



WERELDHAVE

## SUSTAINABILITY

Award for Carré Vert office building



## STRATEGY PROGRESS

Full focus on Regroup phase

## OUR TENANTS

Interviews ANWB, Stockmann & EDF



# ANNUAL REVIEW

# 2013

## CONTENT

**02** WELCOME / **03** 2013 IN A NUTSHELL / **04** MESSAGE FROM THE CEO / **16** CORE MARKETS WERELDHAVE / **39** FINANCIALS 2013 / **53** PRIMARY STATEMENTS OF THE ANNUAL ACCOUNTS 2013

04



## FOREWORD



16



## CORE MARKETS



18



## MEET SOME TENANTS



36



## SUSTAINABILITY



# CONTENT

04 MESSAGE FROM THE CEO

07 REPORT FROM THE SUPERVISORY BOARD

12 STRATEGY UPDATE

16 CORE MARKET THE NETHERLANDS

20 CORE MARKET FINLAND

24 CORE MARKET BELGIUM

26 CORE MARKET FRANCE, PARIS

30 SPAIN

31 ORGANISATION AND EMPLOYEES

34 FESTIVAL CLASSIQUE

36 SUSTAINABILITY

39 FINANCIALS 2013

49 INVESTMENT PROPERTIES

53 PRIMARY STATEMENTS OF THE ANNUAL ACCOUNTS 2013

## COLOPHON

### Design

Volta, Utrecht

### Text

SPJ Financiële & Corporate  
Communicatie, Amstelveen

### Print

Drukkerij Tuijtel, Hardinxveld - Giessendam

## WHO IS WERELDHAVE?

Wereldhave is a property investment company with a focus on shopping centres in North-West Europe and sustainable offices in Paris. In line with the retail structures in the core countries Belgium, the Netherlands and Finland, Wereldhave focuses on shopping centres that are top-of-mind in their catchment area. Wereldhave's shopping centres offer consumers 'convenient shopping'.

> [WWW.WERELDHAVE.COM](http://WWW.WERELDHAVE.COM)

# KEY FIGURES 2013

Amounts in €. Read more about the results on > PAGE 40

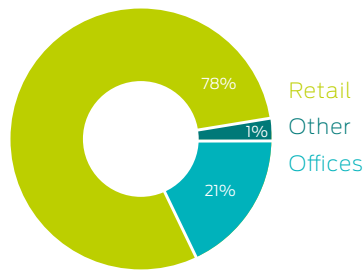
	2013	2012
Result	50.0m	-87.1m
Direct result	81.3m	93.8m
Indirect result	-31.3m	-180.9m
Result per share	1.82	-4.54
Direct result per share	3.30	3.91
	<b>31-12-2013</b>	<b>31-12-2012</b>
Property investment portfolio	1,731.9m	2,073.0m
Equity	1,499.8m	1,525.8m
Net asset value per share (EPRA)	64,99	66.33

# 2013 in a nutshell

## NEW STRATEGY IN PROGRESS

In 2013 Wereldhave updated its strategy. With the closing of the offices in the USA and the UK the first strategic or Derisk phase was completed. The focus is now on the Regroup phase which is aimed at strengthening and expanding our position in the four core markets. > PAGE 12

## SECTORS



Read more about our core markets on > PAGE 16

## A NEW CSR-STRATEGY

With the publication of a first Sustainability Report in 2014 the current and new sustainability ambitions are put in the limelight.

Read here for a first impression.  
> PAGE 36



## FINANCIAL CALENDAR 2014

### 28 MARCH 2014

Record date for General Meeting of Shareholders

### 25 APRIL 2014

Trading update on the first quarter 2014 and General Meeting of Shareholders, 10.30h AM CET

### 29 APRIL 2014

Ex-dividend listing

### 2 MAY 2014

Dividend record date

### 8 MAY 2014

Dividend payment date

### 25 JULY 2014

Half year results 2014

### 24 OCTOBER 2014

Trading update on the third quarter 2014

### MARCH 2015

Annual Report 2014

## MESSAGE FROM THE CEO



# DIRK ANBEEK

Dear shareholders, tenants, visitors of our shopping centres and other stakeholders,

The year 2013 was a historical year for Wereldhave, with a total transformation of the portfolio, a new and focused strategy, the start of a strong and efficient organisational platform and a very strong financial position. Wereldhave is back on track to be regarded as a solid operator of shopping centres in Belgium, Finland and the Netherlands and sustainable offices in Paris. It is our mission to operate our shopping centres and offices to realise solid long term societal and financial returns for all stakeholders.

### The year 2013 in review

Early in 2013, Wereldhave changed its strategy. From being a multi-market and diversified player on two continents, Wereldhave decided to change into a European property investor with a focus on shopping centres in Finland, the Netherlands and Belgium and offices in Paris. Following this strategy, major shifts in the composition of the portfolio were achieved.

In January and February 2013, the entire portfolios in the United States and the United Kingdom were sold. The proceeds of € 1.3bn were designated to structurally reduce debt (€ 500m), re-invest in core markets (€ 400m) and finish the development pipeline (€ 400m). In March 2013 Wereldhave repurchased the € 230m 4.375% Convertible Bonds due 2014, to reduce and optimise its debt position. At the end of the second quarter, when the management offices in the USA and the UK were closed, the first strategic Derisk phase was completed.

Further important steps to focus were made during the year, with the disposal of the non-core portfolio in the Netherlands. In December 2013, Wereldhave changed its Dutch pension scheme from a defined benefit system to a defined contribution. The Dutch Wereldhave pension fund agreed on a buy-out with an insurance company. In the United Kingdom, the Wereldhave UK pension fund agreed on a buy-in, also in December 2013.

In June 2013 Wereldhave moved its head office from The Hague to Schiphol. The open office space underpins the new cultural key values for our organization: ambition, entrepreneurship, transparency and teamwork. The corporate identity was revamped with a new branding and logo and several internal events were organised to explain the strategy and implement the new culture.

This change of office and culture and emphasis on cultural values are of eminent importance to the Regroup phase, with full focus on building an even stronger quality of assets and further professionalise the organisation.

The company is now in the second or Regroup phase of its strategy. This phase is aimed at strengthening and expanding Wereldhave's position in the four core markets through operational excellence, a controlled development pipeline, value maximisation of the

shopping centre Itis, re-investing in core markets and alignment with all stakeholders.

During the second half of the year, significant progress was already made. Overall like-for-like rental growth came in strong at 160 bps above indexation (target 125 bps). In the Netherlands, in spite of difficult market conditions, Wereldhave was successful in letting vacant units in its shopping centres. The occupancy level of the Dutch retail portfolio rebounded, whilst recording a positive but somewhat subdued like-for-like rental growth of 1%. Largely due to bankruptcies of several tenants, the like-for-like rental growth in the Netherlands was 1.4% below indexation (target is matching indexation).

In Belgium, like-for-like rental growth benefited strongly from rent renewals in the Belle-Ile shopping centre in Liege and the uplift from the opening of the shopping centre expansion in Nivelles in 2012. The occupancy of the Belgian offices portfolio increased by 10 percent points due to new lettings in Berchem and Vilvoorde. The like-for-like rental growth of the Belgian core retail portfolio amounts to +6.3%, which is 470 bps above indexation (target is 220 bps above indexation).

In Finland, like-for-like rental growth amounts to +5.1%, which is 320 bps above indexation (target is 200 bps above indexation). A major step was set with the completion of the new Stockmann department store in the Itis shopping centre. The new store opened its doors in November 2013, well before the shopping season. The 12,000 m<sup>2</sup> old retail space that was vacated by Stockmann will be refurbished during the first half of 2014. As a result of the refurbishment of the entire centre, the rental income of Itis is forecasted to increase from € 24m in 2013 to € 33m in 2015. The value of Itis is already benefiting from the refurbishment.

In France, the Noda development in Issy-les-Moulineaux (Paris) scored a BREEAM 'Outstanding' rating of 92% at the interim assessment. This certainly contributed to the success in letting. Two leases were signed for 65% of the building with Coca-Cola. The Urbagreen development in Joinville-le-Pont (Paris) was completed in January 2014 and was transferred to the buyer, BRED bank, on February 5, 2014 for € 91m, approximately 30% above cost. Like-for-like rental growth in France amounts to

+4.5%. The Carré Vert office building in Levallois-Perret was awarded the BREEAM 'Outstanding' award. This is an unrivalled high score for an existing office building and a major achievement in partnership with the tenant EDF.

In search of operational excellence, Wereldhave has decided to boost its efforts on sustainability. Several stakeholders were consulted and a new framework for sustainability was defined after an inspiring brainstorm session, chaired by an external moderator. Our key focus on shopping centre sustainability will be social inclusion: each of Wereldhave's shopping centres should play an important role in the society it serves, by providing and facilitating meaningful events for its visitors. This approach on sustainability also helps to increase the attractiveness of the centre and supports visitor numbers and dwelling time.

