium are not shown in the table below as these have not yet been owned for 13 months and therefore not analysed on a like-for-like basis.

	For the three months ended 31 March	
	2015	2014
	<i>(unaudited)</i>	
	%	
The Netherlands .....	1.2	1.0
Belgium .....	1.0	3.5
Finland.....	3.0	6.3
<b>Shopping centres total</b> .....	<b>1.8</b>	<b>3.4</b>
Belgium .....	1.9	5.9
Paris.....	0.1	1.5
<b>Offices and other portfolio total</b> .....	<b>0.9</b>	<b>3.5</b>
<b>Total Portfolio</b> .....	<b>1.6</b>	<b>3.4</b>

### *Service costs charged*

The Group's service costs charged to tenants increased by €5.9 million, or 120.5%, from €4.8 million in the first three months of 2014 to €10.7 million in the first three months of 2015 primarily due to the French Retail Portfolio Acquisition, due to the fact that in France the service costs charged to tenants and service costs paid are recorded separately rather than being netted off against gross rental income.

### *Total revenue*

The Group's total revenue increased by €25.1 million, or 73.3%, from €34.2 million in the three months of 2014 to €59.3 million in the first three months of 2015 due to the French Retail Portfolio Acquisition, the acquisition of the Kortrijk Ring Shopping Centre, the shopping centres De Vier Meren and Koperwiek, and Like-for-Like Rental Growth.

### *Service costs paid*

The Group's services costs paid by the Group increased by €7.0 million, or 134.7%, from €5.2 million in the first three months of 2014 to €12.2 million in the first three months of 2015 primarily due to the French Retail Portfolio Acquisition, due to the fact that in France the service costs charged to tenants and service costs paid are recorded separately rather than being netted off. The increase in service costs paid was also due to the acquisition of the Kortrijk Ring Shopping Centre, the shopping centres De Vier Meren and Koperwiek, and the transfer of development properties to the investment portfolio.

### *Property expenses*

The Group's property expenses increased by €2.0 million, or 90.3%, from €2.1 million in the first three months of 2014 to €4.1 million in the first three months of 2015 primarily due to the French Retail Portfolio Acquisition, the acquisition of the Kortrijk Ring Shopping Centre, the shopping centres De Vier Meren and Koperwiek, and the transfer of development properties to the investment portfolio.

### *Net rental income*

The Group's net rental income increased by €16.1 million, or 60.1%, from €26.8 million in the first three months of 2014 to €43.0 million in the first three months of 2015 due to the reasons described above. The table below sets forth the Group's net rental income on a geographical segment basis.

<b>Net rental income</b>	<b>For the three months ended 31 March</b>	
	<b>2015</b> <i>(unaudited)</i>	<b>2014</b> <i>(unaudited)</i>
	<i>€ thousands</i>	
The Netherlands .....	10,405	8,987
France .....	14,749	2,488
Belgium .....	10,803	8,750
Finland.....	7,002	6,611
<b>Total</b> .....	<b>42,959</b>	<b>26,836</b>

### *Valuation results*

The Group's valuation results were €214 thousand valuation gain in the first three months of 2015 as compared with €170 thousand valuation loss in the first three months of 2014. The fair value of the portfolio is determined twice a year (30 June and 31 December) by independent external valuers and at the end of the first and third quarters by the Company. The valuation gain as of 31 March 2015 was due to revaluations of lease incentives in Belgium (€63 thousand), France (€145 thousand) and the Netherlands (€6 thousand).

### *Results on disposals*

The Group's results on disposals were negative €18 thousand in the first three months of 2015 due to selling costs for disposals in the Netherlands (€5 thousand) and France (€13 thousand), as compared with negative €102 thousand in the first three months of 2014 due to selling costs for disposals in the Netherlands (€30 thousand) and France (€72 thousand).



### *General costs*

The Group's general costs increased by €1.0 million, or 31.0%, from €3.4 million in the first three months of 2014 to €4.4 million in the first three months of 2015 primarily due to expenses related to the French Retail Portfolio Acquisition and increasing headcount and other employee related expenses associated with the strengthening of the retail operation in Belgium, Finland, the Netherlands, and the head office as part of an investment in the quality of the retail platform.

### *Other income and expense*

The Group's other income and expense changed from €515 thousand in the first three months of 2014 to negative €365 thousand in the first three months of 2015.

### *Operational result*

The Group's operational result increased by €14.7 million, or 61.8%, from €23.7 million in the first three months of 2014 to €38.4 million in the first three months of 2015 due to the reasons described above.

### *Interest charges*

The Group's interest charges increased €4.4 million, or 146.9%, from €3.0 million in the first three months of 2014 to €7.4 million in the first three months of 2015, primarily due to the increase in borrowings from €1,250.9 million in the first three months of 2014 to €1,372.5 million in the first three months of 2015. This higher level of borrowing was primarily due to the French Retail Portfolio Acquisition, partly offset by a decrease in the average cost of debt.

### *Interest income*

The Group's interest income decreased by €55 thousand, or 50.9%, from €108 thousand in the first three months of 2014 to €53 thousand in the first three months of 2015.

### *Other financial income and expense*

The Group's other financial expense increased €17.8 million, from €2.1 million in the first three months of 2014 to €19.9 million in the first three months of 2015 mainly due to the re-valuation of derivative financial instruments.

### *Result before tax*

The Group's result before tax decreased by €7.6 million, or 40.5%, from €18.7 million in the first three months of 2014 to €11.1 million in the first three months of 2015 due to a 61.8% increase in operational result and the 146.3% increase in higher interest charges and negative other financial expense.

### *Taxes on result*

The Group's taxes on result decreased by €266 thousand, or 46.7%, from €569 thousand in the first three months of 2014 as compared to €303 thousand in the first three months of 2015.

### *Result from continuing operations*

The Group's result from continuing operations decreased €7.4 million, or 40.3%, from €18.2 million in the first three months of 2014 to €10.8 million in the first three months of 2015 due to the reasons described above.

### *Result from discontinued operations*

The Group's result from discontinued operations was a loss of €1.0 million in the first three months of 2015 due to interest charges in the United Kingdom, as compared with a loss of €215 thousand in the first three months of 2014 due to interest charges in the United Kingdom partially offset by the release of tax payable in the United Kingdom.

### *Direct Result*

The Group's Direct Result increased €9.0 million, or 41.7%, from €21.6 million in the first three months of 2014 to €30.6 million in the first three months of 2015 due to an increase in operational result of €14.7 million, partially offset by an increase in interest charges of €4.4 million.

### *Indirect Result*

The Group's Indirect Result was negative €20.7 million in the first three months of 2015 as compared with negative €3.6 million in the first three months of 2014. The Indirect Result in the first three months of 2015 was primarily due to negative valuations of derivative financial instruments.

## Comparison of results of operations for the years ended 31 December 2014, 2013 and 2012

The following table sets forth the Group's consolidated results of operations for 31 December 2014, 2013 and 2012:

### Consolidated income statement for the years ended 31 December 2014, 2013 and 2012

	2014	2013 <sup>(1) (2)</sup> (re-presented)	2013	2012 <sup>(1) (2)</sup> (re-presented)	2012 <sup>(2)</sup>
	(€ thousands)				
Gross rental income.....	126,794	109,419	116,179	118,359	147,574
Service costs charged.....	21,125	20,887	22,721	24,820	30,031
<b>Total revenues</b> .....	<b>147,919</b>	<b>130,306</b>	<b>138,900</b>	<b>143,179</b>	<b>177,605</b>
Service costs paid.....	(22,618)	(22,596)	(25,454)	(27,450)	(33,494)
Property expenses.....	(10,525)	(7,826)	(8,586)	(8,014)	(13,300)
<b>Total expenses</b> .....	<b>(33,143)</b>	<b>(30,422)</b>	<b>(34,040)</b>	<b>(35,464)</b>	<b>(46,794)</b>
<b>Net rental income</b> .....	<b>114,776</b>	<b>99,884</b>	<b>104,860</b>	<b>107,715</b>	<b>130,811</b>
Valuation results.....	(40,767)	14,709	4,019	(34,672)	(78,559)
Results on disposals.....	5,899	(3,583)	(3,583)	1,832	8,941
General costs.....	(13,537)	(13,084)	(13,798)	(18,740)	(21,004)
Other income and expense.....	(3,642)	1,391	1,391	(1,975)	(1,981)
<b>Operational result</b> .....	<b>62,729</b>	<b>99,317</b>	<b>92,889</b>	<b>54,160</b>	<b>38,208</b>
Interest charges.....	(16,263)	(17,234)	(20,293)	(18,936)	(30,305)
Interest income.....	515	290	290	313	362
Net interest.....	(15,748)	(16,944)	(20,003)	(18,623)	(29,943)
Other financial income and expense.....	(13,226)	(10,280)	(7,979)	1,197	1,197
<b>Result before tax</b> .....	<b>33,755</b>	<b>72,093</b>	<b>64,907</b>	<b>36,734</b>	<b>9,462</b>
Taxes on result.....	(2,074)	8,167	8,167	27,858	25,544
<b>Result from continuing operations</b> .....	<b>31,681</b>	<b>80,260</b>	<b>73,074</b>	<b>64,592</b>	<b>35,006</b>
	(4,783)	(30,249)	(23,063)		
Result from discontinued operations.....				(151,686)	(122,100)
<b>Result</b> .....	<b>26,898</b>	<b>50,011</b>	<b>50,011</b>	<b>(87,094)</b>	<b>(87,094)</b>
<i>Profit attributable to</i>					
- Shareholders.....	15,020	39,371	39,371	(98,439)	(98,439)
- Non-controlling interest.....	11,878	10,640	10,640	11,345	11,345
<b>Result</b> .....	<b>26,898</b>	<b>50,011</b>	<b>50,011</b>	<b>(87,094)</b>	<b>(87,094)</b>

- (1) The results of the UK Portfolio, which was disposed of in February 2013, were classified as discontinued operations for 2013 and 2012, and are consequently not shown in the results of continued operations for those periods.
- (2) The results of the U.S. Portfolio, which was disposed of in January 2013, are shown as the results of a discontinued operation for 31 December 2013 and 2012, and are consequently not shown in results of continued operations for those periods.

Set out below is a discussion of period-on-period movements of the key line items in the Group's consolidated statement of comprehensive income up to result.

### *Year ended 31 December 2014 as compared with year ended 31 December 2013 financial information as re-presented in the 2014 Financial Statements*

In order to present results on a consistent basis between periods, the financial information as of and for the year ended 31 December 2013 captioned "re-presented" reflects the revised presentation made by the Group in its audited 2014 Financial Statements resulting from the classification of the Group's Spanish Portfolio as discontinued operations.

In this operating and financial review, the Group discusses and analyses its financial condition and results of operation as of and for the year ended 31 December 2013 as re-presented in order to reflect a consistent presentation of the discontinued operations in subsequent periods.

Set out below is a discussion of period-on-period movements of the key line items in the Group's consolidated income statement.

### Gross rental income

The Group's gross rental income increased by €17.4 million, or 15.9%, from €109.4 million in 2013 to €126.8 million in 2014 primarily due to increases in gross rental income in the Netherlands following the acquisition of two shopping centres, De Vier Meren in Hoofddorp in January 2014 and De Koperwiek in Capelle aan den IJssel during the first quarter of 2014, as well as the remaining parts of the Roselaar and Kronenberg shopping centres not already owned. The Group's gross rental income also increased in Finland following the completion of parts of the Itis shopping centre refurbishment, which then began contributing to rental income in 2014.

The increase in gross rental income was also partly due to slight increases in Occupancy Rates in the Netherlands, including 100% occupancy in Kronenburg. Offsetting this increase in Occupancy Rates in the Netherlands were the fact that the Itis shopping centre, which was partially held as a development property, came into operation in 2014 with an Occupancy Rate of 93.1%, the shopping centre in Genk, in Belgium came into operation in 2014 with an Occupancy Rate of 77%. The Group's acquisition of the French Retail Portfolio, which had an average Occupancy Rate of 90.9%, also contributed to an overall decline in the Group's total Occupancy Rate, resulting in a partial offset to the Group's overall growth in gross rental income.

The overall increase in gross rental income was also partly offset in part by decreases in rental income due to the disposals of non-core assets in the Netherlands in 2014, slightly below target Like-for-Like Rental Growth in the Netherlands as well as the disposal of the Group's Spanish Portfolio in 2014.

	For the year ended 31 December	
	2014	2013 (re-presented)
<b>Gross rental income</b>		
	(€ thousands)	
The Netherlands .....	46,631	37,678
Belgium .....	38,892	36,214
Finland.....	29,428	25,347
France .....	11,843	10,180
<b>Total</b> .....	<b>126,794</b>	<b>109,419</b>
Shopping centres .....	106,272	87,388
Office and other.....	20,522	22,030

### Occupancy Rate

The Group's Occupancy Rate was 92.5% as of 31 December 2014 as compared with 96.6% as of 31 December 2013, for the reasons stated above. This was also due to (i) the Itis shopping centre in Finland, which was partially held as a development property, coming into operation in 2014 with an Occupancy Rate of 93.0%, (ii) the shopping centre in Genk, in Belgium coming into operation in 2014 with an Occupancy Rate of 77% and (iii) the acquisition of the French Retail Portfolio, which had an average Occupancy Rate of 91%. As a result of these factors, the Group's Occupancy Rates decreased from 98.0% as of 31 December 2013 to 92.5% as of 31 December 2014. The disposal of the Spanish Portfolio was partly offsetting this decrease, which had an in the Group's Occupancy Rate of 81.0% as of 31 December 2013.

The Occupancy Rate of the offices and other portfolio decreased to 85.9% as of 31 December 2014 compared with 91.7% as of 31 December 2013 mainly due to the "Noda" office being 65% let. The table below sets out the Group's Occupancy Rates for the years ended 31 December 2014 and 2013.

Occupancy Rate	As of 31 December	
	2014 (unaudited)	2013 (unaudited)
	(%)	
The Netherlands .....	98.0	97.0
Belgium .....	94.1	97.0
France .....	88.7	99.0
Finland.....	92.1	99.4
Spain <sup>(1)</sup> .....	-	-
<b>Total</b> .....	<b>92.5</b>	<b>97.8</b>
Shopping Centres.....	93.9	98.4
Offices and Other Portfolio .....	85.9	91.8

(1) The Spanish Portfolio was disposed of in September 2014.

### Like-for-Like Rental Growth

Overall Like-for-Like Rental Growth for continuing operations in 2014 was 3.6%, which reflects 270 bps above indexation. As a result, the Group exceeded its target for 2014 of 200 bps above indexation. Like-for-Like Rental Growth was 6.7% above indexation in Finland due to the refurbishment of the shopping centre Itis Like-for-Like Rental Growth in the Belgian retail portfolio was 3.2% above indexation in due to new lettings. The Belgian office portfolio also recorded a positive Like-for-Like Rental Growth, due to improved letting results. Positive Like-for-Like Rental Growth in most of the Portfolio was offset partially by Like-for-Like Rental Growth that was 0.7% below indexation in the Netherlands due to the bankruptcies or restructurings of several significant tenants.

The table below sets out the Group's Like-for-Like Rental Growth of the Group's Portfolio during the period under review.

Like-for-Like Rental Growth	For the year ended 31 December	
	2014	2013
	<i>(unaudited)</i>	
	%	
The Netherlands .....	1.0	1.0
Belgium .....	3.2	6.3
Finland.....	6.7	5.1
<b>Shopping centres total .....</b>	<b>3.6</b>	<b>3.6</b>
Belgium .....	6.5	6.2
France .....	0.9	4.5
Spain.....	-	-
<b>Offices and other portfolio total .....</b>	<b>3.4</b>	<b>5.2</b>
<b>Total Portfolio.....</b>	<b>3.6</b>	<b>3.9</b>

### Service costs charged

The Group's service costs charged to tenants increased slightly by €238 thousand, or 1.1%, from €20.9 million in 2013 to €21.1 million in 2014 primarily due to the acquisitions in the Netherlands and an increase in tenants, as well as services charged in Finland following the Itis refurbishment and the subsequent increase in lettable space, partly offset by disposals in the Netherlands.

### Total revenue

The Group's total revenue increased by €17.6 million, or 13.5%, from €130.3 million 2013 to €147.9 million in 2014, primarily due to the reasons described above.

### Service costs paid

The Group's services costs paid by the Group were relatively stable, at €22.6 million in 2013 as compared to €22.6 million in 2014. The Group experience a slight increase in service costs, due primarily due to the acquisitions in the Netherlands and an increase in tenants, as well as services charged in Finland following the Itis refurbishment and the subsequent increase in lettable space, largely partly offset by lower service costs as a result of disposals in the Netherlands.

### Property expenses

The Group's property expenses increased by €2.7 million, or 34.5%, from €7.8 million in 2013 to €10.5 million in 2014 primarily due to the acquisition of two shopping centres, De Vier Meren in Hoofddorp and De Koperwiek in Capelle aan den IJssel, during the first quarter of 2014. The increases were offset in part by decreases in property expenses due to the disposals of non-core assets in the Netherlands in 2013.

### Net rental income

The Group's net rental income increased by €14.9 million, or 14.9%, from €99.9 million in 2013 to €114.8 million in the 2014 due the reasons described above.

The table below sets forth the Group's net rental income on a geographical segment basis.

	For the year ended 31 December	
	2014	2013 (re-presented)
<b>Net rental income</b>		
	€ thousands	
The Netherlands .....	39,176	32,073
Belgium .....	36,470	34,088
Finland.....	27,871	23,854
France.....	11,259	9,869
<b>Total.....</b>	<b>114,776</b>	<b>99,884</b>

#### Valuation results

The Group recorded a €40.8 million valuation loss in 2014 as compared with a €14.7 million valuation gain in 2013. The valuation result of negative €40.8 million can be largely attributed to the write-off of transactions costs in connection with the acquisitions in the Netherlands and France. Of the €40.8 million valuation loss, €36.6 million relates to the Dutch Portfolio. The €36.6 million negative revaluation of the Dutch Portfolio consists of €19.4million negative revaluation of investment properties in operation of which €13.8 million relates to acquisition costs and for €17.2 million of negative revaluation of investment properties under construction, of which €12.0 million relates to non-yielding maintenance capital expenditure, and the remainder of which resulted from an increase in rental yields. The valuation results in the other countries were largely stable in 2014. In 2013, by comparison, the Group experienced a revaluation gain of €14.7 million, primarily due to a revaluation gain of its investment properties under construction of €19.7 million. This gain was partly offset by a €7.5 million valuation loss associated with adjustments to the size of the refurbishment and expansion plans for the Dutch Portfolio.

Valuation results	For the year ended 31 December	
	2014	2013 (re-presented)
	€ thousands	
The Netherlands <sup>(1) (5)</sup> .....	(36,608)	(32,611)
Belgium .....	(299)	3,294
France.....	(4,081)	20,834
Finland.....	221	23,192
Spain <sup>(2)</sup> .....	(707)	(8,386)
United Kingdom <sup>(3)</sup> .....	-	2,531
United States <sup>(4)</sup> .....	-	-
<b>Total including discontinued operations.....</b>	<b>(41,474)</b>	<b>8,854</b>
<b>Total (continuing operations only) .....</b>	<b>(40,767)</b>	<b>14,709</b>

- (1) Includes head office results of €0 and negative €1.0 thousand, for the years ended 31 December 2014 and 2013 (re-presented) respectively.
- (2) The results of the Spanish Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2014 and 31 December 2013 (re-presented).
- (3) The results of the UK Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2013.
- (4) The results of the U.S. Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2013.
- (5) As from 2014 the valuation results financial instruments are presented under other financial income and expense. The comparative figures for 2013 are adjusted (negative €2,304 thousand).

#### Results on disposals

The Group recorded a gain on disposals of €5.9 million in 2014 primarily due to the liquidation distribution received on the Kortrijk Ring Shopping Centre certificates €6.3 million. The Spanish portfolio disposal has been accounted for under discontinued operations, as compared with a loss of €3.6 million in 2013 due to the Dutch non-core disposal.

#### General costs

The Group's general costs increased by €0.5 million, or 3.5%, from €13.1 million in the 2013 to €13.5 million in 2014 primarily due to increased headcount and other employee related expenses associated with the build-out of the retail

operation in Belgium, Finland, the Netherlands, and the head office as part of an investment in the quality of the retail platform.

#### *Other income and expense*

The Group's other expense was €3.6 million in 2014 as compared with other expense of €1.4 million in 2013.

The Group received other income in the form of dividends of €1.1 million and €1.2 million in 2014 and 2013, respectively. In 2014, the Group also had other expenses of €4.8 million mainly consisting of costs relating to acquisitions.

#### *Operational result*

The Group's operational result decreased by €36.6 million, or 36.8%, from €99.3 million in 2013 to €62.7 million in 2014 due to the reasons described above, including the €40.8 million loss in the value of the Group's portfolio in 2014 as compared with the gain in the value of the Group's portfolio of €14.7 million in 2013. The decrease in operational result was slightly offset by the increase in net rental income of €14.9 million in 2014.

#### *Interest charges*

The Group's interest charges decreased by €0.9 million, or 5.6%, from €17.2 million in 2013 to €16.3 million in 2014 primarily due to the repayment of higher interest rate debt under the Credit Facilities and the buyback of certain of the 2010 Convertible Bonds and issuance of new 2014 Convertible Bonds at a lower interest rate of 1.0%, which was partly offset by an increase in total interest bearing debt on the Group's balance sheet as at 31 December 2014 in connection with the French Retail Portfolio Acquisition.

On 17 December 2014, the Group drew €200 million. This had limited impact on interest charges for the whole year 2014.

#### *Interest income*

The Group's interest income increased by €0.2 million, or 77.6%, from €0.3 million in 2013 to €0.5 million in 2014.

#### *Other financial income and expense*

The Group recorded other financial expense of €13.2 million in 2014 as compared with other financial expense of €10.3 million in 2013. The Group's other financial expense in 2014 was primarily due to the negative €8.0 million fair value adjustments of derivatives, partly offset by lower repurchase cost of convertible bonds at a premium.

The Group's other financial expense of €10.3 million in 2013 was primarily attributable to the repurchase of convertible bonds.

#### *Result before tax*

The Group's result before tax decreased by €38.3 million, or 53.2%, from €72.1 million in 2013 to €33.8 million in 2014 due to factors described above.

#### *Taxes on result*

The Group's taxes on result were negative €2.1 million in 2014 as compared with positive €8.2 million in 2013. The positive tax position in 2013 is mainly caused by the decrease in tax rate in Finland from 24.5% to 20.0% in 2013.

#### *Result from continuing operations*

The Group's result from continuing operations decreased €48.6 million, or 60.5%, from €80.3 million in 2013 to €31.7 million in 2014 due to the reasons described above.

### *Result from discontinued operations*

The Group's result from discontinued operations was a loss of €4.8 million in 2014 due to interest expenses on financial debt and recycling of the currency translation reserve that were partially offset by the disposal gain of the Spanish Portfolio (€3.3 million), as compared with a loss of €30.2 million in 2013 due to the disposals of the U.S. and UK Portfolio.

### *Direct Result*

The Group's Direct Result increased €4.4 million, or 5.5%, from €81.3 million in 2013 to €85.7 million in 2014 due to the completion of parts of the Itis refurbishment and the acquisition of two shopping centres in the Netherlands, partially offset by the disposal of non-core assets.

### *Indirect Result*

The Group's Indirect Result was negative €58.8 million in 2014 of which €41.0 million related to the write off of transaction costs in the Netherlands and France. The remainder can be largely attributed to fair value movements on derivatives due to lower market interest rates.

### *Year ended 31 December 2013 as compared with year ended 31 December 2012 financial information as re-presented in the 2013 Financial Statements*

In order to present results on a consistent basis between periods, the financial information as of and for the year ended 31 December 2012 captioned "re-presented" reflects the revised presentation made by the Group in its audited 2013 Financial Statements resulting from the classification of the Group's UK Portfolio as discontinued operations.

In this operating and financial review, the Group discusses and analyses its financial condition and results of operation as of and for the year ended 31 December 2012 as re-presented in order to reflect a consistent presentation of the discontinued operations in subsequent periods.

### *Gross rental income*

The Group's gross rental income decreased by €2.2 million, or 1.8%, from €118.4 million in 2012 to €116.2 million in 2013.

The decrease was primarily due to a 7.4% decrease in gross rental income generated by the Dutch Portfolio following the disposal of four non-core properties in the Netherlands in 2013. The decrease in gross rental income generated in the Netherlands was partially offset by a 8.4% increase in gross rental income in the Belgian Portfolio, which experienced strong Like-for-Like Rental Growth of 6.3% due to a significant number of rent renewals in the Belle-Ile shopping centre in Liège coming due as well as the full year impact of the Genk acquisition.

	<b>2013<sup>(1)</sup></b>	<b>2012</b> <i>(re-presented)</i>
	€ thousands	
<b>Gross rental income</b>		
The Netherlands .....	37,678	40,701
Belgium .....	36,214	33,406
Finland.....	25,347	24,709
France.....	10,180	10,939
Spain.....	6,760	8,604
<b>Total.....</b>	<b>116,179</b>	<b>118,359</b>
Shopping centres .....	87,290	86,722
Offices and other properties.....	28,889	31,637

- (1) The results of the United Kingdom Portfolio are classified as the results of discontinued operation as for 2013 and 2012 (re-presented) and are not presented in the table above.

### *Occupancy Rate*

The Group's Occupancy Rate was 96.6% as of 31 December 2013 as compared with an Occupancy Rate of 94.8% as of 31 December 2012. In the Netherlands, occupancy increased due to the disposal of the non-core portfolio in 2013 and good letting results in the rest of the Dutch Portfolio. In Belgium, occupancy increased due to good letting results in the



shopping centres and to the new office rentals in Antwerp and Vilvoorde. In Finland, occupancy increased as the refurbishment of the shopping centre Itis proceeded according to plan and in France, occupancy of the two office buildings in France remained stable. In Spain, occupancy increased due to the Planetocio Leisure centre.

<b>Occupancy Rates</b>	<b>For the years ended</b>	
	<b>31 December</b>	
	<b>2013</b>	<b>2012</b>
	<i>(unaudited)</i>	
	(%)	
The Netherlands .....	97.0	96.1
Belgium .....	97.0	93.7
France .....	99.0	99.0
Finland.....	99.4	98.5
Spain.....	81.0	77.7
<b>Total.....</b>	<b>96.6</b>	<b>94.8</b>
Shopping Centres.....	98.4	98.0
Offices and other properties.....	91.7	87.0

(1) Includes occupancy of the Group's Portfolio in the United Kingdom, which was 99.1%.

#### *Like-for-Like Rental Growth*

Overall Like-for-Like Rental Growth for continuing operations in 2013 was 2.7% with Like-for-Like Rental Growth in the Group's core rental portfolio that was 160 bps above indexation. Like-for-Like Rental Growth in Belgium was 6.3% due to rent renewals and new lettings in offices in Berchem and Vilvoorde and a significant renewal of tenant leases comprising long-term tenant leases which all came due for renewal at nearly the same time. Like-for-Like Rental Growth was 5.1% above indexation in Finland due to the refurbishment of the shopping centre Itis. In France, Like-for-Like Rental Growth was 4.5% above indexation in France due to new lettings. Positive Like-for-Like Rental Growth in most of the Portfolio was offset partially by Like-for-Like Rental Growth that was 1.4% below indexation in the Netherlands due to the bankruptcies of several tenants.

The table below sets out the Group's Like-for-Like Rental Growth of the Group's Portfolio during the period under review.

<b>Like-for-Like Rental Growth</b>	<b>For the years ended</b>	
	<b>31 December</b>	
	<b>2013</b>	<b>2012</b>
	<i>(unaudited)</i>	
	%	
The Netherlands .....	1.0	3.7
Belgium .....	6.3	4.9
Finland.....	5.1	5.3
<b>Shopping centres total.....</b>	<b>3.6</b>	<b>4.5</b>
Belgium .....	6.2	3.8
Paris.....	4.5	2.3
The Netherlands .....	-	0.0
Spain.....	(15.3)	(7.5)
<b>Offices and other total.....</b>	<b>0.0</b>	<b>0.1</b>
<b>Total Portfolio.....</b>	<b>2.7</b>	<b>3.2</b>

#### *Service costs charged*

The Group's service costs charged to tenants decreased by €2.1 million, or 8.5%, from €24.8 million in 2012 to €22.7 million in 2013 primarily due to a €0.9 million decrease in service costs charged to tenants in the French Portfolio due to the sale of the Pole Marine leisure centre in 2012, a €0.4 million decrease in the Spanish Portfolio due to the sale of the Plaza de la Lealtad in 2012, and a €0.6 million decrease in service costs generated by the Finnish Portfolio due to disruptions associated with the refurbishment of the Itis shopping centre.

#### *Total revenue*

The Group's total revenue decreased by €4.3 million, or 3.0%, from €143.2 million in 2012 to €138.9 million in 2013 due to the reasons described above.

### Service costs paid

The Group's service costs paid by the Group decreased by €2.0 million, or 7.3%, from €27.5 million in 2012 to €25.5 million in 2013. The decrease was primarily due to a €1.0 million decrease in service costs paid in the French Portfolio, due to the disposal of the Pole Marine leisure centre in 2012, as well as a €0.5 million decrease in service costs paid in the Finnish Portfolio due to the Itis refurbishment and a €0.4 million decrease in service costs paid in the Spanish Portfolio, due to the sale of the Plaza de la Lealtad in 2012.

### Property expenses

The Group's property expenses increased by €0.6 million, or 7.1%, from €8.0 million in 2012 to €8.6 million in 2013 primarily due to a €0.6 million increase in property management expenses in Belgium.

### Net rental income

The Group's net rental income decreased by €2.9 million, or 2.7%, from €107.7 million in 2012 to €104.9 million in 2013 due to the decrease in total revenues which was only partially offset by a decrease in total expenses as described above.

The table below sets forth the Group's net rental income on a geographical segment basis.

	2013	2012 <i>(re-presented)</i>
<b>Net rental income</b>	€ thousands	
The Netherlands .....	32,073	35,002
Belgium .....	34,088	31,752
Finland.....	23,854	23,565
France.....	9,869	10,501
Spain.....	4,976	6,896
<b>Total.....</b>	<b>104,860</b>	<b>107,715</b>

### Valuation results

The Group recorded a €4.0 million valuation gain in 2013 as compared with a €34.7 million valuation loss in 2012. The valuation gain in 2013 was primarily due to the Group's €12.2 million revaluation gain of its investment properties under construction, partly offset by a valuation loss for investment properties in operation of €5.9 million and a €2.3 million valuation loss for financial instruments.

	<b>For the year ended 31 December</b>	
	2013	2012 <i>(re-presented)</i>
	€ thousands	
The Netherlands <sup>(1)</sup> .....	(34,915)	(40,597)
Belgium.....	3,294	7,155
France.....	20,834	28,306
Finland.....	23,192	1,101
Spain.....	(8,386)	(30,637)
United Kingdom <sup>(2)</sup> .....	2,531	(43,887)
United States <sup>(3)</sup> .....	-	(118,474)
<b>Total including discontinued operations.....</b>	<b>6,550</b>	<b>(197,033)</b>
<b>Total (continuing operations only) .....</b>	<b>4,019</b>	<b>(34,672)</b>

(1) Includes head office results of negative €2,303 thousand, negative €3,785 thousand for the years ended 31 December 2013 and 2012 (re-presented) respectively.

(2) The results of the UK Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2013 and 2012 (re-presented).

(3) The results of the U.S. Portfolio are shown as the results of a discontinued operation for the years ended 31 December 2013

and 2012 (re-presented).

The Group's revaluation gain of its investment properties under construction of €12.2 million in 2013 was primarily due to a €19.7 million valuation gain in France, in part due to the "Noda" being 65% let. This gain was partly offset by a €7.5 million valuation loss associated with adjustments to the size of the refurbishment and expansion plans for the Dutch Portfolio.

The Group's valuation loss of its investment properties in operation of €5.9 million in 2013 was primarily due to negative revaluation on its Dutch and Spanish Portfolios of €25.1 million and €8.4 million, respectively. These losses were partly offset by revaluation gains in the Finnish, Belgium and French Portfolios of €23.2 million, €3.3 million and €1.1 million, respectively.

In 2012, by comparison, the Group experienced a loss of €34.7 million on the value of its continuing operations primarily due to losses in Spain and the Netherlands.

#### *Results on disposals*

The Group recorded a €3.6 million loss from disposals in 2013 as compared with a €1.8 million gain from disposals in 2012. In 2013, the Dutch non-core office portfolio was sold.

In 2012, the Group's results on disposals primarily comprised the disposal of the Plaza de la Lealtad in Spain (a gain of €1.0 million) and Pole Marine in France (a gain of €0.7 million).

#### *General costs*

The Group's general costs decreased by €4.9 million, or 26.4%, from €18.7 million in 2012 to €13.8 million in 2013 primarily due to the implementation of cost cutting measures, including a decrease in office expenditures, a decrease in headcount of 12 staff positions and a non-recurrence of a €1.9 million restructuring charge that was recognized in 2012, as well as a reduction in advisory fees and personnel costs associated with the change in Chief Executive Officer.

#### *Other income and expense*

The Group's other income was €1.4 million in 2013 as compared with other expense of €2.0 million in 2012.

The Group received other income in the form of dividends of €1.2 million and €1.2 million in 2013 and 2012, respectively. In 2012, the Group also had other expenses of €3.0 million for the impairment of intangible assets associated with the ERP system that was retired.

#### *Operational result*

The Group's operational result increased by €38.7 million, or 71.5%, from €54.2 million in 2012 to €92.9 million in 2013 due to the reasons described above, including the €4.0 million gain in the value of the Group's portfolio in 2013 as compared with the loss in the value of the Group's portfolio of €34.7 million in 2012 and a decrease in general costs of €4.9 million. The increase in operational result was partially offset by the decrease in net rental income of €2.9 million in 2013.

#### *Interest charges*

The Group's interest charges increased by €1.4 million, or 7.2%, from €18.9 million in 2012 to €20.3 million in 2013 primarily due to a one-off charge of €3.3 million in 2013 in relation to the prepayment of convertible bonds, partially offset by a decrease in capitalized interest due to a higher volume of development properties in the Portfolio.

#### *Interest income*

The Group's interest income decreased by €23.0 thousand, or 7.3% from €313 thousand in 2012 to €290 thousand in 2013.

### *Other financial income and expense*

The Group recorded other financial expense of €8.0 million in 2013 as compared with other financial income of €1.2 million in 2012. The Group's other financial expense in 2013 was primarily due to the €10.2 million cost of repurchasing the Group's convertible debt in 2013, partly offset by a positive exchange rate difference of €2.7 million.

The Group's other financial income of €1.2 million in 2012 was primarily attributable to positive exchange rate differences.

### *Result before tax*

The Group's result before tax increased by €28.2 million, or 76.7%, from €36.7 million in 2012 to €64.9 million in 2013 due to the factors described above.

### *Taxes on result*

The Group's taxes on result were a positive €8.2 million in 2013 as compared with positive €27.9 million in 2012. In 2012, the Group benefited from a decrease in tax rates in Finland in 2013 and a deferred tax liability of €27.8 million in the Netherlands which was almost completely released in 2012 following the negative revaluation of the U.S. Portfolio.

### *Result from continuing operations*

The Group's result from continuing operations increased €8.5 million, or 13.1%, from €64.6 million in 2012 to €73.1 million in 2013 due to the factors described above.

### *Result from discontinued operations*

The Group's result from discontinued operations was a loss of €23.1 million in 2013 as compared with a loss of €151.7 million in 2012. The impact from discontinued operations was lower in 2013 because the disposals of the US and UK Portfolio were substantially completed in February 2013, compared to 2012, when losses from these operations were included for the entire period.

### *Direct Result*

The Group's Direct Result decreased by €12.6 million, or 13.4%, from €93.8 million in 2012 to €81.3 million in 2013 offset by a the decrease in Direct Result generated from discontinued operations

### *Indirect Result*

The Group's Indirect Result was negative €31.2 million in 2013 as compared with negative €180.9 million in 2012. In each year, the Indirect Result was primarily due to the Indirect Results of discontinued operations.

### ***Cash flow for the three months ended 31 March 2015 and 2014***

The following table sets out the Group's consolidated cash flows for the three months ended 31 March 2015 and 2014.

	<b>For the three months ended 31 March (unaudited)</b>	
	<b>2015</b>	<b>2014</b>
	€ thousands	
Cash flow from operating activities.....	18,914	11,058
Cash flow used in/from investing activities.....	(105,810)	(145,656)
Cash flow used in/ from financing activities .....	79,680	134,000
Net increase in cash and bank.....	(7,216)	(598)
Cash and bank balances at 1 January.....	119,205	88,466
Foreign exchange differences.....	341	309
<b>Cash and bank balances at period end .....</b>	<b>112,330</b>	<b>88,177</b>

### *Cash flow from operating activities*

Cash flow from operating activities was €18.9 million in the three month period ended 31 March 2015, an increase of €7.8 million from €11.1 million in the three month period ended 31 March 2014. Such increase was mainly due to an increase of operational result arising primarily from the French Retail Portfolio Acquisition, the acquisition of the Kortrijk Ring Shopping Centre, the shopping centres De Vier Meren en Koperwiek, and a combination of an increase in gross rental income, in part offset by an increase in costs.

### *Cash flow from/used in investing activities*

Cash flow used in investing activities was €105.8 million in the three month period ended 31 March 2015; a decrease of €39.9 million from €145.7 million cash used in investing activities in the three month period ended 31 March 2014. Cash flow used in investing activities for the three month period ended 31 March 2015 was due to the acquisition of Kortrijk Ring Shopping Centre and the freehold ownership of two ground leases in Finland. By comparison, cash flow used in investing activities was higher in the three month period ended 31 March 2014, reflecting the cost of the acquisition of two shopping centres in the Netherlands, (the acquisition of shopping centre "Vier Meren" in Hoofddorp for €147.5 million on 31 January 2014 and in Capelle aan den IJssel, Wereldhave becoming the sole owner of De Koperwiek shopping centre for €60.1 million on 11 March 2014).

### *Cash flow from/used in financing activities*

Cash flow from financing activities was €79.7 million in the three month period ended 31 March 2015; a decrease of €54.3 million from €134.0 million cash flow from financing activities in the three month period ended 31 March 2014. The change in cash flow from financing activities was primarily due to higher proceeds from the issuance of interest bearing debt in the three month period ended 31 March 2014 compared to the first quarter in 2015 (€95.0 million), partly due to the receipt of €256.0 million of proceeds of €279 million from the Private Placement Notes and the issuance of the €250.0 million convertible bond and various drawings on credit lines in 2014. The increase in cash flow from financing activities was partly offset by lower repayments of interest bearing debts in the first quarter of 2014, when approximately €145.0 million was repaid as compared to €30.0 million repaid in the first three months of 2015.

### *Cash flow for the years ended 31 December 2014, 2013 and 2012*

The following table sets out the Group's consolidated cash flows for the years ended 31 December 2014, 2013 and 2012.

	For the years ended 31 December		
	2014	2013	2012
	€ thousands		
Cash flow from operating activities .....	110,593	36,632	69,164
Cash flow from investing activities .....	(1,071,312)	690,732	113,408
Cash flow from financing activities .....	983,387	(685,612)	(162,946)
Net increase in cash and bank .....	22,668	41,752	19,626
Cash and bank balances at 1 January .....	88,466	44,406	24,400
Foreign exchange differences .....	8,071	2,308	380
<b>Cash and bank balances at period end .....</b>	<b>119,205</b>	<b>88,466</b>	<b>44,406</b>

### *Cash flow from operating activities.*

Cash flow from operating activities was €110.6 million in the year ended 31 December 2014, an increase of €74.0 million from €36.6 million in the year ended 31 December 2013 due to releases from working capital as compared to 2013.

Cash flow from operating activities was €36.6 million in the year ended 31 December 2013, a decrease of €32.5 million from €69.2 million in the year ended 31 December 2012 due to lower cash flow result as a result of the disposal of the UK and U.S. Portfolio and due a higher outflow to working capital.

#### *Cash flow from investing activities.*

Cash flow used in investing activities was €1,071.3 million in the year ended 31 December 2014; a decrease of €1,762.0 million when compared to cash from investing activities of €690.7 million in the year ended 31 December 2013. The cash flow used in investing activities for the year ended 31 December 2014 comprised €859 million for the French Retail Portfolio, €207.6 million for the two Dutch shopping centre properties; the Vier Meren shopping centre in Hoofddorp and the remaining part of De Koperwiek in Cappelle aan den IJssel, and 2014 capital expenditure of €126.6 million and was partly offset by €99.5 million received from the disposal of the Spanish Portfolio in 2014.