Wereldhave will publish its first sustainability report in April 2014, shortly before the Annual General Meeting of Shareholders.

#### Outlook 2014

The year 2013 has certainly not been an easy year for retailers, particularly in the Netherlands. Austerity measures to control the budget, declining values on the housing market and pension cuts have had their toll on Dutch consumer confidence and spending. In Finland, consumer confidence also decreased during the year. In spite of the low Finnish national debt, the conviction rises that budget cuts are necessary in view of the ageing Finnish population. Belgium remained more or less immune for the European economic decline, due to the automatic indexation of wages and the absence of important austerity measures.

A slow and modest economic recovery is forecasted in all of Wereldhave's retail countries, but consumer confidence and spending will probably lag behind. A recovery in consumer confidence is therefore not expected before the second half of the year, and in the Netherlands this may even be at the end of 2014 or early in 2015.

The Company is well positioned to benefit from a rebound in consumer confidence. The development plans for the Dutch shopping centres have been

finalised, with adjustments in size, scalability and procurement. The total investment volume now amounts to approximately € 60m, with execution over a four year's timeframe, and an expected yield on cost between 5.75%-6.25%. Execution of the plans for the shopping centres in Purmerend, Maassluis and Roosendaal has already commenced in 2013. These plans relate to expansions and changes in lay-out, the creation of fully embedded food- and entertainment functions and the finishing of facilities and public space. In addition, over the next four years, a total of one year's rent (approx. € 30m) will be incurred as capital expenditure to refresh the centres and upgrade their look and feel.

In Belgium, the shopping centres are already up to standards, with the exception of the Tournai shopping centre. Plans for the refurbishment and expansion of this centre are being prepared. In spite of its obsolescence, the Tournai shopping centre is still attracting high visitor numbers.

In Finland, the refurbishment of the Itis shopping centre will be completed by mid-2014. The visitor numbers of Itis show a steady increase since the opening of the new Stockmann department store. Negotiations to fill the last vacant units (predominantly in the former Stockmann store) are ongoing.

Nearly one year after the disposal of the US portfolio, Wereldhave has made a first large re-investment in the Netherlands. The Vier Meren shopping centre in Hoofddorp was acquired from Unibail-Rodamco for a consideration of € 147.5 m including costs. A second acquisition in the Netherlands was agreed on February 27, 2014, which will make Wereldhave the single owner of De Koperwiek shopping centre in Capelle aan den IJssel for € 60.1m, including transaction costs. This acquisition enables Wereldhave to meet tenants' demand for space in De Koperwiek. Wereldhave's part of the centre had a 100% occupancy in 2013 and additional development schemes are in preparation to expand the centre by 5,000 m<sup>2</sup>, investing approximately € 19m in two years time.

Both acquisitions perfectly fit into our strategy of investing in high quality, medium-sized shopping centres in north-west Europe and also add to our position in the Dutch retail market. Not only have we broadened our tenant base, but the quality and size of

the centre supports Wereldhave in building a strong organisational platform in the Netherlands.

In view of the above, we are well on track with the Regroup phase of our strategy. The operational target for the like-for-like rental growth is raised to 140 bps above indexation (was 125 bps). The other operational targets are reconfirmed: an average occupancy of its shopping centres of at least 98% and general costs below € 14m. The decline in the direct result from a loss in net rental income due to property disposals in 2013 will be more than compensated by acquisitions, the completion of developments and a positive like-for-like rental growth in 2014. For 2014, Wereldhave expects a direct result above the 2013 direct result per share of € 3.30.

After a turbulent 2012, Wereldhave fully transformed in 2013 in order to become a focused operator, with a much better quality portfolio of assets. Operational excellence will be leading for further growth of the Company. In this respect I would like to express all thanks to our employees for their dedication and effectiveness. Transformation leads to painful changes in the organisation, necessary to raise the bar in competing on all markets we operate in. I am proud of the performance of our employees and look forward to an ambitious and successful 2014.

D.J. Anbeek  
CEO

# REPORT FROM THE SUPERVISORY BOARD

On February 11, 2013, Wereldhave announced a new strategy. The strategy was discussed at length with the Board of Management during several meetings. It consists of two consecutive phases, Derisk and Regroup.

The Derisk phase aims at creating a focused portfolio, a strong balance sheet and low general costs. The Regroup phase is focused on operational excellence, a controlled development pipeline, value maximisation of Itis (Finland), re-investments in core markets and stakeholder alignment. The Supervisory Board is confident that this strategy will create a solid basis for Wereldhave's future, aimed at growth.

### Strategic progress

The Supervisory Board is pleased to see that Wereldhave made substantial progress in achieving its strategic objectives. Progress is reported regularly, both internally and externally. As a result, the transparency of the Company has increased significantly. The Company underwent drastic changes in 2013. From a multi-market diversified real estate investor on two continents, Wereldhave is now only active on the European continent with a focus on shopping centres in Belgium, Finland and the Netherlands and offices in Paris. On January 7, 2013, agreement was reached with Lone Star Funds on the

disposal of Wereldhave's entire US portfolio. This was soon followed by the adoption of the new strategy and the announcement that Wereldhave would withdraw from the United Kingdom. The larger part of the portfolio was sold in February 2013. At the end of 2013 all UK assets were sold on or above book-value. The management offices in the USA and in the UK were closed and general costs were reduced from € 21m in 2012 (exclusive of a one-off of € 1.9m for restructuring costs) to € 14.5m in 2013. By mid-2013, Wereldhave could announce that it had successfully completed the Derisk phase.

Also in the Regroup phase, good progress is made. Letting results are solid, resulting in an on average above target like-for-like rental growth of the shopping centre portfolio in 2013. All non-core properties in the Netherlands have been sold during the year, and the Dutch portfolio is now fully focused on shopping centres. In Belgium, Wereldhave still has a non-core portfolio of offices in Antwerp and Brussels and these showed a solid 10 percent points increase in occupancy. Investments in Spain are put on hold.

Nearly one year after the disposal of the US portfolio, a first re-investment was announced on January 15, 2014, with the acquisition of Vier Meren shopping centre in Hoofddorp, the Netherlands, for € 147.5m including costs, a prime shopping centre at a net initial yield of 5.8%.

### Composition of the Supervisory Board and its Committees

At the General Meeting of Shareholders, the Supervisory Board was expanded to five members. Having reached a maximum term in office, Mr Peter Essers stepped down from the Board. The Board thanks Mr Essers for his valuable contribution. Mrs Femke Weijtens (legal, governance and sustainability expertise) and Mr Joost Bomhoff (seasoned real estate and sustainability expertise) joined the Board. The Supervisory Board now consists of Mr Joop van Oosten (chairman), Mr Fred Arp (vice-chairman), Mr Herman van Everdingen, Mrs Femke Weijtens and Mr Joost Bomhoff.

Following the expansion of the Supervisory Board and in line with Dutch Corporate Governance Code, a Remuneration and Nomination committee was installed, chaired by Mrs Femke Weijtens. Mr Joop van Oosten is the second member of this committee. One of the first tasks of the Committee was to review the profile for members of the Board and to prepare the selection and nomination of a new financial specialist to the Supervisory Board. At the Annual General Meeting of Shareholders, to be held on April 25, 2014, Mr Fred Arp (chairman of the Audit Committee) will step down from the Board. He is not available for re-election, having reached a maximum term in office. The Supervisory Board is pleased to announce the proposed nomination of Mr Bert Groenewegen, currently CFO of Ziggo. The Netherlands Authority for the Financial Markets AFM has approved his nomination. His profile as a financial specialist closely matches the profile for members of the Board. When nominated, he will chair the Audit Committee. Mr Herman van Everdingen is the other member of the Audit Committee.

All members of the Supervisory Board are independent of the Company and its stakeholders, with the exception of Mr Herman van Everdingen, who acted as interim member of the Board of Management until June 1, 2013, when Mr Pieter Roozenboom started as the new CFO of the Company.

At present, the Company does not fully comply with the Dutch Act on Management and Supervision, which – among others – aims at a representation of at least 30% of either gender in both boards. The Supervisory Board strives to achieve a balanced composition of the Boards in terms of gender, while it will continue to select members primarily on the basis of expertise, experience, background and skills. The Supervisory Board now has a composition of at least 20% of either gender. The Management Team consists of the CEO and CFO, 4 country directors and 2 corporate managing directors. The representation percentage of each gender in this group amounts to 12.5%.