Cash flow from investing activities was €690.7 million in the year ended 31 December 2013, an increase of €577.3 million when compared to cash from investing activities of €113.4 million in the year ended 31 December 2012. The cash flow for investing activities in 2013 was mainly due to proceeds of disposals from direct investment properties (including the UK and U.S. Portfolio, the non-core Dutch office buildings) and €163.1 million of a cash inflow from the proceeds from disposals of indirect investment properties and partly offset by investments in the development portfolio.

#### *Cash flow from financing activities.*

Cash flow from financing activities was €983.4 million in the year ended 31 December 2014 compared to €685.6 million cash flow used in financing activities in the year ended 31 December 2013. The change in cash flow from financing activities was primarily due to a change in cash inflow of €1,202 million of new borrowings partly due to receipt of €265 million of proceeds from the Private Placement Notes and the issuance of the €250 million convertible bond and various drawings on credit lines and the issuance of the €250 million through the issuance of the convertible bonds due 2019 (the **2014 Convertible Bonds**) and various drawings on credit lines. Partly offsetting the inflow of cash from financing activities, the Group repurchased €100 million nominal value of its 2010 Convertible Bonds during 2014.

Cash flow used in financing activities was €685.6 million in the year ended 31 December 2013, an increase of €522.7 million compared to cash used in financing activities of €162.9 million in the year ended 31 December 2012, mainly due to the repayment of interest bearing debt in 2013 as a result of the disposal of properties, including the repurchase of €244 million of 2014 Convertible Bonds and other credit lines. In 2012 the Group had significant new borrowings on existing credit lines, which did not re-occur in 2013 in similar amounts.

### **Liquidity**

The Group's primary source of liquidity for its operations is cash provided by its operating activities, as well as third-party debt. The Group maintains lines of credit estimated to be sufficient to cover forecast cash requirements. In this assessment, the Group only takes into account existing or renewing facilities and new facilities where these have received credit approval.

The Group's financing activities in 2014 significantly changed its debt profile, reducing the proportion of Group debt at variable interest rates and raising the proportion of debt carried at fixed rates to 81% as of 31 December 2014. As of 31 March 2015, the Group's interest bearing debt was €1,372.5 million, which together with cash and cash equivalents balance of €112.3 million results in a net debt of €1,260.2 million. As part of the terms of the Debentures (described below), deposits of €76 million are held as security and are considered restricted cash within cash and cash equivalents on the Group's balance sheet. The deposits are immediately claimable by the Company upon repayment of the Debentures.

As of 31 March 2015, the Group's LTV Ratio was 35.5% and the Group's ICR was 5.3x. The average maturity of the indebtedness was 4.4 years. The average cost of the Group's debt was 2.2%.

The Group enters into hedging transactions required to cover the operations of the business. The principal function of the financial instruments held by the Group is to hedge the interest rate and currency risks associated with finance activities.

### **Financial Instruments**

The Group has €703 million of Credit Facilities, of which €670 million is committed. As of 31 March 2015, €315 million was drawn on the Group's Credit Facilities. The Group's committed Credit Facilities as at 31 March 2015 are summarised in the table below:

<b>Lender</b>	<b>Committed amount</b>	<b>Drawn as at 31 March 2015</b>	<b>Expiry date</b>
	€ thousands ( <i>unaudited</i> )		
ABN AMRO, Barclays, BNP, ING, RBS.....	300,000	185,000	27 March 2019
Nordea Bank Finland Plc.....	100,000	50,000	17 December 2015
Belfius Bank.....	100,000	–	11 March 2016
BNP Paribas Fortis.....	60,000	–	30 April 2016
BNP Paribas Fortis.....	30,000	30,000	11 April 2016
ING.....	30,000	–	17 April 2018
ING.....	50,000	50,000	1 April 2019
<b>Total committed amount.....</b>	<b>670,000</b>	<b>315,000</b>	

The Group also has a €26 million uncommitted credit line with BNP Paribas Fortis and a €7 million uncommitted credit line with ING.

The Group's total financial indebtedness (nominal values) as per 31 March 2015 is summarised in the table below:

	<b>As of 31 March 2015</b>
	€ thousands ( <i>unaudited</i> )
Credit Facilities drawn.....	315,000
Private Placement Notes.....	634,805
Convertible Bonds.....	380,000
Debentures.....	48,192
<b>Total financial indebtedness.....</b>	<b>1,377,997</b>

As of 31 March 2015, approximately €80 million of the Group's debt was held by Wereldhave Belgium. That debt is non-recourse with respect to the rest of the Group.

See Section 4 "*The Acquisition—Financing of the Acquisition*" for more information on the Group's expected debt profile following the Acquisition.

The Group aims for conservative LTV Ratios between 35% and 40% by year-end 2016, dependent upon the Company's ability to dispose of certain assets totalling €250 million by the end of 2016, which are significantly lower than its external debt financings covenants. As of 31 March 2015, the Group's LTV Ratio was 35.5% (based on the property valuations from 31 December 2014 and 15 October with respect to the French Retail Portfolio), its solvency ratio was 58.0% and its ICR was 5.3x, which is substantially higher than the minimum of 2.0x required by the covenants under its external debt financings. The Group negative pledge figure achieved by the Group in the first three months of 2015 was 2.2%.

### ***Covenants***

The Group's Credit Facilities include financial covenants that require the Group to ensure that its:

- LTV Ratio shall not exceed 60%;
- solvency ratio shall not be less than 0.40x;
- ICR is at least 2.0x; and
- negative pledge ratio (as defined below) not less than 40.0%.

LTV ratio is calculated as financial indebtedness (defined as interest bearing debt less cash position) divided by the aggregate book value of the Group's property investments (investment properties in operation, investment properties under construction, lease incentives and assets held for sale).

Solvency ratio is calculated as total equity less intangible assets plus provisions for deferred tax liabilities divided by the Group's balance sheet total less intangible assets.

ICR is calculated as net rental income (including net rental income from discontinued operations) to consolidated net interest charges (defined as charges and interest cost excluding amortised cost).

The Group's Credit Facilities also include a negative pledge covenant that restricts the Group's ability to provide security over or create any quasi-security interest over assets if such security interest or quasi security interest would relate to indebtedness exceeding 40.0% of the Group's total assets (excluding intangible assets) ("negative pledge ratio").

### ***Covenant compliance***

The Group has historically operated within its financial covenants.

### ***Credit Facility***

On 28 March 2014, the Company signed a €300 million syndicated revolving credit facility agreement (the **Primary Credit Facility**) with a syndicate of banks. This facility refinanced a €270 million facility due to expire mid-2015, increasing the available amount and extending the maturity to 2019. As a result, the Group extended its average maturity of available credit lines, decreased its average cost of debt and reduced the cost on undrawn commitments due to lower margin.

As of 31 March 2015, the €185 million on indebtedness under the Group's Primary Credit Facility was outstanding.

The Group has additional Credit Facilities with a number of banks (together with the Primary Credit Facility, the **Credit Facilities**) as described in "*—Financial Instruments*". The aggregate undrawn amount of the Group's Committed Credit Facilities is €355 million as of 31 March 2015.

### ***The Notes***

In July 2014, the Group issued a further series of notes with proceeds of €265 million pursuant to the Private Placement Notes (the **Private Placement Notes**), comprising seven series of notes with a variety of denominations, terms and interest rates. The use of proceeds from this issuance was to repay committed facilities, except for the €50 million debt held by Wereldhave Belgium, and extend the maturity of the Group's debt. These notes are unsecured, carry an average interest rate of 2.9% and have an average maturity of 10.1 years. The Private Placement Notes contain financial covenants in line with the financial covenants in the Group's Primary Credit Facility. As of 31 March 2015, €634.8 million of the Group's Private Placement Notes were outstanding.

### ***2015 Notes Issuance***

On 17 July 2015, the Company expects to issue €211.0 million US Private Placement Notes (the **2015 Notes**), carrying an average interest rate of 2.4% and with an average maturity of 12.3 years. These notes will be issued in a variety of denominations, specifically US Dollars, Canadian Dollars, Euros and British Pounds in the amounts of \$30,0 million, \$20.0 million, €120.0 million and £35.0 million, respectively.

The 2015 Notes will be swapped into Euros at fixed interest rate through maturity. After currency and interest rate swaps, the weighted average interest cost for the Company will be 2.4%. The proceeds from this issuance will be used to repay amounts borrowed under the Group's Primary Credit Facility.

### ***Convertible Bonds***

In 2010, the Company raised gross proceeds of €230 million through the issuance of convertible bonds due in 2015 (the **2010 Convertible Bonds**) and in 2014, the Company raised gross proceeds of €250 million through the issuance of the 2014 Convertible Bonds (together, the **Convertible Bonds**). As of the date of the Prospectus, further to the conversion, a nominal amount of €130 million is still outstanding on the 2010 Convertible Bonds and a nominal amount of €250 million is still outstanding on the 2014 Convertible Bonds.

### ***2010 Convertible Bonds***

The following paragraphs describe the characteristics of the terms and conditions of the 2010 Convertible Bonds.

The 2010 Convertible Bonds bear annual interest of 2.875%, payable semi-annually in arrears in equal instalments on 18 May and 18 November in each year, with the first interest payment having happened on 18 November 2011. The



2010 Convertible Bonds are unsecured and unsubordinated obligations of the Company and shall at all times rank *pari passu* and without preference among themselves. The agreement with the holders of the 2010 Convertible Bonds prevents the Group from creating any security upon any part of its assets or revenues as long as the 2010 Convertible Bonds are outstanding.

The Company is entitled to redeem the 2010 Convertible Bonds in whole, but not in part, by giving no less than 20 and no more than 40 days' notice at any time:

- that the outstanding aggregate principal amount of bonds represents 20.0% or less of the aggregate principal amount of bonds originally issued;
- on or after 9 December 2013, if the parity value on 20 of the last 30 business days (ending not earlier than seven days prior to the giving of a relevant notice of redemption by the Company) shall have exceeded €65,000. Parity value is determined by multiplying the number of shares that would be required to be issued or delivered on the exercise of conversion rights in respect of a bond in the denomination of €50,000 by the order book volume weight average price of a share published by or derived from Bloomberg page VAP; or
- the Company has or will become obliged to pay additional amounts in respect of payments of interest on the bonds as a result of any change in, or amendment to relevant tax laws and regulations and the Company cannot reasonably avoid the obligation.

Holder of the 2010 Convertible Bonds has the right to:

- require the Company to redeem the bonds upon a change of control event;
- require the Company to redeem the bonds upon the occurrence of a delisting event;
- elect that the 2010 Convertible Bonds shall not be redeemed if the Company exercises its entitlement to redeem for tax reason; and
- convert any or all of their bonds into Ordinary Shares against the then prevailing conversion price. The conversion price is €71.7816, subject to customary adjustments for subsequent events, including stock split or consolidations, granting of rights or warrants, extraordinary dividends and/or issuance of equity linked securities at a substantial discount and share buybacks above market price.

#### *2014 Convertible Bonds*

The following paragraphs describe the characteristics of the terms and conditions of the 2014 Convertible Bonds.

The 2014 Convertible Bonds bear annual interest of 1.0%, payable semi-annually in arrears in equal instalments on 22 May and 22 November in each year, with the first interest payment having happened on 22 November 2014. The 2014 Convertible Bonds are unsecured and unsubordinated obligations of the Company and shall at all times rank *pari passu* and without preference among themselves. The agreement with the holders of the 2014 Convertible Bonds prevents the Group from creating any security upon any part of its assets or revenues as long as the 2014 Convertible Bonds are outstanding.

The Company is entitled to redeem the 2014 Convertible Bonds in whole, but not in part, by giving no less than 45 and no more than 60 days' notice at any time:

- that the outstanding aggregate principal amount of bonds represents 20.0% or less of the aggregate principal amount of bonds originally issued;
- on or after 12 June 2017, if the parity value on 20 of the last 30 business days (ending not earlier than seven days prior to the giving of a relevant notice of redemption by the Company) shall have exceeded €130,000. Parity value is determined by multiplying the number of shares that would be required to be issued or delivered on the exercise of conversion rights in respect of a bond in the denomination of €100,000 by the order book volume weight average price of a share published by or derived from Bloomberg page WHA NA Equity HP (using the setting labelled "Weighted Average" or its successor "Weighted Average Line" or any equivalent successor label to this setting); or

- the Company has or will become obliged to pay additional amounts in respect of payments of interest on the bonds as a result of any change in, or amendment to relevant tax laws and regulations and the Company cannot reasonably avoid the obligation.

Holders of the 2014 Convertible Bonds have the right to:

- require the Company to redeem the bonds upon a change of control event;
- require the Company to redeem the bonds upon the occurrence of a delisting event;
- elect that the 2014 Convertible Bonds shall not be redeemed if the Company exercises its entitlement to redeem for tax reason; and
- convert any or all of their bonds into Ordinary Shares against the then prevailing conversion price. The conversion price is €65.930, subject to customary adjustments for subsequent events, including stock split or consolidations, granting of rights or warrants, extraordinary dividends and / or issuance of equity linked securities at a substantial discount and share buybacks above market price.

#### *The Debentures*

As part of the terms of the Debentures, deposits of €80 million are held as security in favour of the lenders and are held within the Group's cash and cash equivalents as restricted cash. The deposits are immediately claimable by the Company upon repayment of the Debenture per 15 October 2015. As of 31 March 2015, the nominal value of €48 million of the Group's Debentures were outstanding.

#### **Bridge Facilities**

On 24 June, 2015, the Company entered into a commitment letter with Goldman Sachs Bank USA for bridge facilities in an aggregate principal amount of up to €410 million (the **Bridge Facilities**), consisting of two individual facilities. The first facility is an equity bridge loan in an aggregate principal amount of up to €260 million with a six month maturity (the **Equity Bridge Loan**). The purpose of the Equity Bridge Loan is to fund the equity portion of the Acquisition should all or part of the proceeds of the Offering not be available on closing of the Acquisition. The second facility is a debt bridge loan in an aggregate principal amount of up to €150 million with a one year maturity (the **Debt Bridge Loan**). The purpose of this Debt Bridge Loan is to partly finance the Acquisition, to the extent that it is not fully financed by the Offering. The Bridge Facilities provide for mandatory prepayment of the Equity Bridge Loan and Debt Bridge Loan upon the receipt of net proceeds from either a future equity issue or a debt raising, respectively.

#### **Financial derivatives**

The Group uses derivative instruments to hedge the interest rate and currency risks associated with finance activities. These financial derivatives are not held for trading or speculative purposes, but for hedging only, and do not include margin calls.

The fair value of the financial derivatives amounted to €57.7 million (net amount of assets and liabilities) as of 31 March 2015, compared to €26.1 million as of 31 December 2014.

As a result of the Group's hedges, 77% of the Group's debt (by nominal value) had effectively a fixed rate interest as at 31 March 2015. The Group has no currency exposure on debt denominated in foreign currencies.

#### **Commitments and Contingent Liabilities**

##### *Commitments*

The Group has various contractual obligations and commercial commitments to make future payments, including leasehold liabilities and other capital commitments with regard to properties under construction.

The following table summarises the Group's capital commitments and leasehold liabilities as of 31 March 2015:

**As of 31  
March 2015<sup>(1)</sup>**

	€ thousands (unaudited)
Capital commitments.....	13,370
Leasehold liabilities <sup>(2)</sup> .....	78,615
<b>Total</b> .....	<b>91,985</b>

- (1) Does not include Target Portfolio commitments that the Company expects to make following the closing of the Acquisition.  
(2) Leasehold liabilities represent the payments due on the ground leases held by the Group which are typically for ten or more years.

The maturity of the Group's capital commitments and leasehold liabilities are as follows:

	<b>As of 31 March 2015</b>
	€ thousands
Up to 1 year.....	14,291
Between 2 and 5 years.....	3,685
More than 5 years.....	74,009
<b>Total</b> .....	<b>91,985</b>

### Off Balance Sheet Commitments

The Group does not have off balance sheet financial commitments.

In 2014, the Group ceased to give guarantees to minority shareholders of Wereldhave Belgium in the normal course of business, compared to €13.0 million in such guarantees as of 31 December 2013 related to a tax claim which was later resolved in the Group's favour, resulting in release of the Group from these guarantees. See Section 14 "General Information—Governmental, legal or arbitration proceedings".

### Capital Expenditure

The Group's primary capital expenditure has been related to the development and redevelopment of the properties in its Portfolio, including Tournai Retail Parc in Belgium and the Dutch Portfolio refresh and refurbishment. The following table sets forth the Group's capital expenditure for the periods indicated:

	For the three months ended 31 March	For the years ended 31 December		
	2015 (unaudited)	2014	2013	2012
		€ millions		
Investment properties <sup>(1)</sup> .....	23.1	133.3	191.8	202.9
Property and equipment.....	0.4	0.5	1.6	1.4
<b>Total</b> .....	<b>23.5</b>	<b>133.8</b>	<b>193.4</b>	<b>204.3</b>

- (1) Including capitalized interest.

Subsequent to 31 March 2015, the Group expects to spend a further €76 million through 2016, primarily to the "Tournai Retail Parc" shopping centre and the Dutch shopping centre redevelopment program. These commitments will be funded from cash from operations and drawings on the Group's Credit Facilities.

Committed	Total capital expenditure per project <sup>(1)(2)</sup>	Total capital expenditure spent through 31 March 2015 <sup>(1)</sup>	Total capital expenditure for the three month period ended 31 March 2015	Remaining capital expenditure per project as of 31 March 2015 <sup>(2)</sup>	Expected Completion
		€ millions (unaudited)			
Tournai Retail Parc (Belgium).....	15	7	3	8	Q1 2016
Dutch redevelopment program.....	79	29	9	50	2016
Dutch refurbishment capital expenditure.....	30	13	1	17	2016
<b>Total</b> .....	<b>124</b>	<b>49</b>	<b>13</b>	<b>76</b>	

- (1) Estimated capital expenditure over the anticipated life of the project as of 31 March 2015.
- (2) The total capital expenditure amounts includes amounts that the Group considers committed for its purposes, but that are not legally committed, of €76 million.

Upon completion of the Acquisition, the Group has identified expected capital expenditure of approximately €15 million related to the Target Portfolio over the medium term, which the Group considers to be discretionary. Of this amount, approximately half is expected to be spent in respect of the Presikhaaf property in Arnhem. See Section 4 "*The Acquisition—Description of Properties*".

### **Quantitative and qualitative disclosures about market risk**

The Group considers market risk, liquidity risk and credit risk as financial risks. Market risk can be divided into interest risk and currency risk. These risks are being monitored on a continuous basis.

#### ***Interest risk***

Changes in interest rates may affect the results, the yield and the value of the property. The interest rate policy is determined by the Board of Management. The Group seeks to manage its interest rate exposure via interest rate swaps and drawings on committed fixed interest facilities, which can be used as soon as a clear upward trend in interest rates is visible, subject to the Group's policy of a target LTV Ratio of between 35% - 40% by year-end 2016.

If the money market interest rates had changed by 0.5%, the Group's result and equity as per 31 March 2015 would have changed by €0.3 million, compared to €1.2 million in 2014. This would also have resulted in a change of result and net asset value per Ordinary Share of €0.01 as per 31 March 2015, compared to €0.03 in 2014. The Group's Treasury department monitors the debt covenants. The ratio between fixed and variable interest rate debt is 77%/23% as per 31 March 2015 was compared with 81%/19% as per 31 December 2014.

#### ***Currency risk***

The Group no longer owns property investments in the United States or the United Kingdom, thus significantly diminishing its currency risk going forward. The Group's only significant USD positions consist of USD loans that have been almost fully hedged to the Euro. The Group's only GBP positions (deposits and debenture loans) have been hedged almost fully to the Euro.

Changes in exchange rates between the Euro, USD and GBP are expected to be immaterial as from 2013, for the reasons stated above.

#### ***Liquidity risk***

The Group's liquidity risk (including 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 sufficient levels of equity financing, target LTV Ratios between 35% and 40%, maintaining relationships with various international banks and maintaining sufficient credit facilities (both committed and uncommitted). Management reviews the cash flow forecasts and the resulting funding requirements on a regular basis. In addition, on a quarterly basis, stress tests are performed testing to what extent the Group would continue to meet financial covenants under different scenarios.

The Group also faces liquidity risk arising from financial transactions such as interest rate and foreign currency swaps. The use of financial instruments is restricted to hedging underlying transactions or positions. Only reputable major financial institutions with investment grade credit ratings are eligible as counter parties. Financial transactions are only concluded with the prior approval of the Board of Management.

#### ***Credit risk***

Credit risk is the risk of default of a contracting party, particularly tenants, on payments to the Group. The credit risk is mitigated by bank warranties and deposits received from tenants. The maximum credit risk is the carrying amount less bank warranties and deposits received from tenants. In 2014, if 1.0% of the Group's annual rent had not been paid, the effect on the Group's gross rental income would have amounted to €1.8 million, or €0.07 per Ordinary Share. If 10% of debtors as of 31 December 2014 had defaulted on payment, this would have impacted direct result by €0.8 million, compared to €0.5 million in 2013. As a result of such default, result per Ordinary Share as of 31 December 2014 would have been decreased by €0.03, compared to €0.02 in 2013. The Group monitors creditworthiness per debtor and

determines via management reports the adequacy of the provision for doubtful debtors. Furthermore, standard lease terms include that rent has to be paid in advance and every tenant's creditworthiness is verified before entering a new lease.

The Spanish Portfolio has been sold, but the Company still holds the shares in the subsidiary, Espamad S.L.U, that sold the Spanish Portfolio. The increase in the percentage of doubtful debtors as of 31 March 2015 is primarily due to the fact that the outstanding debtors have been provided for with regard to the Spanish Portfolio in order to manage the balance sheet exposure. These debtors were not transferred to the buyer of the Spanish Portfolio.

### ***Concentration of credit risk***

Concentration of risk occurs when a single financial risk is primarily borne by one party or that multiple financial risks are concentrated in one or just a few parties. The Group mitigates the concentration risk with regard to interest, currency and liquidity risk by concluding interest and currency derivatives and loans with several financial parties. The credit risk is further reduced by the size and diversification of the tenant portfolio as a result of which there is no concentration of risk due to there being one single tenant.

### **Critical accounting policies**

The following are the Group's critical accounting policies. For a discussion of the judgments the management takes in preparing the financial statements, see note 3 of the 2014 Financial Statements.

### ***Discontinued operations***

In 2013, the Group sold its UK and U.S. Portfolios. As the operations presented major geographical areas, the disposal groups have been classified as discontinued operations in the income statement. The 2012 figures of the income statement have been re-presented for the discontinued operations with regard to the UK operations. The U.S. operations were already presented as discontinued operations in 2012.

In September 2014, the Group sold its Spanish Portfolio. As the operations presented a major geographical area the disposal group has been classified as a discontinued operation in the income statement for 2014 and 2013.

### ***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 are recognised as an integral part of the rental income. The incentives are straight-lined over the minimum term of the lease. Rent adjustments due to indexation are recognised as they arise. Rental income does not include value added tax or amounts charged to tenants in respect of service and operating costs.

Variable rental income, such as turnover-related rent or income from incidental rental income is recognised in the income statement in the period to which it relates, if it can be estimated reliably. If a reliable estimate is not possible, reporting takes place at the time of realisation.

Revenue received from tenants for early termination of leases is directly recognised in the income statement in the period to which the revenues relates.

### ***Service and operational income***

Service and operational income is shown on a gross basis when the Group acts as a principal.

### ***Results on disposals***

The results on disposal are the differences between the realised selling prices, net of selling costs, and the carrying amount, based on the last known fair value (mostly the latest appraisal).

Results on disposals from the sale of investment property or fixed assets are processed if the following conditions are met:

- (a) the entity has transferred the rights to all major economic benefits and any significant risks with respect to the goods to the buyer;

- (b) the legal entity will not maintain such a continuing involvement with the goods sold, that the entity can actually keep possession of those goods and therefore can decide on the use of those goods;
- (c) the amount of revenue can be reliably determined;
- (d) it is probable that the economic benefits associated with the transaction will flow to the legal owner and
- (e) costs already incurred and the possible future costs with respect to the transaction can be measured reliably.

## 9. UNAUDITED PRO FORMA FINANCIAL INFORMATION

### Introduction

On 24 June 2015, the Company entered into the Sale and Purchase Agreement with the Seller concerning the Acquisition of the Target Portfolio, which includes nine shopping centres and a development project in the Netherlands. The total Purchase Price for the Target Portfolio amounts to €774 million, excluding transaction and bank costs, reflecting a NIY of 6.2%. The Acquisition is structured as a direct property transaction. CBRE has estimated the gross market value of the assets of the Target Portfolio to be €751 million as of 15 May 2015. Furthermore, for accounting purposes, the Acquisition is considered to be an asset purchase and not a business combination.

In addition to the above mentioned Acquisition, the Group entered into a sale and purchase agreement with Unibail-Rodamco on 3 November 2014 concerning the French Retail Portfolio Acquisition. The total preliminary purchase price for the French Retail Portfolio Acquisition was €830.2 million. The French Retail Portfolio Acquisition was completed on 18 December 2014. In addition to the preliminary purchase price, the Group may be required to pay additional amounts according to earn-out provisions that have been agreed with regard to the leasing performance by Unibail-Rodamco for the period up to 18 months after 18 December 2014. The fair value of the earn-out provision as per 31 March 2015 is estimated to be nil. For accounting purposes, the French Retail Portfolio Acquisition is accounted for as an asset purchase in the 2014 Financial Statements and fully reflected in the Group's condensed consolidated Interim Financial Statements as of and for the three month period ended 31 March 2015.

The unaudited pro forma financial information as of 31 March 2015 and for the three month period ended 31 March 2015 is presented to illustrate:

- the Acquisition, including the associated financing taken by the Group to fund the Acquisition; and
- the application of the estimated net proceeds of the Offering as described in Section 7 "*Reasons for the Offering*" of the Securities Note.

The unaudited pro forma financial information for the year ended 31 December 2014 is presented to illustrate:

- the Acquisition, including the associated financing taken by the Group to fund the Acquisition; and
- the French Retail Portfolio Acquisition which was completed on 18 December 2014, including the associated interest expenses related to the financing taken by the Group to fund the French Retail Portfolio Acquisition; and
- the application of the estimated net proceeds of the Offering as described in Section 7 "*Reasons for the Offering*" of the Securities Note.

The unaudited pro forma financial information as of and for the three month period ended 31 March 2015 together with the unaudited pro forma financial information for the year ended 31 December 2014 is referred to as the **Unaudited Pro Forma Financial Information**.

### Unaudited Pro Forma Financial Information

The Unaudited Pro Forma Financial Information represents information prepared based on estimates and assumptions deemed appropriate by the Group. The Unaudited Pro Forma Financial Information is provided for illustrative purposes only in accordance with Annex II of the Commission Regulation (EC) 809/2004. It does not purport to represent what the actual results of operations or financial position of the Group would have been had the French Retail Portfolio Acquisition occurred on 1 January 2014, or had the Acquisition occurred on 1 January 2014 or 31 March 2015, nor is it necessarily indicative of the results or financial position of the Group for any future periods. Because of its nature, the Unaudited Pro Forma Financial Information is based on a hypothetical situation and, therefore, does not represent the actual financial position or results of operations of the Group. The assumptions used in the preparation of the Unaudited Pro Forma Financial Information may prove not to be correct.

## **Basis of preparation**

### *General*

The Unaudited Pro Forma Financial Information contains forward-looking statements. Forward-looking statements involve risks, uncertainties and assumptions. Undue reliance should not be placed on any forward looking statements. Please also see Section 3 "*Forward Looking Statements*" of this Registration Document.

The Unaudited Pro Forma Financial Information has been prepared in a form consistent with the accounting policies adopted in the 2014 Financial Statements of the Group incorporated by reference in this document.

The pro forma adjustments are described in the accompanying notes. The adjustments have been limited to only those adjustments that are directly attributable to the Acquisition, the French Retail Portfolio Acquisition, the Offering and the financing obtained, and are factually supportable. The Unaudited Pro Forma Financial Information does not include any adjustments for the impact of any potential operating efficiency or additional revenues, in relation to the Acquisition, the French Retail Portfolio Acquisition or the Offering.

The Group expects an increase in general costs related to overhead for the Target Portfolio. However, a precise estimated amount of these additional costs is not factually supportable and therefore not included in the Unaudited Pro Forma Financial Information.

In preparing the unaudited pro forma income statements, the Group has assumed that it would have acquired the Target Portfolio on 1 January 2014 for the same consideration as the Group expects to pay on the date of the Acquisition, using the same financing structure at the same (anticipated) cost of funding and that there has been no change in its fair value since that date. As a result, in the Unaudited Pro Forma Financial Information, the fair value of the Target Portfolio at the end of a period equals their fair value at the beginning of the year, resulting in a fair value change of zero recorded in the Unaudited Pro Forma Financial Information for the year ended 31 December 2014 and for the three-month period ended 31 March 2015.

Under IAS 40, investment properties should be measured initially at cost, which is the purchase price, including directly attributable expenditure and subsequently measured at fair value. Relating to the acquisition of the Target Portfolio, the Company estimates €53.4 million cost of which €3.2 million relates to the acquisition of the investment properties, €43.8 million purchaser costs (transfer tax) and €6.4 million related to the equity offering. €47.0 million of estimated Acquisition costs for the Target Portfolio relating to the investment properties acquired has been recognised as part of the initial measurement of investment properties in accordance with IAS 40 and subsequently written off in the unaudited pro forma combined income statement for the year ended 31 December 2014 due to the subsequent fair value measurement. Going forward, at each reporting date, the investment properties will be subject to a change in the fair value subsequent to the close of the Acquisition. The valuation of the investment properties can increase or decrease due to a number of factors.

Relating to the acquisition of the French Retail Portfolio, the Company included in their audited 2014 Financial Statements €23 million cost of which €5 million relates to the acquisition of the investment properties and €18 million to the equity offering completed in December 2014. In addition the Company deducted €18 million purchaser costs (transfer tax).

### *The unaudited pro forma financial information as of and for the three month period ended 31 March 2015*

The unaudited pro forma combined balance sheet as of 31 March 2015 was prepared as if (i) the Acquisition had occurred on 31 March 2015 and (ii) the estimated net proceeds of the Offering were received on 31 March 2015.

Furthermore, the unaudited pro forma financial information as of and for the three month period ended 31 March 2015 has been prepared based on (a) the Group's condensed consolidated interim financial statements prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as adopted by the European Union, as of and for the three months period ended 31 March 2015; and (b) the assets comprised in the Target Portfolio against the valuations set out in the Valuation Report, and adjusted to align to the Group's presentation and as explained further in the notes below; and (c) unaudited financial information on net rental income consisting of gross rental income, service costs charged and paid and property expenses for the three months ended 31 March 2015 of the Target Portfolio, derived from the Seller's internal management accounts, as adjusted to align to the Group's presentation and as explained further in the notes below.



*The unaudited pro forma financial information for the year ended 31 December 2014*

The unaudited pro forma combined income statements were prepared as if (i) the Acquisition as well as the French Retail Portfolio Acquisition had both occurred on 1 January 2014; (ii) the estimated net proceeds of the Offering as well as other associated financing taken by the Group to fund the Acquisition were received on 1 January 2014; and (iii) the net proceeds of the financing obtained to fund the French Retail Portfolio Acquisition were received on 1 January 2014.

The unaudited pro forma income statement for the year ended 31 December 2014 has been prepared based on (a) the 2014 Financial Statements, prepared in accordance with IFRS, (b) unaudited financial information on net rental income consisting of gross rental income, service costs charged and paid, property expenses and net rental income for the year ended 31 December 2014 of the Target Portfolio, derived from the Seller's internal management accounts, and (c) the aggregated data derived from the audited financial statements of each the companies that were the subject of the French Retail Portfolio Acquisition for the period 1 January 2014 to 30 November 2014 plus the aggregated data derived from the audited financial statements of those companies for the period 1 December 2014 to 18 December 2014, prepared in accordance with French GAAP and adjusted to align to the Group's presentation and as explained further in the notes below.

The policies used in preparing the unaudited pro forma financial information for the year ended 31 December 2014 are consistent with the policies applied by the Seller and by each of the companies that comprise the French Retail Portfolio Acquisition, with the exception of IAS 40 on Investment Property. The companies that comprise the French Retail Portfolio Acquisition historically accounted for investment property using the cost method under French GAAP. In the 2014 Audited Financial Statements, the investment properties of those companies are accounted for by the Group using the fair value model under IAS 40 Investment Property which is in line with Group accounting policy. Under the fair value model, investment property is not depreciated and, as such, depreciation expense has been removed as an adjustment from the unaudited pro forma financial information for the year ended 31 December 2014 included below.

***Unaudited Pro Forma Balance Sheet as of 31 March 2015***

The unaudited pro forma combined balance sheet set out below has been prepared to illustrate the effect of the Offering and the Acquisition on the net assets of the Group as if the Offering and Acquisition had occurred on 31 March 2015.

This unaudited pro forma balance sheet has been prepared for illustrative purposes only and, because of its nature, the pro forma balance sheet addresses a hypothetical situation and does not represent the actual financial position of the Group. This unaudited pro forma combined balance sheet is compiled on the basis set out in the "*Basis of Preparation*" and in the notes below.

The following table sets forth the unaudited pro forma balance sheet as of 31 March 2015:

	<u>Group<sup>(1)</sup></u>	<u>Target<sup>(2)</sup></u>	<u>Acquisition and the Offering</u>	<u>Pro forma balance sheet</u>	<u>Notes</u>
		(€ thousands)			
		<i>(unaudited)</i>			
<b>Assets</b>					
<b>Non-current assets</b>					
Investment properties in operation.....	3,240,279	706,130	-	3,946,409	
Lease incentives .....	17,292		-	17,292	
Investment properties under construction.....	48,332	44,910	-	93,242	
<b>Investment properties .....</b>	<b>3,305,903</b>	<b>751,040</b>	<b>-</b>	<b>4,056,943</b>	
Property and equipment .....	2,723	-	-	2,723	
Intangible assets .....	1,656	-	-	1,656	
Derivative financial instruments .....	94,343	-	-	94,343	
Financial assets held for sale.....	8,947	-	-	8,947	
Other financial assets .....	665	-	-	665	
<b>Other non-current assets .....</b>	<b>108,334</b>	<b>-</b>	<b>-</b>	<b>108,334</b>	
<b>Total non-current assets .....</b>	<b>3,414,237</b>	<b>751,040</b>	<b>-</b>	<b>4,165,277</b>	
<b>Current assets</b>					
Trade and other receivables .....	53,650	-	-	53,650	

Tax receivables.....	37	-	-	37	
Cash and cash equivalents.....	112,330	-	-	112,330	
<b>Total current assets .....</b>	<b>166,017</b>			<b>166,017</b>	
<b>Total assets</b>	<b>3,580,254</b>	<b>751,040</b>	<b>-</b>	<b>4,331,294</b>	
<b>Equity and liabilities</b>					
<b>Equity</b>					
Share capital .....	35,021	-	5,250	40,271	
Share premium .....	1,466,839	-	215,145	1,681,984	
Reserves.....	329,174	-	21,040	350,214	
	<b>1,831,034</b>	-	<b>241,435</b>	<b>2,072,469</b>	A
Non-controlling interest .....	169,588	-	-	169,588	
<b>Total equity</b>	<b>2,000,622</b>	-	<b>241,435</b>	<b>2,242,057</b>	
<b>Long term liabilities</b>					
Interest bearing liabilities.....	1,195,467	-	509,605	1,705,072	B
Deferred tax liabilities .....	75,224	-	-	75,224	
Derivative financial instruments .....	36,641	-	-	36,641	
Other long-term liabilities .....	13,455	-	-	13,455	
<b>Total long-term liabilities.....</b>	<b>1,320,787</b>	-	<b>509,605</b>	<b>1,830,392</b>	
<b>Short-term liabilities</b>					
Trade payables.....	3,826	-	-	3,826	
Tax payable .....	61	-	-	61	
Interest bearing liabilities .....	177,054	-	-	177,054	
Other short-term liabilities .....	77,904	-	-	77,904	
<b>Total short-term liabilities .....</b>	<b>258,845</b>	-	-	<b>258,845</b>	
<b>Total equity and liabilities.....</b>	<b>3,580,254</b>	-	<b>751,040</b>	<b>4,331,294</b>	

- (1) The financial information for the Group has been extracted from the unaudited condensed consolidated Interim Financial Statements of the Group, prepared in accordance with IAS 34 as adopted by the European Union, as of 31 March 2015, which are incorporated by reference into the Prospectus.
- (2) The financial information for the Target Portfolio consists of the aggregate market value of the assets comprising in the Target Portfolio, as set out in the Target Portfolio Valuation Report prepared by CBRE.

## Notes to the unaudited pro forma adjustments as of 31 March 2015

### Adjustments for the Acquisition and Offering

- A. The equity adjustment of €241,435 thousand represents the equity issuance of €273,840 thousand in the Offering adjusted by the following:
- the costs related to the Offering and Acquisition amounting to €9,645 thousand;
  - the revaluation of €21,040 thousand which represents the difference between the fair value of the Target Portfolio based on the valuation reports of CBRE and the purchase price of the Target Portfolio; and
  - the revaluation of the investment property acquired, by €43,800 thousand due to purchaser costs (transfer tax) in order to arrive at the net fair value subsequent to initial recognition.

The following table sets out the components of the equity adjustments described above.

	€ thousands
Equity issuance related to the Offering	273,840
Estimated costs related to the Offering and Acquisition	(9,645)
Re-valuation Target Portfolio	21,040
Estimated costs related to purchaser costs (transfer tax) for Target Portfolio	(43,800)

**Total equity adjustment**

241,435

The calculation of the pro forma adjustments relating to the Offering is based on a price per share at the closing share price which was €52.16 as of 23 June 2015 for 5,250,000 Ordinary Shares.

B. The interest bearing debt adjustment of €509,605 thousand represents the additional amount the Group will draw under its existing debt facilities to fund the remainder of the purchase price in the Acquisition and the estimated costs related to the Offering and Acquisition.

None of the adjustments have a recurring impact.

**Unaudited Pro Forma Income Statement for the three months ended 31 March 2015**

The following table sets forth the unaudited pro forma income statement for the three month period ended 31 March 2015:

	Group <sup>(1)</sup>	Target <sup>(2)</sup>	Acquisition and the Offering	Pro forma income statement	Notes
			(€ thousands) (unaudited)		
Gross rental income.....	48,616	12,826	-	61,442	
Service costs charged .....	10,678	596	-	11,274	
<b>Total revenues.....</b>	<b>59,294</b>	<b>13,422</b>	<b>-</b>	<b>72,716</b>	
Service costs paid .....	(12,217)	(943)	-	(13,160)	
Property expenses.....	(4,118)	(1,237)	-	(5,355)	
<b>Net rental income .....</b>	<b>42,959</b>	<b>11,242</b>	<b>-</b>	<b>54,201</b>	
Valuation results.....	214	-	-	214	
Results on disposals .....	(18)	-	-	(18)	
General costs .....	(4,396)	(491)	-	(4,887)	
Other income and expense .....	(365)	-	-	(365)	
<b>Operational result .....</b>	<b>38,394</b>	<b>10,751</b>	<b>-</b>	<b>49,145</b>	
Interest charges.....	(7,386)	-	(2,930)	(10,316)	A
Interest income .....	53	-	-	53	
<b>Net interest .....</b>	<b>(7,333)</b>	<b>-</b>	<b>(2,930)</b>	<b>(10,263)</b>	
Other financial income and expense....	(19,918)	-	-	(19,918)	
<b>Result before tax.....</b>	<b>11,143</b>	<b>10,751</b>	<b>(2,930)</b>	<b>18,964</b>	
Taxes on result.....	(303)	-	-	(303)	
<b>Result from continuing operations...</b>	<b>10,840</b>	<b>10,751</b>	<b>(2,930)</b>	<b>18,661</b>	
Result from discontinued operations ...	(995)	-	-	(995)	
<b>Result .....</b>	<b>9,845</b>	<b>10,751</b>	<b>(2,930)</b>	<b>17,666</b>	

(1) The financial information for the Group has been extracted from the unaudited condensed consolidated Interim Financial Statements of the Group, prepared in accordance with IAS 34 as adopted by the European Union, as of 31 March 2015, which are incorporated by reference into the Prospectus.

(2) The financial information on the Target Portfolio consist of gross rental income, service costs charged and paid, property expenses and net rental income information for the three months ended 31 March 2015, derived from the Seller's internal management accounts.

**Notes to the unaudited pro forma adjustments for the three-month period ended 31 March 2015**

A. The interest charge adjustment of €2,930 thousand represents the estimated interest costs for the three month period ended 31 March 2015 on the €509,605 thousand to be drawn under the Group's Primary Credit Facility to fund the Acquisition. This Primary Credit Facility has a variable interest rate based on EURIBOR and for pro forma purposes it has been estimated at 2.3% based on recent EURIBOR rates. In adjusting the interest charges, the Company did not adjust a lower interest income for the amount of cash available within the Group used in financing the Acquisition.