### Meetings of the Supervisory Board and its Committees

The Supervisory Board held nine meetings during the year 2013 and the attendance rate was 97% (one member absent in one meeting). One of the meetings took place in Paris, where the Supervisory Board visited the management organisation, discussed the French market and took the opportunity to visit the property and development portfolio. Special items on the agenda were the adoption of a new strategy, the disposal of the USA and UK portfolios and the repurchase of a € 230m 4.375% convertible bond. Other important special topics were the required cultural change of the organisation and the relocation of the Company's head office from The Hague to WTC Schiphol.

The Supervisory Board is very pleased that following a stakeholder consultation, the Board of Management made significant progress in adopting a new sustainability framework. Starting in 2014, Wereldhave will issue a sustainability report, with the adoption of GRI and EPRA best practices.

Recurring items on the agenda were the operating performance of the property portfolio, movements in results and the balance sheet, investments and disposals, the financing policy, currency, budget for the coming year, dividend policy and tax issues. The status of the Belgian penal case and related tax claim was discussed in the Board. Wereldhave Belgium was acquitted of all charges in the penal case. On February 7, 2014, the Belgian tax court ruled that the claim of the Belgian tax authorities has been denied. The tax authorities still have the possibility to appeal.



# COMPOSITION OF THE SUPERVISORY BOARD



## H.J. van Everdingen (m, 58)

- Member of the Supervisory Board since 2011
- Member of the Audit Committee since 2013
- Retires by rotation in 2015

Director Catalyst Advisors

**Positions in Supervisory Boards:**  
none

### Board positions:

- Director Berlage Winkelfonds Duitsland
- Board Member Foundation Karel Doorman Fund

## J.A. Bomhoff (m, 65)

- Member of the Supervisory Board since 2013
- Retires by rotation in 2017

### Positions in Supervisory Boards:

- Supervisory Board Borneo Group Rotterdam B.V.

### Other Board positions:

- Director Triple Blue Consulting B.V.
- Chairman Foundation SHS

## J.A.P. van Oosten (m, 65)

- Chairman since 2011
- Member of the Supervisory Board since 2009
- Member of the Remuneration and Nomination Committee since 2013
- Reappointed in 2012 until 2016

### Positions in Supervisory Boards:

- Chairman Supervisory Board Royal HaskoningDHV BV
- Chairman Supervisory Board Haga Group
- Chairman Supervisory Board West-Holland Foreign Investment Agency
- Member Supervisory Board Staedion
- Member Supervisory Board ADO The Hague

### Other Board positions:

- Chairman Foundation Haagbouw
- Member Board NEN

## F.C. Weijtens (f, 46)

- Member of the Supervisory Board since 2013
- Chairman of the Remuneration and Nomination Committee since 2013
- Retires by rotation in 2017

Executive vice president Corporate Affairs/Company Secretary of Koninklijke DSM N.V.

**Positions in Supervisory Boards:**  
none

**Other positions:**  
none

## F.Th.J. Arp (m, 60)

- Vice Chairman
- Member of the Supervisory Board since 2005
- Chairman Audit Committee since 2005
- Reappointed in 2008 and 2011
- Retires by rotation in 2014

Member of the Board of Management of Telegraaf Media Groep N.V., CFO

### Board positions:

- Member of the Supervisory Board and Compensation Committee ProSiebenSat.1 Media AG
- Treasurer Voices of Africa Media Foundation

The Supervisory Board is of the opinion that the quality of investment and divestment proposals of the Board of Management has further improved. Several proposals have been discussed with the Board.

In May 2013, the contents of the standard set of Supervisory Board management information have been reviewed by the Supervisory Board. This resulted in an improved, clear and standardised set of management information.

For the year 2014, the system of annual country reviews by the Group Control Department will be maintained, instead of installing an internal audit department. The country reviews provide a clear and transparent assessment of management control and items of attention and are reported to the Supervisory Board.

In February 2013, the Supervisory Board carried out an extensive Board evaluation, to assess its own performance and the relation to the Board of Management. The Board was assisted by an external moderator, a governance expert. The moderator attended two meetings of the Board, held private discussions with all the members of the Supervisory Board, the Board of Management and the Company Secretary. The moderator also took note of the previous year's minutes of the meetings of the Supervisory Board and reviewed the Board regulations. In addition, all Supervisory Board members filled in an elaborate questionnaire of which the answers were discussed plenary under the guidance of the external moderator. The Supervisory Board intends to repeat external party assistance to the evaluations every three years, in line with international best practices.

The assessment report was discussed in a meeting of the Supervisory Board. The overall feedback was positive, with some recommendations for improvement. The Board established that all of its members are committed to allocating sufficient time and attention to the requirements of Wereldhave and its business. No transactions with a potential conflict of interest were reported by members of the Supervisory Board or the Board of Management in 2013.

Following the recommendations, the Supervisory Board decided to evaluate each meeting immediately afterwards, without the Board of Management being

present. The Supervisory Board also decided to adopt a more active stance to support the Board of Management, whilst maintaining focus on supervision. A good example can be found on the topic of sustainability, where two Supervisory Board members were consulted by the Board of Management in defining a new framework.

The Supervisory Board has two standing Committees, the Audit Committee and the Remuneration and Nomination Committee. The full meeting documentation of committee meetings is available in the online boardroom for all Supervisory Board members and the Chairman of each committee reports about the meeting to the full Supervisory Board. The Audit Committee held four meetings in 2013 with the Board of Management and convened three times in a private session with the auditor only, prior to these meetings. In addition, several conference calls were held. The attendance rate of the meetings was 100%. Special items on the agenda were the financial analysis of the new strategy, the presentation in the accounts of the disposals in the USA and the UK, the treasury policy of the Company and the future of the Dutch pension scheme for employees. Recurring financial items were the results, the accounts, the property valuations, the dividend policy and tax planning. Other regular items on the agenda were the auditors' (interim) report, the management letter, the internal risk management and control systems, compliance, ICT and tax planning. The Audit Committee convenes generally a few days before the Supervisory Board meetings.

The Remuneration and Nomination Committee held its first meeting on July 4, 2013, both members present. The committee approved the regulations for the committee and discussed items of attention for the remainder of the year. In addition, the committee held several conference calls and informal meetings for the selection of a new Supervisory Board member as the successor of Mr Fred Arp. In December, an informal meeting was held to prepare the remuneration report. The remuneration report was on the agenda of the meeting of the Remuneration and Nomination committee in February 2014.

### Remuneration

Mr Anbeek's fixed salary as at January 1, 2013, amounted to € 402,242. For the year 2013, this amount has been

indexed as per January 1, 2014 with the Dutch consumer price indexation (CPI) of 1.6%. For the year 2014, the fixed income for Mr Anbeek amounts to € 408,678. No other changes of the fixed income will be proposed for the year 2014.

Mr Roozenboom was appointed on April 23, 2013. He started his job as CFO on June 1, 2013. Mr Roozenboom's fixed annual salary amounted to € 320,000. For the year 2014, this amount has been indexed as per January 1, 2014 with the Dutch consumer price indexation (CPI) of 1.6%. For the year 2014, the fixed income for Mr Roozenboom amounts to € 325,120. No other changes of the fixed income will be proposed for the year 2014.

The salary is pensionable (average income) up to a maximum pensionable annual income of € 408,678 in 2014. This amount is indexed annually with CPI. The variable income is not pensionable.

Mr Anbeek's variable remuneration for 2013 is 71.25% of the fixed annual salary, i.e. € 286,597. Within that amount, € 154,259 is paid as unconditional short-term remuneration and € 132,338 is conditional.

Mr Roozenboom's variable remuneration for 2013 is 70.25% of  $\frac{7}{12}$  of the fixed annual salary, i.e. € 131,134. Within that amount, € 69,721 is paid as unconditional short-term remuneration and € 61,413 is conditional.

On February 5, 2014, the Supervisory Board has granted an unconditional short term bonus of € 50,000 gross to Mr Anbeek in respect of the year 2013, payable in Wereldhave shares, with a holding period of three years. This bonus was awarded in special recognition of Mr Anbeek's performance in 2013. During this period he finalised the Derisk phase of Wereldhave's strategy, while being the single director of the Company from January 1, 2013 up to May 31, 2013.

A full summary of the terms and conditions for the members of the Board of Management is provided in the remuneration report drawn up by the Supervisory Board, which is available on [www.wereldhave.com](http://www.wereldhave.com).

## Recommendation to the shareholders

The annual report (which can be found at the Company's website) includes the annual accounts for 2013, prepared by the Board of Management, discussed by the Audit Committee and subsequently discussed and approved by the Supervisory Board. The Supervisory Board approves the Board of Management's proposal of a dividend in cash of € 3.30 per share. The accounts have been audited by PwC, who issued an unqualified opinion. The Supervisory Board submits these accounts to the shareholders and recommends their adoption.