Adjustment A has a recurring impact.

**Unaudited Pro Forma Financial Information for the year ended 31 December 2014**

In the unaudited pro forma combined income statement set out below the column headed 'French Retail Portfolio' shows the income statement of the French Retail Portfolio for the period 1 January 2014 until 18 December 2014. The results of the French Retail Portfolio for the period from 19 December 2014, the date of the completion of the French Retail Portfolio Acquisition, until 31 December 2014 are included in the column headed 'Group'.

	Group <sup>(1)</sup>	French Retail Portfolio <sup>(2)</sup>	Target <sup>(3)</sup> (€ thousands) <i>(unaudited)</i>	Pro forma adjustments for		Pro forma income statement	Notes
				IFRS conversion <sup>(4)</sup>	Acquisition and the Offering		
Gross rental income.....	126,794	51,097	51,772	(10,706)	–	218,957	A
Service costs charged .....	21,125	30,740	4,145	(1,051)	–	54,959	D
<b>Total revenues .....</b>	<b>147,919</b>	<b>81,837</b>	<b>55,917</b>	<b>(11,757)</b>	–	<b>273,916</b>	
Service costs paid .....	(22,618)	(26,918)	(5,141)	1,051	–	(53,626)	D
Property expenses.....	(10,525)	(6,758)	(4,546)	3,131	–	(18,698)	C
Depreciation .....	-	(23,286)	-	23,286	–	–	B
<b>Net rental income .....</b>	<b>114,776</b>	<b>24,875</b>	<b>46,230</b>	<b>15,711</b>	–	<b>201,592</b>	
Valuation results.....	(40,767)	–	–	–	(25,950)	(66,717)	E
Results on disposals .....	5,899	–	–	-	–	5,899	
General costs .....	(13,537)	–	(1,995)	(3,131)	–	(18,663)	C
Other income and expense .....	(3,642)	432	–	–	–	(3,210)	
<b>Operational result .....</b>	<b>62,729</b>	<b>25,307</b>	<b>44,235</b>	<b>12,580</b>	<b>(25,950)</b>	<b>118,901</b>	
Interest charges.....	(16,263)	(5,990)	–	5,990	(13,569)	(29,832)	F
Interest income .....	515	220	–	-	–	735	
<b>Net interest .....</b>	<b>(15,748)</b>	<b>(5,770)</b>	–	<b>5,990</b>	<b>(13,569)</b>	<b>(29,097)</b>	
Other financial income and expense.....	(13,226)	–	–	–	–	(13,226)	
<b>Result before tax.....</b>	<b>33,755</b>	<b>19,537</b>	<b>44,235</b>	<b>18,570</b>	<b>(39,519)</b>	<b>76,578</b>	
Taxes on result.....	(2,074)	–	–	–	–	(2,074)	
<b>Result from continuing operations .....</b>	<b>31,681</b>	<b>19,537</b>	<b>44,235</b>	<b>18,570</b>	<b>(39,519)</b>	<b>74,504</b>	
Result from discontinued operations .....	(4,783)	–	–	–	–	(4,783)	
<b>Result .....</b>	<b>26,898</b>	<b>19,537</b>	<b>44,235</b>	<b>18,570</b>	<b>(39,519)</b>	<b>69,721</b>	

- (1) The financial information in the column headed 'Group' has been extracted from the audited consolidated financial statements of the Group for the year ended 31 December 2014, which are incorporated by reference into this Prospectus.
- (2) The financial information in the column headed 'French Retail Portfolio' has been extracted from the income statements of the companies comprised in the French Retail Portfolio for the period 1 January 2014 until 18 December 2014, prepared under French GAAP.
- (3) The financial information in the column headed 'Target ' consists of gross rental income, service costs charged and paid, property expenses and net rental income information of the Target Portfolio for the year ended 31 December 2014, derived from the Seller's internal management accounts.
- (4) The column headed 'IFRS conversion' shows the adjustments resulting from the conversion to IFRS of the financial information in the column headed 'French Retail Portfolio'.

## Notes to the unaudited pro forma adjustments for the year ended 31 December 2014

### *Adjustments for the conversion to IFRS (related to the French Retail Portfolio)*

- A. The adjustment of negative €10,706 thousand reflects the reversal of an impairment recognised in 2014 which was recorded in revenue of the French Retail Portfolio under French GAAP. Such reversal would not be recognised in the 2014 income statement under IFRS assuming acquisition of the investment property occurred at its fair value on 1 January 2014.
- B. The depreciation adjustment of €23,286 thousand represents the reversal of depreciation costs of acquired investment properties, since the investment properties were accounted for at cost less depreciation under French GAAP, whereas under the Group's accounting policy they are accounted for at fair value.
- C. The reclassification from property expenses to general expenses of €3,131 thousand represent management fees that are recorded in property expenses in accordance with French GAAP, whereas these expenses are recorded in general expenses according to the Group's accounting policies.
- D. The reclassification from service costs charged to service costs paid of €1,051 thousand represent releases of provisions that were recorded in service costs charged under French GAAP, whereas these releases are recorded in service costs paid according to the Group's accounting policy.

### *Adjustments for the Acquisition and Offering*

- E. The valuation result adjustment consists of €43,800 thousand purchaser costs (transfer tax) and €3,190 thousand acquisition costs and €21,040 thousand positive valuation result. The adjustment of €43,800 thousand reflects the adjustment for purchaser costs (transfer tax) to arrive at the market value of the investment properties acquired according to the Target Portfolio Valuation Report. The transfer tax rate that is taken into account in calculating the purchaser costs is 6%. The €3,190 thousand acquisition costs represents the write-off of the expected costs of the Acquisition (amongst others professional advisor and due diligence related fees) as the investment properties are measured subsequently at fair value. The adjustment of €21,040 thousand valuation results represents the difference between the fair value of €751,040 thousand according to the Target Portfolio Valuation Report and the expected purchase price of €730,000 thousand.
- F. For purposes of the pro forma interest charge, the historical interest cost of the French Retail Portfolio Acquisition of €5,990 thousand has been removed and replaced with the interest costs that the Group would have incurred over the period 1 January 2014 until 18 December 2014 to finance the French Retail Portfolio Acquisition as if it was acquired per 1 January 2014.

The interest charge adjustment of €13,569 consists of €11,721 interest cost relating to the Acquisition and €1,848 interest cost relating to the French Retail Portfolio Acquisition. The interest cost adjustment of €11,721 thousand represents the estimated interest cost for the year ended 31 December 2014 assuming that €509,605 thousand would have been drawn under the Group's Primary Credit Facility to fund the Acquisition. For purposes of calculating the interest costs on a pro forma basis the interest rate has been estimated at 2.3% based on recent EURIBOR rates and risk adjustments. In adjusting the interest charges, the Company did not adjust a lower interest income for the amount of cash available within the Group used in financing the Acquisition. The interest cost of €1,848 thousand relates to the calculated interest on the Primary Credit Facility relating to the French Retail Portfolio Acquisition. This Primary Credit Facility has a variable interest rate which equals approximately 0.9% based on EURIBOR.

Adjustment F has a recurring impact with regard to the interest charge adjustment of €13,569 thousand. All other adjustments do not have a recurring impact, as the Company uses the fair value method under IAS 40 and therefore does not depreciate the investment properties.

## **Report on the Compilation of Pro Forma Combined Financial Information**

To: the Board of Management of Wereldhave N.V.

We have completed our assurance engagement to report on the compilation of pro forma combined financial information of Wereldhave N.V. (the **Company**) and its subsidiaries (the **Group**) by the Company. The pro forma combined financial information consists of the pro forma combined income statements for the three months period ended 31 March 2015 and for the year-ended 31 December 2014 and the pro forma combined balance sheet as of 31 March 2015 and related notes as included on pages 110 to 114. The applicable criteria on the basis of which the Company has compiled the pro forma combined financial information are specified in Annex II of Commission Regulation (EC) No 809/2004, as described in Section 9 "*Unaudited pro forma financial information*".

The pro forma combined financial information has been compiled by the Company to illustrate the impact of the Acquisition, the French Acquisition which was completed on 18 December 2014 and the offerings related to these acquisitions, as set out in the Section 9 "*Unaudited Pro Forma Financial Information*" on the financial performance for the three months period ended 31 March 2015 and for the year-ended 31 December 2014, as well as the impact on the financial position as at 31 March 2015 as if the Acquisition and Offering set out in Section 9 "*Unaudited Pro Forma Financial Information*" had taken place at 1 January 2014.

As part of this process, information about the company's financial performance and financial position has been extracted by the Company from the Seller's internal management accounts of the Target Portfolio for the three months period ended 31 March 2015 and the year-ended 31 December 2014. Information about the financial performance and financial position of the companies comprising the French Retail Portfolio has been derived from the audited financial information of these companies for the period 1 January 2014 to 30 November 2014 and for the period 1 December 2014 to 18 December 2014, prepared in accordance with French GAAP.

### **Management's Responsibility for the Pro Forma Combined Financial Information**

Management of the Company is responsible for compiling the pro forma combined financial information on the basis as set out in the Section 9 "*Unaudited Pro Forma Financial Information - Basis of preparation*" of the pro forma combined financial information.

### **Auditor's Responsibility**

Our responsibility is to express an opinion as required in paragraph 7 of Annex II of Commission Regulation (EC) No 809/2004, as to the proper compilation of the pro forma financial information and the consistency of accounting policies.

We conducted our engagement in accordance with Dutch law, including the Dutch Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*. This requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Company has compiled, in all material respects, the pro forma combined financial information on the basis as set out in "*Unaudited pro forma financial information*" of the pro forma information.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma combined financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma combined financial information.

The purpose of the pro forma combined financial information included in the prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Acquisition, the French Acquisition and their related Offerings would have been as presented.

A reasonable assurance engagement to report on whether the pro forma combined financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Company in the compilation of the pro forma combined financial

information provide a reasonable basis for presenting the significant effects directly attributable to the transactions, and to obtain sufficient appropriate evidence about whether:

- (a) the related pro forma adjustments give appropriate effect to those criteria; and
- (b) the pro forma combined financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the Group, the transactions in respect of which the pro forma combined financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma combined financial information.

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

### **Opinion**

In our opinion:

- (a) the pro forma combined financial information has been properly compiled on the basis stated in "Unaudited pro forma financial information"; and
- (b) such basis is consistent with the accounting policies of the Company as described in the basis of preparation stated in consolidated financial information for the twelve month period 31 December 2014.

### **Restriction on use**

The pro forma combined financial information and our assurance report thereto are intended solely for enclosure in the Prospectus. This report is required by the Commission Regulation (EC) No 809/2004 and is given for the purpose of complying with that Regulation and for no other purpose.

In addition, this report is not intended to be relied on in the United States of America and we accept no responsibility for any use that you make of it in the United States of America. Our work has not been carried out in accordance with auditing standards generally accepted in the United States of America and accordingly should not be relied upon as if it had been in accordance with those standards.

Amsterdam, 24 June 2015

PricewaterhouseCoopers Accountants N.V.

Original version signed by drs. E. Hartkamp RA

## 10. PROFIT FORECAST

### **Direct Result per Ordinary Share forecast for the Group for 2016 as compared to 2014**

The forecast expressed in this Section relates to "Direct Result per Ordinary Share" of the Group and is not a statement about facts and should not be interpreted as such by potential investors. Rather, it is a statement about the expectations of the Company's management in respect of the Direct Result per Ordinary Share of the Group. Potential investors should not place unreasonable reliance on this Direct Result per Ordinary Share forecast.

On the basis of developments in 2015 year to date, the Company for its existing business currently anticipates a compounded average growth of the Direct Result per Ordinary Share (based on the number of outstanding Ordinary Shares prior to the Offering) between 6% and 9% for 2016 as compared to 2014, which is in line with the earlier Direct Result per Ordinary Share forecasts that the Company made on 5 February 2015 and reconfirmed on 24 April 2015.

The Direct Result per Ordinary Share forecast for 2016 as compared to 2014 does not take into account the increase in the number of Ordinary Shares in issue as part of the Offering or the net proceeds of the Offering or the impact of the Acquisition. The Company anticipates the Acquisition to be accretive (based on the outstanding number of Ordinary Shares subsequent to the Offering) to the 6% to 9% compounded average growth of Direct Result per Ordinary Share (based on the number of outstanding Ordinary Shares prior to the Offering) the first full year (2016).

### **Basis of preparation**

For the purpose of the Direct Result per Ordinary Share forecast, the Direct Result available for the Shareholders is calculated as follows:

- Direct Result is net rental income, general costs, other income and expenses (i.e. other than exchange rate differences), interest income and expenses (except for certain items within interest charges (i.e. other than the interest addition to the real value of the conversion rights of convertible bonds, premiums paid on repurchased interest bearing debt and actuarial gains and losses on employee benefit plans)) and tax charges on direct result.
- Direct Result excludes valuation results, minority interest, exchange rate differences that are accounted for under other financial income and expenses, the interest addition to leasehold obligations, the real value of the conversion rights on convertible bonds, the movement in deferred tax liabilities and actuarial gains and losses on employee benefit plans. Direct Result also excludes costs in relation to the complete wind down of activities for the U.S., UK and Spanish Portfolio.

The Direct Result per Ordinary Share forecast is based on three months (1 January to 31 March 2015) of direct results available for Shareholders and on the assumptions of the management of the Company with respect of the Group's direct results available for Shareholders for the remainder of 2015 (1 April to 31 December 2015) and the full year 2016, which are listed below. With respect to the Target Portfolio, management used the three months operational results per asset (1 January to 31 March 2015), as provided by the Seller, and managements assumptions with respect to the Target Portfolio's results for the period subsequent to the transaction (assumed to take place at 1 September 2015) and the full year 2016.

These assumptions relate to factors which can, even if only to a limited extent, or cannot be influenced by the Company. Even if the Company believes that these assumptions are reasonable at the time of the forecast of the Direct Result by the Company's management, they may prove erroneous or unfounded. If one or more of these assumptions proves to be erroneous or unfounded, the actual result could deviate materially from the Company's current Direct Result forecast.

The Direct Result per Ordinary Share forecast has been prepared on the basis of accounting policies that are consistent with the accounting policies adopted by the Company in its audited annual financial statements for the year ending 31 December 2014. These accounting policies are expected to be consistent with the accounting policies to be adopted by the Company in its annual financial statements for the years ending 31 December 2015 and 31 December 2016.

### **Explanatory notes to the Direct Result forecast**

#### *Principles*

The Company expects similar market circumstances as the first three months of 2015 to continue through the end of 2016 as compared to 2014.



The forecast of the compounded average growth of the Direct Result per Ordinary Share for 2016 as compared to 2014 is influenced by a number of factors and is based on certain assumptions by the Company's management that are listed below.

#### *Factors and Assumptions*

##### *Factors outside the Group's influence*

The expected compounded average growth of the Direct Result per Ordinary Share for 2016 as compared to 2014 is generally subject to factors which are Group subsidiary or the Group taken as a whole beyond the control of any individual. These factors and the related assumptions of the Company are outlined below:

##### *Factor: unforeseen events such as force majeure*

For the purpose of the forecast of the compounded average growth of the Direct Result per Ordinary Share, the Company assumes that no material unforeseen events will occur that could result in material or lasting constraints on the ongoing operations of the Group such as force majeure (e.g. fire, floods, hurricanes, storms earthquakes or terrorist attacks), strikes, exceptional macroeconomic events or war.

##### *Factor: legislative and other regulatory measures*

For the purpose of the forecast of the compounded average growth of the Direct Result per Ordinary Share, the Company assumes that there will be no or only insignificant changes in the current regulatory framework and that there will be no material changes in the legal framework, such as in the tenancy law and fiscal law.

##### *Factor: taxation*

The Company assumes that the tax rates for corporate and property tax are constant and there are no further changes in the tax environment or tax law, including of respect to the FII, GVV/SIR and SIIC regimes, in the fiscal years 2016 as compared to 2014. Any additional tax claims for former years as a result of ongoing tax audits will directly impact tax payments.

##### *Factor: economic development of the real estate industry*

For the purpose of the forecast of the compounded average growth of the Direct Result per Ordinary Share, the Company assumes that:

- There will be no material negative economic developments in retail property markets in the Netherlands, France, Belgium or Finland.
- There will be no material negative economic developments in the office property markets in Belgium, Finland or France. The Company does not have any office buildings in the Netherlands.

##### *Factor: interest rate development*

The Company's existing debt structure with a long-term maturity profile and 77% fixed or hedged to fixed interest rates, results in some potential negative effects on financing expenses. For the purpose of this profit forecast, the Company has assumed an interest rate of approximately 2.3% as a basis (taking into account the 2015 Notes). Furthermore, no material positive effects on interest income are expected.

##### *Factors that can be influenced to a limited extent*

In addition, further factors may also influence the compounded average growth of the Direct Result per Ordinary Share for 2016 as compared to 2014 over which the Company has limited control. The relevant assumptions are outlined below:

*Factor: gross rental income*

For the purpose of the forecast of the compounded average growth of the Direct Result per Ordinary Share the Company assumes that:

- It is able to estimate its gross rental income with reasonable assurance due to the nature of the business. The development of rental income is anticipated on a basis of individual tenant contracts. Rent changes due to fluctuation resulting from new letting contracts will directly impact gross rental income.
- The average Occupancy Rate of the Portfolio is expected to slightly decrease compared to the level as of 2014 to 91.5% on average for 2015 mainly due to the acquisition of the French Retail Portfolio in December 2014. For 2016 the Occupancy Rate is expected to recover resulting in an assumed increase to 94.7% on average, which is primarily attributable to the increased occupancy in the offices in Paris.

*Factor: expenses*

For the purpose of the forecast of the compounded average growth of the Direct Result per Ordinary Share, the Company assumes that the property expenses and the general expenses decrease compared to historical experience regarding the ratio between these expenses and revenues. Furthermore, the detailed property management planning of the Group for on property basis has been taken into account, assuming on average maintenance expenses of approximately 0.04% of the asset value.

*Factor: other operating income and other operating expenses*

For the purpose of the forecast of the compounded average growth of the Direct Result per Ordinary Share, the Company assumes that the other operating income and other operating expenses will be stable for the full year 2015 compared to the full year 2014. For the year 2016 no other operating income and other operating expenses are forecasted.

*Factor: debt financing*

For the purpose of the forecast of the compounded average growth of the Direct Result per Ordinary Share of the Company assumes that:

- It will make scheduled payments for regular amortization.
- It will comply with all agreed covenants.
- There is certain interest rate risk as currently 77% of the Group's debt is at a fixed rate and the remaining 23% of the Group's debt is at a floating rate debt. For the remainder of 2015 the Company will hedge the floating interest rate for most of its debt and the hedging instruments (derivative instruments) are assumed to be effective. For 2016 the interest risk is assumed to decrease as a significant part of the Group's debt will be hedged.
- To partly finance the Acquisition, the Group intends to borrow an additional €509.6 million under its committed credit facilities, which borrowing carries a floating interest rate and will increase the Group's exposure to interest rate risk. Following the Acquisition, the Group expects the proportion of its indebtedness at a floating interest rate to increase from 23% to 33%. Subsequent to the Acquisition the Company considers to swap the interest rate on these facilities to a fixed interest rate.
- The liquidity risk is low, as it assumes that sufficient liquid funds are available and agreed financing terms with credit institutions can be maintained.

*Factors that can be influenced*

In addition, further factors may also influence compounded average growth of the Direct Result per Ordinary Share for 2016 as compared to 2014 over which the Company has control. The relevant assumptions are outlined below:

*Factor: timing and performance of acquisitions and disposals*

For the purpose of whether the Acquisition is accretive to the Direct Result per Ordinary Share, the Company does include effects from the Acquisition of the Target Portfolio which is expected to be finalised by 31 December 2015.

There are no material acquisitions of subsidiaries, joint ventures and/or associates by the Group planned prior to 31 December 2016 other than the Acquisition of the Target Portfolio. The Company has identified a disposal program of sale proceeds of €350 to €450 million expected to be executed at the end of 2016.

The Company assumes that the sale of a number of assets totalling sale proceeds of €350 to €450 million will be finalised at the end of 2016.

*Other explanatory notes*

The forecast of the compounded average growth of the Direct Result per Ordinary Share does not include material extraordinary results or results from non-recurring activities (amongst others restructuring costs).

As the forecast of the compounded average growth of the Direct Result per Ordinary Share for 2016 as compared to 2014 relates to a period not yet completed and has been prepared on the basis of assumptions about future uncertain events and actions, it naturally entails substantial uncertainties. Because of these uncertainties, it is possible that the actual compounded average growth of the Direct Result per Ordinary Share for 2016 as compared to 2014 may differ materially from the forecast.

## **Assurance report on Profit Forecast**

To: the Board of Management of Wereldhave N.V.

### ***Engagement and responsibilities***

We have completed our assurance engagement to report on the compilation of the profit forecast comprising the compounded average growth of the direct result per ordinary share of Wereldhave N.V. (the **Company**) and its subsidiaries (the **Group**) for 2016 as compared to 2014 (the "profit forecast"), set out in Section 10 "*Profit Forecast*". The profit forecast has been prepared on the basis as set out in paragraph "Basis of Preparation" of Section 10 "*Profit Forecast*". The profit forecast is required to be presented on a basis consistent with the accounting policies of the Company.

The Board of Management of the Company is responsible for the development of the material assumptions and for the compilation of the profit forecast in accordance with the requirements of the Commission Regulation (EC) No 809/2004. Our responsibility is to issue an opinion as required by item 13.2 of Annex 1 of the Commission Regulation (EC) No 809/2004 as to the proper compilation of the profit forecast and the consistency of accounting policies.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the profit forecast, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the profit forecast.

### ***Scope***

We conducted our examination in accordance with Dutch law, including the Dutch Standard 3850N, "Assurance and other engagements with respect to prospectuses". The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of an evaluation of the procedures undertaken by the Board of Management of the Company in compiling the profit forecast and the consistency of the profit forecast with the accounting policies of the Company as described in the notes to the financial statements of the Company for the year ending 31 December 2014. Our work does not include evaluating the support for the assumptions underlying the profit forecast. There will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We planned and performed our work so as to obtain reasonable assurance that the profit forecast has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

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

### ***Opinion***

In our opinion:

- (a) the profit forecast has been properly compiled on the basis of preparation stated in the Section 10 "Profit Forecast" of this Prospectus; and
- (b) such basis is consistent with the accounting policies of the Company as described in the basis of preparation stated in paragraph "*Profit Forecast – Basis of preparation*" of this Registration Document.

### ***Inherent limitations related to forecasts***

We draw attention to the fact that this profit forecast is prepared by using Board of Management's assumptions. It is not necessarily indicative for actual profits. Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material.

### **Restriction on use**

The profit forecast and our assurance report thereon are intended solely for enclosure in the Prospectus. This report is required by the Commission Regulation (EC) No 809/2004 and is given for the purpose of complying with that Regulation and for no other purpose.

In addition, this report is not intended to be relied on in the United States of America and we accept no responsibility for any use that you may make of it in the United States of America. Our work has not been carried out in accordance with auditing standards generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards.

Amsterdam, 24 June 2015

PricewaterhouseCoopers Accountants N.V.

Original version signed by drs. E. Hartkamp RA

## 11. MANAGEMENT BOARD, SUPERVISORY BOARD AND CORPORATE GOVERNANCE

Set out below is a summary of certain relevant information concerning the Management Board, the Supervisory Board and employees, as well as a brief summary of certain significant provisions of Dutch corporate law in force on the date of the Prospectus and the Articles of Association.

The Company has a two-tier board structure consisting of a Management Board (*raad van bestuur*) and a Supervisory Board (*raad van commissarissen*). The Management Board is the executive body and is responsible for the day-to-day management of the Company and for the Company's strategy, policy and operations. The Supervisory Board supervises and advises the Management Board.

### Management Board

#### *Powers, composition and functioning*

##### *General*

The Management Board is responsible for the day-to-day management of the Company's operations, as well as the operations of the Group, under the supervision of the Supervisory Board

The members of the Management Board are jointly responsible for the management of the Company's operations and the Group's operations. The Management Board is supervised by the Supervisory Board. The Management Board is required to keep the Supervisory Board informed in a timely manner, to consult with the Supervisory Board on important matters and to submit certain important decisions to the Supervisory Board for its approval as described below in more detail. At least four times a year, the Management Board sends a report to the Supervisory Board containing detailed information on, among other things, financial affairs, investments, divestments and employees.

The Management Board currently comprises a CEO and CFO. See below "*—Members of the Management Board*".

The Board is supported by a management team which comprises Riemer Smink (Chief Investment Officer), Richard Beentjes (Legal) and Inez Blankestijn (HR director). The other members of the management team are the country directors Belinde Bakker for the Netherlands, Luc Plasman for Belgium, Jaakko Ristola for Finland and Eric Damiron, the new French country director. See Section 6 "*Business—Organisational structure*".

The business address of the members of the Management Board is: Wereldhave N.V., WTC Schiphol, Tower A, 3rd floor, Schiphol Boulevard 233, 1118 BH Schiphol, the Netherlands.

##### *Appointment, dismissal and suspension*

The Articles of Association provide that the Management Board must consist of at least one member, with the total number of members of the Management Board determined by the Supervisory Board.

The Articles of Association provide that the members of the Management Board are appointed by the General Meeting, upon a nomination submitted by the Supervisory Board. The General Meeting can reject the nominated candidate by a resolution adopted by an absolute majority of the votes cast, representing more than one-third of the Company's issued share capital. If the General Meeting resolves to reject the first candidate submitted by the Supervisory Board, the Supervisory Board shall be entitled to nominate new candidate(s), which nomination(s) may not include the first candidate nominated. The new candidate(s) can be rejected by a resolution of the General Meeting adopted by an absolute majority of the votes cast, representing more than one-third of the Company's issued share capital. The General Meeting may also nominate candidates for the Management Board, in which case the nominated candidate may only be appointed by a resolution of the General Meeting adopted by two-thirds of the votes cast, representing more than half of the Company's issued capital. If no nomination has been prepared and submitted by the Supervisory Board within three months after the occurrence of a vacancy to be filled, or within three months after an earlier nomination has not led to an appointment, the General Meeting is free in its appointment of members of the Management Board.

The members of the Management Board can be suspended or dismissed at all times by the General Meeting. Members of the Management Board appointed following a nomination of the Supervisory Board, can, other than with the permission of the Supervisory Board, only be suspended or dismissed by resolution of the General Meeting adopted by two-thirds of the votes cast, representing more than half of the Company's issued share capital. The Supervisory Board is also entitled to suspend members of the Management Board for a period not longer than three months, which suspension shall automatically terminate if no decision has been taken regarding cancelling the suspension or dismissal by the General Meeting.

The members of the Management Board are appointed for a maximum term of four years and, unless such member of the Management Board resigns earlier, his or her appointment shall end on the day of the first annual General Meeting to be held four years after his or her appointment. A member of the Management Board shall retire in any event in the first annual General Meeting, following his or her having reached the age of sixty-five.

The Management Board as a whole, as well as a member of the Management Board acting solely, is authorised to represent the Company.

In the event that one or more members of the Management Board are absent or prevented from discharging their duty, the remaining member(s) of the Management Board is or are temporarily charged with the entire management of the Company. In the case of absence or prevention of all members of the Management Board, the Supervisory Board is temporarily charged with the management. In such event, the Supervisory Board is authorised to instruct one or more other individuals to temporarily perform the management of the Company, with the possibility to appoint such person from among its own members.

#### *Conflict of interests*

Each member of the Management Board shall report any existing or potential conflict of interest between such member and the Company to the Chairman of the Supervisory Board and the other members of the Management Board without a delay. Each member of the Management Board that has a (potential) conflict of interest shall provide the Chairman of the Supervisory Board and the other members of the Management Board with all relevant information, including the information related to his or her spouse, registered partner or other life partner, foster child and relatives by blood or marriage up to the second degree as defined under Dutch law. In all instances (other than those referred to below under (B)), the Chairman of the Supervisory Board shall determine whether a reported (potential) conflict of interest is indeed a conflict of interest and shall ensure that these transactions are published in the annual report by the Management Board. A member of the Management Board shall not participate in any deliberations or decision making process of the Management Board, if such member has a direct or indirect personal interest which conflicts with the interest of the Company or its business. In such case the other non-conflicted members of the Management Board shall pass the resolution. If all members of the Management Board are conflicted, then the Supervisory Board shall pass the resolution. The Governance Charter provides that all transactions in which there are conflicts of interest with member(s) of the Management Board must be on terms that are customary in the sector of business in which the Company operates, and require the approval of the Supervisory Board.

The Governance Charter provides that a conflict of interest of a member of the Management Board exists in any event if (A) the Company intends to enter into a transaction with a legal entity (i) in which the member of the Management Board personally holds a substantial financial stake, (ii) which has a management board member who is the spouse, registered partner or other life partner, foster child or relative by blood or marriage up to the second degree as defined under Dutch law of the member of the Management Board, or (iii) in which the member of the Management Board holds a managerial or supervisory position, (B) under the applicable laws, including the rules of any stock exchanges on which the Ordinary Shares are listed, there is a conflicting interest or a perceived conflicting interest and (C) the Chairman of the Supervisory Board has found that a conflicting interest exists or is believed to exist.

#### *Meetings and decision making*

The Supervisory Board has adopted the Governance Charter Wereldhave N.V. (the **Governance Charter**) that describe, *inter alia*, the procedure for holding meetings of the Management Board, the decision making by the Management Board and the Management Board's operating procedures. The Governance Charter can only be amended with the approval of the Supervisory Board.

The Management Board shall meet at least once a month if possible and also as often as one or more of its members deem necessary. The Management Board can only adopt valid resolutions if at least the majority of the members with voting rights are present. The Governance Charter provides that if a majority is not obtained in a subsequent meeting, the chairman of the relevant meeting may, if he or she believes that a decision is desirable, consult with the absent members of the Management Board with voting rights by telephone, web cast, e-mail or by fax. Resolutions will need to be adopted by unanimous vote. If a resolution is not adopted by a unanimous vote, the resolution will not have been taken and will be discussed during the subsequent meeting of the Management Board. If opinions remain divided after a second meeting, the proposal will be deemed to have been rejected. In case no resolution can be adopted by the Management Board regarding important matters, the matters concerned will be raised by the Management Board at the meeting with the Supervisory Board.

Pursuant to the Articles of Association, decisions of the Management Board in respect of the following matters are subject to the prior approval of the Supervisory Board:

- issue and acquisition of debt instruments;
- a request for listing or cancellation of the listing of Ordinary Shares in and debt instruments in the official price list of any stock exchange;
- sustainable direct or indirect cooperation with another company or legal person, as well as terminating such cooperation, if this cooperation or cancellation is significant;
- the adoption of the periodic investment plan (including main financing aspect), which contains the envisaged investment policy during the period covered by the investment plan.
- the appointment of proxy holders to whom general powers of representation accrues, possibly together with other individuals;
- petition for bankruptcy and suspension of payment;
- the termination of the employment of a significant number of employees simultaneously or within a short time frame;
- making a proposal for a legal merger as referred to in Title 7, Book 2 of the Dutch Civil Code (**DCC**);
- making a proposal to the General Meeting to issue Shares or to designate another body of the Company to do so;
- making a proposal to the General Meeting to restrict or exclude the pre-emptive rights or to designate another body of the Company to do so;
- making a proposal for an amendment to the Governance Charter;
- making a distribution of interim dividend on Ordinary Shares; and
- making a proposal to the General Meeting to amend the Articles of Association.

The absence of the approval of the Supervisory Board as referred to above does not prejudice the representative authority of the Management Board or its individual members.

The Supervisory Board is authorised to also subject other decisions of the Management Board to its approval. In this respect, the Supervisory Board has decided to subject the following decisions by the Management Board to its approval:

- investment and divestment decisions that exceed €50 million per project;
- request for a rating (and any reports by rating agencies will be discussed with the Supervisory Board);
- issuing, buying and alienating the Protective Preference Shares;
- issuing Ordinary Shares, provided that a decision to issue Ordinary Shares does not require the approval of the Supervisory Board if a decision is taken to issue no more than 3% of the Company's issued share capital in the form of Ordinary Shares at a price per Ordinary Shares that is not lower than the most recently established intrinsic value. The issue price may be lower if the Company developments of an extraordinary nature, which have not (yet) been reflected by the most recent intrinsic value, give cause to do so;
- buying Ordinary Shares, provided that a decision to buy Ordinary Shares does not require approval of the Supervisory Board if a decision is taken to purchase no more than 5% of the Company's issued share capital in the form of Ordinary Shares at a price per Ordinary Share that is not higher than the most recent established intrinsic value; and
- alienating the Ordinary Shares, provided that a decision to alienate the Ordinary Shares does not require approval if a decision is taken to alienate no more than 5% of the Company's issued share capital in the form of Ordinary Shares at a price per Ordinary Shares that is not lower than 10% of the average acquisition price per Ordinary Shares (if the cumulated transactions threaten to exceed the aforementioned percentages, the Management Board shall report this to the Chairman of the Supervisory Board).



Pursuant to the DCC and the Articles of Association, resolutions of the Management Board in respect of an important change in the identity or character of the Company or its business are subject to the approval of the General Meeting and the Supervisory Board, which in any event include:

- the transfer of the Company's business or substantially all of its business to a third party;
- the entry into or termination of a long-term cooperation by the Company or any of the Company's subsidiaries with another legal entity or as a fully liable partner in a limited or general partnership, if such cooperation or the termination thereof is of major importance to the Company; and
- the acquisition or disposal by the Company or by any of the Company's subsidiaries of a participation in the capital of another company, the value of which equals at least one-third of the Company's assets according to the Company's consolidated balance sheet with explanatory notes included in the most recently adopted consolidated annual accounts.

#### *Members of the Management Board*

The table below lists (and the rest of the paragraph describes) the members of the Management Board at the date of the Prospectus.

<b>Name</b>	<b>Date of birth</b>	<b>Position</b>	<b>Member since</b>	<b>Term</b>
D.J. Anbeek .....	25 April 1963	CEO	2009, reappointed in 2013	4 years
R. Bolier .....	21 December 1961	CFO	2014	4 years

Mr Anbeek was appointed as member of the Management Board in June 2009. He was appointed as CEO of the Company in August 2012 and was reappointed in 2013 until 2017. From 2006 to 2009, Mr Anbeek served as director of Albert Heijn EVP Franchise & Real Estate and he served as Senior Vice President Business Planning & Performance from May 2004 to 2006. Furthermore, he held several international management positions at Ahold from 1996 and 2004. He was senior consultant at Pricewaterhouse from 1994 to 1995. In addition, he held several international management positions at DSM from 1988 to 1994. Mr Anbeek currently also holds the position of member of the supervisory board of Ordina N.V. and Detailresult Groep N.V.

Mr Bolier was appointed as member of the Management Board on 23 September 2014. Mr Bolier was previously appointed as non-statutory director for the position of interim chief financial officer in April 2014. Mr Bolier serves as director of Listenact Ltd and Bolier Investments B.V. Mr Bolier has extensive international experience in real estate; he was chief financial officer at Atrium European Real Estate from 2009 to 2012. He served as chief financial officer of Meretec Corporation from 2007 to 2009 and he held a number of senior management positions at Assa Abloy from 2000 to 2006. He served as divisional chief financial officer of the EMEA region at Assa Abloy from 2003 where he was responsible for all areas of financial management, budgeting, treasury, legal, shareholder relations and corporate governance affairs. More recently he helped private equity firm Warburg Pincus to divest MACH.

#### *Further information*

At the date of the Prospectus, the members of the Management Board do not have in the previous five years: (i) been convicted of any offences relating to fraud; (ii) held an executive function at any company at the time of or immediately preceding any bankruptcy, receivership or liquidation; (iii) been subject to any official public sanction by any statutory or regulatory authority (including any designated professional body); or (iv) been the subject of any official public incrimination or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

The members of the Management Board do not have a conflict of interest (actual or potential) between their duties to the Company and their private interests and/or other duties.

#### *Management agreement of Mr Anbeek*

Mr Anbeek carries out his duties on the basis of a management agreement entered into for a fixed term of four years (April 2013 until April 2017). The agreement will expire on 30 April 2017, unless renewed for a new (four-year) term of office or terminated during the course of its term by a decision of the General Meeting in accordance with the Articles of Association or upon resignation by Mr Anbeek himself.

#### *Termination provisions and severance payment*

Mr Anbeek's management agreement contains a notice period of two months for Mr Anbeek and four months for the Company.

If the agreement is not renewed after 30 April 2017 or if the agreement is terminated prematurely by the Company, Mr Anbeek is entitled to a one-off severance payment equal to the fixed annual base fee, unless the non-renewal is the result of an urgent cause (*dringende reden*) or circumstances substantially attributable to Mr Anbeek.

Mr Anbeek may be suspended for a period of at maximum three months (which period may be extended until the end of the agreement if notice is served during such period) if the Company cannot in all reasonableness be expected to allow Mr Anbeek to continue to work. The fixed base fee will remain payable during any such period of suspension.

#### *Restrictive covenants*

Mr Anbeek is restricted from carrying out any side activities, whether paid or unpaid, and in particular from entering into of real estate transactions or development of real estate projects, without the prior written approval of the Supervisory Board. He is allowed to serve on the supervisory board of at maximum three companies outside the Group.

Mr Anbeek's management agreement furthermore contains a non-solicitation of business contacts undertaking (applicable during the term of the agreement and for a period of twelve months after termination thereof) and a confidentiality undertaking (applicable during the term of the agreement and after termination thereof (unlimited in time)). These undertakings are reinforced by a penalty equal to twice the gross monthly fixed base fee, increased with an amount of €5,000 for each day that the breach continues, without prejudice of the rights of the Company to claim damages instead. The agreement does not contain a non-compete undertaking.

#### *Change of control*

The agreement does not contain a change of control clause.

#### *Adjustment and claw-back*

The management agreement provides that the provisions included in the Dutch Corporate Governance Code relating to adjustment and claw-back of any variable remuneration apply to any remuneration awarded or paid out on the basis of the agreement.

#### *Indemnity*

The management agreement contains an indemnity pursuant to which the Company indemnifies Mr Anbeek against any losses or damages, excluding reputational damage and immaterial damages, actually and reasonably incurred by him in connection with existing or future legal actions or proceedings of whatever nature, resulting from acts or omissions by him in the performance of his position as CEO or any other position carried out at the request of the Company. Certain exceptions apply (e.g. if the damages are the result of Mr Anbeek's own negligence, gross misconduct or in case the damages are covered by an insurance policy and the insurer has paid out damages). The Company will also by means of an advance payment pay for costs relating to legal defence, provided Mr Anbeek guarantees in writing to pay back the amount if it appears that he was not entitled to be indemnified by the Company. Any disputes in connection with the indemnity will be settled in accordance with the rules of arbitration of the Dutch Arbitration Institute.

#### ***Management agreement of Mr Bolier***

Mr Bolier carries out his duties on the basis of a management agreement entered into for a fixed term of three years and seven months (September 2014 until April 2018). The agreement will expire on 30 April 2018, unless renewed for a new (four-year) term of office or terminated during the course of its term by a decision of the General Meeting in accordance with the Articles of Association or upon resignation by Mr Bolier himself.

#### *Termination provisions and severance payment*

Mr Bolier's management agreement contains a notice period of two months for Mr Bolier and four months for the Company.

If the agreement is not renewed after 30 April 2018 or if the agreement is terminated prematurely by the Company, Mr Bolier is entitled to a one-off severance payment equal to the fixed annual base fee, unless the non-renewal is the result of an urgent cause (*dringende reden*) or circumstances substantially attributable to Mr Bolier.

Mr Bolier may be suspended for a period of at maximum three months (which period may be extended until the end of the agreement if notice is served during such period) if the Company cannot in all reasonableness be expected to allow Mr Bolier to continue to work. The fixed base fee will remain payable during any such period of suspension.

#### *Restrictive covenants*

Mr Bolier is restricted from carrying out any side activities, whether paid or unpaid, and in particular from entering into commercial real estate transactions or development of real estate projects, without the prior written approval of the Supervisory Board. He is allowed to serve on the supervisory board of at maximum three companies outside the Group (subject to the applicable law and regulations).

Mr Bolier's management agreement furthermore contains a non-solicitation of business contacts undertaking (applicable during the term of the agreement and for a period of twelve months after termination thereof) and a confidentiality undertaking (applicable during the term of the agreement and after termination thereof (unlimited in time)). These undertakings are reinforced by a penalty equal to twice the gross monthly fixed base fee, increased with an amount of €5,000 for each day that the breach continues, without prejudice of the rights of the Company to claim damages instead. The agreement does not contain a non-compete undertaking.

#### *Change of control*

The agreement does not contain a change of control clause.

#### *Adjustment and claw-back*

The management agreement provides that the provisions included in the Dutch Corporate Governance Code relating to adjustment and claw-back of any variable remuneration apply to any remuneration awarded or paid out on the basis of the agreement.

#### *Indemnity*

The management agreement contains an indemnity pursuant to which the Company indemnifies Mr Bolier against any losses or damages, excluding reputational damage and immaterial damages, actually and reasonably incurred by him in connection with existing or future legal actions or proceedings of whatever nature, resulting from acts or omissions by him in the performance of his position as Chief Financial Officer or any other position carried out at the request of the Company. Certain exceptions apply (e.g. if the damages are the result of Mr Bolier's own negligence, gross misconduct or in case the damages are covered by an insurance policy and the insurer has paid out damages). The Company will also by means of an advance payment pay for costs relating to legal defence, provided Mr Bolier guarantees in writing to pay back the amount if it appears that he was not entitled to be indemnified by the Company. Any disputes in connection with the indemnity will be settled in accordance with the rules of arbitration of the Dutch Arbitration Institute.

#### ***Insurance for the members of the Management Board, Supervisory Board and officers***

Members of the Management Board, Supervisory Board and certain other officers are insured under an insurance policy taken out by the Company with Chubb against damages resulting from their conduct when acting in their capacities as such members or officers.

#### ***Proxy holders***

The Company currently has two proxy holders, Mr Beentjes and Mr Smink, who are registered with the Trade Register. Mr Beentjes is authorised to represent the Company together with another proxy holder with respect to legal acts up to an amount of €500,000. Mr Smink is authorised to represent the Company together with another proxy holder with respect to legal acts up to an amount of €500,000.

## **Supervisory Board**

### ***Powers, composition and functioning***

#### *General*

The Supervisory Board is responsible for the supervision of the activities and policies of the Management Board and the general course of the affairs of the Company and its affiliated business. The Supervisory Board may also, on its own initiative, provide the Management Board with advice and may request any information from the Management Board that it deems appropriate. In performing its duties, the Supervisory Board shall be guided by the interests of the Company and its affiliated enterprise, and to that end, shall weigh the relevant interests of the Company's stakeholders, including the Shareholders. The Supervisory Board shall also have due regard for corporate social responsibility issues. The members of the Supervisory Board are in principle not authorised to represent the Company in dealing with third parties. The Supervisory Board is collectively responsible for carrying out its duties and the quality of its performance.

The business address of the members of the Supervisory Board is: Wereldhave N.V., WTC Schiphol, Tower A, 3rd floor, Schiphol Boulevard 233, 1118 BH Schiphol, the Netherlands.

#### *Appointment, dismissal and suspension*

The Articles of Association provide that the number of members of the Supervisory Board will be determined by the Supervisory Board and will consist of a minimum of three members. Only natural persons can be members of the Supervisory Board.

The Articles of Association provide that the members of the Supervisory Board are appointed by the General Meeting upon a nomination by the Supervisory Board or the General Meeting. In case of a nomination by the Supervisory Board, the General Meeting can reject the nominated candidate by a resolution adopted by an absolute majority of the votes cast, representing more than one-third of the Company's issued share capital. If the General Meeting resolves to reject the first candidate submitted by the Supervisory Board, the Supervisory Board shall be entitled to nominate new candidate(s), which nomination(s) may not include the first candidate nominated. The new candidate(s) can also be rejected by a resolution of the General Meeting adopted by an absolute majority of the votes cast, representing more than one-third of the Company's issued share capital. The General Meeting may also nominate candidates for the Supervisory Board, in which case the nominated candidate may only be appointed by a resolution of the General Meeting adopted by two-thirds of the votes cast, representing more than half of the Company's issued share capital. If no nomination has been prepared and submitted by the Supervisory Board within three months after the occurrence of a vacancy to be filled, or within three months after an earlier nomination has not led to an appointment, the General Meeting is free in its appointment of members of the Supervisory Board.

The members of the Supervisory Board can be suspended or dismissed at all times by the General Meeting. Members of the Supervisory Board appointed following a nomination of the Supervisory Board, can, other than with the permission of the Supervisory Board, only be suspended or dismissed by resolution of the General Meeting adopted by two-thirds of the votes cast, representing more than half of the Company's issued share capital.

The members of the Supervisory Board are appointed for a maximum term of four years and, unless such member resigns earlier, his or her appointment shall end on the day of the first annual General Meeting to be held four years after his or her appointment. The Supervisory Board has prepared a profile (*profielchets*) of its size and composition, which takes into account the character of the Company's business, activities and the desired expertise and background of the members of the Supervisory Board. With respect to each appointment of a member of the Supervisory Board, the profile must be taken into account. The members of the Supervisory Board will retire periodically in accordance with a rotation plan to be prepared by the Supervisory Board. A retiring member of the Supervisory Board will be eligible for reappointment immediately, provided that none of the members may be appointed after the second term of office of four years or after having been in office for eight years.

#### *Conflict of interests*

Each member of the Supervisory Board, apart from the Chairman, shall report any existing or potential conflict of interest between such member and the Company to the Chairman of the Supervisory Board and the other members of the Supervisory Board without a delay. Each member of the Supervisory Board that has a (potential) conflict of interest shall provide the Chairman of the Supervisory Board with all relevant information, including the information related to his or her spouse, registered partner or other life partner, foster child and relatives by blood or marriage up to the second degree as defined under Dutch law. In all instances other than those referred to below under (B), the Supervisory Board

shall determine whether a reported (potential) conflict of interest is indeed a conflict of interest. If the Chairman of the Supervisory Board has a (potential) conflict of interest, he or she shall report this to the Vice-Chairman of the Supervisory Board and the other members of the Supervisory Board without a delay. The Chairman shall provide the Vice-Chairman of the Supervisory Board with all relevant information, including the information related to his or her spouse, registered partner or other life partner, foster child and relatives by blood or marriage up to the second degree as defined under Dutch law. In all instances other than those referred to below under (B), the Supervisory Board will determine whether a reported (potential) conflict of interest is indeed a conflict of interest. A member of the Supervisory Board (including the Chairman) shall not participate in any deliberations or decision making process of the Supervisory Board, if such member has a direct or indirect personal interest which conflicts with the interest of the Company or its business. In such case the other non-conflicted members of the Supervisory Board shall pass the resolution. If all members of the Supervisory Board are conflicted, then the General Meeting shall pass the resolution. The Governance Charter provides that all transactions in which there are conflicts of interest with member(s) of the Supervisory Board must be on terms that are customary in the sector of business in which the Company operates, and require the approval of the Supervisory Board.

The Governance Charter provides that a conflict of interest of a member of the Supervisory Board exists in any event if (A) the Company intends to enter into a transaction with a legal entity (i) in which the member of the Supervisory Board personally holds a substantial financial stake, (ii) which has a management board member who is the spouse, registered partner or other life partner, foster child or relative by blood or marriage up to the second degree as defined under Dutch law of the member of the Supervisory Board, or (iii) in which the member of the Supervisory Board holds a managerial or supervisory position, (B) under the applicable laws, including the rules of any stock exchanges on which the Ordinary Shares are listed, there is a conflicting interest or a perceived conflicting interest and (C) the Supervisory Board has found that a conflicting interest exists or is believed to exist.

#### *Meetings and decision making*

The Governance Charter describes, *inter alia*, the procedure for holding meetings of the Supervisory Board, the decision making by the Supervisory Board and the Supervisory Board's operating procedures. Under the Governance Charter, the Supervisory Board shall meet at least four times a year and also as often as one or more of its members deem necessary. The Supervisory Board shall appoint one of its members as Chairman and one of its members as Vice-Chairman. The Chairman determines the agenda and chairs the meetings of the Supervisory Board. The Chairman shall ensure the proper functioning of the Supervisory Board and its committees and shall act on behalf of the Supervisory Board as the main contact for the Management Board and for the Shareholders regarding the functioning of the members of the Management Board and the Supervisory Board. The Vice-Chairman shall deputise for the Chairman when the occasion arises and shall act as contact for individual members of the Supervisory Board and the Management Board concerning the functioning of the Chairman.

The Supervisory Board can only adopt valid resolutions at a meeting if the majority of the members with voting rights are present or represented. The Supervisory Board can also adopt resolutions outside a meeting, provided all members of the Supervisory Board have been given an opportunity to give their opinion in writing (including all common means of communication that can be received in writing) and none of them have objected to this manner of decision making. A resolution that has been adopted in this manner will be recorded in writing and signed by the Chairman, with all written reactions received being attached.

#### *Members of the Supervisory Board*

The table below lists (and the rest of the paragraph describes) the members of the Supervisory Board at the date of the Prospectus.

<b>Name</b>	<b>Date of birth</b>	<b>Position</b>	<b>Member since</b>	<b>Independent / non-independent</b>	<b>Term</b>
J.A.P. van Oosten .....	30 March 1948	Chairman	2009, reappointed in 2015	Chairman	3 years
H.J. van Everdingen .....	17 Sep 1955	Member	2011, reappointed in 2015	Independent	4 years
F.C. Weijtens .....	22 July 1967	Member	2013	Independent	4 years
J.A. Bomhoff .....	18 November 1948	Member	2013	Independent	4 years
B. Groenewegen .....	11 February 1964	Member	2014	Independent	4 years

Mr Van Oosten joined the Company in 2009 and has served as Chairman since 2011. He has been a member of the Remuneration and Nomination Committee since 2013. He is also chairman of the supervisory boards of Royal HaskoningDHV B.V., West-Holland Foreign Investment Agency and Reinier Haga Groep. He is a member of the supervisory boards of Staedion. Furthermore, he is chairman of Stichting Foundation Haagbouw and a member of the

board of NEN. He was a member of the board of directors of Royal BAM Group from 1995 until 2011 and he was chief executive officer of that company from 2005 until 2010.

Mr Van Everdingen has been a member of the Supervisory Board since 2011. He has been a member of the Audit Committee since 2013. Mr Van Everdingen is a director of Berlage Winkelfonds Duitsland N.V. and a member of the supervisory board of Karel Doorman Foundation. He acted as interim member of the Management Board from 23 July 2012 until 31 May 2013.

Mrs Weijters has been a member of the Supervisory Board since 2013. She serves as chairman of the Remuneration and Nomination Committee. Until 1 September 2014 she also held the position as executive vice president corporate affairs of DSM N.V. Earlier she was a partner at Amsterdam based law firm DLA Piper. She has international managerial and legal experience, more specifically in the areas of corporate litigation, mergers and acquisitions, compliance, corporate governance and social responsibility.

Mr Bomhoff has been a member of the Supervisory Board since 2013. He has broad commercial real estate knowledge. Mr Bomhoff is chairman of the supervisory board of Bornet Group Rotterdam B.V. and member of the supervisory board of Huisman Equipment Nederland B.V. and holds a board position at Triple Blue Consulting B.V. He is furthermore chairman of Foundation SHS and board member of Stichting Reserve 1983. In the past he has had positions as member of the management board of Rodamco Europe / Unibail-Rodamco for many years.

Mr Groenewegen has been a member of the Supervisory Board since 2014. He is also the chairman of the Audit Committee. His main position is as the chief financial officer of Ziggo N.V. Mr Groenewegen was chief executive officer of PCM Publishers from 2007 to 2009 after having served as its chief financial officer from 2005 to 2007. From 2004 to 2005, Mr Groenewegen worked for U.S.-based private equity firm General Atlantic. From 1995 to 2004, he was chief financial officer of Exact Software, where he also served as group financial controller from 1993 to 1994.

## **Committees**

The Supervisory Board has appointed two standing committees: the Audit Committee and the Remuneration and Nomination Committee.

### ***Audit Committee***

The Audit Committee consists of Mr Van Everdingen and Mr Groenewegen. Both Mr Groenewegen and Mr Van Everdingen are independent members. Mr Groenewegen is the chairman of the Audit Committee.

The Audit Committee is a preparatory committee for the Supervisory Board. Its duties within the Supervisory Board are in particular:

- providing advice to the Supervisory Board on the supervision of the Management Board in respect of: the operation of the internal risk management and control systems, including the supervision of the compliance with the relevant laws and regulations and the supervision of the effect of codes of conduct; the financial information provided by the Company; the compliance with recommendations and follow-up of observations made by the external auditors; the Company's policy with regard to tax planning; the relationship with the external auditor, including in particular its independence, remuneration and any non-audit activities for the Company; the financing of the Company; and the applications of information and communication technology;
- providing advice to the Supervisory Board with regard to the nomination to be submitted by the Supervisory Board to the General Meeting for the appointment of the external auditor;
- preparing recommendations, if necessary, to the Supervisory Board with regard to the policy to be used in respect of the external auditor's independence and any (potential) conflicts of interests between the external auditor and the Company;
- preparing the meeting of the Supervisory Board with the Management Board, at which meeting the annual accounts and the annual report will be discussed;
- being the first contact for the external auditor, if the latter detects any irregularities in the contents of the financial statements; and
- performing any other duties or audit activities the Supervisory Board wishes to entrust to the Audit Committee.

The roles and responsibilities of the Audit Committee as well as the composition and the manner in which it discharges its duties are set out in the regulations of the Audit Committee which are available on the Company's website.

The Audit Committee shall meet as often as necessary in order for it to function properly but in any event at least once a year. Usually, the Audit Committee convenes three times per year (February, August and November). In the February meeting, the annual accounts are discussed, in the August meeting the half year results are discussed and in the November meeting the Auditor's interim report is discussed. The Audit Committee meets at least once a year with the external auditor and without the Management Board.

### ***Remuneration and Nomination Committee***

The Remuneration and Nomination Committee consists of Mrs Weijters and Mr Van Oosten. Both Mrs Weijters and Mr Van Oosten are independent. Mrs Weijters is the chairman of the Remuneration and Nomination Committee.

The duties of the Remuneration and Nomination Committee include, among other things, the following with respect to remuneration:

- the preparation of proposals, changes or additions regarding the remuneration policy for members of the Management Board (which policy, as well as any material changes thereto, shall be submitted by the Supervisory Board to the General Meeting for adoption);
- the preparation of proposals, changes or additions for the remuneration of the individual members of the Management Board (which remuneration and possible changes and/or additions shall be submitted for adoption to the Supervisory Board);
- a review of the policy for fixed and variable compensation of key officers and senior management directly responding to the Management Board and the total compensation of certain other specified employees defined in consultation with the Supervisory Board;
- the preparation of the remuneration report for inclusion in the annual report; and
- the preparation of proposals to amend the remuneration of the Supervisory Board and its members (which remuneration proposal shall be submitted to the General Meeting for adoption).

The duties of the Remuneration and Nomination Committee include, among other things, the following with respect to nomination:

- the preparation of selection criteria and appointment procedures for members of the Management Board and Supervisory Board;
- an assessment of the size and composition of the Supervisory Board, Management Board and management team of the Company as well as the preparation of the profile of the Supervisory Board;
- the preparation of an assessment of the functioning of individual members of the Supervisory Board and Management Board and reporting the findings to the Supervisory Board (at least once a year);
- review of the policy of the Management Board on the selection criteria and appointment procedures for key officers and senior management and reporting the findings to the Supervisory Board;
- the preparation of the decision-making process of the Supervisory Board regarding requests of members of the Management Board or members of the management team for accepting membership(s) of the supervisory board of other listed companies; and
- the preparation of the decision-making process of the Supervisory Board regarding any conflicts of interest that may arise in the acceptance by members of the Supervisory Board of additional positions.

The roles and responsibilities of the Remuneration and Nomination Committee as well as the composition and the manner in which it discharges its duties are set out in the regulations of the Remuneration and Nomination Committee, which are available on the Company's website.

The Remuneration and Nomination Committee shall meet as often as required for a proper functioning of the Remuneration and Nomination Committee but in any event at least twice a year.

#### ***Further information on the Supervisory Board as a whole***

At the date of the Prospectus, none of the members of the Supervisory Board has in the previous five years: (i) been convicted of any offences relating to fraud; (ii) held an executive function at any company at the time of or immediately preceding any bankruptcy, receivership or liquidation; (iii) been subject to any official public sanction by any statutory or regulatory authority (including any designated professional body); or (iv) been the subject of any official public incrimination or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

All members of the Supervisory Board are independent of the Company and its stakeholders.

No member of the Supervisory Board has a conflict of interest (actual or potential) between his duties to the Company and his private interests and/or other duties.

### **Remuneration**

#### ***Management Board remuneration***

The General Meeting has adopted a policy governing the remuneration of the Management Board on 24 April 2015, having effect as from 1 January 2015 (the **Remuneration Policy**). In accordance with the Articles of Association, the Remuneration Policy was proposed by the Supervisory Board to the General Meeting. The Remuneration and Nomination Committee was responsible for preparing the proposal for the Remuneration Policy to the Supervisory Board and it will also be responsible for proposing any amendments to the current Remuneration Policy.

The Supervisory Board establishes the remuneration and other conditions of employment of the members of the Management Board with due observance of the Remuneration Policy set by the General Meeting. In the event the remuneration of the Management Board also includes schemes in the form of Ordinary Shares and/or rights to subscribe for Ordinary Shares, the Supervisory Board will make a proposal with regard to such scheme that will be submitted to the General Meeting for approval. As a minimum, the proposal must determine how many Ordinary Shares or rights to subscribe for Ordinary Shares can be awarded to the Management Board and what criteria apply to such awarding. The absence of the approval of the General Meeting does not diminish the authority of the Supervisory Board.

The Remuneration Policy is designed to attract and retain members of the Management Board. The essential qualifications comprise not only knowledge and experience in the field of real estate, but also the prerequisite management competencies. The policy aims to safeguard the Company's performance and value growth while positioning the Company as a challenging employer for highly qualified Management Board members. In order to accomplish these objectives, both short-term and long-term remuneration levels must be comparable to those offered by similar property investment companies. The benchmark used by the Company in determining suitable remuneration levels consists of a group of European property investment organisations. The Benchmark to assess remuneration levels currently consists of: Klépierre, Nieuwe Steen Investments, VastNed Groep, Cofinimmo, Citycon and Sponda.

Pursuant to the Remuneration Policy, the remuneration of the members of the Management Board consists of the following fixed and variable components:

- a fixed base salary/fee;
- a short-term variable remuneration in cash or in Ordinary Shares;
- a long-term variable remuneration, only in Ordinary Shares; and
- pension and other secondary employment benefits.

The variable remuneration is primarily based on the increase in Like-for-Like Rental Growth, the total shareholder's return and the realisation of annual personal targets set by the Supervisory Board and consists of a short-term remuneration in cash or in Ordinary Shares and a conditional long-term remuneration in Ordinary Shares. The sum for variable remuneration for at target performance amounts to 50% of the agreed fixed annual salary/fee; whilst variable income is capped 85% of the fixed annual salary/fee for the year over which the bonus is being awarded.



### *Fixed salary/fee*

The members of the Management Board currently receive a fixed salary/fee that is paid in twelve equal instalments. Mr Anbeek's fixed salary/fee as of 1 January 2013 was €402,242. For 2015, this amount has been indexed with the Dutch consumer price indexation (**CPI**) of 1.6%.

### *Short-term and long-term variable remuneration*

The variable bonus payment is calculated with the reference to the following indicators:

- the growth of the net rental income compared to the previous year's Like-for-Like Rental Growth: each % increase scores 10% of the annual fixed salary/fee, with a cap of 40% of the fixed salary/fee;
- the total shareholder return (**TSR**) for the year, compared to the TSR peer group of six large property investment companies (Unibail, Rodamco, Nieuwe Steen Investments, Klépierre, VastNed Groep and EuroCommercial Properties), awarding the first place with 20% and discounting 4% per lower rank whereby rank 6 and 7 score 0% (at target is the average of places 3 and 4); and
- the weight of personal objectives with a maximum variable remuneration of 25% of the annual fixed salary/fee.

Part of the remuneration will be payable immediately whereas the other part is conditional upon performance in subsequent years. This is to be determined in accordance with the following indicators:

- Like-for-Like Rental Growth: 30% of this variable bonus is unconditional and granted immediately (short-term variable remuneration) whereas 70% of this variable bonus is granted under the condition that the average Like-for-Like Rental Growth over the next two years is positive (long-term variable remuneration);
- the TSR variable compensation: 30% of this variable bonus is unconditional and granted immediately (short-term variable remuneration) whereas 70% of this variable bonus is granted under condition that average place over the next two years is higher than the 6th place (long-term variable remuneration). Should one of the companies drop from this TSR peer group, the points to be allocated will be divided over the remaining companies within the group, but if two or more companies would disappear from the group, the Supervisory Board will appoint new companies to replace the ones that disappeared from the group; and
- personal objectives: is unconditional and granted immediately (short-term variable remuneration).

In summary, the relation between short-term and long-term remuneration is as follows:

- personal objectives (max. 25% of the annual fixed income): unconditional for the short term;
- Like-for-Like Rental Growth: (max. 40% of the annual fixed income), of which 30% unconditional for the short term and 70% is granted under the long-term condition that the average Like-for-Like Rental Growth over the next two years will be positive;
- the TSR variable compensation: (max. 20% of the annual fixed income) of which 30% unconditional for the short term and 70% is granted under the long-term condition that average place over the next two years is higher than the 6th place.

This remuneration scheme results in a maximum ratio between the short-term bonus and long-term bonus of about 58 short and 42 long for at-target performance and approximately 51/49 for far-above-target performance.

The vesting period of the long-term remuneration is two years starting from the date the variable remuneration has been granted. If a variable remuneration component conditionally awarded to a member of the Management Board in a previous financial year would, in the opinion of the Supervisory Board, produce an unfair result due to extraordinary circumstances during the period in which the predetermined performance criteria have been or should have been achieved, the Supervisory Board has the power to adjust the value downwards or upward. Furthermore, the Supervisory Board may recover from a member of the Management Board any variable remuneration awarded on the basis of incorrect information (claw back clause).

If in any year the downward deviation from the minimum financing ratios as defined in the business plan (and approved by the Supervisory Board) exceeds 5%, no short-term or long-term bonus is awarded over that year. Furthermore, if in

any given year investments or divestments deviate from the principles of the investment policy as determined in the business plan approved by the Supervisory Board; no short-term or long-term bonus is awarded over that year.

At the discretion of the member of the Management Board, the short-term bonus can be paid in cash, in Ordinary Shares, or as a combination of the two. The short-term bonus sum is calculated into an Ordinary Share balance based on the price per Ordinary Shares at the end of the first day of trading after the ex-dividend listing of the Ordinary Share.

The long-term bonus is payable in Ordinary Shares only. When the conditional bonus is determined each year, the amount in cash is calculated into a conditional Ordinary Share balance based on the price per Ordinary Shares at the end of the first day of trading after the ex-dividend date of the Ordinary Shares in the year in which the conditional bonus is awarded. If a dividend is paid on Ordinary Shares, the conditional share balance will be increased by a number of conditional Ordinary Shares equal to the amount of the dividend divided by the current price per Ordinary Shares. These additional conditional Ordinary Shares are subject to the same terms as the conditional Ordinary Shares that were initially awarded. If the terms are satisfied over the vesting period, the vested Ordinary Shares are transferred to the member of the Management Board. From the point in time that the Ordinary Shares have vested, the member of the Management Board can have all or part of the Ordinary Shares blocked for a period of a number of years.

If a member of the Management Board voluntarily resigns within the agreed appointment period or if he or she is dismissed without further notice in accordance with Dutch law, the conditional Ordinary Share balance reverts to the Company. If a member of the Management Board is not reappointed at the end of the agreed appointment period, the scheme remains intact with regard to the conditional Ordinary Share balance. Once the conditions have been met, the vested Ordinary Shares will be transferred to that member of the Management Board.

During the extraordinary General Meeting to be held on 23 July 2015, the General Meeting will discuss the proposed change in the short-term and long-term variable remuneration.

#### *Pension and fringe benefits*

The fixed salary/fee is pensionable (average income) up to a maximum pensionable annual income of €408,678 gross in 2014. Pensionable income is capped and the cap is indexed annually in accordance with CPI. The variable income is not pensionable. No provision facilitating early retirement is currently in place. Members of the Management Board are subject to the same pension scheme as all other employees of the Company in the Netherlands. See "*—Employees and pension obligations*" below.

The Company offers the members of the Management Board a competitive package of secondary employment benefits in accordance with those offered to its other employees. This benefit package includes accident insurance, disability insurance, company car and director liability insurance. The Company does not issue loans, advances or guarantees to the members of the Management Board.

#### *Severance arrangements*

Contractual severance arrangements of the members of the Management Board are compliant with the Dutch Corporate Governance Code (i.e. severance payment is capped at one year's salary/fee).

#### ***Management Board remuneration in 2014***

The table below shows the remuneration received by the members of the Management Board in 2014.

	<b>Fixed salary/fee</b>	<b>Short-term investment</b>	<b>Long-term investment</b>	<b>One-off payment</b>	<b>Pension costs</b>	<b>Social charges</b>	<b>Crisis tax</b>	<b>Total</b>
	(€ thousands)							
D.J. Anbeek.....	409	166	149	–	89	10	–	823
R Bolier <sup>(1)</sup> .....	264	96	86	–	19	3	–	420
<b>Total.....</b>	<b>673</b>	<b>262</b>	<b>235</b>	<b>–</b>	<b>108</b>	<b>13</b>	<b>–</b>	<b>1,243</b>

- (1) Mr Bolier was appointed as member of the Management Board in September 2014. During the period from 10 April 2014 until 23 September 2014, Mr Bolier acted as interim CFO (as a non-statutory director). Mr Bolier's variable income for this period amounted to €60 thousand as short term incentive in cash and €54 thousand in conditional shares. As of 23 September 2014, Mr Bolier's variable income amounted to €68 thousand, of which €36 thousand as short term incentive in cash and €32 thousand as long term incentive in conditional shares.

### ***Proposal to amend remuneration policy***

Based on the recommendations from an outside compensation advisor, the Supervisory Board has decided to propose to shareholders changes in the fixed and variable compensation of the members of the Board of Management for the year 2015 and subsequent years. During the extraordinary General Meeting to be held on 23 July 2015, the General Meeting will discuss the proposed change in the short-term and long-term variable remuneration.

In view of the benchmark analysis as performed by the external compensation advisor, the Supervisory Board also proposes changes to the remuneration of the Supervisory Board.

#### ***Management Board remuneration***

The proposed new scheme puts more emphasis on the long term variable compensation. It has a simplified design and ownership guidelines equal to 2.5 time base salary are intended to align interests. The strategic performance measures are also aligned with the company's strategy.

It is proposed to raise the fixed remuneration for 2015 to €510,000 for the CEO and €380,000 for the CFO.

The proposed variable income amounts to a base variable income of 100% of the fixed annual income, with a maximum of 40% payable as short term incentive in cash and of 60% as long term incentive in shares. A three year TSR performance against the peer group will be used as a correction mechanism to set the final outcome of the long term incentive. Depending on the ranking against the TSR performance of the peer group, the conditional share balance (including reinvestment of dividend) can be multiplied by a maximum of three if Wereldhave belongs to the top TSR performers or even annulled if the TSR performance ranks with the bottom of the peer group.

#### ***Supervisory Board remuneration***

Based on an external expert peer analysis, the Supervisory Board also proposes to change the remuneration for members of the Supervisory Board, in particular with respect to committee memberships.

It is proposed that committee chairs will receive a fixed remuneration of €7,500 (currently €4,334) and committee members €5,000 (currently €3,250). The base remuneration will be set at € 47,500 for the Chairman (currently €47,348), €39,500 for the vice chairman (currently €31,626) and €32,000 for members (currently €31,626). It is proposed that these amounts will be indexed annually as from 1 January 2016.

#### ***Supervisory Board remuneration***

The General Meeting can award the members of the Supervisory Board jointly a fixed remuneration to be divided amongst themselves. The General Meeting can award additional remuneration to the Chairman and to the delegated member of the Supervisory Board. The remuneration of the members of the Supervisory Board does not depend on the results of the Company and no Ordinary Shares, options and/or similar rights to subscribe for Ordinary Shares will be granted to the members of the Supervisory Board by way of remuneration.

#### ***Supervisory Board remuneration in 2014***

The table below shows the remuneration received by the members of the Supervisory Board in 2014.

	<b>Remuneration</b> (€ thousands)
J.A.P. van Oosten .....	50
H.J. van Everdingen .....	35
F.C. Weijtens .....	36
J.A. Bomhoff .....	31
H.L.L. Groenewegen .....	24
<b>Total</b> .....	<b>176</b>

The members of the Supervisory Board do not have an employment or service contract with the Company. If the Company terminates an individual's contract before the end of his or her four-year term, no severance payment is due.

Nonetheless, there is an indemnification arrangement in place pursuant to which the Company indemnifies the members of the Supervisory Board against any losses or damages, excluding reputational damage and immaterial damages,

actually and reasonably incurred by him or her in connection with existing or future legal actions or proceedings of whatever nature, resulting from acts or omissions by him or her in the performance of his or her position as member of the Supervisory Board or any other position carried out at the request of the Company. Certain exceptions apply (e.g. if the damages are the result of the own negligence, gross misconduct or in case the damages are covered by an insurance policy and the insurer has paid out damages). The Company will, by means of an advance payment, pay for costs relating to legal defence, provided the relevant member of the Supervisory Board guarantees in writing to pay back the amount if it appears that he or she was not entitled to be indemnified by the Company. Any disputes in connection with the indemnity will be settled in accordance with the rules of arbitration of the Dutch Arbitration Institute.

## Shareholdings

The table below shows the number of Ordinary Shares held by each member of the Management Board. The members of the Management Board do not hold Protective Preference Shares.

	Number of Ordinary Shares	Number of options over Ordinary Shares
D.J. Anbeek .....	11,998	0
H.J. van Everdingen .....	10,000	0
R. Bolier .....	3,532	0
B. Groenewegen .....	2,740	0
<b>Total</b> .....	<b>28,270</b>	<b>0</b>

The members of the Supervisory Board do not hold any Ordinary Shares, Protective Preference Shares or options over Ordinary Shares or Protective Preference Shares.

## Employees and pension obligations

During 2014, the number of employees at the Group averaged 142 full time equivalents (**FTEs**), compared to 120 FTEs in 2013 and 212 FTEs in 2012. The decrease in the average number of employees in 2012 and 2013 was primarily due caused by the disposal of the United Kingdom Portfolio and the United States Portfolio and the subsequent closure of the offices the United Kingdom and the United States. Excluding the operations in the United Kingdom and the United States, the average number of employees of the Group in 2012 was 134 FTEs. The increase in the average number of employees from 2013 to 2014 was primarily caused by the French Retail Portfolio Acquisition and the build-out of the retail operation in Belgium, Finland, the Netherlands, and the head office as part of an investment in the quality of the retail platform.

In 2013, the Group changed its pension scheme in the Netherlands from defined benefit scheme to defined contribution scheme, effective as of 1 January 2014. The Group made a one-off payment of €2.8 million to the pension scheme to facilitate a buy-out. The new defined contribution scheme has a retirement age of 67 and is based on a fiscal maximum offset of 3%. The running costs of the scheme for the employers have decreased significantly and the private contribution of employees was set at 0%. DNB has approved the transfer of the defined benefit scheme to an insurance company and no objections have been filed.

In the United Kingdom, the Group's pension fund of the United Kingdom agreed on a reinsurance of assets and liabilities in December 2013 and the Company made a one-off payment of £5 million to facilitate the reinsurance (buy-in), to terminate the exposure to the pension scheme.

### *Works Council*

A Works Council started early in 2014 at the level of Wereldhave Management Holding N.V. and Wereldhave Nederland Management B.V. A Works Council is an internal employee representative body which has statutory information and consultation rights. The Works Council will also be informed on Group matters.

## 12. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

### Major Shareholders

The table below sets out the persons who hold, directly or indirectly, 3% or more of the issued share capital and/or voting rights of the Company as of the date of the Prospectus according to the register of substantial shareholdings kept by the AFM. On 1 July 2013 chapter 5.3 of the Dutch Financial Supervision Act was adjusted in relation to the lowering of the first threshold value to 3% (before 5%) and the introduction of the mandatory notification of a short position.

Name	Type of Shares	Number of Shares	% of share capital of the relevant class of security	Number of voting rights	% of voting rights	Real or Potential	Notification date
BNP Paribas Investment Partners SA.....	Ordinary Shares	1,689,749	4.82	1,798,757	5.14	Real	11-06-2015
	Convertible bond	66,173	0.19	66,173	0.19	Potential	11-06-2015
Cohen & Steers Capital Management, Inc. ....	Ordinary Shares	3,546,290	10.13	1,834,515	5.24	Real	02-06-2015
State Street Corporation.....	Ordinary Shares	1,152,717	3.29	883,135	2.52	Real	24-03-2015
BlackRock, Inc.	Ordinary Shares	1,612,754	4.61	1,693,346	4.84	Real	10-02-2015
	Contract for difference	159,589	0.46	159,589	0.46	Potential	10-02-2015
Sumitomo Mitsui Trust Holdings Inc.....	Ordinary Shares	1,075,013	4.96	1,075,013	4.96	Real	27-9-2011
Stichting Pensioenfond ABP	Ordinary Shares	896,736	4.14	896,736	4.14	Real	9-6-2011
	Convertible bond	249,075	1.15	249,075	1.15	Potential	13-5-2014
Foundation <sup>(1)</sup> .....	Protective Preference Shares	21,679,617	100	21,679,617	100	Potential	24-7-2014

(1) Pursuant to the Call Option Agreement, the Foundation has a Call Option (as defined below) to subscribe for Protective Preference Shares, up to a maximum corresponding with 100% of the issued share capital of the Company excluding the Protective Preference Shares as outstanding immediately prior to the exercise of the Call Option, less one Ordinary Share, from which maximum any Protective Preference Shares already placed with the Foundation at the time of the exercise of the Call Option shall be deducted.

Pursuant to the Dutch Financial Supervision Act, each member of the Management Board and the Supervisory Board must notify the AFM of his or her interest in the issued share capital and/or voting rights of the Company within two weeks of his or her appointment as a member of the Management Board or the Supervisory Board respectively. Any subsequent change of his or her interest in issued share capital and/or voting rights of the Company must be notified to the AFM immediately without delay. See Section 11 "*Management Board, Supervisory Board and Corporate Governance*".

The major Shareholders do not have voting rights that are different to the voting rights of the other Shareholders.

### Related party transactions

The Company is not aware of any transaction with any person who could be considered to have a direct relationship with the Company in the financial years ended 31 December 2014, 2013 and 2012 and in 2015 to date, other than the transactions as set out below, which transactions were conducted at arm's length basis.

### Foundation

On 18 April 2014, the Company entered into a call option agreement (the **Call Option Agreement**) with the Foundation pursuant to which the Foundation has a right to subscribe for Protective Preference Shares up to a maximum corresponding with 100% of the issued share capital of the Company excluding the Protective Preference Shares as outstanding immediately prior to the exercise of the Call Option, less one Ordinary Share, from which maximum any Protective Preference Shares already placed with the Foundation at the time of the exercise of the call option shall be deducted (the **Call Option**). The call option with respect to the Protective Preference Shares is an anti-takeover

measure. See Section 10 "*Description of Share Capital and Corporate Governance—The Foundation*" of the Securities Note.

#### ***Management Board and Supervisory Board***

The members of the Management Board and the Supervisory Board have no personal interest in the investments made by the Group in the financial years ended 31 December 2014, 2013 and 2012 nor did they have such interest at any time in 2015.

The remuneration paid to the members of the Management Board and the Supervisory Board and the pension arrangements for the members of the Management Board are set out in Section 11 "*Management Board, Supervisory Board and Corporate Governance —Remuneration*". No other business transactions with the members of the Management Board and the Supervisory Board exist.

## 13. REGULATORY MATTERS AND TAX STATUS OF THE GROUP

### Regulatory matters

The Group is subject to various laws and regulations in the countries in which it operates.

### Netherlands Tax status

The Company and its relevant Netherlands Group companies are included in a tax consolidation (*fiscale eenheid*) for Netherlands corporation tax purposes (**Fiscal Unity**), as provided for by article 15 et seq. of the DCITA. For Netherlands corporation tax purposes, under a Fiscal Unity the activities, profits and gains and estate of Group companies included in the Fiscal Unity are deemed to be part of the activities, profits and gains and estate of the Company. Each of the Group companies included in the Fiscal Unity is jointly and severally liable for the Netherlands corporation tax liabilities of the entire Fiscal Unity.

### Netherlands FII regime

The Company and its relevant Netherlands Group companies apply the status of FII as provided for by article 28 of the DCITA. The paragraphs below provide a general description of the main aspects of the FII regime.

#### General

Pursuant to the FII regime, an FII is subject to corporation tax in the Netherlands at a rate of 0%. The taxable profits of an FII are in principle determined on the basis of the same tax accounting principles which apply to taxpayers which are regularly liable to Netherlands corporation tax, however, certain exceptions are applicable. Without being exhaustive, the main exceptions are:

- certain particular items which are not deductible for taxpayers which are regularly liable to Netherlands corporation tax are taken into account in calculating the profit available for annual distribution to Shareholders;
- subject to conditions and limitations (including as to the maximum amount), an FII can elect to apply a so-called reinvestment reserve (*herbeleggingsreserve*) as described in article 4 of the Investment Institutions Decree (*Besluit beleggingsinstellingen*). If the FII has applied for the reinvestment reserve, the net balance of realised and unrealised gains on securities and gains realised on other investments, reduced with a proportionate amount of expenses incurred by the FII, will be added to such reinvestment reserve by way of an allowable charge against its taxable profits;
- subject to conditions and limitations, an FII can elect to apply a rounding-off reserve (*afroundingsreserve*) primarily aimed at rounding off the profit available for distribution for purposes of the 'doorstootverplichting' described below; and
- the participation exemption as described in article 13 of the DCITA does not apply to investments made by the FII in other companies.

In view of the fact that an FII is in principle subject to Netherlands corporation tax (albeit at a rate of 0%) and that in the Netherlands an FII must annually distribute its 'taxable' profits to its shareholders, an FII is generally considered as 'resident' for the purposes of the Netherlands double tax treaties (in any event from a Netherlands perspective).

Given that an FII is subject to Netherlands corporation tax at a rate of 0%, the FII is effectively unable to credit Netherlands or foreign withholding taxes suffered against its Netherlands corporation tax liability. Neither is the FII entitled to a refund of Netherlands dividend withholding tax upon request. However, subject to certain conditions and limitations, the FII is allowed to apply a rebate to its obligation to remit the amount of Netherlands dividend withholding tax that it has withheld in respect of its (annual) profit distribution – see below – in an amount equal to the amount of Netherlands and foreign taxes suffered by the FII by way of withholding (*afdrachtvermindering*).

Distributions of profits made by an FII are subject to Netherlands dividend withholding tax at a statutory rate of 15%. The reinvestment reserve is deemed to be paid-in capital recognised for Netherlands dividend withholding tax, which in principle allows the FII, subject to certain conditions and restrictions to make distributions from the reinvestment reserve free of Netherlands dividend withholding tax.

The FII acts as the withholding agent for Netherlands dividend withholding tax purposes for and on behalf of its shareholders who are entitled to such distribution of profits. Although the dividend withholding tax is due by the shareholders, the FII is liable for such tax if it has not withheld and remitted the correct amount of tax. The FII must report the amount of Netherlands dividend withholding tax and, subject to the rebate which it is allowed to apply as briefly summarised above, the FII must remit the amount of tax withheld to the Netherlands tax authorities. As a matter of practice, under specific circumstances non-Netherlands shareholders may be entitled to a reduction of Netherlands dividend withholding tax pursuant to Netherlands domestic law or pursuant to an applicable double tax treaty. Taxpayers who are liable to Netherlands income tax or corporation tax are generally able to credit the Netherlands dividend tax withheld against their Netherlands income liability or corporation tax liability in full, any excess of Netherlands dividend withholding tax over such Netherlands income tax liability or corporation tax liability being refundable. Upon request, certain Netherlands or EU tax-exempt entities may be entitled to a full refund of Netherlands dividend withholding tax in whole (see Section 9 "Taxation Information" of the Securities Note).