## Acknowledgement

The Supervisory Board acknowledges that the year 2013 has shown a great number of changes to the Company and wishes to thank the Board of Management and all employees for their drive, dedication and flexibility. The Supervisory Board also wishes to express its gratitude to Mr Herman van Everdingen, who acted as an interim managing director for nearly ten months.

The Supervisory Board has full confidence in management and employees and their ability to achieve the strategic objectives.

Schiphol, February 27, 2014  
*Supervisory Board Wereldhave N.V.*

# STRATEGY

It is our mission to operate our shopping centres and offices to realise solid long term societal and financial returns for all stakeholders.

Wereldhave focuses on shopping centres in Northwest Europe and sustainable offices in Paris. In line with the retail structures in the core countries Belgium, the Netherlands and Finland, Wereldhave focuses on convenient shopping with shopping centres that are top-of-mind in catchment

areas 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 addition, Wereldhave is active in the Paris office market with a focus on sustainable offices.

Wereldhave implements its strategy in three phases: Derisk, Regroup and Growth

## DERISK (mid 2012 until mid-2013)

With the disposal of the portfolios in the United States and the United Kingdom and the closure of the management offices in these countries, the Derisk phase was completed mid-2013. Wereldhave now has a focused portfolio, a strong balance sheet and low general costs.

## TARGETS REGROUP PHASE 2013-2015

### 1. Operational excellence

- Average LfL rental growth of 125 bps above indexation
- ≥ 98% occupancy
- Overhead reduction to ≤ € 16m in 2013 and ≤ € 14m in 2014
- Strengthen talent development
- Standardise best practices between core countries

### 2. Controlled development pipeline

- Retail € 330m and offices € 110m
- Expected average yield on cost 6.5%
- From 2015 ≤ 10% investment portfolio

### 3. Maximise value Itis

- Redevelopment completed mid 2014 within budget (€ 95m)
- Rent level 2015 € 33m, yield on cost of 7%

### 4. Reinvest in core markets

- Acquisitions of € 400m
- Disposals € 150m

### 5. Alignment with all stakeholders

- Expand and strengthen Supervisory Board
- Evaluate anti-takeover structure
- Integrate sustainability in overall strategy

# UPDATE

## REGROUP (mid 2013-2015)

The second phase is aimed at strengthening and expanding Wereldhave's position in the four core markets through: operational excellence, a controlled development pipeline, value maximisation of the Itis shopping centre, reinvesting in core markets and alignment with all stakeholders. Wereldhave's activities in Spain are 'on hold'.

## GROWTH (from mid-2015)

After completion of phase II, expected mid-2015, Wereldhave will present a strategy plan for growth.

## Strategic progress Regroup phase

The table below shows the progress that has been made during 2013 on the strategic Regroup targets:

### 2013 RESULTS

✓	160 bps
✓	98.4%
✓	€ 14.5m
≈	In progress
≈	Planned for 2014
≈	€ 177m spent so far
≈	On track
≈	On track
≈	€ 78m spent so far
≈	On track
≈	€ 147.5m re-invested
≈	€ 44m sold
✓	1 addition and 2 rotations
≈	To be completed before AGM 2014
≈	1st CSR report presented before AGM 2014

Nearly one year after the disposal of the US portfolio, on January 31, 2014, Wereldhave acquired the Vier Meren shopping centre in Hoofddorp from Unibail-Rodamco for a consideration of € 147.5m including costs.

A second acquisition in the Netherlands was agreed on February 27, 2014, which will make Wereldhave the single owner of De Koperwiek shopping centre in Capelle aan den IJssel for € 60.1m, including transaction costs. The transaction will be completed early in March 2014.

Both acquisitions tick all the boxes for new shopping centre investments: 90% of shopping needs, top of mind in their catchment area of at least 100,000 inhabitants within 10 minutes' drive, easy accessibility, strong national and international brands with local heroes, fully embedded food and beverage and entertainment functions. The centres therefore fit well into Wereldhave's strategy of investing in high quality, medium sized shopping centres in Northwest Europe, and also add to Wereldhave's position in the Dutch retail market, putting emphasis on the Randstad of Greater Amsterdam, Rotterdam and The Hague. Not only has Wereldhave broadened its tenant base, but the quality and the size of the centres support Wereldhave in building up a strong organisational platform in the Netherlands.

Wereldhave has evaluated its anti-takeover measures and after a stakeholder consultation, proposes changes to the articles of association to modernise and simplify the anti-takeover measures, whilst reducing their costs.

Wereldhave has chosen to maintain only one temporary and non-permanent protective measure. A temporary

protection enables a careful weighing of the interests of all stakeholders and offers time for a good and balanced reaction, for instance in case of a (public or non-public) offer or the announcement of the intention to make an offer.

The cancellation of all priority shares is proposed, whilst maintaining the possibility to issue protective (preference) shares to a maximum of 50% of the issued share capital, calculated after issue. The powers of the priority shareholders will be (partially) transferred to the Supervisory Board, and the current put option for the Foundation for the holding of preference and priority shares B will be converted to a call option, to a maximum of 50% of the issued share capital after issue. The change from a put to a call option improves the independency of the Foundation, putting the decision to use a protective device outside the Company. In addition, it is proposed to lower the nominal value of ordinary and preference shares from € 10 to € 1 per share. This not only lowers the cost of the anti-takeover measures (before and after issue), but also raises the tax-exempted share premium reserve. Wereldhave currently is an investment company with variable capital under Dutch law, which implies that the

Board of Management has, amongst other, the authority to issue and repurchase shares. In view of the change in the Dutch law on financial supervision in relation to the AIFMD, it is possible that as of July 22, 2014, listed property companies will not qualify as AIF. In such case, the company will no longer be treated as a financial institution and as a consequence, lose its status as investment company with variable capital. The Company will however retain its status as a Dutch REIT. The change implies that the Company will then have to change its articles of association and that the authority to issue shares will subsequently move to the Annual General Meeting of Shareholders.

The proposal includes the granting of a power of attorney to the Board of Management to issue ordinary shares up to 10% of the capital in issue, plus an additional 10% of the issued capital in case of a take-over or merger. The power of attorney to issue shares will be granted for a period of 18 months, as from the moment the Company no longer statutory qualifies as a financial institution.

These changes to the articles of association, and some minor technical items, will be proposed on the Annual General Meeting, to be held on April 25, 2014.

## KEY TOPICS 2013



Wereldhave has decided to boost its efforts on sustainability. Several stakeholders were consulted and a new framework for sustainability was defined. The new framework and associated action plan for 2014 and 2015 will be presented in Wereldhave's first CSR report, to be published in April 2014, shortly before the General Meeting of Shareholders.

### Financing and dividend policy

Wereldhave aims to maintain its diversified funding base while pursuing a Loan-to-Value (LTV) of 30-40%. For 2013 Wereldhave proposes a dividend of € 3.30 per share. After 2013, an increasing direct result should gradually lead towards an increasing dividend and a pay-out ratio of 85% of the direct result.

### Transparency and Governance

In 2013, Wereldhave changed its management structure to a Board of Management with a CEO and CFO. The Board of Management consists of the CEO Dirk Anbeek and CFO Pieter Roozenboom. The Board of Management is supported by a management team including Hans Vermeeren (Group Retail Operations) and Richard Beentjes (Legal, Transactions, Communications) and four country directors: Belinde Bakker (Netherlands),

Luc Plasman (Belgium), Michel Janet (Paris and Spain) and Jaakko Ristola (Finland).

The Supervisory Board was expanded to five members and a Remuneration and Nomination Committee has been installed.



# OUR CORE MARKET: THE NETHERLANDS

Wereldhave focuses on medium-sized shopping centres in the Netherlands that are dominant in their catchment area. The entire non-core portfolio was sold in 2013; the Dutch portfolio now only consists of shopping centres.



## THE NETHERLANDS

- |              |                          |
|--------------|--------------------------|
| 1 Arnhem     | 5 Etten-Leur             |
| 2 Purmerend  | 6 Roosendaal             |
| 3 Leiderdorp | 7 Capelle aan den IJssel |
| 4 Eindhoven  | 8 Maassluis              |

The value of the property portfolio as at year-end 2013 was € 477m. At the end of 2013, Wereldhave's portfolio comprises of shopping centres in Arnhem, Capelle aan den IJssel, Eindhoven, Etten-Leur, Geldrop, Leiderdorp, Maassluis, Purmerend and Roosendaal. The Vier Meren shopping centre in Hoofddorp was acquired for € 147.5 million on January 31, 2014. A second acquisition was agreed on February 27, 2014; Wereldhave bought the other part of shopping centre De Koperwiek in Capelle for € 60.1m.

### A year of change

Wereldhave Netherlands worked diligently in 2013 to fulfil in concrete terms the strategy adopted in 2012. The management team was revised in mid-2013. Hans Vermeeren now focuses on Group Operations and Belinde Bakker has succeeded him as Managing Director of the Netherlands. The leasing team was also changed in mid-2013. These efforts began to pay off in the third quarter with an increase in the number of rental transactions.

Wereldhave Netherlands had a good year given the economic conditions. Like-for-like rental income grew by 1% and at year-end the occupancy rate stood at 97%. The effects of refurbishments and other modifications within the framework of the new strategy will be visible in the results in 2014 and thereafter.

### Focus on executing strategy

Wereldhave's strategy for the shopping centres concentrates on three spearheads: improving the shopping centres, realising a more customer-oriented

approach towards tenants and attracting more visitors to the shopping centres.

The process of modifying the shopping centres started in the course of 2013. An action plan was formulated, based on a thorough analysis of the portfolio. The plans (€ 60m) relate to expansions and changes in lay-out, the creation of fully embedded food- and entertainment functions and the finishing of facilities and public space (e.g. improving lighting, raising ceiling heights and creating children's play squares). In addition, over the next four years, a total of one year's rent (approximately € 30m) will be incurred as capital expenditure to refresh the centres and upgrade their look and feel.

The appointment of key account management marked a step towards bringing about a more customer-oriented approach in tenant contacts. The 40 largest tenants have now been appointed a key account manager who maintains ongoing contacts with retailers.

A more active approach to shopping centre visitors was also introduced in 2013. Wereldhave Netherlands entered into an alliance with Disney Netherlands to organise



## TOP 5 TENANTS

(AS AT DECEMBER 31, 2013 BASED ON THE CONTRACTED ANNUAL RENT)

1. AHOLD
2. BLOKKER
3. EXCELLENT RETAIL BRANDS
4. HENNES & MAURITZ
5. AS WATSON

events in the shopping centres in the autumn of 2013. The results of this alliance included the Disney-style Christmas decorations and events for visitors connected with the premiere of the new animated film 'Frozen'.

### Outlook

2014 will probably be a year of hesitant recovery for the Dutch retail market. This is attributable to a combination of economic and structural factors. Due to the prolonged period of economic uncertainty, the ability of companies to invest has eroded and consumers have become more conscious and reluctant in their spending. The Netherlands Bureau for Economic Policy Analysis (CPB) forecasts economic growth in the Netherlands to rise to 1% in 2014, but believes it will take longer for consumer confidence to recover in the wake of a lengthy period of bad economic news, falling house prices and rising (pension) costs. Consumer confidence is not expected to recover until the end of 2014.

Wereldhave Netherlands will move forward with the execution of its three strategic spearheads in 2014. The Vier Meren shopping centre in Hoofddorp corresponds with the strategy in every respect and was acquired in early 2014. It is a young, medium-sized shopping centre that holds a dominant position in its catchment area and has good parking facilities and a strong range of stores. The agreed acquisition of the single ownership of De Koperwiek offers Wereldhave the opportunity to connect both parts of the centre, create larger shops and accommodate tenants that are seeking expansion of their floor space, since our current part of the centre has a 100% occupancy since 2013.

## KEY PARAMETERS CORE RETAIL PERFORMANCE

	2013	2012
Net rental income	€ 29,8m	€ 29,9m
NIY (EPRA)	5,9%	5,9%
Occupancy	97,0%	97,1%
Investment properties in operation	€ 477,0m	€ 491,0m
Investment properties under construction	€ 6,3m	€ 2,7m
Acquisitions	-	€ 3,0m



**Belinde Bakker,**  
*Managing Director of  
Wereldhave Netherlands*

**“THE TARGETS ARE  
AMBITIOUS, BUT  
ACHIEVABLE”**

“We initiated a number of activities in the Netherlands in 2013 – not only in the shopping centres, but also within the organisation itself. The active approach towards tenants and visitors demands more manpower and a different approach within our own company. While we have strengthened the organisation in each specialised area, we have particularly focused on enhancing the account management and shopping centre management by appointing experienced professionals. After all, as the owner of the shopping centre, we are also the director of the centre.”

“The targets are ambitious and achieving them takes a great deal of effort. So far we have made the greatest progress towards these aims at the Kronenburg shopping centre in Arnhem. Wereldhave has owned this shopping centre for 25 years and it underwent accelerated refurbishments in 2013. This has included realising a new food court with renovated toilets, organising events for visitors and recruiting new tenants. We have also actively moved stores, also in order to realise a food street. This creates a more pleasant and efficient shopping experience for visitors. What we have done in Arnhem serves as an example for the way in which we want to put our strategy into action for local target groups, such as visitors and retailers.”

“We believe there is still considerable scope for further growth and expansion of the portfolio, without making concessions with respect to the strategic starting points and the criteria we place on shopping centres as Wereldhave. There is sufficient supply and we have the resources to make acquisitions. Vier Meren in Hoofddorp is an excellent example of this.”

# ANWB FOCUSES ON ONLINE AND BRICKS

## *ANWB opens stores in shopping centres*



The ANWB (Royal Dutch Touring Club) believes in having physical stores alongside internet as a key place for offering products and services and for making contact with its members.



In order for these stores to be successful, it is crucial that they are located at a site that has a lot of footfall. And this makes Wereldhave and the ANWB a perfect fit. Both parties have entered into an agreement for the housing of five ANWB stores in Wereldhave shopping centres.

### **Growth in number of stores**

The ANWB plans to expand the number of stores in the Netherlands significantly in the years ahead in order to

be positioned even closer to its four million members. The goal is to increase the number of stores from 68 in 2013 to approximately 100 in 2016. A new store formula is being introduced in tandem with these expansion plans. The related focus will be on advising members and taking a seasonal approach whereby the collection and look and feel of the stores will be aligned to the season.

‘Contrary to the current prevailing view, we believe stores will continue to play a key role alongside internet,’ says Coy Wagenaar, Store Organisation Manager at ANWB. ‘The new store formula is really catching on. People enjoy being able to prepare for a holiday in the store by purchasing items or getting advice on matters such as insurance. This is what makes you relevant. And it is simply a fact that as a large organisation we also have numerous members who greatly appreciate personal contact.’

### **Shopping district**

The ANWB is looking for locations in shopping districts that attract large numbers of visitors so that it can reach the widest public possible. ‘We have decided to move



PHOTO'S: ANWB

15 of the 68 stores that we had in 2013. These stores are away from the main shopping districts, which means people have to make a special trip to visit them. We want to be located at places where people walk past, see the ANWB store and decide to have a look inside,' says Wagenaar, who uses the store in Arnhem as an example.

'We are located in Arnhem at the edge of a residential area in a street that does not attract much footfall. This is why we are going to move the store in the second quarter of 2014 to the Kronenburg shopping centre that is owned by Wereldhave. It is a location that attracts a lot of people and that is precisely what we are looking for,' says Wagenaar. Kronenburg has 110 stores, making it the largest covered shopping centre in the Dutch province of Gelderland. The wide range of stores and free parking means people visit the centre both for their daily groceries and for a fun day of shopping.

### Close to its members

Kronenburg shopping centre is only one example of a shopping centre at which the ANWB and Wereldhave have work in collaboration. New ANWB stores were opened in Wereldhave's shopping centres in Etten-Leur and Eindhoven in 2013. The contract for the store in the shopping centre in Purmerend was extended in 2013. And a new ANWB store will be opened in the Roselaar Shopping Centre in Roosendaal in the second quarter of 2014.

The ANWB achieves its aim of being close to its members through its stores in the shopping centres. 'We now have more than 100 million visitors a year online. That is an immense number. But we also serve another 10 million visitors a year in our physical stores. And there are large numbers of people who do not want to do everything online and who specifically appreciate personal contact

and advice. The stores serve as a familiar and trusted environment for these members,' says Wagenaar.

Wagenaar says moving the ANWB stores to busy locations has paid off. 'Visitor numbers have risen significantly at the new locations. Even though these locations obviously cost us substantially more rent, the growth in both the number of visitors and revenue shows it was the right choice.'

### Package deal

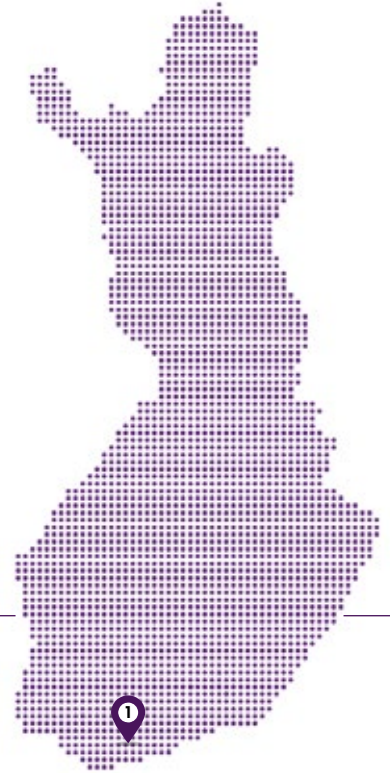
After revising its strategy in 2012, Wereldhave now focuses on improving the quality of the shopping centres in its portfolio and on attracting more visitors. The aim is also to achieve a more customer-centric approach through various means including appointing key account managers for the largest customers.