#### *Conditions in order to apply for FII regime*

In order to maintain the status as an FII, the Company and its relevant Netherlands Group companies that also qualify as an FII must uninterruptedly observe a number of conditions, failure of which will cancel the FII status as from the start of the accounting year during which such failure occurred:

- *Conditions as to the statutory object and actual activities of the FII.* The statutory object (which the FII's Articles of Association' comply with) and the actual activities of an FII must be that of making portfolio investments, in that it is prohibited to be engaged in activities which go beyond those of making passive, portfolio investments. As a matter of practice, this means the investments must have the objective of realising a return in terms of yield derived from investment and appreciation in value which one reasonably may expect from regular investment management. Netherlands tax law provides for certain safe harbours pursuant to which, subject to requirements and limitations, an FII is permitted to renovate and improve its properties, to be indirectly engaged in the development (management inclusive) of properties for its own portfolio, to guarantee obligations in the framework of such development for its own portfolio and to be engaged in group financing activities.
- *Leverage restrictions.* The FII is required to maintain a maximum level of indebtedness of 60% of the book value for Netherlands corporation tax purposes of actual or deemed investments in real estate and 20% of the book value for Netherlands corporation tax purposes of all other investments. For purposes of this requirement, third party indebtedness which has been applied to extend loans to group companies the assets of which comprises almost entirely of real estate is excluded.
- *Shareholder requirements.* As Ordinary Shares are listed on a recognised stock exchange, it is required for the FII status that (a) no individual holds a 25% or greater interest in the Company, and/or (b) no entity which in itself is liable to a tax on profits (including an entity the profits of which are taxed in the hands of its participants), other than an FII which itself meets these very shareholder requirements, holds (including shares in respect of which such person can cast control whether or not on the basis of voting arrangements) alone or together with certain affiliates, directly or indirectly, a 45% or greater interest in the FII. Further, it is required for FII status that Netherlands resident entities do not hold a 25% or greater interest in the Company through the interposition of a non-Netherlands mutual fund or other entity with a capital divided into shares. Even though the Company's relevant Group companies are not listed on a recognised stock exchange, nonetheless they meet the shareholder requirements as an FII by reason of all shares being owned by the Company which qualifies as an FII.
- *Requirements on governance.* Certain conditions apply to ascertain a certain degree of independence for the Management Board and Supervisory Board from Shareholders which, alone or together with certain affiliates, hold a 25% or greater interest in the Company.

#### *Cancellation of FII regime*

If at any point in time an FII fails to meet any of the requirements to qualify as an FII, such FII status will be cancelled as from the start of the accounting year during which such failure occurred, except for a failure of the compulsory distribution which will cancel the FII status as from the start of the accounting year the profits of which should have been timely distributed under this requirement. The main consequence of a loss of FII status is that the relevant entity will become a regular taxpayer for Netherlands corporation tax so that its profits and gains determined in accordance with Netherlands tax accounting principles will be subject to Netherlands corporation tax at the regular rates (current main rate: 25%). A cancellation of the FII status triggers a revaluation of its assets to market value, i.e. a cancellation



has the effect that only gains accrued after the time of cancellation become regularly liable to tax upon realisation. Furthermore, where it regards a cancellation of FII status of a Group company, such Group company can no longer be included in a Fiscal Unity with the Company if the Company does maintain its FII status.

Within eight months following the end of the relevant financial year, an FII must annually distribute its taxable profits determined in accordance with the principles briefly summarised above by way of a regular dividend distribution (*doorstootverplichting*). If an FII does not meet this requirement, the FII will lose its status as from the start of the accounting year the profits of which should have been duly distributed under this requirement. By applying the reinvestment reserve as summarised above, the FII effectively achieves that items attributed to the reinvestment reserve are excluded from its taxable profits and, therefore, excluded from its annual profit distribution obligation.

## **French SIIC regime**

### *Conditions in order to benefit from the SIIC regime*

The French SIIC regime, which was enacted by the Finance Bill for 2003 under Section 208 C of the French tax code (**FTC**), allows certain eligible companies, upon election and subject to specific distribution requirements, to be exempt from French corporation tax on a portion of their profits derived from rental real estate activities.

Companies are eligible to the SIIC regime (**SIIC Companies**) if they meet the following requirements:

- (i) company listed on a French regulated market provided this regulated market complies with or is operated pursuant to rules similar to those provided for by EU Directive 2004/39;
- (ii) minimum share capital of €15 million;
- (iii) main corporate purpose: (a) the acquisition or construction of buildings with a view to subsequent leasing thereof; or (b) the direct or indirect shareholding in partnerships subject to the tax regime provided under Section 8 of the FTC (**FTC Partnerships**) or in companies liable to corporation tax and having an identical purpose.; and
- (iv) share capital and voting rights (a) must never be held directly or indirectly at 60% or more by one or more shareholders acting in concert (other than one or more SIIC Companies) and (b) must, on the first day of the financial year during which the election takes effect, be held at no less than 15% by persons who individually own less than 2% of the share capital or voting rights.

Companies held directly or indirectly at 95% or more by a SIIC Company, subject to French corporation tax, and having an identical corporate purpose may also elect to the SIIC regime (**SIIC Subsidiaries**).

The election to the SIIC regime has to be filed within the first four months of the financial year and takes effect retroactively on the first day of such financial year.

### *Distribution requirements*

SIIC Companies and SIIC Subsidiaries are exempt from corporation tax in respect of the following elements of profit:

- (i) profits from the renting out of real properties, provided that 95% of such profits are distributed by the end of the fiscal year following that during which such profits are realized;
- (ii) capital gains on the transfer of real property or shareholdings in FTC Partnerships or SIIC Subsidiaries, provided that 60% of such capital gains are distributed by the end of the second fiscal year following that during which such gains are realised; and
- (iii) income distributed out of the exempt income of SIIC Subsidiaries, provided that such income is entirely redistributed during the fiscal year following that during which the distribution by the SIIC Subsidiary is made.

### *Cancellation of the SIIC regime*

If at any point in time a SIIC Subsidiary fails to meet any of the requirements to qualify for the SIIC regime, the benefits of such regime will be cancelled as from the start of the accounting year during which such failure occurred (the **Cancellation Fiscal Year**). The loss of the SIIC status triggers the following consequences:

- (i) the relevant entity will be a regular taxpayer for French corporation tax which, among others, will result in future profits derived from going concern income and/or capital gains being taxed at the general French corporation tax rate (the rate currently being 33.33% plus surcharges);

- (ii) any distributable income (a) derived from tax-exempt income under the SIIC regime and (b) recognised in the balance sheet of the relevant entity at the end of the fiscal year during which it no longer qualifies for the SIIC regime, will be subject to French corporation tax at the general rate of (currently) 33.33% plus surcharges; and
- (iii) the amount of any net unrealised capital gains (after deduction of a 10% allowance for each year spent under the SIIC regime) generated by the relevant entity under the SIIC regime will be subject to French corporation tax at a rate of 25%.

If at any point in time a SIIC Company fails to meet the requirements to qualify for the SIIC regime, the benefits of such regime will be cancelled (for the SIIC Company and for its SIIC Subsidiaries) as from the start of the accounting year during which such failure occurred. The loss of the SIIC status triggers the consequences described in (i) through (iii) above.

In addition, if a SIIC Company fails to meet the requirements to qualify for the SIIC regime in France within a ten year period of its election for such regime, any capital gains derived by the SIIC Company and its SIIC Subsidiaries which were subject to French corporation tax at a reduced rate of 16.5% or 19% upon such election (as a result of such option triggering the consequences of a cessation of activity for all entities benefiting from the SIIC regime) would be subject to French corporation tax at the general rate of (currently) 33.33% plus surcharges. A portion of such French corporation tax would be offset against any such tax paid upon election.

Profits realized by a SIIC Company or a SIIC Subsidiary during the Cancellation Fiscal Year cannot benefit from the SIIC regime tax exemption, these profits will be subject to French corporation tax at the general rate of (currently) 33.33% plus surcharges. However, profits realized during the fiscal year(s) preceding the Cancellation Fiscal Year still benefit from the SIIC regime tax exemption even where distribution requirements have yet to be met during the Cancellation Fiscal Year or the following fiscal year. The SIIC Company and its SIIC Subsidiaries will naturally have to meet these distribution requirements to benefit from the tax exemption on profits realized prior to the Cancellation Fiscal Year.

### **Belgium GVV/SIR regime**

Pursuant to the GVV/SIR regime, a GVV/SIR is subject to Belgium corporate income tax, but its taxable base is limited to the disallowed expenses and received abnormal and benevolent (not arm's length) advantages. Rental income, as well as realised capital gains are therefore not included in the taxable base. As a result, a GVV/SIR effectively has a tax-exempt status.

#### *Conditions in order to apply for the GVV/SIR regime*

In order to maintain the GVV/SIR status a number of conditions must be observed, failure of which will cancel the GVV/SIR status as from the start of the accounting year during which such failure occurred. The conditions among others relate to:

- *Conditions as to the statutory objectives and actual activities of the GVV/SIR.* The statutory objectives and the actual activities of a GVV/SIR must constitute of providing its real estate to the user thereof, whether directly or indirectly through a company in which it participates, and, as the case may be and within certain limits, the holding of (i) shares in public real estate investment companies, (ii) rights of participation in certain foreign undertakings for collective investments (UCIs), shares issued by other REITs, and (iii) real estate certificates.
- *Leverage restrictions.* The debt ratio of a GVV/SIR may not exceed 65 % of the market value of its total assets minus authorized hedges. If the debt ratio remains in excess of the 65% threshold for more than two years from the date the GVV/SIR has become aware of such breach, the general meeting of shareholders must be convened within three months in order to decide on the possible dissolution of the GVV/SIR or on other measures to remedy such breach. If the debt percentage exceeds 50% of the market value of its total assets minus authorized hedges, the GVV/SIR is required to draft a financial plan together with a time schedule describing the proposed measures in order to avoid exceeding the 65% threshold. In addition, the commissioners of the GVV/SIR will have to draft special report on the financial plan. The financial plan and the special report must be submitted to the FSMA for information.
- *Risk diversification.* A GVV/SIR must have an adequate risk diversification policy including an adequate risk management function.

- *Requirements on governance.* Certain conditions apply with respect to the administration of an GVV/SIR, its management structure and organization in order to allow it to be adequately managed in light of its statutory object and actual activities.

*Cancellation of GVV/SIR regime*

The loss of its status as a GVV/SIR which implies a persistent or serious breach of the applicable legal requirements, such as, among others, the requirements set out above, would lead to the loss of the GVV/SIR tax regime as from the start of the accounting year. The main consequence of a loss of GVV/SIR status is that the relevant entity will become a regular taxpayer for Belgium corporate income tax so that its profits and gains will be subject to Belgium corporate income tax at the regular rate (currently 33.99 %)

## 14. GENERAL INFORMATION

### Corporate resolutions

The Company has obtained all necessary consents, approvals and authorisation in the Netherlands in connection with the Offering of the Offer Shares. The Management Board and the Supervisory Board have each adopted resolutions on 19 June 2015 to approve the issuance of the Offer Shares.

### Governmental, legal or arbitration proceedings

Neither the Company nor any Group company is, or during the twelve months preceding the date of the Prospectus has been, involved in any governmental, legal or arbitration proceedings, which may have, or have had in the recent past, significant effects on the Company and/or the Group's financial position or profitability, nor is the Company aware of any such proceedings being pending or threatened.

### Significant changes in the Company's financial or trading position

No significant change in the financial or trading position of the Company or the Group has occurred since 31 March 2015, other than the Acquisition (see Section 4 "*The Acquisition*").

### Significant changes in the value of the Portfolio

No material change in the value of the Portfolio has occurred since the date of valuation of the Group's properties included in the Valuation Reports.

### Working capital statement

The Company believes that its working capital is sufficient for its present requirements; that is for 12 months from the date of the Prospectus.

### Material contracts

Except as set out below, in the two years immediately preceding the date of the Prospectus, neither the Company nor any Group company has, directly or indirectly, entered into any material contracts (other than contracts in the ordinary course of business) or any other contracts (other than contracts in the ordinary course of business) which contain any provision under which the Company or any Group company has any obligation or entitlement which is material to the Group as of the date of the Prospectus:

- the Call Option Agreement. See Section 10 "*Description of Share Capital and Corporate Governance—Foundation*" of the Securities Note;
- the Private Placement Notes. See Section 8 "*Operating and Financial Review—Financial Instruments—The Notes*";
- the Convertible Bonds. See Section 8 "*Operating and Financial Review—Financial Instruments—Convertible Bonds*";
- the Underwriting Agreement. See Section 13 "*Plan of Distribution—Underwriting Arrangements*" of the Securities Note;
- the Sale and Purchase Agreement. See Section 4 "*The Acquisition—The acquired assets*";
- the Bridge Facilities. See Section 8 "*Operational and Financial Review—Financial Instruments—Bridge Facilities*"; and
- the 2015 Notes. See section 8 "*Operational and Financial Review—Financial Instruments—2015 Notes Issuance*."

## Group structure

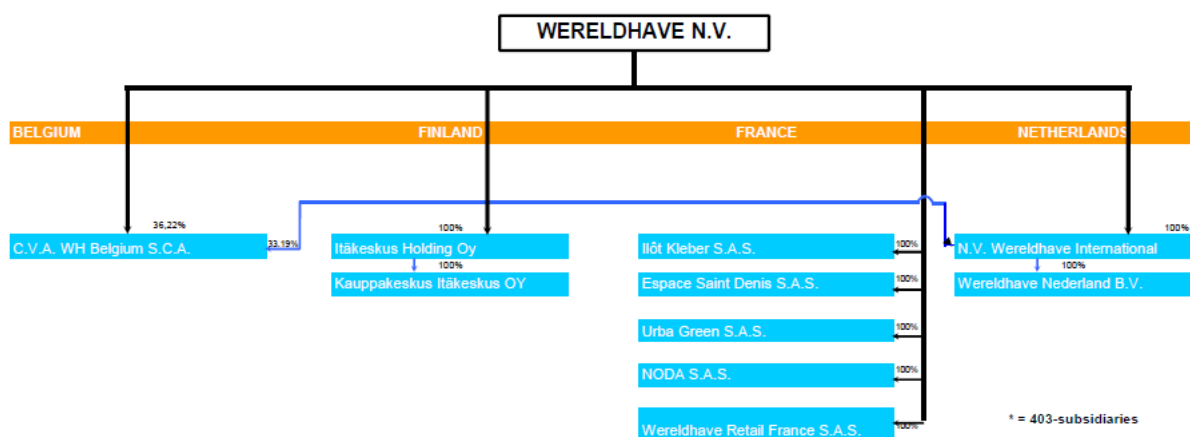
### Significant subsidiaries

The Company is the holding company of the Group and the Ordinary Shares are listed on Euronext Amsterdam. The legal structure of the Group consists of a large number of legal entities. The simplified legal structure chart below does not present all interests in companies that hold properties, but presents the structure of holdings in the Company's direct or indirect significant subsidiaries. Properties are held either directly by the legal entities referred to in the table and simplified legal structure chart below or indirectly by subsidiaries of these legal entities. The Company considers the following entities to be significant within the Group.

The following table provides an overview of the significant subsidiaries of the Company as of the date of the Prospectus.

	Shareholding (%)	Country of incorporation
Wereldhave Belgium.....	69.57	Belgium
Agenttitalo Holding Oy.....	100	Finland
Itäkeskus Holding Oy.....	100	Finland
Ilôt Kleber S.A.S.....	100	France
Urba Green S.A.S.....	100	France
Espace Saint Denis S.A.S.....	100	France
NODA S.A.S.....	100	France
N.V. Wereldhave International.....	100	The Netherlands
Wereldhave Development B.V.....	100	The Netherlands
Wereldhave Management Holding B.V.....	100	The Netherlands
Wereldhave Nederland B.V.....	100	The Netherlands
Relovast B.V.....	100	The Netherlands
Wereldhave Retail France S.A.S.....	100	France

### Simplified legal structure chart



## The Group

The following table provides an overview of all companies within the Group as of the date of the Prospectus.

	<b>Shareholding (%)</b>	<b>Country of incorporation</b>
NV WH Belgium Services SA .....	100	Belgium
C.V.A. WH Belgium O.GV.V.....	69.51	Belgium
Wereldhave Belgium.....	69.57	Belgium
N.V. J-II S.A.....	100	Belgium
N.V. Wereldhave Belgium S.A. ....	100	Belgium
Immo Guwy N.V.....	100	Belgium
Waterloo Shopping BVBA.....	100	Belgium
THV Tubize Parc.....	50	Belgium
WBPM N.V.....	100	Belgium
Vastgoed Halle N.V.....	50	Belgium
N.V. WH Management Belgium S.A. ....	100	Belgium
N.V. WH Belgium Services S.A. ....	100	Belgium
Agenttitalo Holding Oy .....	100	Finland
Kiinteistö Oy Agenttitalo.....	100	Finland
Itäkeskus Holding Oy .....	100	Finland
Kauppaokeskus Itäkeskus Oy.....	100	Finland
Wereldhave Finland Oy.....	100	Finland
Ilôt Kleber S.A.S .....	100	France
Espace Saint Denis S.A.S.....	100	France
Urba Green S.A.S.....	100	France
NODA S.A.S.....	100	France
Wereldhave Management France S.A.S.....	100	France
Wereldhave Retail France S.A.S.....	100	France
West World Holding N.V.....	100	The Netherlands
N.V. Wereldhave International.....	100	The Netherlands
Wereldhave Nederland B.V.....	100	The Netherlands
Wereldhave Development B.V.....	100	The Netherlands
Relovast B.V.....	100	The Netherlands
Relovast II B.V.....	100	The Netherlands
Relovast IV B.V.....	100	The Netherlands
Wereldhave Management Holding B.V.....	100	The Netherlands
Wereldhave Management Nederland B.V.....	100	The Netherlands
Espamad S.L.U.....	100	Spain
Wereldhave Management Spain S.A.....	100	Spain
Wereldhave U.K. Holdings Ltd.....	99.99	United Kingdom
Wereldhave Property Corp. Plc.....	99.39	United Kingdom
Wereldhave UK Ltd.....	99.39	United Kingdom
Wereldhave Property Management Co. Ltd.....	99.39	United Kingdom
Wereldhave USA, Inc.....	100	United States
Wereldhave San Antonio Inc.....	100	United States
Wereldhave USA San Antonio, LP.....	100	United States
Wereldhave Development SA, Inc.....	100	United States
Wereldhave USA San Diego, LLC.....	100	United States
Wereldhave Management USA, Inc.....	100	United States

## Availability of documents

Subject to any applicable selling and transfer restrictions (see Section 14 "*Selling and Transfer Restrictions*" of the Securities Note), from the date of publication, and throughout the time it remains valid, copies of the Prospectus as well as of any supplements and update communications will be available on the Company's website ([www.wereldhave.com](http://www.wereldhave.com)), and printed versions of the Prospectus as well as of any supplements and update communications will be available at the registered office of the Company during normal business hours at no cost. In addition, copies of the following documents will be available on the Company's website ([www.wereldhave.com](http://www.wereldhave.com)), and printed versions of the following documents will be available at the registered office of the Company during normal business hours at no cost:

- the Articles of Association;
- copies of the Valuation Reports as included in the Prospectus;
- the Company's audited consolidated financial statements, including the notes thereto and the auditor's report, as of and for the financial years 2014, 2013 and 2012; and
- the Company's unaudited consolidated interim financial statements as of and for the three months ended 31 March 2015 and 2014.

The Company's contact details are: Schiphol Boulevard 233, WTC Schiphol, 1118 BH Schiphol, the Netherlands.

## Independent appraisers

The Portfolio was valued by the below-mentioned independent appraisers. They have given their written consent to the inclusion of their Valuation Reports in the Prospectus in the form and context in which they have been included.

*The appraisers of the Dutch Portfolio are:*

CBRE Valuation Advisory B.V.  
Symphony Offices  
Gustav Mahlerlaan 405  
1082 MK Amsterdam  
The Netherlands  
Authority by which CBRE is regulated: RICS

Cushman & Wakefield v.o.f.  
Strawinskylaan 3125  
1077 ZX Amsterdam  
The Netherlands  
Authority by which Cushman & Wakefield v.o.f. is regulated: RICS

DTZ Zadelhoff v.o.f.  
Parnassusweg 803  
1082 LZ Amsterdam  
The Netherlands  
Authority by which DTZ Zadelhoff v.o.f. is regulated: RICS

*The appraisers of the Belgian Portfolio are:*

Cushman & Wakefield v.o.f.  
Kunstlaan 56  
1000 Brussels  
Belgium  
Authority by which Cushman & Wakefield v.o.f. is regulated: RICS

Troostwijk-Roux Expertises CVBA  
Generaal Lemanstraat 58/2  
0041795-0000060 AMCO:7517408.3

2600 Antwerp  
Belgium  
Authority by which Troostwijk-Roux Expertises CVBA is regulated: RICS

*The appraiser of the Finnish Portfolio is:*

CBRE Finland Oy  
Erottajankatu 9  
00130 Helsinki  
Finland  
The valuer of the Portfolio in Finland is qualified in accordance with, and is a member of, RICS

*The appraisers of the French Portfolio are:*

Jones Lang LaSalle Expertises S.A.S.  
42 Rue La Boétie  
75008 Paris  
France  
Authority by which Jones Lang LaSalle Expertises S.A.S. is regulated: RICS

Cushman & Wakefield Expertise S.A.S.  
11/13 avenue de Friedland  
75008 Paris  
France  
Authority by which Cushman & Wakefield Expertise S.A.S. is regulated: RICS

*The appraiser of the Target Portfolio is:*

CBRE Valuation Advisory B.V.  
Symphony Offices  
Gustav Mahlerlaan 405  
1082 MK Amsterdam  
The Netherlands  
Authority by which CBRE is regulated: RICS

### **Expenses of the Offering**

The expenses related to the Offering are estimated to be approximately €6.4 million (excluding VAT) and include, among others, the commission for the Underwriters, the fees due to the AFM and Euronext Amsterdam, legal and administrative expenses as well as publication costs and applicable taxes, if any.

### **No incorporation of website**

Except for the items specified in Section 15 "*Documents Incorporated by Reference*," the contents of the Company's website ([www.wereldhave.com](http://www.wereldhave.com)), including any websites accessible from hyperlinks on the Company's website, do not form part of, and are not incorporated by reference into, the Prospectus.

### **Independent auditors**

PricewaterhouseCoopers Accountants N.V. (**PricewaterhouseCoopers**), with its address at Thomas R. Malthusstraat 5, 1066 JR Amsterdam, has audited the consolidated financial statements as of and for the financial years ended 31 December 2014, 2013 and 2012, and have reviewed the consolidated interim financial statements as of and for the three month period ended 31 March 2015, which are incorporated by reference into the Prospectus. The auditor's reports on the consolidated financial statements as of and for the financial years ended 31 December 2014, 2013 and 2012 and the review report on the consolidated interim financial statements as of and for the three months period ended 31 March 2015 are unqualified.

PricewaterhouseCoopers has given, and not withdrawn, its written consent to the incorporation by reference into the Prospectus of its auditor's reports and review report. The auditor signing the auditor's reports on behalf of  
0041795-000060 AMCO:7517408.3



PricewaterhouseCoopers is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

In the period covered by the financial statements included in the Prospectus, there were no events of resignation or dismissal of a certified auditor appointed to audit the financial statements of the Company.

## 15. DOCUMENTS INCORPORATED BY REFERENCE

### Incorporation by reference

Pursuant to paragraph 20.1 of Annex I of the Prospectus Regulation, audited financial information for the past three financial years must be included in the Prospectus. In accordance with article 28 of the Prospectus Regulation and article 5:17 of the Dutch Financial Supervision Act, the following information will be incorporated in the Prospectus by reference to the Company's website: [www.wereldhave.com](http://www.wereldhave.com). Other contents of the website do not form part of the Prospectus.

The following cross reference table refers to information in the 2015 Interim Financial Statements and the annual reports of the Company for 2012, 2013 and 2014 (the **2012 Annual Report**, **2013 Annual Report** and **2014 Annual Report**) which are available at the Company's website: [www.wereldhave.com](http://www.wereldhave.com) at the page <http://wereldhave.com/newsroom/downloads/annual-reports-reviews>. Non-incorporated parts of the annual reports of the Company for 2012, 2013 and 2014 are either not relevant for the investor or covered elsewhere in the Prospectus.

Information	Source
<b><i>Audited or Reviewed Annual Financial Statements</i></b>	
Consolidated balance sheet for the Group as of 31 December	2012 Annual Report page 48
Consolidated income statement for the Group for 2012	2012 Annual Report page 49
Consolidated statement of comprehensive income for the Group for 2012	2012 Annual Report page 50
Consolidated statement of movements of in equity for the Group for 2012	2012 Annual Report page 51
Consolidated cash flow statement for the Group for 2012	2012 Annual Report page 52
Notes for the consolidated financial statements of the Group for 2012	2012 Annual Report pages 53-98
Independent auditors' report for the Group for 2012	2012 Annual Report pages 107
Consolidated balance sheet for the Group as of 31 December 2013 and as of 31 December 2012 (re-presented)	2013 Annual Report page 50
Consolidated income statement for the Group for 2013 and for 2012 (re-presented)	2013 Annual Report page 51
Consolidated statement of comprehensive income for the Group for 2013 and for 2012 (re-presented)	2013 Annual Report page 52
Consolidated statement of movements in equity for the Group for 2013 and for 2012 (re-presented)	2013 Annual Report page 53
Consolidated cash flow statement for the Group for 2013 and for 2012 (re-presented)	2013 Annual Report page 54
Notes for the consolidated financial statements Group for 2013	2013 Annual Report pages 55-100
Independent auditors' report for the Group for 2013	2013 Annual Report pages 109-110
Consolidated balance sheet for the Group as of 31 December 2014 and as of 31 December 2013	2014 Annual Report pages 94
Consolidated income statement for the Group for 2014 and for 2013 (re-presented)	2014 Annual Report page 95
Consolidated statement of comprehensive income for the Group for 2014 and for 2013	2014 Annual Report page 94
Consolidated statement of movements of in equity for the Group for 2014 and for 2013 (re-presented)	2014 Annual Report page 97
Consolidated cash flow statement for the Group for 2014 and for 2013	2014 Annual Report page 98
Notes for the consolidated financial statements of the Group for 2014	2014 Annual Report pages 99-173
Independent auditors' report for the Group for 2014	2014 Annual Report page 185
2015 Interim Financial Statements	Report for the three months ended 31 March 2015
Independent auditors' review report for the Group for the three months ended 31 March 2015	Report for the three months ended 31 March 2015

## 16. DEFINITIONS AND GLOSSARY

The following definitions are used in this Prospectus:

<b>€ or Euro</b> .....	means the currency introduced at the start of the third stage of the Economic and Monetary Union, pursuant to the Treaty establishing the European Economic Community, as amended by the Treaty on the European Union.
<b>2010 PD Amending Directive</b> .....	means Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010, including all relevant implementing measures.
<b>2012</b> .....	means the year ended 31 December 2012.
<b>2012 Annual Report</b> .....	means the annual report of the Company published on 11 February 2013 by the Company on its website.
<b>2012 Financial Statements</b> .....	means the audited consolidated financial statements of the Group as of and for the year ended 31 December 2012 prepared in accordance with IFRS as included in the 2012 Annual Report.
<b>2012 Re-presentation</b> .....	means the comparative financial information as of and for the year ended 31 December 2012 as re-presented in the 2013 annual report to represent the UK Portfolio as discontinued operations on a consistent basis with the financial information as of and for the year ended 31 December 2013.
<b>2013</b> .....	means the year ended 31 December 2013.
<b>2013 Annual Report</b> .....	means the annual report of the Company published on 6 February 2014 by the Company on its website.
<b>2013 Financial Statements</b> .....	means the audited consolidated financial statements of the Group as of and for the year ended 31 December 2013 prepared in accordance with IFRS as included in the 2013 Annual Report.
<b>2013 Re-presentation</b> .....	means the comparative financial information as of and for the year ended 31 December 2013 as re-presented in the 2014 annual report to represent the Spanish Portfolio as discontinued operations on a consistent basis with the financial information as of and for the year ended 31 December 2014.
<b>2014</b> .....	means the year ended 31 December 2014.
<b>2014 Annual Report</b> .....	means the annual report of the Company published on 5 February 2015 by the Company on its website.
<b>2014 Financial Statements</b> .....	means the audited consolidated financial statements of the Group as of and for the year ended 31 December 2014 prepared in accordance with IFRS as included in the 2014 Annual Report.
<b>2015 Interim Report</b> .....	means the report of PricewaterhouseCoopers relating to the unaudited interim financial statements of the Group as of and for the three month period ended 31 March 2015.
<b>2015 Interim Financial Statements</b> .....	means the interim financial information of the Group as of and for the three months ended 31 March 2015 Prepared in accordance

with IAS 34 "Interim Financial Reporting" as published on 24 June 2015 on the Company's website.

<b>2015 Notes</b> .....	means €211.0 million of US Private Placement Notes, that are expected to be issued by the Company on 17 July 2015.
<b>Acquisition</b> .....	means the acquisition of nine shopping centres and a development project in the Netherlands pursuant to the Sale and Purchase Agreement.
<b>Acquisition Value</b> .....	means the total acquisition costs for the Target Portfolio inclusive of RETT amounts to €774 million.
<b>AFM</b> .....	means the Dutch Authority for the Financial Markets ( <i>Stichting Autoriteit Financiële Markten</i> ).
<b>Articles of Association</b> .....	means the articles of association of the Company as they read at the day of the Prospectus.
<b>Audit Committee</b> .....	means the audit committee established by the Supervisory Board.
<b>Belgian Portfolio</b> .....	means the Group's real estate portfolio in Belgium, consisting of seven shopping centres and four offices.
<b>Beneficiaries</b> .....	means, upon the death of the Settlor, his or her beneficiaries for purposes of Netherlands income and corporate income tax.
<b>Bridge Facilities</b> .....	an agreement with Goldman Sachs Bank USA for bridge facilities in an aggregate principal amount of up to €410 million.
<b>GVV/SIR</b> .....	means a Belgium investment company with fixed capital ( <i>beleggingsvennootschap met vast kapitaal</i> ).
<b>BREEAM</b> .....	means Building Research Establishment Environmental Assessment Methodology.
<b>BREEAM Certification</b> .....	means an internationally utilised, scientifically-based method of assessing, rating and certifying the sustainability of buildings. Certified assessment scores are awarded on a star basis, with one star indicating an acceptable rating and six stars indicating an outstanding rating.
<b>Call Option</b> .....	means the right of the Foundation to subscribe for Protective Preference Shares up to a maximum corresponding with 100% minus one of the issued share capital of the Company in the form of Ordinary Shares as outstanding immediately prior to the exercise of the subscribed rights from which maximum must be deducted any Protective Preference Shares already placed with the Foundation at the time of the exercise of the subscribed rights.
<b>Call Option Agreement</b> .....	means the call option agreement entered into between the Foundation and the Company on 18 April 2014 relating to the Call Option.
<b>CBRE</b> .....	means, as appropriate, either: CBRE Valuation Advisory B.V., a private limited company incorporated in the Netherlands; or

CBRE Finland Oy, a private limited company incorporated in Finland;

both of which employ qualified valuers in accordance with the RICS Valuation – Professional Standards (January 2014)

or

CBRE EMEA Research and Consulting.

<b>CEST</b> .....	means Central European summer time.
<b>Chairman</b> .....	means the chairman of the Supervisory Board.
<b>CEO</b> .....	means the chief executive officer of the Company.
<b>CFO</b> .....	means the chief financial officer of the Company.
<b>CMPL</b> .....	means the Bloomberg London Composite exchange rate index.
<b>Company or Wereldhave</b> .....	means Wereldhave N.V.
<b>Credit Facility</b> .....	means the €300 million syndicated revolving credit facility agreement dated 27 March 2014.
<b>Cushman &amp; Wakefield</b> .....	means a privately held commercial real estate firm offering services including, among others, consulting, valuation and appraisal.
<b>DCC</b> .....	means the Dutch Civil Code ( <i>Burgerlijk Wetboek</i> ).
<b>DCITA</b> .....	means the Dutch 1969 Corporate Income Tax Act ( <i>Wet op de vennootschapsbelasting 1969</i> ).
<b>Deed of Amendment</b> .....	means notarial deed of amendment pursuant to which the Articles of Association of the Company with be amended in accordance with the resolution of the General Meeting adopted during the extraordinary General Meeting on 28 November 2014.
<b>DFRSA</b> .....	means the Dutch Financial Reporting Supervision Act ( <i>Wet toezicht financiële verslaggeving</i> ).
<b>Direct Result</b> .....	means the sum of net rental income, general costs, other income and expenses (i.e. other than exchange rate differences), interest income and expenses (except for certain items within interest charges (i.e. other than the interest addition to the real value of the conversion rights of convertible bonds, premiums paid on repurchased interest bearing debt and actuarial gains and losses on employee benefit plans)) and tax charges on direct result.
<b>Dutch Corporate Governance Code</b> .....	means the Dutch Corporate Governance Code ( <i>Nederlandse Corporate Governance Code</i> ) of 9 December 2003, as amended.
<b>Dutch Financial Supervision Act</b> .....	means the Dutch Financial Supervision Act ( <i>Wet op het financieel toezicht</i> ).
<b>Dutch Portfolio</b> .....	means the Group's real estate portfolio in the Netherlands, consisting of ten shopping centres.

<b>EPRA</b> .....	means the European Public Real Estate Association.
<b>ERV</b> .....	means the estimated rental value.
<b>EU</b> .....	means the European Union.
<b>Euroclear Nederland</b> .....	means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.
<b>Euronext Amsterdam</b> .....	means Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V.
<b>Eurozone</b> .....	means the Economic and Monetary Union, pursuant to the Treaty establishing the European Economic Community, as amended by the Treaty on the European Union.
<b>EURIBOR</b> .....	means the European Interbank Offered Rates.
<b>FII</b> .....	means a fiscal investment institution ( <i>fiscale beleggingsinstelling</i> ) under the DCITA.
<b>Finnish Portfolio</b> .....	means the Group's real estate portfolio in Finland, consisting of the shopping centre "Itis" in Helsinki.
<b>Fiscal Unity</b> .....	means a tax consolidation ( <i>fiscale eenheid</i> ) for Dutch corporation tax purposes.
<b>Foundation</b> .....	means Stichting tot het houden van preferente aandelen Wereldhave, incorporated under the laws of the Netherlands, having its statutory seat in The Hague, the Netherlands, and its office address at Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands, and registered with the Dutch Chamber of Commerce under number 41203027 (prior to the execution of the deed of amendment of the articles of association of the Foundation on 24 July 2014 the Foundation was named Stichting tot het houden van Preferente en Prioriteitsaandelen B Wereldhave).
<b>Foundation Board</b> .....	means the board of directors of the Foundation.
<b>French Office Portfolio</b> .....	means the Group's portfolio in France, consisting of three offices.
<b>French Portfolio</b> .....	means the Group's portfolio in France, consisting of six shopping centres and three offices.
<b>French Retail Portfolio</b> .....	means the Group's portfolio in France, consisting of six shopping centres, recently purchased in December 2014 as part of the French Retail Portfolio Acquisition.
<b>French Retail Portfolio Acquisition</b> .....	means the acquisition of six shopping centres in France on 18 December 2014.
<b>FSMA</b> .....	means the Financial Services and Markets Act 2000 of the United Kingdom, as amended.
<b>FTE</b> .....	means full-time equivalent.
<b>FTC</b> .....	means the French SIIC regime, which was enacted by the Finance

Bill for 2003 under Section 208 C of the French tax code.

<b>FTC Partnerships</b> .....	means the direct or indirect shareholding in partnerships subject to the tax regime provided under Section 8 of the FTC.
<b>GDP</b> .....	means gross domestic product.
<b>General Meeting</b> .....	means the general meeting of Shareholders.
<b>g.l.a.</b> .....	means gross leasable area.
<b>Governance Charter</b> .....	means the Governance Charter adopted by the Supervisory Board on 26 February 2015.
<b>Group</b> .....	means the Company and its subsidiaries.
<b>ICR</b> .....	means interest coverage ratio.
<b>IFRS</b> .....	means the International Financial Reporting Standards, as adopted by the European Union.
<b>IRS</b> .....	means United States Internal Revenue Service.
<b>Indirect Result</b> .....	means valuation results, exchange rate differences that are accounted for under other financial income and expenses, the interest addition to leasehold obligations, the real value of the conversion rights on convertible bonds, the movement in deferred tax liabilities and actuarial gains and losses on employee benefit plans.
<b>ING</b> .....	means ING Bank N.V.
<b>Insiders</b> .....	means person (other than members of the Management Board or Supervisory Board) who has managerial responsibilities within the Company and in that capacity is authorised to make decisions affecting the future developments and business prospects of the Company and who has regular access to inside information relating, directly or indirectly, to the Company.
<b>ISIN</b> .....	means International Securities Identification Number.
<b>JLL</b> .....	means Jones Lang Lasalle, Inc.
<b>Joint Bookrunners</b> .....	means Kempen & Co and ING.
<b>Kempen &amp; Co</b> .....	means Kempen & Co N.V.
<b>Like-for-Like Rental Growth</b> .....	means a comparison of net rental income in a given year to net rental income in the prior year by taking into account net rental income derived only from properties that were part of the Portfolio for the entirety of both years. Like-for-Like Rental Growth is determined on a unit by unit basis. This method excludes net rental income that is attributable to properties that were added to or removed from the Portfolio as a result of acquisitions or Pipeline projects entering into operation or divestments.
<b>Listing Agent</b> .....	means Kempen & Co, in its capacity as listing agent.

<b>LTV Ratio</b> .....	means loan-to-value ratio.
<b>Management Board</b> .....	means the management board ( <i>raad van bestuur</i> ) of the Company.
<b>Member State</b> .....	means each member state of the European Economic Area.
<b>NIY</b> .....	means EPRA net initial yield, which is calculated as annualised rental income based on cash rents passing, which means actual net cash rent received on the balance sheet date, less non-recoverable estimated property operating expenses for the period, divided by the market value of the property, including estimated purchasers' cost.
<b>n.l.a.</b> .....	means net leasable area.
<b>Occupancy</b> .....	means as defined by the EPRA as the ERV of leased units divided by the ERV of total property.
<b>Offering</b> .....	means the offering and listing of up to 5,250,000 new Ordinary Shares at the price per Ordinary Share to be determined pursuant to an accelerated bookbuilding process.
<b>Offer Period</b> .....	means the period during which the Offering takes place.
<b>Offer Price</b> .....	means the price of the Offer Shares to be determined after the Offer Period has ended.
<b>Offer Shares</b> .....	means the 5,250,000 new Ordinary Shares offered by the Company in connection with the Offering.
<b>Ordinary Shares</b> .....	means the ordinary shares in the capital of the Company with a nominal value of €1 each.
<b>PFIC</b> .....	means passive foreign investment company.
<b>PricewaterhouseCoopers</b> .....	means PricewaterhouseCoopers Accountants N.V.
<b>Primary Credit Facility</b> .....	means the €300 million syndicated revolving credit facility agreement dated 27 March 2014.
<b>Portfolio</b> .....	means the Group's real estate portfolio.
<b>Pricing Agreement</b> .....	the pricing agreement relating to the pricing and number of Offer Shares to be entered by the Company and the Underwriters.
<b>Pricing Statement</b> .....	a pricing statement that sets out the Offer Price and the exact number of Offer Shares, that will be deposited with the AFM and published in a press release on the Company's website and on the website of Euronext Amsterdam.
<b>Prospectus</b> .....	means the Summary, the Registration Document and the Securities note together, each dated 24 June 2015.
<b>Prospectus Directive</b> .....	means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (and any amendments thereto, including the 2010 PD Amending Directive to the extent implemented in the relevant member state of the European



	Economic Area), including all relevant implementing measures.
<b>Prospectus Regulation</b> .....	means Commission Regulation (EC) No 809/2004 of 29 April 2004 (and any amendments thereto).
<b>Protective Preference Shares</b> .....	means the protective preference shares in the capital of the Company with a nominal value of €1 each.
<b>Purchase Price</b> .....	means the purchase price for the Target Portfolio of €730 million as detailed in the Sale and Purchase Agreement.
<b>Purchaser</b> .....	means Wereldhave Nederland B.V.
<b>QEF</b> .....	means qualified electing fund.
<b>QIB</b> .....	means a qualified institutional buyer as defined in Rule 144A.
<b>Regulation S</b> .....	means Regulation S under the U.S. Securities Act.
<b>Relevant Member State</b> .....	means Member State which has implemented the Prospectus Directive (except the Netherlands).
<b>Remuneration and Nomination Committee</b> .....	means the remuneration and nomination committee established by the Supervisory Board.
<b>RETT</b> .....	means Dutch real estate transfer tax.
<b>Rule 144A</b> .....	means Rule 144A under the U.S. Securities Act.
<b>Remuneration Policy</b> .....	means the policy on remuneration of the Management Board that was adopted by the General Meeting on 23 April 2012.
<b>Sale and Purchase Agreement</b> .....	means the asset sale and purchase agreement entered into on 24 2015 by the Purchaser, the Seller, Klépierre Participaties II B.V. and Wereldhave N.V.
<b>Seller</b> .....	means Klépierre Management Nederland B.V.
<b>Securities Note</b> .....	means the securities note of the same date as this Registration Document and issued by the Company in respect of the Issue Shares to which this Registration Document and any future summary and future securities note relate.
<b>Settlement Date</b> .....	means the settlement date of the Offering, which is expected to be on 30 June 2015.
<b>Settlor</b> .....	means settlor, grantor or similar originator for purposes of Netherlands income and corporation tax.
<b>Shareholders</b> .....	means the holders of Ordinary Shares and Protective Preference Shares.
<b>Shares</b> .....	means the Ordinary Shares and Protective Preference Shares.
<b>SIIC</b> .....	means Sociétés d'Investissements Immobilières Cotées.
<b>SIIC Companies</b> .....	means companies eligible to the SIIC regime.