"Our stores provide a familiar and trusted environment for our members"

This sharpened focus has also played a role in the contacts with the ANWB. 'The fact that Wereldhave has different shopping centres means we were able to enter into a package deal under favourable terms and conditions,' says Wagenaar. The ANWB also has its own account manager at Wereldhave and as a result any matters concerning the stores can be discussed directly and quickly. And Wereldhave invests in the quality of the shopping centres with the aim of increasing the number of visitors.

# OUR CORE MARKET: FINLAND

Wereldhave's portfolio in Finland is comprised of the Itis shopping centre in Helsinki. Itis is the largest shopping centre in the Nordic countries. Following completion of the extensive refurbishment in the second half of 2014, Itis will house 160 stores and have a total floor space of 104,000 m<sup>2</sup>.



## FINLAND

1 Helsinki

Wereldhave Finland had a strong year in a challenging market. The targets for 2013 were fully met and the refurbishment of the centre progressed according to plan. Like-for-like rental income grew by 5.1%. The occupancy rate of Itis stood at 99.4%, compared to 98.5% in 2012. This excludes the temporary strategic vacancy related to the refurbishment of the shopping centre and the relocation of tenants. The outlook for 2014 is promising.

### Investing in value

Itis celebrated the reopening of the new Stockmann department store on the Piazza on 4 November 2013 and grand opening events were held at the refurbished shopping centre every weekend in November. The entire operation was carried out on schedule.

The refurbishment now focuses on the last project,

the renovation of the 12,000 m<sup>2</sup> of the former Stockmann location that was vacated at the end of 2013. The refurbishment has commenced and will be completed in Q3 2014. Approximately 20 of the total of 160 shopping units in the centre are planned for completion before the start of the 2014 Christmas shopping season.

A third of this remaining group of shops has already been let, while another third is under offer and negotiations for the remaining shops are in an early stage. The total investment for the entire refurbishment of the shopping centre will amount to € 102m net. Itis was valued at € 482m at the end of 2013, compared to € 458m at the end of 2012.

In 2013, one third of the total number of 160 shops has either been relocated or replaced. Pop-up stores and kiosks have been initiated and new services such as a fitness centre have been introduced. The Stockmann department store has been relocated and has reported



HELSINKI, ITIS

“Itis has become a state-of-the-art shopping centre”

## TOP 5 TENANTS

(AS AT DECEMBER 31, 2013 BASED ON THE CONTRACTED ANNUAL RENT)

1. STOCKMANN
2. KESKO
3. HENNES & MAURITZ
4. NORDEA
5. BESTSELLER

a good start at its new location. Itis' visitor numbers grew by 0.3% to 14.6m over the full year and rose by 300,000 during the last quarter of 2013 and even more important, also seeing a rise in weekend customers in spite of construction works.

2013 was a challenging year for retailers in the Finnish market. This was largely attributable to an early start to the discount period, due to a relatively warm autumn and disappointing Christmas sales. Total retail sales in Itis dropped by 5% during the year, a figure that was strongly influenced by the strategic vacancy related to the redevelopment and lower-than-estimated Christmas sales.

### Outlook

The Finnish economy is expected to recover slightly in 2014. GDP is forecast to pick up by 0.8% and consumer spending is expected to grow by 1.5%, which would imply that consumer spending is to recover sooner than the economy as a whole.

The completion of the Itis refurbishment will be the key issue for Wereldhave Finland in 2014. The main focus will be on increasing operational excellence and consequently also raising rental income. Visitor numbers are forecasted to increase to 17.5m in the medium term.

Wereldhave is interested in expanding its portfolio in Finland and is monitoring market developments closely. While the main focus is on acquiring other shopping centres, Wereldhave is also interested in development opportunities in the Finnish market.

## KEY PARAMETERS CORE RETAIL PERFORMANCE

	2013	2012
Net rental income	€ 23.9m	€ 23.6m
NIY (EPRA)	5.3%	5.5%
Occupancy	99.4%	98.5%
Investment properties in operation	€ 482.1m	€ 458.3m
Investment properties under construction	€ 78.0m	€ 36.7m
Acquisitions	-	-



**Jaakko Ristola,**  
*Managing Director of  
Wereldhave Finland:*

**“WE HAVE SUCCEEDED  
IN CREATING A NEW  
SHOPPING EXPERIENCE”**

“2013 was a year of change for Wereldhave Finland. The grand opening of Itis was the most important event. Although everything went according to plan, it was still a challenging year. We had to deal with new concepts, new stores, new tenants and changes in our shopping centre management and organisation. But Itis is now in good shape.”

“The changes realised in Itis match the changes in the retail market. Shopping centres have to offer visitors an offline and online experience. In order to meet customer expectations, we have attracted appealing new brands and relocated stores to optimise the tenant mix. We have created pop-up stores in vacant areas to offer entrepreneurs new opportunities and visitors new shopping experiences. In addition to positive feedback from visitors, this has resulted in a great deal of interest in the shops that are still under construction.”

“Itis has become the number one fashion location in the Helsinki area with the best range of stores. We have succeeded in creating a better experience and increased attractiveness for visitors. The results are very positive. Visitor numbers are increasing with double-digit growth in the first weeks of 2014. Our most important task now is to complete the refurbishment of Itis and take good care of it.”



## Stockmann department store move

# A 'WIN-WIN' SITUATION IN ITIS SHOPPING CENTRE

The Stockmann department store moved to the new location in Wereldhave's Itis shopping centre in Helsinki in late 2013. It was the first time the company had moved a department store. The management of Wereldhave Finland took the initiative.

sixteen department stores in all, with seven in Finland, seven in Russia and one in Estonia and Latvia. The store in Itis was opened in 1992 as Stockmann's second location in Helsinki in the newly opened mid-section of the shopping centre.

'The old store in Itis was 20 years old and in need of extensive refurbishments. We were considering our options when the shopping centre management approached us in the summer of 2011 with the idea of moving the store to another location 150 metres further up in the shopping centre,' says Oksanen.

'We did not think it was a great idea at first, partly because we had never moved a store before. But after a while we began to think it was the best solution after all because the refurbishment of the old store would have been an extremely complex and far-reaching process. Wereldhave also offered us good terms and conditions for investments and the move itself. We ultimately agreed in May 2012.'

### 'Wow element'

The Stockmann department store's new location is in the piazza, which is the oval tower in the shopping centre.



After some initial hesitation, Stockmann is now fully satisfied with the result. 'It was clearly an excellent step forward and a win-win situation for both of us,' says Juha Oksanen, Director of Real Estate at Stockmann.

### Largest department store chain

Stockmann is the largest department store chain in Finland. The German Georg Franz Stockmann opened his first store in the centre of Helsinki in 1862. Stockmann still has a 54,000 m<sup>2</sup> department store in the city centre and it is one of the largest in Europe. Stockmann has

Oksanen says this location at the end of the centre is good for a department store as a shopping destination. The tower has its own parking facilities above and underneath the stores and the shopping centre has extremely good public transport links. ‘The building has a unique shape, which is almost round, and this makes it very striking. The space is 26 metres tall and incredibly light. It is one of our most magnificent stores. It’s a store that features a real wow element. We are delighted with it.’

The new store has been designed based on a new store concept in Finland and this made the process more complex because it took about a year to develop the new concept. ‘Not only the decision to move was difficult, the development of the new store concept also took time. This is why there were only six months left to carry out the plans. The new store in Itis is now comparable to the store in the Saint Petersburg which has been the first one with this unique concept.’

### Constructive collaboration

The move and design of the new department store were realised in close collaboration with the shopping centre management. ‘The collaboration was outstanding,’ says Oksanen. ‘We worked together in a very open and constructive fashion. Even though we were working on a tight time schedule, we collaborated in a good atmosphere and were able to find good solutions easily.’

“A unique concept in the best shopping centre in Helsinki”

‘We had an exceptionally good and pleasant working relationship both with the local management of Wereldhave and the directors of Wereldhave in the Netherlands,’ Oksanen adds. ‘Opening a new store made it possible to keep the old store up and running virtually without any interruption. In the end the old store was closed for only two days during the weekend of the actual move. That would have never been possible if we had decided to refurbish the old location.’