<b>SIIC Subsidiaries</b> .....	means Companies held directly or indirectly at 95% or more by a SIIC Company, subject to French corporation tax, and having an identical corporate purpose may also elect to the SIIC regime.
<b>Sole Global Coordinator</b> .....	means Goldman Sachs International.
<b>Spanish Portfolio</b> .....	means the Group's real estate portfolio in Spain, which comprised four properties in the greater Madrid region and was sold to Axia Real Estate in September 2014.
<b>Supervisory Board</b> .....	means the supervisory board ( <i>raad van commissarissen</i> ) of the Company.
<b>Target Portfolio</b> .....	means the shopping centres in Nieuwegein (Cityplaza), Heerhugowaard (Middenwaard), Tilburg (Centre), Rijswijk (Bogaard), Amersfoort (Emiclaer), Arnhem (Presikhaaf), Zoetermeer (Oosterheem), Dordrecht (Sterrenburg) and Zwolle (Stadshagen), all located in the Netherlands and which are owned by the Seller and from f the Acquisition.
<b>Target Portfolio Valuation Report</b> .....	means the valuation report prepared by CBRE in relation to the aggregate market value of the shopping centres to be acquired in the Acquisition.
<b>Third Party</b> .....	means a third party such as a trustee, foundation or similar entity or arrangement who legally owns for purposes of Netherlands income and corporation tax the Ordinary Shares.
<b>Trade Register</b> .....	means the trade register of the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ).
<b>Unaudited Pro Forma Financial Information</b> ..	means the pro forma financial information as of 31 March 2015, for the three month period ended 31 March 2015 and for the year ended 31 December 2014.
<b>Underwriting Agreement</b> .....	means the underwriting agreement dated 24 June 2015 entered into between the Company and the Sole Global Coordinator and the Joint Bookrunners.
<b>United States or U.S.</b> .....	means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.
<b>U.S. Holder</b> .....	means a beneficial owner of the Offer Shares that is, for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation or other business entity treated as a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust subject to the control of one or more U.S. person and the primary supervision of a U.S. court.
<b>U.S. Securities Act</b> .....	means the United States Securities Act of 1933, as amended.
<b>Valuation Reports</b> .....	means the valuation reports included in the Prospectus in "Valuation Reports".

**Wereldhave Belgium** ..... means C.V.A. Wereldhave Belgium S.C.A.

**Works Council** ..... means the works council (*ondernemingsraad*) of Wereldhave Management Holding N.V. and Wereldhave Nederland Management B.V.

## **17. VALUATION REPORTS**

1. Valuation Report of CBRE Valuation Advisory B.V. of the Target Portfolio
2. Valuation Report of Cushman & Wakefield Expertise S.A.S.
3. Valuation Report of Cushman & Wakefield v.o.f.
4. Valuation Report of Jones Lang LaSalle Expertises S.A.S.
5. Valuation Report of Troostwijk-Roux Expertises CVBA
6. Valuation Report of CBRE Valuation Advisory B.V.
7. Valuation Report of CBRE Finland Oy
8. Valuation Report of DTZ Zadelhoff v.o.f.

# VALUATION REPORT

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CBRE Valuation Advisory B.V.  
Gustav Mahlerlaan 405  
1082 MK Amsterdam

**Report Date**

24 June 2015.

**Addressees**

Wereldhave N.V.

and

Goldman Sachs International

Peterborough Court

133 Fleet Street

London EC4A 2BB

United Kingdom

(Goldman Sachs) (the "Sole Global Coordinator")

Kempen & Co N.V.

Beethovenstraat 300

1077 WZ Amsterdam

The Netherlands

("Kempen & Co")

ING Bank N.V.

Bijlmerplein 888

1102 MG Amsterdam

The Netherlands

("ING")

Goldman Sachs, Kempen & Co and ING in their capacity as the joint bookrunners (the "Joint Bookrunners" and each a "Joint Bookrunner") and, together with Wereldhave, the Addressees.

<b>The Properties</b>	The properties (the “Properties” and each a “Property”) as listed in the Schedule of Properties set out in Appendix A below.
<b>Property Descriptions</b>	Shopping centres.
<b>Ownership Purpose</b>	Investment.
<b>Instruction</b>	To value on the basis of Fair Value the relevant interests in the Properties as at the Valuation Date (as defined below) in accordance with the letter of instruction and terms of engagement dated 16 June 2015.
<b>Valuation Date</b>	15 May 2015.
<b>Capacity of Valuer</b>	External.
<b>Purpose</b>	<p>The valuation report and schedule (the “Schedule”) (together, the “Valuation Report”) has been prepared for a Regulated Purpose as defined in the RICS Valuation – Professional Standards March (January 2014) (“Red Book”). We understand that our opinion of Fair Value is required for inclusion in the Summary, Registration Document and Securities Note (which are to be published together as the “Prospectus”) which are to be published by Wereldhave in connection with the offering by the Company (the “Offering”) of new ordinary shares (the “Offer Shares”) on Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V. and on which investors will rely on as one source in making their decision to invest in the Offer Shares.</p> <p>The Valuation Report will be relied upon by the Addressees in connection with the Offering.</p> <p>We can confirm that we have prepared our Valuation as external valuers as defined in the Red Book.</p> <p>The effective date of valuation is 15 May 2015.</p> <p>In accordance with the RICS Valuation – Professional Standards (January 2014) (“Red Book”) we have made certain disclosures in connection with this valuation instruction and our relationship with Wereldhave.</p>

**Fair Value****€ 751,040,000**

(seven hundred and fifty-one million, forty thousand Euros) exclusive of purchaser's costs and VAT.

The valuations were carried out as at 15 May 2015. CBRE have not been engaged to update the valuations for the purposes of the Prospectus, have no obligation so to do and has not updated the valuations after this valuation date. CBRE make no statement as to the appropriateness of the valuation date or the absence of any potential material change to the fair values of the Properties subsequent to the valuation date.

We confirm that the Fair Value reported above, for the purpose of financial reporting under International Financial Reporting Standards is effectively the same as "Market Value".

Our opinion of Fair Value is based upon the Scope of Work and Valuation Assumptions attached, and has been primarily derived using comparable recent market transactions on arm's length terms.

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

For the avoidance of doubt, we have valued the Properties as real estate and the values reported herein represent 100% of the market values of the assets. No account has been taken in reporting these fair values of the extent of Wereldhave's interests in the companies holding the subject Properties.

There are no negative values to report.

We are required to show the split of values between freehold-equivalent and leasehold property, and to report the following categories of property separately.

Address	Tenure
SC City Plaza II, Nieuwegein	Freehold
SC City Plaza, Nieuwegein	Freehold
SC Emiclaer, Amersfoort	Freehold
SC Emmapassage, Tilburg	Freehold
SC In de Bogaard, Rijswijk	Freehold
SC Middenwaard, Heerhugowaard	Freehold/leasehold
SC Oosterheem, Zoetermeer	Freehold
SC Pieter Vreedeplein, Tilburg	Freehold
SC Presikhaaf, Arnhem	Freehold
SC Stadshage, Zwolle	Freehold
SC Sterrenburg, Dordrecht	Freehold

Totals Fair Value:

Properties held freehold: € 738,685,000

Property with leasehold: € 12,355,000

## Report Format

Appendix A of this Valuation Report contains the Schedule of Properties. Appendix B provides the Property Details and Market Value of the Portfolio. Appendix C provides relevant details of those properties which have an individual Fair Value in excess of 5% of the total aggregate Fair Value of the Portfolio.

## Compliance with Valuation Standards

The valuations have been prepared in accordance with the "Red Book". The property details on which each valuation is based are as set out in this report.

The valuations are compliant with the International Valuation Standards, and are in accordance with paragraphs 128 to 130 of the ESMA update of the Committee of European Securities Regulators' (CESR) recommendations for the consistent implication of the European Commission Regulation (EC) no. 809/2004 implementing the Prospectus Directive.



We confirm that we have sufficient current local and national knowledge of the particular property market involved, and have the skills and understanding to undertake the valuation competently. Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book.

## **Restricted Information**

Our valuations have been prepared on the basis of restricted information, as detailed more particularly in Scope of Work and Sources of Information below. We would advise that the lack of such information may impact on the accuracy of our valuations.

As detailed below, we have requested but not been provided with Legal, Technical or Environmental due diligence reports on the subject properties.

As instructed, we have not re-inspected the properties since the dates detailed below.

We have requested but have not been provided with full details of recoverable and non-recoverable operating costs for the subject properties. In the absence of such information we have made assumptions we consider to be reasonable; however, our valuations could be subject to amendment should the actual costs be provided.

As the leases do not incorporate turnover rent provisions we have no access to information on the tenants' sale turnovers, sales densities and the affordability of the rents. These are normal considerations in valuing shopping centres.

## **Assumptions**

We have made various assumptions as to tenure, letting, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.

If any of the information or assumptions on which the valuation is based are subsequently found to be incorrect, the valuation figures may also be incorrect and should be reconsidered.

<b>Variation from Standard Assumptions</b>	None.
<b>Market Conditions</b>	The values stated in this report represent our objective opinion of Fair Value in accordance with the definition set out above as of the Valuation Date. Amongst other things, this assumes that the properties had been properly marketed and that exchange of contracts took place on this date.
<b>Valuer</b>	The Properties have been valued by a valuer who is qualified for the purpose of the valuation in accordance with the Red Book.
<b>Independence</b>	<p>The total fees, including the fee for this assignment, earned by CBRE Valuation Advisory B.V. (or other companies forming part of the same group of companies within The Netherlands) from the company (or other companies forming part of the same group of companies) are less than 5.0% of the total revenues of CBRE BV</p> <p>It is not anticipated this situation will vary in the financial year 2015.</p> <p>We confirm that we do not have any material interest in Wereldhave or the Properties.</p> <p>We do not consider that any conflict of interest arises in us preparing this Valuation Report and Wereldhave have confirmed to us that it also considers this to be the case.</p>
<b>Disclosure</b>	<p>In accordance with the Red Book we make the following disclosures:</p> <p>SC Middenwaard, Heerhugowaard</p> <p>CBRE has been valuing the subject property as part of a regular instruction for Cório (effectively the current vendor) for accounting purposes on a half yearly basis since 30 June 2014 until 31 December 2014.</p> <p>SC Emiclaer, Amersfoort</p> <p>CBRE has previously valued this property as part of a regular instruction for Cório (effectively the current vendor) from 30 June 2011 till 31 December 2013.</p>

SC Sterrenburg, Dordrecht

CBRE has previously valued this property as part of a regular instruction for Cório (effectively the current vendor) from 30 June 2011 till 31 December 2013.

SC Presikhaaf, Arnhem

CBRE has previously valued this property per 30 June 2010 for Cório (effectively the current vendor) and as part of a regular instruction for Cório from 30 June 2011 till 31 December 2013.

## Responsibility

We are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Valuation Report is in accordance with the facts and contains no omissions likely to affect its import.

This Valuation Report complies with the Euronext Amsterdam prospectus rules and Paragraphs 128 to 130 of the ESMA update of CESR'S recommendations for the consistent implementation the European Commission Regulation (EC) No. 809/2004 implementing the Prospectus Directive.

Save for any responsibility arising under the above to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this Valuation Report or our statement, required by and given solely for the purposes of complying with Annex I item 23.1 of the Prospectus Directive Regulation, consenting to its inclusion in the Prospectus.

## Reliance

This Valuation Report is for the use only of the parties to whom it is addressed for the specific purposes set out herein and no responsibility is accepted to any third party for the whole or any part of its contents save as set out in "Responsibility" above.

No reliance may be placed upon the contents of this Valuation Report by any party for any purpose other than in connection with the Purpose of Valuation.

## Publication

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any other way than for the intended Purpose without our written approval of the form and context in which it is to appear.

Before this Valuation Report, or any part thereof, is disclosed orally or otherwise to a third party, CBRE's written approval of the form and context of such publication or disclosure must first be obtained. Such publication or disclosure will not be permitted unless where relevant it incorporates the Assumptions referred to herein. For the avoidance of doubt, such approval is required whether or not CBRE Valuation Advisory are referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the Addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or if required by Euronext Amsterdam, the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten) and the Netherlands Central Bank (De Nederlandsche Bank N.V.), or any other competent authority or judicial authority.

Disclosure of this Valuation Report in full by the Addressees of this Valuation Report to parties mentioned in this paragraph is not prohibited if reasonably required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings or for the purpose of resolving any actual dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus. Any such disclosure or potential disclosure is to be declared to CBRE at the earliest practicable date.

Yours faithfully,

Yours faithfully,

**M.C. Fidler FRICS RT**  
**Executive Director**

For and on behalf of  
CBRE Valuation Advisory B.V.

**M. Creamer FRICS**  
**Head of EMEA Valuation & Advisory  
Services**

For and on behalf of  
CBRE Ltd.

# SCOPE OF WORK & SOURCES OF INFORMATION

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## Sources of Information

We have carried out our work based upon information supplied to us by Wereldhave Nederland B.V. and by means of a virtual data room by the vendor Klépierre which we have assumed to be correct and comprehensive.

- Rent rolls with lettable floor areas
- Lease agreements
- Floor area measurement schedules
- Environmental and asbestos reports
- Landlord's non-recoverable outgoings

We have not been provided with:

- Floor area measurement schedules for the parking facilities
- Technical Due Diligence reports
- Legal Due Diligence reports
- Tenants' sales turnover data

## The Properties

Our report contains a brief summary of the property's details on which our valuation has been based.

## Inspection

We have inspected the Properties as follows:

SC City Plaza II, Nieuwegein	11 May 2015
SC City Plaza, Nieuwegein	11 May 2015
SC Emiclaer, Amersfoort	11 May 2015
SC Emmapassage, Tilburg	8 May 2015
SC In de Bogaard, Rijswijk	13 May 2015
SC Middenwaard, Heerhugowaard	6 May 2015
SC Oosterheem, Zoetermeer	12 May 2015
SC Pieter Vreedeplein, Tilburg	8 May 2015
SC Presikhaaf, Arnhem	12 May 2015

SC Stadshage, Zwolle

11 May 2015

SC Sterrenburg, Dordrecht

12 May 2015

We have inspected the property as a “shopper” and have therefore not inspected any storage or delivery areas. We have also not spoken to any on site property centre manager.

## **Areas**

We have not measured the Properties but have relied upon the floor areas provided, which we are advised are correct. We have not checked these on site.

The RICS Code of Measuring Practice does not apply in The Netherlands. Unless advised specifically to the contrary, we have made the Assumption that the floor areas supplied to us have been calculated in accordance with local practice as appropriate. All areas quoted in this Valuation Report are approximate.

## **Environmental Matters**

We have not undertaken, nor are we aware of the content of, any environmental audit or other environmental investigation or soil survey which may have been carried out on the Properties and which may draw attention to any contamination or the possibility of any such contamination.

We have not carried out any investigations into the past or present uses of the Properties, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.

## **Repair and Condition**

We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Properties. We are unable, therefore, to give any assurance that the Properties are free from defect.

## **Town Planning**

We have undertaken online planning enquiries on each property.

**Titles, Tenures and Lettings**

Details of title/tenure under which the Properties are held and of lettings to which they are subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.



# VALUATION ASSUMPTIONS

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## Introduction

An Assumption is defined in the Red Book Glossary and Appendix 3 to be a “supposition taken to be true” (an “Assumption”).

Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that it has been agreed need not be verified by the valuer as part of the valuation process. Assumptions are made when it is reasonable for the valuer to accept that something is true without the need for specific investigation.

Wereldhave N.V. has confirmed and we confirm that our Assumptions are correct as far as Wereldhave N.V. and we, respectively, are aware. In the event that any of these Assumptions prove to be incorrect then our valuations should be reviewed. The principal Assumptions which we have made are stated within this Valuation Report.

For the avoidance of doubt, the Assumptions made do not affect compliance with the approach to Market Value under the Red Book.

## Valuation Methodology

### Fair Value (Traditional Investment Approach)

We have adopted the traditional investment/income capitalisation method of valuation. The investment method of valuation involves the capitalisation of the net income stream from the property at a net yield.

In establishing the gross income stream we have reflected current rents payable to lease expiry (or break if activated) at which point we have assumed that each unit will be re-let at our opinion of estimated rental value at review as defined under Article 7:303 of the Dutch Civil Code. Where units are vacant we have assumed a void period prior to assuming that the unit will be let at our opinion of estimated rental value at review as defined under Article 7:303 of the Dutch Civil Code.

In order to arrive at a net income stream certain items of non-recoverable expenditure are deducted from the gross rental income, such as non-recoverable management fees, a maintenance and repair sinking fund, and any non-recoverable service charges.

The net yield applied to capitalise the income stream is derived from analysis of market evidence of investment transactions. Purchaser's costs are deducted from the resultant capital value to arrive at a net Fair Value. Any items of capital expenditure are also deducted.

## Capital Values

Each valuation has been prepared on the basis of "Fair Value", which is defined as:

"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

"Fair Value", for the purpose of financial reporting under International Financial Reporting Standards is effectively the same as "Market Value", which is defined as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

The valuation represents the figure that would appear in a hypothetical contract of sale at the valuation date. No allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal. Acquisition costs have not been included in our valuation.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charges.

No account has been taken of the availability or otherwise of capital based government or other grants.

## Taxation, Costs and Realisation Costs

As stated above, no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal.

Our valuations reflect purchasers' statutory and other normal acquisition costs.

## **VAT**

We have not been advised whether the Properties are elected for VAT.

All rents and capital values stated in this report are exclusive of VAT.

## **Passing Rent**

Passing rents quoted in this report are the rents which are currently payable under the terms of the leases. Passing rents exclude service charges and VAT and are prior to deduction of any non-recoverable costs. Passing rents exclude turnover rents, mall incomes and other miscellaneous incomes.

## **Net Annual Rent**

Net annual rent is defined for the purposes of this transaction as "the current income or income estimated by the valuer:

- (i) ignoring any special receipts or deduction arising from the property;
- (ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and
- (iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the property and allowances to maintain it in a condition to command its rent".

## **Rental Values**

Rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes nor do they necessarily accord with the definition of Market Rent.

## **Estimated Rental Value at Review**

The rental value for retail properties in the Netherlands as estimated by CBRE in its valuations is fundamentally determined by Dutch civil law, whereby a landlord or tenant may approach the law courts for the determination of rental value. This is referred to by CBRE as the "Estimated Rental Value at Review".

Paragraph 1 of Article 303 of Book 7 of the Dutch Civil Code (“DCC”) states that ‘both, the lessee and the lessor, may claim in court that a current rent is not in agreement with the rent of comparable retail spaces in the vicinity of the property and therefore may ask the court to re-assess the concerned rent on the following grounds:

- a.) if the lease agreement is entered into for a fixed term: after the expiring of the first lease term;
- b.) in all other cases: five years after the first day on which the last rent, as set by parties or the court, has become effective.

In assessing the rent more specifically, the court shall pay attention to the average of the rents of similar retail spaces in the vicinity of the involved retail space over the last five years before the legal claim is filed. Each rent involved in the rent comparison is recalculated in line with the general development of the rent level since the day on which that rent applied until the day on which the legal claim was filed.

A legal claim to assess the rent more specifically as meant in article 7:303, is only admissible if it is attended with an advisory report about the level of the involved rent from one or more experts in this field, selected by both parties.

The rental review value in our valuation is the expected rental review price as determined by CBRE. This rental review value has been determined on the basis of comparable rental transactions in the past five years and is not an official rental value as described in article 7:303 BW of the DCC. CBRE can therefore not guarantee that their estimated rental review value will be equal to the outcome of the settlement of an official rental review procedure. If the estimated rental review value of CBRE does indeed deviate from the outcome of a settlement of an official rental review procedure then CBRE cannot be held accountable.

## **Lease Expiries**

Fixed-term leases frequently incorporate either tenants’ options to extend or tenants’ break clauses; other leases are rolling to indeterminate, subject to stated notice periods. For the purposes of our valuations, we have made assumptions as to appropriate presumed expiry dates.

## The Properties

Any weighted average unexpired terms indicated in our Valuation report reflect these assumptions.

Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations.

Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

All measurements, areas and ages quoted in our report are approximate.

## Environmental Matters

In the absence of any information to the contrary, we have assumed that:

(a) the Properties are not contaminated and are not adversely affected by any existing or proposed environmental law;

(b) any processes which are carried out on the Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities.

## Energy Performance Certificates

We have assumed that the Properties possess or will possess current Energy Performance Certificates as required under Government Directives.

## Repair and Condition

In the absence of any information to the contrary, we have assumed that:

(a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the property;

(b) the Properties are free from rot, infestation, structural or latent defect;

(c) no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, have been used in the construction of, or subsequent alterations or additions to, the Properties; and

(d) the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Properties. Comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

### **Title, Tenure, Planning and Lettings**

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

(a) the Properties possess a good and marketable title free from any onerous or hampering restrictions or conditions;

(b) all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;

(c) the Properties are not adversely affected by town planning or road proposals;

(d) all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

(e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of each Property to comply with the provisions of the relevant disability discrimination legislation;

(f) there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;

- (g) tenants will meet their obligations under their leases;
- (h) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
- (i) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required; and
- (j) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy.

## Appendix A: Schedule of Properties

Country	Property Name	Tenure
The Netherlands	SC City Plaza II, Nieuwegein	Freehold
The Netherlands	SC City Plaza, Nieuwegein	Freehold
The Netherlands	SC Emiclaer, Amersfoort	Freehold
The Netherlands	SC Emmapassage, Tilburg	Freehold
The Netherlands	SC In de Bogaard, Rijswijk	Freehold
The Netherlands	SC Middenwaard, Heerhugowaard	Freehold/leasehold*
The Netherlands	SC Oosterheem, Zoetermeer	Freehold
The Netherlands	SC Pieter Vreedeplein, Tilburg	Freehold
The Netherlands	SC Presikhaaf, Arnhem	Freehold
The Netherlands	SC Stadshage, Zwolle	Freehold
The Netherlands	SC Sterrenburg, Dordrecht	Freehold

\* The parking facility of SC Middenwaard, Heerhugowaard is held leasehold. The remaining part including the shopping centre is held freehold.



## Appendix B: Property Details: Properties held for Investment

Property	Description, Age and Tenure	Number of Units	Gross Passing Rent Per Annum in €
SC City Plaza II, Nieuwegein	A freehold owned shopping centre located in Nieuwegein. City Plaza shopping centre is located in the city centre of Nieuwegein. With its (circa) 140 shops, it is the largest shopping centre in Nieuwegein. The subject property comprises the newest block of the shopping centre "City Plaza II", which was built adjoining the existing blocks to improve the routing of the shopping centre. It was completed in 2013. The property consists of 47 retail units which are leased to 33 tenants (14 units are vacant) and 1 supermarket that consists of 2 units of which one unit is being used as the entrance of the supermarket.	49	2,913,377
SC City Plaza, Nieuwegein	A freehold owned shopping centre located in Nieuwegein. With its (circa) 140 shops, it is the largest shopping centre in Nieuwegein. The subject property comprises 2 blocks "Passage" and "Raadstede". It was opened in 1985 and extensively renovated in 1999 with further refurbishments in 2010. The shopping centre accommodates several international and national retail occupiers together with various regional and local businesses.	145	10,606,669
SC City Plaza, Nieuwegein (residential units)	The subject property includes 24 rented residential apartments owned freehold.	24	195,123
SC Emiclaer, Amersfoort	Freehold owned shopping centre Emiclaer includes 78 retail units, 3 other commercially lettable units, 1 advertising boarding and a covered parking facility. The shopping centre was built around 1991 and was renovated in 2008. In total, the subject property provides parking spaces for 175 cars in the covered parking garage and additional parking spaces on ground floor located at 'De Beurs'.	82	4,602,462

Property	Description, Age and Tenure	Number of Units	Gross Passing Rent Per Annum in €
SC Emmapassage, Tilburg	The property consists of the freehold owned shopping centre Emmapassage and one high street retail unit including residential apartments. SC Emmapassage was opened in 1990. The majority of the subject retail units lie in the Emmapassage and the other retail unit on the Heuvelstraat 36-38, consisting in total of 33 lettable units (apartments and commercial). In total the subject property provides parking spaces for 297 cars on mainly the second floor in SC Emmapassage. The 5 residential apartments are situated above the retail unit on the Heuvelstraat.	33	1,636,923
SC In de Bogaard, Rijswijk	The subject property (circa 20,000 sq m floor space) forms part of shopping centre "In De Bogaard" (total 90,000 sq m) and constitutes a prime central part in the shopping centre. The property was constructed in 2000 and is owned freehold. The subject property includes covered retail space on the ground floor and first floor and retail space outside along the Prins Constantijn Promenade, Prins Willem Alexander Promenade and the Steenvoordelaan. The property includes 62 retail units, several storage spaces, 3 management units and 1 sign facility.	71	4,795,700

Property	Description, Age and Tenure	Number of Units	Gross Passing Rent Per Annum in €
SC Middenwaard, Heerhugowaard	The subject property comprises the covered shopping centre Middenwaard. The property consists of 136 retail units, four office units, a storage unit, public toilets, two commercial signs and two kiosks/stands. The shopping centre has two trading levels, with the largest part of the retail space situated at ground floor. The property was built around 1975 and extended/renovated in 2011. The property also has two parking garages (Middenweg and Zuidtangent) with 1,345 parking spaces. The shopping centre is held freehold and the parking garages are held on ground leases.	206	10,346,956
SC Oosterheem, Zoetermeer	A freehold owned shopping centres made up out of two D-shaped retail and residential complexes, and an underground parking garage. The property was constructed in 2012. The subject property includes 37 retail units, 1 small office, 1 commercial sign and a share in the underground parking facility.	39	2,951,800
SC Pieter Vreedeplein, Tilburg	Freehold owned shopping centre Pieter Vreedeplein includes 28 retail units, 3 commercial signs and 1 office for the shopping centre manager. Most of the retail and commercial units are situated in the ground floor plinth of the Pieter Vreedeplein, whereas the remaining retail units are situated at the Pieter Vreedestraat. The shopping centre was opened in 2008.	31	5,229,889

Property	Description, Age and Tenure	Number of Units	Gross Passing Rent Per Annum in €
SC Presikhaaf, Arnhem	The subject property consists of shopping centre "Presikhaaf" that is located in the residential area Presikhaaf in the east of Arnhem. The subject property is held freehold and comprises circa 35,000 sq m, mostly retail space and commercial space arranged over the ground floor and first floors. The property was constructed in 1957 and was renovated in the 1980's. The subject property consists of 101 commercial units and includes retail space, storage space, 1 ATM, 1 management unit and 1 sign facility.	113	4,364,268
SC Stadshage, Zwolle	The freehold owned shopping centre called "Winkelcentrum Stadshagen" was opened in 2004. The subject property comprises the retail units on the ground floor and a part of the underground parking garage. The property consists of 11,507 sq m of shopping area. The subject property contains 38 units, whereof 35 units are leased and 2 units are vacant.	38	2,370,848
SC Sterrenburg, Dordrecht	The subject property comprises the freehold owned shopping centre Sterrenburg. The shopping centre is the heart of the residential area Sterrenburg in Dordrecht. The property was constructed in 1973. The subject property consists of 51 retail units, one commercial sign and also parking facilities.	51	2,712,006

### Appendix C: Properties Exceeding 5% of Aggregate Fair Value of Portfolio

Address	Floor Area (sq m)	Weighted Average Lease Length (y)	Gross Rental Income per annum in €	Net Rental Income per annum in €	Rental Value in per annum in €	Equivalent Yield in %
SC City Plaza II,Nieuwegein	13,762	6.35	2,913,377	2,649,746	3,196,730	6.19
SC City Plaza,Nieuwegein (retail)	38,437	4.01	10,606,669	9,701,769	10,501,363	5.88
SC City Plaza,Nieuwegein (residential)	n/a	n/a	195,123	158,596	195,123	5.50
SC Emiclaer,Amersfoort	19,326	2.81	4,602,462	4,201,790	4,778,840	5.69
SC In de Bogaard,Rijswijk	19,365	3.03	4,795,700	4,297,216	4,724,194	5.71
SC Middenwaard,Heerhugowaard	35,086	3.53	10,346,956	9,193,641	10,823,651	5.86
SC Oosterheem,Zoetermeer	11,683	4.72	2,951,800	2,683,937	2,856,814	5.85
SC Pieter Vreedeplein,Tilburg	28,458	5.35	5,229,889	4,750,080	5,044,105	5.95
SC Presikhaaf,Arnhem	34,751	2.73	4,364,268	3,809,679	4,626,854	6.90

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The Netherlands (**ING**)

(Goldman Sachs, Kempen & Co and ING, together, the *Joint Bookrunners*)

Wereldhave N.V.  
For the attention of Mr. R. Braun  
Schiphol Boulevard 233  
1118 BH Schiphol  
The Netherlands

(the "**Addressees**" and each an "**Addressee**")

Paris, 24<sup>th</sup> June 2015

Dear Sirs,

**Valuation per 15 October 2014 of Freehold Properties owned by Wereldhave N.V.**

#### **Introduction**

In accordance with our engagement letter with Wereldhave N.V. (the "**Company**" or "**Wereldhave**"), we, Cushman & Wakefield Expertise, Chartered Surveyors, have considered the properties referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests (as appropriate) of Wereldhave (or its subsidiaries) in each of these properties (the "**Properties**" and each a "**Property**") (the "**Valuation**").

The effective date of the Valuation is 15 October 2014.

Cushman & Wakefield Expertise SAS.

Société par Actions Simplifiée au capital de 37 000€ - N° 499 279 933 RCS PARIS – SIRET 499 279 933 000 18 – APE 703A

Siège social : 11/13, avenue Friedland – 75008 Paris. Regulated by RICS. Membre de l'AFREXIM.

### **Purpose of Valuation**

We understand that this valuation report and Schedule (together the "**Valuation Report**") are required for inclusion in the summary, registration document and securities note (together the "**Prospectus**") that have been prepared in connection with the offering by the Company (the "**Offering**") of new ordinary shares to be issued (the "**Offer Shares**") and on which investors will rely on making their decision to invest in the Offer Shares (the "**Transaction**"). We hereby give our consent to such inclusion.

The Valuation Report will be relied upon by the Joint Book Runners in connection with the Offering.

We confirm that we have prepared our Valuation as independent external valuers ("**External Valuers**") as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

### **Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold interests in the Properties described in the Schedule and located in France. A detailed Schedule of the individual Properties is attached to this Valuation Report.

The Valuation of the Properties shall be determined in accordance with in accordance with the Valuation Standards contained in the RICS Valuation - Professional Standards published by The Royal Institution of Chartered Surveyors (the "Red Book") in May 2003, and updated in January 2014 (9<sup>th</sup> Edition), and with guidance from the French Valuation standards as defined in the "Charte de l'Expertise en Evaluation Immobilière" 4<sup>th</sup> edition, in October 2012. The valuation will also be prepared in accordance with the European Valuation Standards (EVS 2009) prepared by The European Group of Valuer's Associations (TEGoVA).

Market Value is defined as:

*"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

We confirm that Market Value is entirely consistent with the normal valuation basis followed in France. Our Valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) (as amended) and all related regulations, rules and guidance (including the relevant paragraphs of the ESMA update of the CESR recommendations) and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and we have therefore used the appropriate property investment valuation methodology to calculate the Market Value.

## Valuation approach

For French properties, we used the following approach;

In order to undertake the valuation of the assets, we have applied a discounted cash-flow approach projected over a 10-year period, which reflects the analysis, which would be undertaken by an investor in order to approach the valuation of a shopping centre. This takes into account the potential of the shopping centre through its letting potential.

The main analyses and assumptions of our valuations are as follows:

- Analysis of the current letting situation of the asset;
- Analysis of the letting potential through the review of the last letting operations within the assets, and the analysis of the turnovers and rent to turnover ratios on a tenant per tenant basis;
- Determination of the market rental values for each tenant;
- Analysis of the rental projections:
  - Indexations;
  - Market rental growth;
- Projection of the cash-flow per tenant taking into account the above rents and market rents as well as the lease events;
- Analysis of the non-recoverable charges;
- Letting assumptions for the units which are currently vacant;
- Deduction of the capital expenditure budgets;
- Determination of a discount rate derived from the French 10-year bonds risk free rate and taking into account the general property market risk as well as the risk relating to each asset;
- Calculation of the present value of the net cash-flow deducted from the above parameters;
- Deduction of the relevant transfer costs.

## Valuation

On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the Market Value of each Property as at 15 October 2014 of the freehold interests subject to and with the benefit of various occupational leases, as summarized in the attached Schedule is:

<b>Valuation date</b>	<b>Valuation</b>	
15-10-2014	Gross Market Value	<b>€852,500,000</b> (eight hundred and fifty two million five hundred thousand Euros)
Total: 6 properties:	Market Value	<b>€797,500,000</b> (Seven hundred and ninety seven million five hundred thousand Euros)
	Market Value subject to the special assumption that purchaser's costs are 5% of market value	<b>€812,000,000</b> (Eight hundred and twelve million Euros)

A list of the properties is attached in Schedule I.

There are no negative values to report.

The Market Value figures in this Valuation Report are consistent with the acquisition process.



### **Realisation Costs**

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realization nor for taxation, which might arise in the event of a disposal of any Property. Our net valuation is, however, net of purchaser's acquisition costs which vary between countries.

### **Assumptions and Sources of Information**

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

In France, taxes related to the transaction of direct property are relatively high, being 6.9%. Therefore, it has become established market practice to hold high value property within a tax efficient vehicle, and to transact the vehicle rather than the direct property, in order to incur lower transaction costs. The established property market assumption of the level of purchaser's costs to adopt in an appraisal of a property (that would typically be transacted by a transfer of a holding vehicle) is a maximum of 5% of the transaction price based on a full equity transaction. However depending on the financing of the SPV this may be less than 5% transfer cost since it is not uncommon for the SPV to be financed through a mixture of debt and equity. For the purpose of our Valuations we have assumed costs of 5%.

However, the "Red Book" definition of Market Value relates to a transaction of "property", rather than a transaction of the holding vehicle. Therefore our "Market Value" opinion must include the effect of full, property level, purchaser's costs of 6.9%. Adopting this definition in these circumstances produces a value opinion which may be artificially low in the context of a real life transaction, as it is subject to (higher) direct-property related transfer costs. We have nevertheless reported Market Value, as instructed, and according to the RICS definition. Additionally, in order to present a value opinion which more precisely reflects the most likely circumstances of a transaction (of the vehicle), we have reported Market Value subject to a Special Assumption: that purchaser's costs of a property transaction adopt those of a transaction of a holding vehicle, being 5%. This is usual market practice for the valuation of property of this lot size in France.

In considering the realizable value of the Property, we would therefore direct you towards our opinion of "Market Value subject to the Special Assumption...", rather than our opinion of "Market Value".

### Inspections

As instructed, we have undertaken informal inspections of the Properties, which means that the inspections were not undertaken with a representative of the landlord. As a consequence, we could not inspect the parts of the Properties which are not accessible by the public. The properties have been inspected as follows:

Property, City	Valuer	Date of inspection
• Rivétoile, Strasbourg (67)	Stéphane Daigremont	3 <sup>rd</sup> November 2014
• Docks 76, Rouen (76)	Bénédicte Chenaud	3 <sup>rd</sup> November 2014
• Saint Sever, Rouen (76)	Bénédicte Chenaud	3 <sup>rd</sup> November 2014
• Meriadeck, Bordeaux (33)	Cyrielle Hermans	3 <sup>rd</sup> November 2014
• Côté Seine, Argenteuil (95)	Philippe Guillerm/Cyrielle Hermans	31 <sup>st</sup> October 2014
• Docks Vauban, le Havre (76)	Philippe Guillerm	3 <sup>rd</sup> November 2014

### Information

We received the following information:

- Detailed tenancy schedules dated 31<sup>st</sup> of July 2014.
- Five years capital expenditure plans 2015-2019
- "Accuracy" purchase reports for the portfolio and for each asset

We have made an assumption that the information which Wereldhave and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

### Title

We have had no access to the title deeds of the Properties. We have considered the available information in the Valuation of the Properties. We have assumed that there has been no new information with regard to the title deeds and that when title deed information was not made available the title is marketable and that the Properties are free from encumbrances, mortgages and charges.

### Floor Areas

We have not measured the Properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain Properties to verify floor areas.

### Plant and Machinery

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our Valuation. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our Valuation.

No specialist tests have been carried out on any of these service systems and for the purposes of our Valuation we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

### **Environmental Investigations and Ground Conditions**

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

### **Planning**

We have not seen planning consents and have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

### **Tenure and Tenancies**

We have read no copies of the leases and have relied on the tenancy summaries provided by the Company for the purposes of our Valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

## Defined Terms

In the Valuation Report:

AMR is defined as follow: Two cases can occur:

- In those cases where the current passing rent (“PR”) is under the MR, it is unlikely that in contract renewals with sitting tenants, the full MR will be obtained. It is standard market practice to take into account that no more than 60% of the gap between the actual PR and the MR can be bridged in renegotiations. This mainly due to the high legal protection for sitting tenants under Belgian commerce law;
- In those cases where the MR is under the PR however, the highest rent a landlord should hope to achieve is the MR. Since, being prudent, one should assume that the sitting tenant will use the break to negotiate his rent downward and bring it in line with the market.

Headings are for ease of reference only and shall not affect its interpretation.

## Responsibility

This Valuation and the Schedule are provided to the Addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The Addressees of the Valuation Report may rely on it, and the general public who *inter alia* rely on the Valuation Report in the form that it is incorporated in the Prospectus for the purposes of determining whether or not to purchase the Offer Shares in the Company. No reliance may be placed upon the contents of the Valuation Report by any party for any purpose other than in connection with the Transaction.

Cushman & Wakefield Expertise hereby give its consent to the inclusion of this Valuation Report in the Prospectus and to the references to this Valuation Report in the Prospectus in the form and context in which they appear. Cushman & Wakefield Expertise authorises and accordingly takes responsibility for the contents of this Valuation Report and confirms that having taken all reasonable care to ensure that such is the case, the information contained in this Valuation Report is, to the best of its knowledge and belief, in accordance with the facts and contains no omission likely to affect its import.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not Cushman & Wakefield Expertise are referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the Addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Paris, the French Authority for the Financial Markets (*Autorité des Marchés Financiers*), the French National Bank (*La Banque de France*) or any other competent authority or judicial authority. Disclosure of this Valuation Report in full by the addressees of this Valuation Report is not prohibited if reasonably required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings or for the purpose of resolving any actual dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the Addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully  
For and on behalf of Cushman & Wakefield Expertise SAS



**Philippe Guillerm, FRICS - REV - CIS HypZert (MLV)**  
Partner, Chairman

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## Schedule I

Valuation date	Country	City	Address	Ownership	Type	GLA (m <sup>2</sup> )	Number of units (#)
15-10-2014	France	Argenteuil (95100)	Côté Seine 50 avenue du Maréchal Foch	Freehold	Shopping Center	± 16.200 m <sup>2</sup>	68
15-10-2014	France	Rouen (76000)	Docks 76 1 boulevard Ferdinand de Lesseps	Freehold	Shopping Center	± 37.240 m <sup>2</sup>	89
15-10-2014	France	Le Havre (76000)	Docks Vauban 70, Quai Frissard	Freehold	Shopping Center	± 52.340 m <sup>2</sup>	73
15-10-2014	France	Rouen (76100)	Saint Sever Rue Henri Gadeau de Kerville	Freehold	Shopping Center	± 34.320 m <sup>2</sup>	112
15-10-2014	France	Bordeaux (33000)	Mériadeck/Les Passages 56 rue du Château d'Eau	Freehold	Shopping Center	± 32.510 m <sup>2</sup>	107
15-10-2014	France	Strasbourg (67100)	Rivétoile Route du Rhin/3 Place Dauphine	Freehold	Shopping Center	± 28.450 m <sup>2</sup>	103

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(Goldman Sachs, Kempen & Co and ING, together, the Joint Bookrunners),  
and

Wereldhave N.V.  
*For the attention of Mr. R. Braun*  
Schiphol Boulevard 233  
1118 BH Schiphol  
The Netherlands

(the “**Addressees**” and each an “**Addressee**”)

**15 June 2015**

Dear Sirs,

**Valuation per 31 December 2014 of Freehold and Long Leasehold Properties owned by  
Wereldhave N.V.**

**Introduction**

In accordance with our engagement letter with Wereldhave N.V. (the "**Company**" or "**Wereldhave**"), we, Cushman & Wakefield V.O.F., Chartered Surveyors, have considered the properties referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests (as appropriate) of Wereldhave (or its subsidiaries) in each of these properties (the "**Properties**" and each a "**Property**") (the "**Valuation**").

The effective date of the Valuation is 31 December 2014.

### **Purpose of Valuation**

We understand that this valuation report and Schedule (together the “**Valuation Report**”) are required for inclusion in the prospectus (the “**Prospectus**”) that has been prepared in connection with the offering by the Company (the “**Offering**”) of new ordinary shares to be issued (the “**Offer Shares**”) and on which investors will rely on making their decision to invest in the Offer Shares (the “**Transaction**”). We hereby give our consent to such inclusion.

The Valuation Report will be relied upon by the Underwriters in connection with the Offering.

We can confirm that we have prepared our Valuation as independent external valuers (“**External Valuers**”) as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

### **Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in Belgium and The Netherlands. A detailed Schedule of the individual Properties is attached to this Valuation Report is.

We confirm that the value of the Properties has been assessed on the basis of Market Value (as defined below) in accordance with the appropriate sections of both the current Practice Statements (“**PS**”), and United Kingdom Practice Statements (“**UKPS**”) contained within the RICS Valuation Standards, 6<sup>th</sup> Edition (the “**Red Book**”). This is an internationally accepted method of valuation.

Market Value is defined as:

*“The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”*

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in The Netherlands and Belgium. Our Valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) (as amended) and all related regulations, rules and guidance (including the relevant paragraphs of the ESMA update of the CESR recommendations) and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and we have therefore used the appropriate property investment valuation methodology to calculate the Market Value.

### **Valuation approach**

For the properties located in the Netherland we used the following approach:



the valuation methodology concerns the Capitalization Method. The estimated rental review value is deducted for the estimated operating costs and then capitalized at a determined net yield. The outcome is deducted with void period, letting fee, incentives, other corrections, and the present value of additional rent during the contract period. The corrected value is the value known as market value incl. purchaser's costs. When transfer tax and transaction costs are deducted the market value excl. purchaser's costs is determined.

For the leasehold property the rental value of the ground is also deducted from the estimated rental value in order to achieve a net rental value.

For Belgian properties we used the following approach;

The valuation methodology concerns the capitalization method. We first determine the Market Rent ("MR") and we calculate the Adjusted Market Rent ("AMR"). The AMR is then capitalized at a determined gross yield. The outcome is deducted with void period, letting fee, incentives, non-recoverable costs for the owner, other corrections, and the present value of additional rent during the contract period. The corrected value is the value known as Market Value incl. purchaser's costs. When transfer tax and transaction costs are deducted the Market Value excl. purchaser's costs is determined. For the leasehold property the rental value of the ground is also deducted from the estimated rental value in order to achieve a net rental value.

### Valuation

On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the Market Value of each Property as at 31 December 2014 of the freehold and long leasehold interests subject to and with the benefit of various occupational leases, as summarised in the attached Schedule is:

<b>Valuation date</b>		<b>Total Market Value</b>	
31-12-2014	9 freehold properties:	€ 570,510,000	
31-12-2014	2 leasehold property:	€ 96,030,000	
31-12-2014	Total: 11 properties:	€ 666,540,000	(Six Hundred Sixty-six Million Five Hundred Forty Thousand Euros)

A list of the properties is attached in Schedule 1.

There are no negative values to report.

The Market Value figures in this Valuation Report are consistent with the valuation outcomes in our previous valuation reports prepared for the Company for the purposes of the accounts for the second half year of 2014 ended 31 December 2014.

### **Realisation Costs**

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our net valuation is, however, net of purchaser's acquisition costs which vary between countries.

### **Assumptions and Sources of Information**

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

### **Inspections**

We have valued the Properties in the past for accounts purposes and have inspected them internally in the three weeks before valuation date.

We have been advised by the Directors of the Company that there have been no material changes to any of the Properties between our inspections and the valuation date.

### **Information**

We received the following information:

- Detailed Gross Leasable Area ("**GLA**") per unit
- Plan of the properties
- Lease agreements/allonge's
- Passing Rent
- Remaining construction cost for development properties
- Measurement certificate
- Owners's charge
- Water authority charge
- Deed of delivery
- Deed of division
- Leasehold data

We have made an assumption that the information which Wereldhave and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

**Title**

We have had no access to the title deeds of the Properties. We have considered the available information in the Valuation of the Properties. We have assumed that there has been no new information with regard to the title deeds and that when title deed information was not made available the title is marketable and that the Properties are free from encumbrances, mortgages and charges.

**Floor Areas**

We have not measured the Properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain Properties to verify floor areas.

**Plant and Machinery**

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our Valuation. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our Valuation.

No specialist tests have been carried out on any of these service systems and for the purposes of our Valuation we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

**Environmental Investigations and Ground Conditions**

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

**Planning**

We have not seen planning consents and have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

### **Tenure and Tenancies**

We have read no copies of the leases and have relied on the tenancy summaries provided by the Company for the purposes of our Valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

### **Defined Terms**

In the Valuation Report:

AMR is defined as follow: Two cases can occur:

- In those cases where the current passing rent (“PR”) is under the MR, it is unlikely that in contract renewals with sitting tenants, the full MR will be obtained. It is standard market practice to take into account that no more than 60% of the gap between the actual PR and the MR can be bridged in renegotiations. This mainly due to the high legal protection for sitting tenants under Belgian commerce law;
- In those cases where the MR is under the PR however, the highest rent a landlord should hope to achieve is the MR. Since, being prudent, one should assume that the sitting tenant will use the break to negotiate his rent downward and bring it in line with the market.

Headings are for ease of reference only and shall not affect its interpretation.

### **Responsibility**

This Valuation and the Schedule are provided to the Addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The Addressees of the Valuation Report may rely on it, and the general public who *inter alia* rely on the Valuation Report in the form that it is incorporated in the Prospectus for the purposes of determining whether or not to purchase the Offer Shares in the Company. No reliance may be placed upon the contents of the Valuation Report by any party for any purpose other than in connection with the Transaction.

Cushman & Wakefield V.O.F. hereby give its consent to the inclusion of this Valuation Report in the Prospectus and to the references to this Valuation Report in the Prospectus in the form and context in which they appear. Cushman & Wakefield V.O.F. authorises and accordingly takes responsibility for the contents of this Valuation Report and confirms that having taken all reasonable care to ensure that such is the case, the information contained in this Valuation Report is, to the best of its knowledge and belief, in accordance with the facts and contains no omission likely to affect its import.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not Cushman & Wakefield V.O.F. are referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the Addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Brussels, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*), The Belgian Authority for the Financial Markets (*Autorité des services et marchés financiers*), the Belgian National Bank (*La Banque Nationale de Belgique*) and the Netherlands Central Bank (*De Nederlandsche Bank N.V.*), or any other competent authority or judicial authority. Disclosure of this Valuation Report in full by the addressees of this Valuation Report is not prohibited if reasonably required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings or for the purpose of resolving any actual dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the Addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully

For and on behalf of Cushman & Wakefield V.O.F.

Schedule 1

Valuation date	Country	City	Address	Ownership	Type	GLA (m <sup>2</sup> )	Number of units (#)
31-12-2014	The Netherlands	Geldrop	SC De Heuvel	Freehold	Shopping Center Resi-dential	± 4.500 m <sup>2</sup>	14 30
31-12-2014	The Netherlands	Leiderdorp	SC Winkelhof	Freehold	Shopping Center	± 17.950 m <sup>2</sup>	72
31-12-2014	Belgium	Nivelles	Chaussée de Mons 18A, 1400 Nivelles	Freehold	Shopping Center	± 28.700 m <sup>2</sup>	112
31-12-2014	Belgium	Liège	Quai des Vennes 1, 4020 Liège	Freehold	Shopping Center	± 31.000 m <sup>2</sup>	108
31-12-2014	Belgium	Genk	Stadsplein & Sint-martinusplein, 3600 Genk	Freehold	Main street	± 15.600 m <sup>2</sup>	35
31-12-2014	Belgium	Waterloo	Chaussée de Bruxelles 193-195, 1410 Waterloo	Freehold	Main street	± 3.200 m <sup>2</sup>	17
31-12-2014	Belgium	Gent	Overpoortstraat 49, 9000 Gent	Leasehold	Shopping Center Student housing	± 15.500 m <sup>2</sup> ± 2.000 m <sup>2</sup>	12 120
31-12-2014	Belgium	Genk	Rootenstraat 8, 3600 Genk	Freehold	Shopping Center	± 23.100 m <sup>2</sup>	78
31-12-2014	Belgium	Tournai	Boulevard Walter de Marvis 22, 7500 Tournai	Freehold	Shopping Center	± 15.500 m <sup>2</sup>	58
31-12-2014	Belgium	Kortrijk	Ringlaan 34, 8500 Kortrijk	Freehold	Shopping Center	± 11.200 m <sup>2</sup>	18
31-12-2014	Belgium	Kortrijk	Ringlaan 34, 8500 Kortrijk	Leasehold	Shopping Center	± 22.000 m <sup>2</sup>	83



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The Netherlands (**ING**)

(Goldman Sachs, Kempen & Co and ING, together, the **Joint Bookrunners**)

on their own behalf as Joint Global Coordinators and as representatives of the Underwriters, as defined in the prospectus (the "**Prospectus**") produced by Wereldhave N.V.

**Wereldhave N.V.**  
P.O Box 75837, 1118 ZZ, Schiphol The Netherlands  
Schiphol Boulevard 233, 1118 BH Schiphol  
The Netherlands

(together, the "**Addressees**" and each an "**Addressee**")

### **Private & Confidential**

23th June 2015

Dear Sirs

### **Wereldhave N.V.– French Portfolio**

In accordance with our engagement letter with Wereldhave N.V. (the "Company" or "Wereldhave"), we, Jones Lang LaSalle Expertises SAS, have considered the properties





referred to in the attached schedule (the “**Schedule**”), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests (as appropriate) of Wereldhave in each of these properties (the “**Properties**” and each “**Property**”) (the “**Valuation**”).

The effective date of the Valuation is 31 December 2014.

### **Purpose of Valuation**

We understand that this valuation report and the Schedule (together, the “**Valuation Report**”) are required for inclusion in the Prospectus that has been prepared in connection with the offering by the Company (the “**Offering**”) of new ordinary shares (the “**Offer Shares**”) and on which investors will rely on in making their decision to invest in the Offer Shares and we hereby give our consent for such inclusion.

The Valuation Report will be relied upon by the Addressees in connection with the Offering.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

### **Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule. Attached to this Valuation Report is Appendix A comprising a schedule of the individual Properties.

We can confirm that our Valuation Reports have been prepared in accordance with Market Value and the provisions of the RICS Valuation - Professional Standards dated as of January 2014 published by the Royal Institution of Chartered Surveyors (the “**Standards**”), and in accordance with the Prospectus Directive (2003/71/EG) (as amended) and all related regulations, rules and guidance (including the relevant paragraphs of the ESMA update of the CESR recommendations) and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. They have also been prepared in accordance with, and subject to, our General Principles Adopted in the Preparation of Valuations and Reports, a copy of which is attached. We have acted as external valuers in accordance with the Standards.

### **Market Value**

Is defined by the Royal Institution of Chartered Surveyors as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in each Country. Our Valuation has also been undertaken in accordance with the relevant





provisions of the Prospectus Directive (2003/71/EC) and related guidance. The Properties are held as investments and we have therefore used the appropriate property investment and valuation methodology to calculate the Market Values. In each case we have valued the assets using two methods, the Discounted Cashflow and the Capitalisation method. The values have been determined on the Discounted Cash Flow Method.

### **Term and Reversion Capitalisation Method of Valuation**

The (term and reversion) approach can be summarized as follow:

- ✓ ascertain the current gross income reported in the tenancy schedule provided;
- ✓ deduction from the above of any non-recoverable outgoings (including any non-recoverable land tax and office tax) reflected as a percentage of the gross income or as an amount when information is provided;
- ✓ capitalisation of the net rental income until lease end (taking into account of rental steps), except situations where the lease is significantly over-rented, in which case we would assume a renegotiation at the next tenant's break option.
- ✓ estimation of the rental income receivable at lease end, taking account of French legislation (capped / upper-limited for industrial properties...). For vacant areas or those expected to be vacated, the rent at lease end will correspond to the Market Rent (The estimated amount for which a property, or space within a property, should lease (let) on the date of valuation between a willing lessor and a willing lessee on appropriate lease terms in an arm's-length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion). However, for areas where we have not envisaged that the tenant will leave, we have adopted a "renewal rent" which can be below the Market Rent;
- ✓ deduction from the market or renewal rent of any non-recoverable outgoings;
- ✓ capitalisation of this net rental income in perpetuity, from lease end or from the next break option, discounting the total to obtain its present value (a single yield is used for both operations);
- ✓ addition of the two amounts obtained (present value from capitalisation of the net current rent and present value of the Market Rent / rent on reversion);
- ✓ deduction of any anticipated non recurrent costs (capex);
- ✓ the net amount obtained is rounded to obtain the Gross Market Value;
- ✓ deduction of any anticipated non recurrent costs (capex) for items such as the following:
  - ✓ renovation, refurbishment, fitting-out or other works;
  - ✓ letting costs for vacant areas; and
  - ✓ taxes and costs during void periods;
- ✓ the net amount obtained is rounded to obtain the Gross Market Value; and
- ✓ a deduction is then made for statutory transfer costs to obtain the Market Value.

### **The Discounted Cash Flow Approach**



This approach involves modelling the expected net operating income “NOI” during a hold period and the final receipts from the resale of the property and discounting this income back to the valuation date.

The approach is based on a large number of assumptions which could prove to be incorrect if market conditions varied substantially. After a 10-year period in general, we assume a sale of the property and capitalise the estimated rental value (taking account of estimated future rental value growth and indexations of current rents), adopting a capitalisation rate. From the gross sale proceeds, we deduct estimated transfer costs to obtain the net sale proceeds, which are discounted to present value. Deduction is finally made for all non recurring costs (capex), discounted to present value.

It is rarely realistic to try and model market rental growth explicitly over a whole rental cycle. In general, we apply a straight line single growth rate over the whole period of cash-flow, except for the first few years, for which we adopt forecasts based on our research information and our market experience.

Thus, although our assumptions are expressed as yearly percentage movements, our intention is to reflect a feasible medium-long term trend, rather than modelling growth over a whole cycle.

The Market Value contained in this Valuation Report reflects a 100% ownership of all Properties.

### **Valuation**

On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the individual Market Values as at 31 December 2014 of the freehold interests subject to and with the benefit of various occupational leases, as summarised in the attached Schedule is:

**€380,590,000**

**(Three Hundred and Eighty Million Five Hundred and Ninety Thousand Euros)**

**There are no negative values in the Valuation Report. The assets are all held freehold.**

### **Realisation Costs**

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our net valuation is, however, net of purchaser’s acquisition costs which vary between countries.

### **Assumptions and Sources of Information**

An assumption is stated in the Glossary to the Red Book to be a “supposition taken to be true” (“**assumption**”). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and



have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

### **Inspections**

Carré Vert was inspected on 4<sup>th</sup> December 2014 externally and internally, Le Cap was inspected on 4<sup>th</sup> December 2014 externally and internally and Noda was inspected on 5<sup>th</sup> December 2014 internally and externally.

### **Information Provided and Material Information for Valuation**

We have made an assumption that the information which Wereldhave and its professional advisers have supplied to us in respect of the Properties is both full and correct.

We have been provided with the following updated information, per property which we consider to be sufficient for the purposes of our valuation.

#### *Carré Vert*

- Lease signed with EDF and the 3 amendments.
- Details of planned CAPEX, email dated 6/11/2014.
- Report on Title dated 22/12/1998 and prepared by N. Thibierge, G. Daublon, A. Pône, P. Pecheteau, E. Fremeaux, H. Palud notaires.
- Environmental Report dated 7/12/1999 and 19/08/1996 and respectively prepared by Socotec and France Construction.
- Tenant list as of 01/01/2015.
- BREEAM Renovation certificate dated 7/10/2013.
- BREEAM In Use certificate dated 11/12/2014.

In respect of this asset, the material issues that determine the value are the following:

- The subject property is a 19,705 sqm office building which dates from the 1970s. There is an underground car park for 350 cars.
- The passing Gross Rent, as at 31/12/2014, is €9,096,724.
- Market Rent, as at 31/12/2014 is €9,198,138 p.a.
- The building is situated in Levallois-Perret, in the western inner suburbs of Paris, between the western part of the Parisian ring road and the Seine. The subject property benefits from a good tertiary environment, attracting company headquarters, in a sector close to Neuilly and La Défense.
- Located in the centre of Levallois-Perret, approximately 300 metres from the metro station (Anatole France, line 3).
- As at 31/12/2014 the property is 100% let to EDF, an excellent covenant. The lease is a 9-year closed contract which is extremely attractive to investors.

- The subject asset was completely refurbished in 2009 and provides good internal features with a BREEAM certification (recently upgraded to outstanding).
- Fully let to an institutional tenant for an initial 9-year closed period with a WALT of 4.2 years.
- A flagship building for this national tenant.
- Indexation growth has been adopted at 0.50% during year 1, 1.0% during year 2, 1.5% in year 3 and 2.0% in year 4 and thereafter.
- Rental growth has been adopted at 2% in Year 1 and 2.50% per annum thereafter.
- Exit yield: 5.35%.
- Discount rate: 7.00%.
- Net Initial Yield 5.33%.

#### *Le Cap*

- Original lease and lease amendment for lease with Oregon concerning additional storage.
- Tenancy Schedule as per 1<sup>st</sup> January 2015.
- Letter dated 17/06/13 to REX-ROTARY proposing more modification to rental conditions.
- Letter dated 15/07/13 from REX-ROTARY accepting proposed modification of rental conditions.
- Information received via email: Oregon Scientific lease to depart end-June 2015; remaining CAPEX budget as at 31/12/2015

In respect of this asset, the material issues that determine the value are the following:

- The subject asset is a 10,981 m<sup>2</sup> building which comprises office accommodation, 768 restaurants and storage. The property is built over ground floor and five upper floors and has an underground car park for 124 cars.
- The passing Gross Rent, as at 31/12/2014, is €2,968,935.
- Market Rent, as at 31/12/2014 is €3,018,950 p.a.
- The building benefits from a good location in Saint Denis, in the immediate proximity of Paris, in an environment dedicated to office and retail.
- It benefits from an excellent vehicular access (A86 and A1 at immediate proximity, Boulevard Périphérique at 1km) and from a relatively good public transportation (RER B "La Plaine –Stade de France and Metro 13 "Saint Denis, Porte de Paris").
- The subject asset was built in 2001 and comprises modern and well maintained office accommodation.
- The property is currently 96% (falling to 94% as of July 2015 with departure of Oregon Scientific) let on 9-year term leases for the office accommodation and on 12-year terms leases for the three retail units.
- Office leases will terminate between 2015 and 2021 with a WALT and WART both below 2.1 years.
- Indexation growth (ICC) has been adopted at 0.3% in Year 1, 1.60% in Year 2, 2.20% in Year 3, 2.40% in Year 4 and 2.50% from Year 5 onwards.



- Regarding ILAT, we have adopted indexation growth at 0.5 % in Year 1, 1.00% in Year 2, 1.50% in Year 3 and 2.00% from Year 4 onwards..
- Regarding ILC, we have adopted indexation growth at 0.5% in Year 1, 1.30% in Year 2, 1.60% in Year 3 and 2.25% in Year 4 onwards.
- Rental growth has been adopted at 2.00% in Year 1 and 2.5% thereafter
- Exit yield: 6.50%.
- Discount rate: 8%.
- Net Initial Yield 6.17%.

#### *NODA*

- Leases signed with Coca Cola Enterprise (CCE) and Coca Cola Services France (CCSF).
- BREEAM certificate dated 23/07/2013.
- Building brochure.
- Rent forecast breakdown dated 19/11/2013.
- Breakdown of additional incentives (Capex) dated November 2014.

In respect of this asset, the material issues that determine the value are the following:

- The subject comprises 24,529 m<sup>2</sup> of office accommodation, a restaurant RIE and is built over three basement levels, ground floor, nine upper floors with a mezzanine on the 8th floor. The subject property offers 285 car parking spaces and 27 motorcycle parking spaces.
- The property is targeting a HQE certification and a BREEAM certification (Excellent level).
- As at 31/12/2014 the property is 63% pre-let to a single tenant Coca-Cola over two leases. Both leases are 9 year closed contracts with a future rent of €6,615,280 pa.
- Market Rent, as at 30/6/2014 is €€10,416,960 p.a.
- The property is situated in Issy-les-Moulineaux, in the south western inner suburbs of Paris.
- The area is known as the Bords de Seine district and hosts several head-quarters such as BNP Paribas Real Estate or Sodexo as well as other international and national companies.
- The T2 (La Défense/Porte de Versailles) tram station is located in close proximity to the subject property, approximately a 2-minutes' walk from the property. The nearest RER stations (line C), are Issy and Issy-Val-de-Seine, located approximately 500m south and 700m north east of subject property respectively.
- 37 % of the subject property remains unlet.
- Indexation growth has been adopted at 0.50% during year 1, 1.00% during year 2, 1.5% during year 3 and 2% in year 4 and thereafter.
- Rental growth has been adopted at 2.% in year 1 and 2.50% per annum thereafter.
- Exit yield: 5%.
- Discount rate: 7.50%.
- Net Initial Yield 0.57%.



It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

#### **Title**

During the course of our prior valuation instructions for the subject properties we have relied upon information from the Company with regard to the quality and marketability of the Title held at each Property. Where we have not been provided with legal reports or title deeds we have assumed, unless advised to the contrary that the properties benefit from good and marketable title and that the properties are free from encumbrances, mortgages and charges. Our valuations are based on information sourced from third parties including title information which we have not independently verified in our appointment to provide valuations for accounts purposes for Wereldhave and have assumed the information provided to be accurate.

#### **Floor Areas**

We have not measured the Properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain Properties to verify floor areas.

#### **Plant and Machinery**

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our Valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

#### **Environmental Investigations and Ground Conditions**

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically



advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

### **Planning**

We have made verbal Town Planning enquiries only. In the course of our enquiries, we are advised by the Local Planning Authority that there are no adverse Town Planning, Highway or other schemes or proposals. Information supplied to us by Planning Officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have not seen planning consents and have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

### **Tenancies**

We have relied upon tenancy information with regard to lease terms, contractual rent, indexation, turnover, additional income, non-recoverable costs and capital expenditure provided by the Company for the purposes of our Valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

### **Responsibility**

This Valuation and the Schedule are provided to the Addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The Addressees of the Valuation Report may rely on it, as may investors in Offer Shares.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not Jones Lang LaSalle is referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the Addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) the French Authority for the Financial



Markets (*Autorité des marchés financiers*), the Netherlands Central Bank (*De Nederlandsche Bank N.V.*), the French Central Bank (*Banque de France*) or any other competent authority or judicial authority.

Disclosure of this Valuation Report by the Addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any Addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the Addressees' due diligence enquiries of the contents of the Prospectus.

ESMA paragraph 130 (vi) requires us to comment on any differences between the valuation figure in this Valuation Report and the valuation figure included in Wereldhave's latest published annual accounts. We confirm that there are no differences requiring comment.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Gareth Sellars", is positioned above the printed name.

**Gareth Sellars**  
**President**  
**For and on behalf of**  
**Jones Lang LaSalle Expertises SAS**





Appendix A

<b>Property</b>
Le Carré Vert - 45/49 rue Kleber 92300 Levallois-Perret
Noda - 179 quai de la Bataille de Stalingrad, 92130 Issy les Moulineaux
Le Cap - Avenue Jules Rimet, 93200 St Denis/9 rue de Brennus, 93200 St Denis

Maatschappelijke Zetel Troostwijk-Roux Expertises cvba  
Generaal Lemanstraat 58 bus 2 - 2600 Antwerpen  
Tel. 0032 3 287 6 287 - Fax 0032 3 287 6 288

Buro & Design Center  
Heizel Esplanade P.B. 89 - 1020 Brussel  
Tel. 0032 2 479 79 26 - Fax 0032 2 478 32 82

Krijzeltand 4 - 9051 Sint-Denijs-Westrem  
Tel. 0032 9 226 59 89 - Fax 0032 9 338 87 82

www.expertise.be - info@trex.be

RPR BE 0461.113.749

**Wereldhave N.V.**  
**For the attn. Of Mr. R. Braun**  
**WTC Schiphol, Tower A, 3<sup>rd</sup> floor**  
**Schiphol Boulevard 233**  
**1118 BH Schiphol**  
**The Netherlands**

**Goldman Sachs International**  
**Peterborough Court**  
**133 Fleet Street**  
**London EC4A 2BB (Goldman Sachs)**  
**(the Sole Global Coordinator)**

**Kempen & Co N.V.**  
**Beethovenstraat 300**  
**1077 WZ Amsterdam**  
**The Netherlands (Kempen & Co)**

**ING Bank N.V.**  
**Bijlmerplein 888**  
**1102 MG Amsterdam**  
**The Netherlands (ING)**

**(Goldman Sachs, Kempen & Co and**  
**ING, together the Joint Bookrunners)**

(together the "Addressees")

Antwerp, (-) June 2015

Dear Sirs,

Valuation of the following freehold properties which form part of the portfolio of Wereldhave Belgium (together the "Properties" and each a "Property"):

- |  |          |
|--|----------|
| • Veldekens I - Roderveldlaan 1-2 - 2600 Antwerp             | Freehold |
| • Veldekens II - Roderveldlaan 3-4-5 - 2600 Antwerp          | Freehold |
| • Veldekens III - Roderveldlaan 76-78 - 2600 Antwerp         | Freehold |
| • Mediapark I - Medialaan 28 - 1800 Vilvoorde                | Freehold |
| • Mediapark II + IV- Medialaan 30 - 1800 Vilvoorde           | Freehold |
| • Mediapark III - Medialaan 32 - 1800 Vilvoorde              | Freehold |
| • Business Class- Jan Olieslagerslaan 41-45 - 1800 Vilvoorde | Freehold |
| • Madou Center - Bischoffsheimlaan 1-8 - 1000 Brussels       | Freehold |

Attached to this Valuation Letter is a detailed schedule of the individual Properties (the "Schedule").

## Introduction

In accordance with our engagement letter with C.V.A. Wereldhave Belgium S.C.A. (the “Company” or “Wereldhave”), we, Troostwijk-Roux Expertises cvba, Chartered Surveyors, have considered the above Properties, in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold interests of Wereldhave Belgium in each of these Properties (the “Valuation”).

Site inspections were carried out by Mr. K. Speybrouck between 01 March and 31 March 2015.

The effective date of the valuation is 31 March 2015.

## Purpose of Valuation

We understand that this valuation report and Schedule (the “Valuation Report”) are required for inclusion in the summary, registration document and securities note (“Prospectus”) that has been prepared in connection with the offering (“the Offering”) by the Company of new ordinary shares (the “Offer Shares”) and on which investors will rely in making their decision to invest in the Offer Shares. We hereby give our consent for such inclusion.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

## Basis of Valuation and Assumptions

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in Belgium.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the RICS Valuation Standards, 6<sup>th</sup> Edition (the “Red Book”). This is an internationally accepted method of valuation.

Market Value is defined as:

*“The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”*

We confirm that Market Value is entirely consistent with the normal valuation basis followed in Belgium. Our Valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) (as amended) and all related regulations, rules and guidance thereunder (including paragraphs 128 to 130 of the ESMA update of the ‘Committee of European Securities Regulators’ (CESR) recommendations) and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and developments and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Values.

The Market Value contained in this Valuation Letter reflects a 100% ownership of all Properties including those Properties in which the Company has a minority interest.

## Valuation methodology

We have adopted an income approach technique for the valuation of the standing assets.

The Valuations of the Properties are performed by qualified valuers and are based on both:

- information provided by the company such as current rents, terms and conditions of lease agreements, service charges, capital expenditure, etc.;
- assumption and valuation models used by the valuers - the assumptions are typically market related, such as yields and discount rates. These are based on their professional judgment and market observation.

The income approach:

- the fair value of an investment property (= Market Value) may be measured using discounted cash flow projections based on reliable estimates of future rental income and expenditures, supported by the terms of existing lease and other contracts. When practicable, external evidence should also be used, such as current market rents for properties of a similar nature, condition, and location. Discount rates that reflect current market participant assessments of uncertainty regarding the amount and timing of cash flows should be used to discount the projected future cash flows.

### Methodology: DCF

The valuations of the properties were carried out according to the Discounted Cash Flow method (DCF), which is a method to determine the present (market) value based on future free cash flows.

## Valuation

On the basis outlined in this Valuation Letter, we are of the opinion that the aggregate of the individual Market Values as at 31 December 2014 of the freehold and long leasehold interests subject to and with the benefit of various occupational leases, properties:

Total - € 126,975,000  
(HUNDRED TWENTY SIX MILLION NINE HUNDRED SEVENTY FIVE THOUSAND EUROS)

There are no negative values to the Valuation Report.

The Market Value is consistent with valuation outcomes carried out for purposes of the accounts for the financial trimester in common.

### Realisation Costs

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our net valuation is, however, net of purchaser's acquisition costs which vary between regions.

### Assumptions and Sources of Information

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("assumption"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, needs to be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However,

in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

### **Inspections**

We have valued the Properties in the past for accounts purposes and have inspected all Properties in March 2015.

We have been advised by the directors of the Company that there have been no material changes to any of the Properties since our inspections.

### **Information**

We have made an assumption that the information which Wereldhave Belgium and its professional advisers have supplied to us in respect of the Properties is both full and correct. It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

### **Title**

During the course of our prior valuation instructions for the Properties we have relied upon information from the Company with regard to the quality and marketability of the title held at each Property. Where we have not been provided with legal reports or title deeds we have assumed, unless advised to the contrary, that the Properties benefit from marketable title and that the Properties are free from encumbrances, mortgages and charges. Our Valuations are based on information sourced from third parties including title information which we have not independently verified in our appointment to provide valuations for accounts purposes for Wereldhave Belgium and have assumed the information provided to be accurate.

### **Floor Areas**

We have not measured the Properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain Properties to verify floor areas.

### **Plant and Machinery**

Landlord's fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our Valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

## **Environmental Investigations and Ground Conditions**

We are not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

## **Planning**

We have made verbal town planning enquiries only. In the course of our enquiries, we are advised by the local planning authority that there are no adverse town planning, highway or other schemes or proposals. Information supplied to us by planning officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have not seen planning consents and have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations.

## **Tenancies**

We have relied upon tenancy information with regard to lease terms, contractual rent, indexation, turnover, additional income, non-recoverable costs and capital expenditure provided by the Company for the purposes of our Valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

## **Responsibility**

This Valuation and the Schedule are provided to the Addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Letter forms part of the Prospectus and may be referred to in supplementary offer documents. The Addressees of the Valuation Letter may rely on it, as may investors in the Offer Shares who participate in the Offering, as well as the general public who inter alia rely on the Valuation Letter in the form that it's incorporated in the Prospectus for the purposes of determining whether or not to purchase shares in the Company.

Troostwijk-Roux Expertises cvba hereby gives its consent to the inclusion of this Valuation Letter in the Prospectus and to the references to this Valuation Letter in the Prospectus in the form and context in which they appear. Troostwijk-Roux Expertises cvba authorises and accordingly takes responsibility for the contents of this Valuation Letter and confirms that having taken all reasonable care to ensure that such is the case, the information contained in this Valuation Letter is, to the best of its knowledge and belief, in accordance with the fact and contains no omission likely to affect its import.

Neither the whole nor any part of this Valuation Letter nor any reference thereto may be included in any other published document, circular or statement nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not Troostwijk-Roux Expertises are referred to by name and whether or not the contents of our Valuation Letter are combined with other reports.

Nothing in this paragraph shall prevent the Addressees of this Valuation Letter from quoting from, referring to or disclosing this Valuation Letter in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by any competent authority or judicial authority. Disclosure of this Valuation Letter in full by the Addressees of this Valuation Letter is not prohibited if reasonably required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings or for the purpose of resolving any actual dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the Addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully,

Troostwijk-Roux Expertises,

Luk Van Meenen, MRICS  
CEO



Schedule - Properties

Valuation date	Country	City	Adress	Ownership	Type	GLA (m <sup>2</sup> )	Parking places (#)
31-03-2015	Belgium	Antwerp	Veldekens I - Roderveldlaan 1-2	Freehold	Office	11,561 m <sup>2</sup>	238
31-03-2015	Belgium	Antwerp	Veldekens II - Roderveldlaan 3-4-5	Freehold	Office	17,011 m <sup>2</sup>	316
31-03-2015	Belgium	Antwerp	Veldekens III - Roderveldlaan 76-78	Freehold	Office	11,416 m <sup>2</sup>	217
31-03-2015	Belgium	Vilvoorde	Mediapark I - Medialaan 30	Freehold	Office	5,650 m <sup>2</sup>	143
31-03-2015	Belgium	Vilvoorde	Mediapark III - Medialaan 32	Freehold	Office	4,027 m <sup>2</sup>	127
31-03-2015	Belgium	Vilvoorde	Mediapark II + IV - Medialaan 32	Freehold	Office	13,018 m <sup>2</sup>	332
31-03-2015	Belgium	Vilvoorde	Business Class- Jan Olieslagerlaan 41-45	Freehold	Office	3,077 m <sup>2</sup>	82
31-03-2015	Belgium	Brussels	Madou Center - Bischoffsheimlaan1-8	Freehold	Office	12,666 m <sup>2</sup>	147
<b>TOTAL :</b>							



# VALUATION REPORT

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CBRE Valuation Advisory B.V.  
Gustav Mahlerlaan 405  
1082 MK Amsterdam

**Report Date**

24 June 2015.

**Addressees**

Wereldhave N.V.

and

Goldman Sachs International

Peterborough Court

133 Fleet Street

London EC4A 2BB

United Kingdom

(Goldman Sachs) (the "Sole Global Coordinator")

Kempen & Co N.V.

Beethovenstraat 300

1077 WZ Amsterdam

The Netherlands

("Kempen & Co")

ING Bank N.V.

Bijlmerplein 888

1102 MG Amsterdam

The Netherlands

("ING")

Goldman Sachs, Kempen & Co and ING in their capacity as the joint bookrunners (the "Joint Bookrunners" and each a "Joint Bookrunner") and, together with Wereldhave, the Addressees.

<b>The Properties</b>	The properties (the “Properties” and each a “Property”) held by Wereldhave N.V., (the “Company” or “Wereldhave”) as listed in the Schedule of Properties set out in Appendix A below.
<b>Property Descriptions</b>	Shopping centres.
<b>Ownership Purpose</b>	Investment.
<b>Instruction</b>	To value on the basis of Fair Value the relevant interests in the Properties as at the Valuation Date (as defined below) in accordance with the letter of instruction and terms of engagement dated 16 June 2015.
<b>Valuation Date</b>	31 December 2014.
<b>Capacity of Valuer</b>	External.
<b>Purpose</b>	<p>The valuation report and schedule (the “Schedule”) (together, the “Valuation Report”) has been prepared for a Regulated Purpose as defined in the RICS Valuation – Professional Standards March (January 2014) (“Red Book”). We understand that our opinion of Fair Value is required for inclusion in the Summary, Registration Document and Securities Note (which are to be published together as the “Prospectus”) which are to be published by Wereldhave in connection with the offering by the Company (the “Offering”) of new ordinary shares (the “Offer Shares”) on Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V. and on which investors will rely on as one source in making their decision to invest in the Offer Shares.</p> <p>The Valuation Report will be relied upon by the Addressees in connection with the Offering.</p> <p>We can confirm that we have prepared our Valuation as external valuers as defined in the Red Book.</p> <p>The effective date of valuation is 31 December 2014.</p> <p>In accordance with the RICS Valuation – Professional Standards (January 2014) (“Red Book”) we have made certain disclosures in connection with this valuation instruction and our relationship with Wereldhave</p>

**Fair Value****€ 464,980,000**

(four hundred and sixty four million nine hundred and eighty thousand Euros) exclusive of purchaser's costs and VAT.

The valuations were carried out as at 31 December 2014. CBRE have not been engaged to update the valuations for the purposes of the Prospectus, have no obligation so to do and has not updated the valuations after this valuation date. CBRE make no statement as to the appropriateness of the valuation date or the absence of any potential material change to the fair values of the properties subsequent to the valuation date.

We confirm that the Fair Value reported above, for the purpose of financial reporting under International Financial Reporting Standards is effectively the same as "Market Value".

Our opinion of Fair Value is based upon the Scope of Work and Valuation Assumptions attached, and has been primarily derived using comparable recent market transactions on arm's length terms.

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

For the avoidance of doubt, we have valued the Properties as real estate and the values reported herein represent 100% of the market values of the assets. No account has been taken in reporting these fair values of the extent of Wereldhave's interests in the companies holding the subject Properties.

There are no negative values to report.

We are required to show the split of values between freehold-equivalent and leasehold property, and to report the following categories of property separately.

Address	Tenure
SC Koperwiek, Capelle a/d IJssel	Freehold
Residential, Capelle a/d IJssel	Freehold
SC Woensel, Eindhoven	Freehold
SC Etten-Leur, Etten-Leur	Freehold
SC Vier Meren, Hoofddorp	Freehold
SC Vier Meren, Hoofddorp	Leasehold
SC Willem Eggert, Purmerend	Freehold
SC De Roselaar, Roosendaal	Freehold

Totals Fair Value:

Properties held freehold: € 455,770,000

Property with leasehold: € 9,210,000

## Report Format

Appendix A of this Valuation Report contains the Schedule of Properties. Appendix B provides the Property Details and Market Value of the Portfolio. Appendix C provides relevant details of those properties which have an individual Fair Value in excess of 5% of the total aggregate Fair Value of the Portfolio.

## Compliance with Valuation Standards

The valuations have been prepared in accordance with the "Red Book". The property details on which each valuation is based are as set out in this report.

The valuations are compliant with the International Valuation Standards, and are in accordance with paragraphs 128 to 130 of the ESMA update of the Committee of European Securities Regulators' (CESR) recommendations for the consistent implication of the European Commission Regulation (EC) no. 809/2004 implementing the Prospectus Directive.

We confirm that we have sufficient current local and national knowledge of the particular property market involved, and have the skills and understanding to undertake the valuation competently. Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book.

## **Restricted Information**

Our valuations have been prepared on the basis of restricted information, as detailed more particularly in Scope of Work and Sources of Information below. We would advise that the lack of such information may impact on the accuracy of our valuations.

As detailed below, we have requested but not been provided with Legal, Technical or Environmental due diligence reports on the subject properties.

As instructed, we have not re-inspected the properties since the dates detailed below.

We have requested but have not been provided with full details of recoverable and non-recoverable operating costs for the subject properties. In the absence of such information we have made assumptions we consider to be reasonable; however, our valuations could be subject to amendment should the actual costs be provided.

As the leases do not incorporate turnover rent provisions we have no access to information on the tenants' sale turnovers, sales densities and the affordability of the rents. These are normal considerations in valuing shopping centres.

## **Assumptions**

We have made various assumptions as to tenure, letting, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.

If any of the information or assumptions on which the valuation is based are subsequently found to be incorrect, the valuation figures may also be incorrect and should be reconsidered.

<b>Variation from Standard Assumptions</b>	None.
<b>Market Conditions</b>	The values stated in this report represent our objective opinion of Fair Value in accordance with the definition set out above as of the Valuation Date. Amongst other things, this assumes that the properties had been properly marketed and that exchange of contracts took place on this date.
<b>Valuer</b>	The Properties have been valued by a valuer who is qualified for the purpose of the valuation in accordance with the Red Book.
<b>Independence</b>	<p>The total fees, including the fee for this assignment, earned by CBRE Valuation Advisory B.V. (or other companies forming part of the same group of companies within The Netherlands) from the Company (or other companies forming part of the same group of companies) are less than 5.0% of the total revenues of CBRE BV</p> <p>It is not anticipated this situation will vary in the financial year to 2014 nor in the financial year 2015.</p> <p>We confirm that we do not have any material interest in Wereldhave or the Properties.</p> <p>We do not consider that any conflict of interest arises in us preparing this Valuation Report and Wereldhave have confirmed to us that it also considers this to be the case.</p>
<b>Disclosure</b>	<p>In accordance with the Red Book we make the following disclosures:</p> <p>CBRE has been valuing for accounting purposes four of the properties on a half yearly basis since 30 June 2010 and two additional properties (Hoofddorp and Capelle aan den IJssel) since 30 June 2014.</p>

## Responsibility

We are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Valuation Report is in accordance with the facts and contains no omissions likely to affect its import.