Oksanen is also extremely positive about the changes the Itis shopping centre has undergone in recent years. ‘It is an exceptionally good shopping centre and an excellent environment for Stockmann. We are pleased with all the changes that have been brought about in recent years and are confident that Itis will be again the best shopping centre in Helsinki once it is finished. Visitor numbers are definitely set to rise. It was a major step forward and the only way for us to achieve what we have now achieved. It is a win-win situation for both of us,’ Oksanen concludes.



## OUR CORE MARKET: BELGIUM

Wereldhave focuses in Belgium on medium-sized shopping centres that have a dominant position in their catchment area and that preferably have potential for further expansion. Wereldhave Belgium is a listed company in which Wereldhave holds a stake of nearly 70%.



**Luc Plasman,**  
*Managing Director of  
Wereldhave Belgium*

### “ACTIVELY ADDRESSING MARKET CONDITIONS”

“While Belgian consumer confidence remained steady in 2013, the confidence of retail companies decreased noticeably due to the continued weak economic growth. Particularly companies that are experiencing competition from online sales, such as electronics companies, encountered difficulties. This resulted in a couple of bankruptcies and restraint with respect to expansion plans, also at international retail chains.”

“We are tackling the crisis and the pressure on visitor numbers through active management of the shopping centres. We give shape to this strategy through various means including an active rental approach. This means that, in the event that renters leave or go bankrupt, we always seek to fill these vacancies with renters that provide added value. This has the added advantage of enabling us to often achieve higher rents than before.”

“We are also moving forward with expanding and renovating our shopping centres, which will ensure that the centres remain attractive and will become even more appealing. We are also focusing fully on the use of modern technology and e-commerce, such as the introduction of apps, free Wi-fi and active use of social media.”

Wereldhave’s portfolio in Belgium is comprised of shopping centres in Liège, Nivelles, Tournai and Genk and redevelopments in Genk, Waterloo and Ghent. The portfolio of shopping centres was valued at € 381.0m at the end of 2013, which represents 75% of the total portfolio. The remainder consist of offices in Antwerp, Brussels and Vilvoorde.

### Strong occupancy rate

Belgium was faced, as were other European countries, with the effects of the economic crisis in 2013. Belgium consumer spending did, however, remain relatively stable compared to that of neighbouring countries France and the Netherlands. The automatic annual wage indexation in Belgium and the absence of important austerity measures played a role in this respect. Wereldhave Belgium had a good year, in spite of the market conditions. Growth in the like-for-like rental income of the core portfolio shopping centres stood at 6.3%, which is far above inflation. The shopping centres had an occupancy rate of 99.2% at the end of 2013. Retail spaces that became vacant were re-let quickly, often at higher rents. The offices also posted a strong performance in 2013. The occupancy rate rose by 10 percent points from 81.3% to 91.8%, primarily due to new rentals in Antwerp and Vilvoorde. This office occupancy rate was the highest of the past ten years.



## TOP 5 TENANTS

(AS AT DECEMBER 31, 2013 BASED ON THE CONTRACTED ANNUAL RENT)

1. C&A
2. HENNES & MAURITZ
3. CARREFOUR
4. DELHAIZE
5. EXCELLENT RETAIL BRANDS

“We will continue to seek opportunities to expand”

### Building on success

In recent years, Wereldhave has been highly successful in Belgium with the shopping centre in Nivelles. Renovation and expansion led to a sharp rise in visitor numbers and consequently also rental income. Like-for-like rental income also benefited from lease renewals in the Belle-Ile shopping centre in Liège.

The redevelopment of the inner-city mixed-use in Ghent was delayed by several months due to an objection and appeal procedure. Construction recommenced and the completion is currently scheduled for mid-2014. Negotiations to bring pre-letting to nearly 100% are ongoing.

In Genk, construction of the expansion of the Genk Shopping 1 centre is well on track. Letting of larger units is slow, smaller units are more in demand. The first phase of the parking garage was completed in December 2013 and completion of the entire centre is scheduled for the end of 2014. More renovations and expansions are scheduled for the medium term in Tournai and Waterloo, which are projects that have incurred some delay due to

## KEY PARAMETERS CORE RETAIL PERFORMANCE

	2013	2012
Net rental income	€ 25.9m	€ 23.1m
NIY (EPRA)	6.0%	6.0%
Occupancy	99.2%	98.7%
Investment properties in operation	€ 381.0m	€ 377.5m
Investment properties under construction	€ 90.2m	€ 55.2m
Acquisitions	-	€ 74.0m

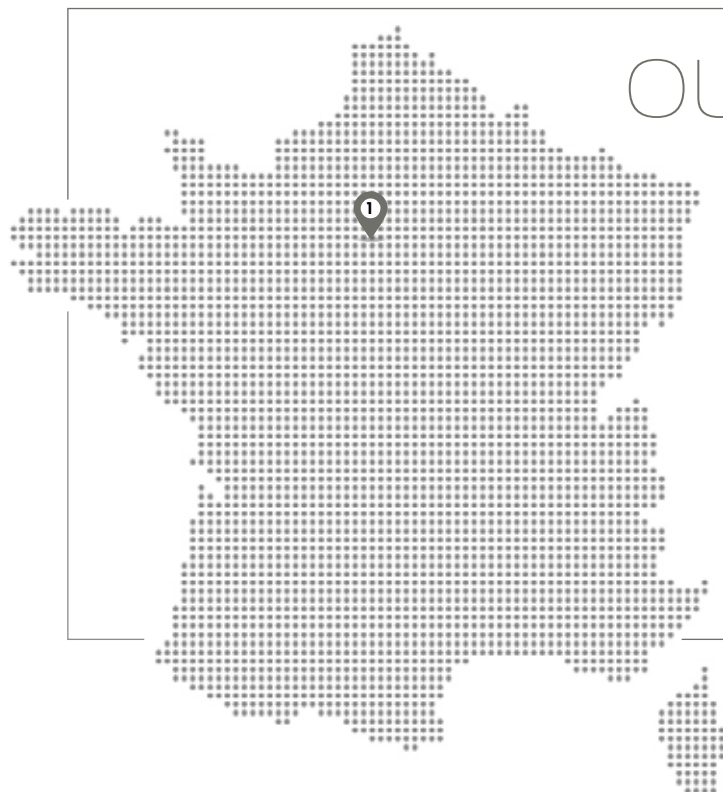


the permit process. The construction of a new retail park in Tournai is expected to commence in 2014. This will be followed by the renovation and expansion of the existing shopping centre in 2015.

### Outlook

Wereldhave Belgium expects a slight improvement in the market conditions this year due to a pick-up in economic growth and an improved consumer confidence. The strategy of active management and in-house property development will continue to be carried out in full. The additional retail space created by in-house property development will start contributing to direct result as from 2015 onwards.

While Wereldhave will continue to seek opportunities to expand its portfolio in Belgium with acquisitions and new developments, the possibilities are limited, given the small offer of properties for sale. Wereldhave is, however, part of one of the three consortiums that will pitch for the large NEO project this year, a development with retail, leisure and residential in Brussels this year.



## OUR CORE MARKET: FRANCE

Wereldhave focuses in France on sustainable offices in the Greater Paris region. All the offices are located at high-quality and easily accessible locations in the inner periphery of Paris.

### FRANCE/PARIS

1 Paris and environs

At the end of 2013, Wereldhave's portfolio in Paris comprised two office buildings – Carré Vert and Le Cap – and two office development projects – Noda and UrbaGreen. The value of the investment portfolio and development portfolio amounted to € 177.0m and € 220.0m respectively at the end of 2013. UrbaGreen was transferred to the new owner on 5 February 2014 for € 91.5m. The Paris office development portfolio now only consist of one project, which is 65% pre-let.

### Positive year

Paris is the largest office market in Europe after London with a total size of roughly 52 million m<sup>2</sup>. The Paris market is relatively stable and resilient, even though the economic crisis in Europe has somehow impacted this market. The vacancy rate rose from 6.8% to 7.2%, while

rents fell by up to 10% depending on the location. The rents of offices at good central locations in Paris however, did remain stable and the crisis also did not affect Wereldhave's portfolio.

Wereldhave had a positive year in Paris. 65% of the Noda office building, which will be completed in the fourth quarter of 2014, has now been let to Coca-Cola French headquarters at the expected price. Wereldhave was also awarded the BREEAM 'Outstanding' sustainability certificate for Carré Vert and Noda in 2013.

### Central role for sustainability

Wereldhave is committed to achieving the highest possible sustainability certificates for its offices in Paris and major steps forward were made in this area in 2013. The Noda office development was awarded the Design Stage BREEAM 'Outstanding' certificate, the highest possible score for energy management, water management, waste management and the location in relation to public transport.

Carré Vert was awarded the Post Construction Stage BREEAM certificate with the qualification 'Outstanding' in 2013. This is an exceptional achievement given the difficulties connected with realising a high BREEAM certificate for an existing office building. Wereldhave developed Carré Vert in 1999 and was awarded the BREEAM certificate with the qualification 'Good' in 2010.