This Valuation Report complies with the Euronext Amsterdam prospectus rules and Paragraphs 128 to 130 of the ESMA update of CESR'S recommendations for the consistent implementation the European Commission Regulation (EC) No. 809/2004 implementing the Prospectus Directive.

Save for any responsibility arising under the above to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this Valuation Report or our statement, required by and given solely for the purposes of complying with Annex I item 23.1 of the Prospectus Directive Regulation, consenting to its inclusion in the Prospectus.

## Reliance

This Valuation Report is for the use only of the parties to whom it is addressed for the specific purposes set out herein and no responsibility is accepted to any third party for the whole or any part of its contents save as set out in "Responsibility" above.

No reliance may be placed upon the contents of this Valuation Report by any party for any purpose other than in connection with the Purpose of Valuation.

## Publication

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any other way than for the intended Purpose without our written approval of the form and context in which it is to appear.

Before this Valuation Report, or any part thereof, is disclosed orally or otherwise to a third party, CBRE's written approval of the form and context of such publication or disclosure must first be obtained. Such publication or disclosure will not be permitted unless where relevant it incorporates the Assumptions referred to herein. For the avoidance of doubt, such approval is required whether or not CBRE Valuation Advisory are referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the Addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or if required by Euronext Amsterdam, the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten) and the Netherlands Central Bank (De Nederlandsche Bank N.V.), or any other competent authority or judicial authority.

Disclosure of this Valuation Report in full by the Addressees of this Valuation Report to parties mentioned in this paragraph is not prohibited if reasonably required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings or for the purpose of resolving any actual dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus. Any such disclosure or potential disclosure is to be declared to CBRE at the earliest practicable date.



Yours faithfully,

Yours faithfully,

**M.C. Fidler FRICS RT**  
**Executive Director**

For and on behalf of  
CBRE Valuation Advisory B.V.

**M. Creamer FRICS**  
**Head of EMEA Valuation & Advisory  
Services**

For and on behalf of  
CBRE Ltd.

# SCOPE OF WORK & SOURCES OF INFORMATION

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## Sources of Information

We have carried out our work based upon information supplied to us by Wereldhave, which we have assumed to be correct and comprehensive.

- Rent rolls with lettable floor areas
- Lease agreements
- Floor area Measurement Certificates for the residential part of SC Koperwiek, located in Capelle aan den IJssel
- Turnover figures for the parking garage of SC Vier Meren, located in Hoofddorp
- Details of rights of superficies of SC Vier Meren, located in Hoofddorp.

We have not been provided with:

- Landlord's non-recoverable outgoings
- Floor area Measurement Certificates, except for the residential part of Capelle aan den IJssel Shopping Centre
- Environmental Due Diligence reports
- Technical Due Diligence reports
- Legal Due Diligence reports
- Turnover data

## The Properties

Our report contains a brief summary of the properties details on which our valuation has been based.

## Inspection

We have inspected the Properties as follows:

Property	Inspection Date
<b>The Netherlands</b>	
SC Koperwiek, Capelle a/d IJssel	23 May 2014.
SC Woensel, Eindhoven	6 December 2014.
SC Etten Leur, Etten Leur	14 May 2013.
SC Vier Meren, Hoofddorp	25 May 2014.
SC Willem Eggert, Purmerend	3 December 2014.
SC De Roselaar, Roosendaal	1 December 2014.

As instructed, we have not re-inspected the Properties since the above dates. Wereldhave has confirmed that they are not aware of any material changes to the physical attributes of the properties, or the nature of their location, between the last inspection and the valuation date. We have assumed this advice to be correct.

## Areas

We have not measured the Properties but have relied upon the floor areas provided, which we are advised by Wereldhave are correct. We have not checked these on site.

The RICS Code of Measuring Practice does not apply in The Netherlands. Unless advised specifically to the contrary, we have made the Assumption that the floor areas supplied to us have been calculated in accordance with local practice as appropriate. All areas quoted in this Valuation Report are approximate.

## Environmental Matters

We have not undertaken, nor are we aware of the content of, any environmental audit or other environmental investigation or soil survey which may have been carried out on the Properties and which may draw attention to any contamination or the possibility of any such contamination.

We have not carried out any investigations into the past or present uses of the Properties, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.

**Repair and Condition**

We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Properties. We are unable, therefore, to give any assurance that the Properties are free from defect.

**Town Planning**

We have undertaken online planning enquiries on each property.

**Titles, Tenures and Lettings**

Details of title/tenure under which the Properties are held and of lettings to which they is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.

# VALUATION ASSUMPTIONS

---

## Introduction

An Assumption is defined in the Red Book Glossary and Appendix 3 to be a “supposition taken to be true” (an “Assumption”).

Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that it has been agreed need not be verified by the valuer as part of the valuation process. Assumptions are made when it is reasonable for the valuer to accept that something is true without the need for specific investigation.

Wereldhave N.V. has confirmed and we confirm that our Assumptions are correct as far as Wereldhave N.V. and we, respectively, are aware. In the event that any of these Assumptions prove to be incorrect then our valuations should be reviewed. The principal Assumptions which we have made are stated within this Valuation Report.

For the avoidance of doubt, the Assumptions made do not affect compliance with the approach to Market Value under the Red Book.

## Valuation Methodology

### Fair Value (Traditional Investment Approach)

We have adopted the traditional investment/income capitalisation method of valuation. The investment method of valuation involves the capitalisation of the net income stream from the property at a net yield.

In establishing the gross income stream we have reflected current rents payable to lease expiry (or break if activated) at which point we have assumed that each unit will be re-let at our opinion of estimated rental value at review as defined under Article 7:303 of the Dutch Civil Code. Where units are vacant we have assumed a void period prior to assuming that the unit will be let at our opinion of estimated rental value at review as defined under Article 7:303 of the Dutch Civil Code.

In order to arrive at a net income stream certain items of non-recoverable expenditure are deducted from the gross rental income, such as non-recoverable management fees, a maintenance and repair sinking fund, and any non-recoverable service charges.

The net yield applied to capitalise the income stream is derived from analysis of market evidence of investment transactions. Purchaser's costs are deducted from the resultant capital value to arrive at a net Fair Value. Any items of capital expenditure are also deducted.

## Capital Values

Each valuation has been prepared on the basis of "Fair Value", which is defined as:

"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

"Fair Value", for the purpose of financial reporting under International Financial Reporting Standards is effectively the same as "Market Value", which is defined as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

The valuation represents the figure that would appear in a hypothetical contract of sale at the valuation date. No allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal. Acquisition costs have not been included in our valuation.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charges.

No account has been taken of the availability or otherwise of capital based government or other grants.

## Taxation, Costs and Realisation Costs

As stated above, no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal.

Our valuations reflect purchasers' statutory and other normal acquisition costs.

## **VAT**

We have not been advised whether the Properties are elected for VAT.

All rents and capital values stated in this report are exclusive of VAT.

## **Passing Rent**

Passing rents quoted in this report are the rents which are currently payable under the terms of the leases. Passing rents exclude service charges and VAT and are prior to deduction of any non-recoverable costs. Passing rents exclude turnover rents, mall incomes and other miscellaneous incomes.

## **Net Annual Rent**

Net annual rent is defined for the purposes of this transaction as "the current income or income estimated by the valuer:

- (i) ignoring any special receipts or deduction arising from the property;
- (ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and
- (iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the property and allowances to maintain it in a condition to command its rent".

## **Rental Values**

Rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes nor do they necessarily accord with the definition of Market Rent.

## **Estimated Rental Value at Review**

The rental value for retail properties in the Netherlands as estimated by CBRE in its valuations is fundamentally determined by Dutch civil law, whereby a landlord or tenant may approach the law courts for the determination of rental value. This is referred to by CBRE as the "Estimated Rental Value at Review".

Paragraph 1 of Article 303 of Book 7 of the Dutch Civil Code (“DCC”) states that ‘both, the lessee and the lessor, may claim in court that a current rent is not in agreement with the rent of comparable retail spaces in the vicinity of the property and therefore may ask the court to re-assess the concerned rent on the following grounds:

- a.) if the lease agreement is entered into for a fixed term: after the expiring of the first lease term;
- b.) in all other cases: five years after the first day on which the last rent, as set by parties or the court, has become effective.

In assessing the rent more specifically, the court shall pay attention to the average of the rents of similar retail spaces in the vicinity of the involved retail space over the last five years before the legal claim is filed. Each rent involved in the rent comparison is recalculated in line with the general development of the rent level since the day on which that rent applied until the day on which the legal claim was filed.

A legal claim to assess the rent more specifically as meant in article 7:303, is only admissible if it is attended with an advisory report about the level of the involved rent from one or more experts in this field, selected by both parties.

The rental review value in our valuation is the expected rental review price as determined by CBRE. This rental review value has been determined on the basis of comparable rental transactions in the past five years and is not an official rental value as described in article 7:303 BW of the DCC. CBRE can therefore not guarantee that their estimated rental review value will be equal to the outcome of the settlement of an official rental review procedure. If the estimated rental review value of CBRE does indeed deviate from the outcome of a settlement of an official rental review procedure then CBRE cannot be held accountable.

## **Lease Expiries**

Fixed-term leases frequently incorporate either tenants’ options to extend or tenants’ break clauses; other leases are rolling to indeterminate, subject to stated notice periods. For the purposes of our valuations, we have made assumptions as to appropriate presumed expiry dates.



## **The Properties**

Any weighted average unexpired terms indicated in our Valuation report reflect these assumptions.

Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations.

Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

All measurements, areas and ages quoted in our report are approximate.

## **Environmental Matters**

In the absence of any information to the contrary, we have assumed that:

(a) the Properties are not contaminated and are not adversely affected by any existing or proposed environmental law;

(b) any processes which are carried out on the Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities.

## **Energy Performance Certificates**

We have assumed that the Properties possess or will possess current Energy Performance Certificates as required under Government Directives.

## **Repair and Condition**

In the absence of any information to the contrary, we have assumed that:

(a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the property;

(b) the Properties are free from rot, infestation, structural or latent defect;

(c) no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, have been used in the construction of, or subsequent alterations or additions to, the Properties; and

(d) the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Properties. Comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

### **Title, Tenure, Planning and Lettings**

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

(a) the Properties possess a good and marketable title free from any onerous or hampering restrictions or conditions;

(b) all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;

(c) the Properties are not adversely affected by town planning or road proposals;

(d) all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

(e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of each Property to comply with the provisions of the relevant disability discrimination legislation;

(f) there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;

- (g) tenants will meet their obligations under their leases;
- (h) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
- (i) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required; and
- (j) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy.

## Appendix A: Schedule of Properties

Country	Property Name	Tenure
The Netherlands	SC Koperwiek (Retail), Capelle aan den IJssel	Freehold
The Netherlands	SC Koperwiek (Residential), Capelle aan den IJssel	Freehold
The Netherlands	SC Woensel XL, Eindhoven	Freehold
The Netherlands	SC Hof van den Houte, Etten Leur	Freehold
The Netherlands	SC Vier Meren, Hoofddorp	Partly leasehold *
The Netherlands	SC Willem Eggert Development, Purmerend	Freehold
The Netherlands	SC De Roselaar, Roosendaal	Freehold

\* Two of the subject cadastral parcels (7578 and 7577) at Hoofddorp are held on a perpetual leasehold with a right of superficies. For valuation purposes we have assumed that this concerns a perpetual right of superficies.

One of the subject parcels (L 5690) is held on a temporarily right of superficies that expires 30 June 2023.

## Appendix B: Property Details: Properties held for Investment

Property	Description, Age and Tenure	Number of tenants	Gross Passing Rent Per Annum in €
SC Koperwiek, Capelle aan den IJssel	A freehold owned shopping centre located in the city centre of Capelle aan den IJssel. The centre was constructed in 1967 and renovated and extended in 1995. Anchor tenants include a number of national and international retailers. The property includes 86 residential apartments.	100	5,712,877
Residential Koperwiek, Capelle aan den IJssel	Freehold owned residential flats constructed in 1967 and forming part of the Koperwiek shopping centre. A total of 86 flats are provided in multi storey buildings of which 9 were vacant at valuation.	77	576,620
SC Woensel XL, Eindhoven	A freehold owned part of a larger shopping centre located to the north of Eindhoven city centre and serving as a retail centre for the surrounding residential district. The property was constructed in 1967 and renovated in 2004-2006. The total shopping centre comprises some 43,000 sq m of retail space, of which ca. 10,000 sq m is owned by Wereldhave. National and several international retailers occupy the Wereldhave owned part of the centre.	35	3,268,722
SC Hof van den Houte, Etten-Leur	A freehold owned shopping centre property in the retail heart of the town of Etten- Leur. The property was opened in 1964 and renovated in 1995. In 2006 the shopping centre was extended with additional retail and today provides retail space on ground floor, and partly on first floor. The total shopping centre comprises some 40,000 sq m of retail space, of which ca. 22,000 sq m is owned by Wereldhave.	68	3,905,449

Property	Description, Age and Tenure	Number of tenants	Gross Passing Rent Per Annum in €
SC Vier Meren, Hoofddorp	<p>Shopping Centre De Vier Meren is a key part of the main covered shopping area of Hoofddorp, a town located close to Amsterdam. The property has ca. 32,900 sq m of retail space and around 6,200 sq m of offices. The shopping centre was built in 2005 and key anchor tenants include for example a V&amp;D department store, Ahold, Douglas and C&amp;A. The property includes an integrated six floor office building redeveloped in 2008 that is let to the municipality and an office building of 2,437 sq m, vacant at the time of valuation. In total the property has parking for 1,154 cars within a central parking facility.</p> <p>The V&amp;D department store (5,713 sq m) and the vacant office building are held leasehold, whereas the rest of the shopping centre is freehold.</p>	59	9,716,379
SC Willem Eggert, Purmerend	<p>The freehold owned shopping centre Eggert is situated in the centre of Purmerend, a town located to the north of Amsterdam. The centre was constructed in 1979 and renovated in 2000. There also some current renovations underway. It provides a total of ca. 20,400 sq m of shopping area. Key retail anchor tenants include many national brands. The shopping centre is entirely covered and benefits from own parking for 375 cars in addition to use of an adjoining public car park.</p>	51	4,340,998
SC De Roselaar, Roosendaal	<p>The freehold owned shopping centre Roselaar comprises a covered shopping centre of ca. 13,000 sq m retail space in the centre of the town of Roosendaal, which is located in the southern area of The Netherlands. The property was built in 1970 and renovated in 1996. Well-known national tenants located in the property include main national brands. The property retail space is divided over ground and first floors.</p>	55	4,158,023

### Appendix C: Properties Exceeding 5% of Aggregate Fair Value of Portfolio

Address	Floor Area	Weighted Average Lease Length	Gross Rental Income per annum in €	Net Rental Income per annum in €	Rental Value in per annum in €	Equivalent Yield in %
SC Koperwiek, Capelle a/d IJssel	24,311	3.82	5,712,877	5,238,264	5,995,721	5.95
Residential Koperwiek, Capelle a/d IJssel	7,687	n/a	576,620	445,283	652,962	n/a
SC Woensel, Eindhoven	10,317	3.89	3,268,722	3,036,218	3,120,742	6.01
SC Etten Leur, Etten Leur	22,737	3.85	3,905,449	3,579,287	3,758,194	6.11
SC Vier Meren, Hoofddorp	38,885	3.30	9,716,379	8,649,545	9,493,721	5.67
SC Willem Eggert, Purmerend	19,865	3.12	4,340,998	3,912,277	4,966,815	5.77
SC De Roselaar, Roosendaal	17,756	3.66	4,158,023	3,827,830	4,474,157	6.25

\* The gross rental income of Vier Meren in Hoofddorp is inclusive of a variable income from the parking garage of approximately € 1,050,000 per annum.

# VALUATION REPORT

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CBRE Finland Oy  
Valuation & Advisory  
Erottajankatu 9 B  
00130 Helsinki  
Finland

**Report Date**

24 June 2015.

**Addressees**

Wereldhave N.V.

and

Goldman Sachs International

Peterborough Court

133 Fleet Street

London EC4A 2BB

United Kingdom

(Goldman Sachs) (the "Sole Global Coordinator")

Kempen & Co N.V.

Beethovenstraat 300

1077 WZ Amsterdam

The Netherlands

("Kempen & Co")

ING Bank N.V.

Bijlmerplein 888

1102 MG Amsterdam

The Netherlands

("ING")

Goldman Sachs, Kempen & Co and ING in their capacity as the joint bookrunners (the "Joint Bookrunners" and each a "Joint Bookrunner") and, together with Wereldhave, the Addressees.



<b>The Properties</b>	The property (the “Properties” and each a “Property”) held by Wereldhave N.V., (the “Company” or “Wereldhave”) as listed in the of Property Schedule set out in Appendix A below.
<b>Property Descriptions</b>	Shopping centre with separate office.
<b>Ownership Purpose</b>	Investment.
<b>Instruction</b>	To value on the basis of Fair Value the relevant interests in the Properties as at the Valuation Date (as defined below) in accordance with the letter of instruction and terms of engagement dated 16 June 2016.
<b>Valuation Date</b>	31 December 2014.
<b>Capacity of Valuer</b>	External.
<b>Purpose</b>	<p>The valuation report and schedule (the “Schedule”) (together, the “Valuation Report”) has been prepared for a Regulated Purpose as defined in the RICS Valuation – Professional Standards March (January 2014) (“Red Book”). We understand that our opinion of Fair Value is required for inclusion in the Summary, Registration Document and Securities Note (which are to be published together as the “Prospectus”) which are to be published by Wereldhave in connection with the offering by the Company (the “Offering”) of new ordinary shares (the “Offer Shares”) on Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V. and on which investors will rely on as one source in making their decision to invest in the Offer Shares.</p> <p>The Valuation Report will be relied upon by the Addressees in connection with the Offering.</p> <p>We can confirm that we have prepared our Valuation as external valuers as defined in the Red Book.</p> <p>The effective date of valuation is 31 December 2014.</p> <p>In accordance with the RICS Valuation – Professional Standards (January 2014) (“Red Book”) we have made certain disclosures in connection with this valuation instruction and our relationship with Wereldhave</p>

**Fair Value**

€ 607,100,000

(six hundred and seven million one hundred thousand Euros) exclusive of purchaser's costs and VAT.

The valuations were carried out as at 31 December 2014. CBRE have not been engaged to update the valuations for the purposes of the Prospectus, have no obligation so to do and has not updated the valuations after this valuation date. CBRE make no statement as to the appropriateness of the valuation date or the absence of any potential material change to the fair value of the properties subsequent to the valuation date.

We confirm that the Fair Value reported above, for the purpose of financial reporting under International Financial Reporting Standards is effectively the same as "Market Value".

Our opinion of Fair Value is based upon the Scope of Work and Valuation Assumptions attached, and has been primarily derived using comparable recent market transactions on arm's length terms.

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

For the avoidance of doubt, we have valued the Properties as real estate and the value reported herein represent 100% of the market value of the asset. No account has been taken in reporting this fair value of the extent of Wereldhave's interests in the companies holding the subject Properties.

There are no negative values to report.

We are required to show the split of values between freehold-equivalent and leasehold property, and to report the following categories of property separately.

Address	Fair Value	Tenure
Itis Shopping Centre (retail), Helsinki	€ 599,000,000	Freehold with part leasehold
Itis Shopping Centre (office), Helsinki	€ 8,100,000	Leasehold

Totals Fair Value:

Freehold: € 599,000,000

Leasehold: € 8,100,000

## Report Format

Appendix A of this Valuation Report contains the Schedule of Properties. Appendix B provides the Property Details and Market Value.

## Compliance with Valuation Standards

The valuations have been prepared in accordance with the Red Book. The property details on which the valuation is based are as set out in this report.

The valuation is compliant with the International Valuation Standards, and are in accordance with paragraphs 128 to 130 of the ESMA update of the Committee of European Securities Regulators' (CESR) recommendations for the consistent implication of the European Commission Regulation (EC) no. 809/2004 implementing the Prospectus Directive.

We confirm that we have sufficient current local and national knowledge of the particular property market involved, and have the skills and understanding to undertake the valuation competently. Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book.

## **Restricted Information**

Our valuations have been prepared on the basis of restricted information, as detailed more particularly in Scope of Work and Sources of Information below. We would advise that the lack of such information may impact on the accuracy of our valuation.

As detailed below, we have requested but not been provided with Legal, Technical or Environmental due diligence reports on the subject properties.

As instructed, we have not re-inspected the properties since the dates detailed below.

We have requested but have not been provided with full details of recoverable and non-recoverable operating costs for the subject properties. In the absence of such information we have made assumptions we consider to be reasonable; however, our valuations could be subject to amendment should the actual costs be provided.

We have no access to information on the tenants' sale turnovers, sales densities and the affordability of the rents. These are normal considerations in valuing shopping centres.

## **Assumptions**

We have made various assumptions as to tenure, letting, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.

If any of the information or assumptions on which the valuation is based are subsequently found to be incorrect, the valuation figures may also be incorrect and should be reconsidered.

## **Variation from Standard Assumptions**

None.

## **Market Conditions**

The value stated in this report represents our objective opinion of Fair Value in accordance with the definition set out above as of the Valuation Date. Amongst other things, this assumes that the properties have been properly marketed and that exchange of contracts took place on this date.

## **Valuer**

The Properties have been valued by a valuer who is qualified for the purpose of the valuation in accordance with the Red Book.

## **Independence**

The total fees, including the fee for this assignment, earned by CBRE Finland Oy (or other companies forming part of the same group of companies within Finland) from the company (or other companies forming part of the same group of companies) are less than 5.0% of the total revenues of CBRE Finland Oy.

It is not anticipated this situation will vary in the financial year 2015.

We confirm that we do not have any material interest in Wereldhave or the Properties.

We do not consider that any conflict of interest arises in us preparing this Valuation Report and Wereldhave have confirmed to us that it also considers this to be the case.

## **Disclosure**

In accordance with the Red Book we make the following disclosures:

CBRE has valued for accounting purposes the retail parts of the Itis shopping centre per 31 May 2013 and updated this valuation, to include the office element of the centre, per 31 May 2014.

## **Responsibility**

We are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Valuation Report is in accordance with the facts and contains no omissions likely to affect its import.

This Valuation Report complies with the Euronext Amsterdam prospectus rules and Paragraphs 128 to 130 of the ESMA update of CESR'S recommendations for the consistent implementation the European Commission Regulation (EC) No. 809/2004 implementing the Prospectus Directive.

Save for any responsibility arising under the above to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this Valuation Report or our statement, required by and given solely for the purposes of complying with Annex I item 23.1 of the Prospectus Directive Regulation, consenting to its inclusion in the Prospectus.

## **Reliance**

This Valuation Report is for the use only of the parties to whom it is addressed for the specific purposes set out herein and no responsibility is accepted to any third party for the whole or any part of its contents save as set out in "Responsibility" above.

No reliance may be placed upon the contents of this Valuation Report by any party for any purpose other than in connection with the Purpose of Valuation.

## **Publication**

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any other way than for the intended Purpose without our written approval of the form and context in which it is to appear.

Before this Valuation Report, or any part thereof, is disclosed orally or otherwise to a third party, CBRE's written approval of the form and context of such publication or disclosure must first be obtained. Such publication or disclosure will not be permitted unless where relevant it incorporates the Assumptions referred to herein. For the avoidance of doubt, such approval is required whether or not CBRE Valuation Advisory are referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the Addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or if required by Euronext Amsterdam, the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten) and the Netherlands Central Bank (De Nederlandsche Bank N.V.), or any other competent authority or judicial authority.

Disclosure of this Valuation Report in full by the Addressees of this Valuation Report to parties mentioned in this paragraph is not prohibited if reasonably required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings or for the purpose of resolving any actual dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus. Any such disclosure or potential disclosure is to be declared to CBRE at the earliest practicable date.

Yours faithfully,

Yours faithfully,

**T. Kykyri MRICS**  
**Associate Director**

For and on behalf of  
CBRE Finland Oy

**M. Creamer MRICS**  
**Head of EMEA Valuation & Advisory Services**

For and on behalf of  
CBRE Ltd

# SCOPE OF WORK & SOURCES OF INFORMATION

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## Sources of Information

We have carried out our work based upon information supplied to us by Wereldhave, which we have assumed to be correct and comprehensive.

- Rent rolls with lettable floor areas
- Budget for Operating costs and maintenance for 2014 and 2015, including Landlord's non-recoverable outgoings for Itis
- Speciality leasing budget 2014 and 2015
- Investment budget 2014 and 2015

We have not been provided with:

- Lease agreements (normal market practice not to do so in Finland)
- Floor area Measurement Certificates (normal market practice not to do so in Finland)
- Environmental Due Diligence reports
- Technical Due Diligence reports
- Legal Due Diligence reports
- Turnover data

## The Property

Our report contains a brief summary of the property details on which our valuation has been based.

## Inspection

We have inspected the Properties as follows:

Property	Inspection Date
Retail	7 November 2014
Office	5 May 2014

As instructed, we have not re-inspected the Properties since the above dates. Wereldhave has confirmed that they are not aware of any material changes to the physical attributes of the properties, or the nature of their location, between the last inspection and the valuation date. We have assumed this advice to be correct.



**Areas**

We have not measured the Properties but have relied upon the floor areas provided, which we are advised by Wereldhave are correct. We have not checked these on site.

The RICS Code of Measuring Practice does not apply in Finland. Unless advised specifically to the contrary, we have made the Assumption that the floor areas supplied to us have been calculated in accordance with local practice as appropriate. All areas quoted in this Valuation Report are approximate.

**Environmental Matters**

We have not undertaken, nor are we aware of the content of, any environmental audit or other environmental investigation or soil survey which may have been carried out on the Properties and which may draw attention to any contamination or the possibility of any such contamination.

We have not carried out any investigations into the past or present uses of the Properties, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.

**Repair and Condition**

We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Properties. We are unable, therefore, to give any assurance that the Properties are free from defect.

**Town Planning**

We have undertaken online planning enquiries on each property.

## **Titles, Tenures and Lettings**

Details of title/tenure under which the Properties are held and of lettings to which they are subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.

# VALUATION ASSUMPTIONS

---

## Introduction

An Assumption is defined in the Red Book Glossary and Appendix 3 to be a “supposition taken to be true” (an “Assumption”).

Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that it has been agreed need not be verified by the valuer as part of the valuation process. Assumptions are made when it is reasonable for the valuer to accept that something is true without the need for specific investigation.

Wereldhave N.V. has confirmed and we confirm that our Assumptions are correct as far as Wereldhave N.V. and we, respectively, are aware. In the event that any of these Assumptions prove to be incorrect then our valuations should be reviewed. The principal Assumptions which we have made are stated within this Valuation Report.

For the avoidance of doubt, the Assumptions made do not affect compliance with the approach to Market Value under the Red Book.

## Valuation Methodology

### Fair Value DCF (Discounted Cashflow)

The properties has been valued by means of the discounted cash flow (DCF) method, a widely-employed method for valuing commercial property in Finland. In accordance with market norms, we have adopted a 10-years cash flow period.

In establishing the gross income stream we have reflected current rents payable to lease expiry (or break if activated) at which point we have assumed that each unit will be re-let at our opinion of estimated rental value. Where units are vacant we have assumed that the unit will be let at our opinion of estimated rental value. Void periods are allowed for in a general vacancy rate for the shopping centre and the office building respectively.

In order to arrive at a net income stream certain items of non-recoverable expenditure are deducted from the gross rental income, such as non-recoverable management fees, a maintenance and repair sinking fund, and any non-recoverable service charges. Allowance has also been made for specific and general capital expenditure costs. For the shopping centre allowance has also been made for potential rental income from advertising and temporary lettings for example.

Assumptions have been made in the method for the inflation of income, rental values and also costs over the 10 years period.

No allowance has been included in the valuation of the shopping centre for turnover based rental income.

To value the net income stream we have adopted discount rates and exit capitalisation rates we consider appropriate for the properties or element of the properties, taking into account its individual characteristics. The net Fair Value is arrived at net of a purchasers acquisition costs.

## Capital Values

Each valuation has been prepared on the basis of "Fair Value", which is defined as:

"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

"Fair Value", for the purpose of financial reporting under International Financial Reporting Standards is effectively the same as "Market Value", which is defined as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

<b>Taxation, Costs and Realisation Costs</b>	<p>The valuation represents the figure that would appear in a hypothetical contract of sale at the valuation date. No allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal. Acquisition costs have not been included in our valuation.</p> <p>No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charges.</p> <p>No account has been taken of the availability or otherwise of capital based government or other grants.</p> <p>As stated above, no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal.</p> <p>Our valuations reflect purchasers' statutory and other normal acquisition costs.</p>
<b>VAT</b>	<p>We have not been advised whether the Properties are elected for VAT.</p> <p>All rents and capital values stated in this report are exclusive of VAT.</p>
<b>Passing Rent</b>	<p>Passing rents quoted in this report are the rents which are currently payable under the terms of the leases. Passing rents exclude service charges and VAT and are prior to deduction of any non-recoverable costs. Passing rents exclude turnover rents, mall incomes and other miscellaneous incomes.</p>
<b>Net Annual Rent</b>	<p>Net annual rent is defined for the purposes of this transaction as "the current income or income estimated by the valuer:</p> <ul style="list-style-type: none"> <li>(i) ignoring any special receipts or deduction arising from the properties;</li> <li>(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and</li> </ul>

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the properties and allowances to maintain it in a condition to command its rent".

### **Estimated Net Annual Rental Value**

The estimated net annual rental value is based on the current rental value of each of the Properties. The rental value reflects the terms of the leases where the Properties, or parts thereof, are let at the date of valuation. Where the Properties, or parts thereof, are vacant at the date of valuation, the rental value reflects the rent we consider would be obtainable on an open market letting as at the date of valuation.

### **Rental Values**

Rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes nor do they necessarily accord with the definition of Market Rent.

### **Lease Expiries**

Fixed-term leases frequently incorporate either tenants' options to extend or tenants' break clauses; other leases are rolling to indeterminate, subject to stated notice periods. For the purposes of our valuations, we have made assumptions as to appropriate presumed expiry dates.

Any weighted average unexpired terms indicated in our Valuation report reflect these assumptions.

### **The Properties**

Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations.

Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

## **Environmental Matters**

All measurements, areas and ages quoted in our report are approximate.

In the absence of any information to the contrary, we have assumed that:

(a) the Properties are not contaminated and are not adversely affected by any existing or proposed environmental law;

(b) any processes which are carried out on the Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities.

## **Energy Performance Certificates**

We have assumed that the Properties possess or will possess current Energy Performance Certificates as required under Government Directives.

## **Repair and Condition**

In the absence of any information to the contrary, we have assumed that:

(a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the properties;

(b) the Properties are free from rot, infestation, structural or latent defect;

(c) no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, have been used in the construction of, or subsequent alterations or additions to, the Properties; and

(d) the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Properties. Comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

**Title, Tenure,  
Planning and Lettings**

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

(a) the Properties possess a good and marketable title free from any onerous or hampering restrictions or conditions;

(b) all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;

(c) the Properties are not adversely affected by town planning or road proposals;

(d) all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

(e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of each Property to comply with the provisions of the relevant disability discrimination legislation;

(f) there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;

(g) tenants will meet their obligations under their leases;

(h) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;

(i) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required; and

(j) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy.



## Appendix A: Schedule of Properties

Country	Property Name	Tenure
Finland	Itis Shopping Centre (retail), Helsinki	Freehold with part leasehold
Finland	Itis Shopping Centre (office), Helsinki	Leasehold

## Appendix B: Property Details

### Property Details: Properties held for Investment

Property	Description, Age and Tenure	Number of tenants	Gross Passing Rent Per Annum	Rental Value Per Annum
Itis Shopping Centre Itäkatu 1-7, Helsinki	The Itis shopping centre is the largest shopping centre in Finland and was purpose built in 1984, offering a total floor area of ca. 104,000 sq m of which circa 8,400 sq m is offices. It is located to the east of Helsinki centre on a prominent location with excellent public and private transport access. The centre is held mainly freehold, with two smaller parts held leasehold. A large scale refurbishment project started in 2011 to upgrade and modernize the centre. This refurbishment project is planned for completion around the end of 2014. The centre has a wide range of national and international retailers and at the time of valuation the property had a Weighted Average Lease Length of approximately 5.7 years.	192	€ 29,872,544	€ 34,995,626
Itis Shopping Centre Turunlinnantie 8, Helsinki	A leasehold owned office building of circa 2,600 sq m of which circa 900 sq m is in retail use at ground floor level. The building was constructed in 1986 and forms an integral part of the Itis shopping centre.	13	€ 754,261	€ 874,626

Note: The rental income provided for the shopping centre Itis is excluding service charges and VAT and before deduction of operating costs. The rental income for the office building is inclusive of service charges but exclusive of VAT and before deduction of operating costs.

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United Kingdom

**(Goldman Sachs) (the Sole Global coordinator)**

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The Netherlands

**(Kempen & Co)**

ING Bank N.V.  
Bijlmerplein 888  
1102MG Amsterdam  
The Netherlands

**(ING)**

Goldman Sachs, Kempen & Co and ING, together, the Joint Bookrunners, the "addresses" and each an "addressee"

Date: 23 June 2015

Dear Sirs,

**Reliance Letter Wereldhave N.V.**

In accordance with our engagement letter with Wereldhave N.V. (the "Company" or "Wereldhave") with (Goldman Sachs, Kempen & Co and ING, together, the Joint Bookrunners) as the "Joint Bookrunners", we, DTZ Zadelhoff v.o.f., Chartered Surveyors, have considered the properties referred to in the attached schedule (the "Schedule"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the properties owned by Wereldhave (or its subsidiaries) in each of these properties (the "Properties" and each a "Property") (the "Valuation").

The effective date of the Valuations was:

- 31 December 2014

**Purpose of Valuation**

We understand that this valuation report and Schedule (together, the "Report") are required for inclusion in the summary, registration document and securities note (together, the "Prospectus") that have been prepared in connection with accounting purposes. We hereby give our consent to such inclusion.

We confirm that we have prepared our Valuations as External Valuer as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

**Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in The Netherlands. Attached to this Report is a detailed Schedule of the individual Properties.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the appropriate sections of the current Valuation Statements contained within the RICS Valuation Standards, January 2014 Edition (the "Red Book"). This is an internationally accepted method of valuation.

Market Value is defined as:

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

We confirm that Market Value is entirely consistent with the normal valuation basis followed in The Netherlands, and the Valuation Guidelines and instructions of your firm (document dated October 2013). The valuation has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and we have therefore used the appropriate property investment valuation methodology to calculate the Market Values.

#### Valuation approach

##### Comparative method

The comparative method compares sales and/or letting transactions of similar properties. This method is used for immovable properties of which sufficient transaction data are known. The comparative method is based on assessments of the market, the location and the immovable property itself and is based on factors that include the following:

##### Market

- § market supply and demand
- § trends in yields
- § expected inflation
- § level and trend of interest rates

##### Location

- § locational factors
- § parking facilities
- § infrastructure
- § accessibility by private and public transport
- § facilities such as shops, housing, catering establishments, banks and schools
- § (building) developments of comparable immovable properties

##### Immovable property

- § property charges and other charges
- § type of construction and quality standard
- § state of repair
- § age
- § location
- § possibilities of use

##### Rental value capitalization method

The value when sold by private treaty was determined on the basis of the gross market rental value of the lettable floor areas of the buildings and/or grounds, minus the property-related charges and other charges provided by the client and/or estimated by us, and related to a net yield which is considered realistic in the current market circumstances. This yield is based on assessments of the market, the location and the immovable property itself and is based, inter alia, on the factors described above.

Any difference between the actual rental income and the market rent is discounted over the remaining term of the lease(s) (cash value).

Costs of vacancy, including loss of rent, service costs payable by the owner, letting costs, as well as the costs of marketing, publicity, supervision, maintenance and modification and/or renovation have been taken into account.

The value of the land available for extending the company's premises has been determined on the basis of the realistic market value in relation to the potential use under the zoning plan.

Transfer tax, notary costs and land registry charges have been deducted. In line with the ROZ/IPD Property Index Valuation Guidelines these costs are calculated as a fixed percentage of 7,00%.

If commercial space as referred to in Article 7:290 Dutch Civil Code is valued to determine its Market Value with continuation of the current leases, the capitalisation is determined not by the current market rent, but instead by the market rent pursuant to Article 7:303 Dutch Civil Code. After all, the rent can only be revised during the term of the lease if and in so far as it no longer corresponds with rent levels applicable to comparable local commercial space. It is explicitly noted that this valuation is not based on an extensive examination by experts, but is limited to an estimate of the average rent level of comparable local commercial space.

#### Valuation

On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the individual Market Values as at December 2014 of the properties owned subject to and with the benefit of various occupational leases, as summarised in the attached Schedule is:

Koningshoek - Freehold:	€ 36,150,000 [thirty six million one hundred and fifty thousand Euros]
Kronenburg – Partly freehold/ ground lease:	€ 136,100,000 [one hundred and thirty six million one hundred thousand Euros]
Total value on reference date (rounded):	€ 172,000,000 [one hundred and seventy two million Euros]

There are no negative values to report.

## Property characteristics

#	City	Address	Property name	Number of units	G.L.A.
1	Arnhem	Kronenburgpassage/Kronenburggalerij	SC Kronenburg	112	44,587
2	Maassluis	Koningshoek 91.109 – 93.505	SC Koningshoek	69	23,525

## Realisation Costs

Our Valuation is exclusive of VAT. For one property, indicated with an \* in the Schedule, allowances have been made for expenses of realisation which might arise in the event of a disposal of any Property. These expenses are based on information given by Wereldhave and in accordance with IFRS standards for Investments Property Under Construction.

## Assumptions and Sources of Information

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("assumption"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

## Inspections

We have valued the Properties for the first time in December 2014 for internal purposes only and have inspected them lastly on 9 December 2014 internally and externally.

## Information

We have made an assumption that the information which Wereldhave and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

## Title

We have had access to the title deeds of the Properties while conducting the valuations of the Properties in this Valuation Report for Wereldhave, for internal purposes. We have considered the available information in the valuation of the Properties. We have assumed that there has been no new information with regard to the title deeds and that when title deed information was not made available the title is marketable and that the Properties are free from encumbrances, mortgages and charges.

## Floor Areas

We have not measured the Properties and we have relied on the areas which have been supplied to us.

## Plant and Machinery

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal building related service installations have been treated as an integral part of each Property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our Valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

## Environmental Investigations and Ground Conditions

We were NOT instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

## Planning

We have made verbal town planning enquiries only. In the course of our enquiries, we are advised by the Local Planning Authority that there are no adverse town planning, highway or other schemes or proposals. Information supplied to us by planning officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have NOT seen planning consents and have assumed that the Properties have been built and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations. We have not researched if the zoning plans offer any additional development potential for the properties.

**Tenure and Tenancies**

We have NOT read copies of the leases and have relied on the tenancy schedules provided by the Company for the purposes of our valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its lease obligations and that there are no undisclosed breaches of covenant.

**Responsibility**

This Report and the Schedule are provided to the Addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Report forms part of the Prospectus and may be referred to in supplementary offer documents. The Addressees of the Report may rely on it, and the general public who inter alia rely on the Report in the form that it is incorporated in the Prospectus for the purposes of determining whether or not to purchase shares in the Company.

DTZ Zadelhoff v.o.f. hereby gives its consent to the inclusion of this Report in the Prospectus and to the references to this Report in the Prospectus in the form and context in which they appear. DTZ Zadelhoff v.o.f. authorises and accordingly takes responsibility for the contents of this Report for the annual accounts and confirms that having taken all reasonable care to ensure that such is the case, the information contained in this Report is, to the best of its knowledge and belief, in accordance with the facts and contains no omission likely to affect its import.

Neither the whole nor any part of this Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not DTZ Zadelhoff v.o.f. are referred to by name and whether or not the contents of our Report are combined with other reports.

Nothing in this paragraph shall prevent the addressees of this Report from quoting from, referring to or disclosing this Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten) and the Netherlands Central Bank (De Nederlandsche Bank N.V.), or any other competent authority or judicial authority. Disclosure of this Report in full by the Addressees of this Report is not prohibited if reasonably required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings or for the purpose of resolving any actual dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully



drs. G.J.H. Jacques Boeve MRE FRICS RT  
Partner – Member of Board of Directors  
For and on behalf of  
DTZ Zadelhoff v.o.f.

Appendices:

- property list

## Property list

Portfolio Overview Wereldhave 2014Q4					
#	DTZ nr.	City	Address	Leashold	Q
1	T59321	Arnhem	Shopping Centre Kronenburg	partly freehold land/ ground lease	31-12-2014
2	T59320	Maassluis	Shopping Centre Koningshoek *	freehold land	31-12-2014