PARIS, NODA

## TOP 5 TENANTS

(AS AT DECEMBER 31, 2013 BASED ON THE CONTRACTED ANNUAL RENT)

1. ÉLECTRICITÉ DE FRANCE
2. GROUPE CANAL+
3. KOHLER
4. REX-ROTARY
5. LAFI ENGINEERING

## KEY PARAMETERS CORE RETAIL PERFORMANCE

	2013	2012
Net rental income	€ 9.9m	€ 9.4m
NIY (EPRA)	6.1%	5.9%
Occupancy	99.0%	99.0%
Investment properties in operation	€ 177.0m	€ 174.7m
Investment properties under construction	€ 219.7m	€ 116.4m
Acquisitions	-	-

“Focus on the best sustainable offices at the best locations”

Wereldhave has worked together with tenant EDF in recent years to investigate how the building’s sustainability could be improved. This joint effort and substantial tenant investments by EDF ultimately led to this outstanding result.

The possibilities for making Le Cap, which is the third complex that Wereldhave owns in Paris, more sustainable, are currently being studied together with an upgrading of the property.

### Outlook

Wereldhave is positive regarding the outlook for the portfolio in Paris in 2014. The current vacancy rate is limited and the economic recovery is expected to lead to a slightly positive development in rents.

With respect to expanding the portfolio, Wereldhave’s experienced team in Paris is focusing on office development projects from 6,000 m<sup>2</sup> in the centre of Paris and 15,000 m<sup>2</sup> outside the centre. The properties are always in the best locations near a public transport network and have the best certification. Acquisitions of standing office buildings are less likely in view of the current high valuations.



Michel Janet, *Managing Director of Wereldhave France*

**“OUR STRATEGY HAS PROVEN TO BE THE RIGHT ONE”**

“Considering the economic circumstances, I am convinced that we can look back with pride on a successful 2013. Our strategy of focusing on development projects has proven to be the right one. Both UrbaGreen and Noda, which will be completed in 2014, have turned out to be successful. This demonstrates that it all comes down to having the right real estate at the right time under the right terms and conditions.”

“The office market in Paris is an extremely selective market. Tenants are looking for buildings that feature the highest quality, the best location and the best certification. Older properties that have not been modernised are consequently facing difficulties because they hardly meet tenant’s requisites. Modern offices at the best locations remain attractive despite the more difficult economic conditions. The rents for these rather scarce offices have also remained stable, while rents for Greater Paris as a whole fell by around 10%.”

“We also take a positive view of 2014. Our expectation is that rents will develop somewhat positively due to the economic recovery. We also hope to be able to expand our portfolio and are looking primarily at redevelopment and development projects for this growth. While these projects will be in Greater Paris as long as they benefit of a good location near arterial roads and public transport, we shall also consider Paris intramuros redevelopments projects when they make sense in terms of risk premium and, hence, return. In all cases, we will never compromise when it comes to location.”

## *'Outstanding' collaboration between EDF and Wereldhave*

# CARRÉ VERT: ONE OF THE MOST SUSTAINABLE OFFICES IN THE WORLD



Wereldhave and Électricité de France (EDF) recently joined forces to refurbish the Carré Vert office building in Levallois-Perret, Paris. This successful joint effort between the owner and the tenant culminated with Carré Vert being awarded the sustainability rating (BREEAM) 'outstanding'. This gives it the distinction of being the first office building to ever be awarded the highest Post Construction Stage BREEAM rating.



Refurbishing an office building that is more than two decades old into a state-of-the-art sustainable office building that has the highest BREEAM rating is a remarkable achievement. Charles Ragnos, CEO of Property and Occupancy Management - EDF Group Real Estate Division, explains why his company decided to take on this challenge.

'EDF selected the Carré Vert complex initially based on standard criteria such as rental costs per m<sup>2</sup>, expenses and location. The complex's design featuring low-rise buildings around a central garden that ensures a high-quality working environment also played a role in our choice for this building.'

The EDF Real Estate Division is carrying out a BREEAM In-Use assessment process for 200 buildings occupied by EDF that must be completed by 2015. 'This made it a

natural step for us to work in partnership with Wereldhave and to undertake a joint effort on the part of the owner and the tenant to improve the occupants' working environment and the building's environmental performance.'

### Convincing results

The entire process of refurbishing Carré Vert included a number of measures that required a joint commitment and effort. Christophe Nargeot, Sustainability Senior Consultant Northern Great Paris Area - EDF Group Real Estate Division, says: 'The ventilation flows were too strong for the building's requirements and so we balanced the ventilation flows in each office. In order to optimise this very important consumption item, we had to work on equipment that was actually the owner's responsibility but that would lead to cost benefits for the tenant. In order to install variable speed drives on the air handling



“Common interests and a natural cooperation in order to succeed”

unit, we had to reach agreements on who would be responsible for the work activities and on cost-sharing.’

EDF took responsibility for 50% in view of the expected lower operational expenses and Wereldhave took 50% responsibility due to the fact the work would improve the real estate. ‘The building complex consequently moved from a consumption rate of 240kWh/m<sup>2</sup> in 2012 to 198kWh/m<sup>2</sup> in 2013. This resulted in total savings of 745MWh that are directly connected to the work carried out in March 2013. This equals savings of 820MWh, or approximately € 65,600, over a period of one year. This is a prime example of how working in partnership can produce outstanding results for both parties,’ says Nargeot.

### Quality of life is key

Improving the site energy performance and making the right settings for the heating/cooling systems were the most important measures that were taken with regard to improving the building’s sustainability. While EDF sees the certification as an added bonus, it emphasises that it would have undertaken the investments anyway in order to improve both the building’s environmental performance and the working environment for the occupants.

‘The BREEAM rating ‘outstanding’ is proof of our joint will to improve the environmental quality of the building and our shared commitment to sustainable development. Quality of life in the workplace has a direct impact on

the occupants’ efficiency and energy performance is a key factor in reducing energy-related expenses. The BREEAM Outstanding rating yields direct or indirect financial benefits for EDF,’ explains Dominique Barillec, Head of Northern Great Paris Area - EDF Group Real Estate Division.

### Compelling example

The cooperation between Wereldhave and EDF was a key factor in the achievement of the outstanding result. ‘Even though there is a shared desire to improve the intrinsic quality of a building, the involved parties are often faced with the limitations of landlord/tenant responsibilities. Our joint approach enabled us to emphasise our shared interests and to develop a natural cooperation in order to succeed. We now have plans to carry out similar projects at sites in France and even in the greater Paris area. The cooperative approach we took on the Carré Vert complex is a compelling example of the kind of working relationship we would like to develop with building owners with result to green leases for example. This fits in perfectly with our ambitions in the field of sustainable development,’ concludes Magali Saint-Donat, Head of Sustainability Department - EDF Group Real Estate Division.

## OUR MARKET: SPAIN

Wereldhave has put investments in Spain on hold. The current property portfolio is comprised of two office complexes and a logistics centre in Madrid and a retail and leisure centre in Collado Villalba.



At the end of 2013, Wereldhave had two office complexes in Madrid – Avenida de la Vega 15 – and Calle Fernando el Santo 15 – and a logistics centre located at Calle Mariano Benlliure 1-2.

Wereldhave also owns the Planetocio leisure centre in Collado Villalba near Madrid. The office complexes are considered to be core activity and were valued at € 60m (2012: € 62m) at the end of 2013. The other two properties were valued at € 32m (2012: € 36m) at the end of 2013. The occupancy rate offices stood at 89.5% for the offices and 71.8% for the other properties.

### Difficult market conditions

The economic conditions remained difficult in Spain in 2013 with continuing low consumer and producer confidence. Real estate prices fell further and this was also reflected in the value of Wereldhave's portfolio.

“Waiting for a market recovery”

Wereldhave focused in 2013 primarily on preventing vacancies in its properties. It succeeded in retaining tenants in a difficult market by various means, including renegotiating rents. While rents in the Spanish market are currently at an extremely low level, it appears the bottom of the market has been reached.

### Selling at the right time

Wereldhave stated at the time of revising its strategy in 2012 that it will not invest in further expansion in Spain. Of the four properties in the portfolio, Wereldhave would like to sell the logistics centre and the leisure centre. A sale in the short term does not appear likely given the current valuations in the Spanish market. The company's strong financial position does, however, give Wereldhave the scope to be able to wait until the right moment arrives.

### Outlook

Wereldhave is cautiously optimistic about 2014 and is confident that rents will once again rise somewhat in the Spanish market this year. The economic conditions in Spain appear to be improving and it is hoped that the forecasted recovery will continue. But even if the recovery is sustained, it will nonetheless still take some time before the valuations of real estate also start rising again.



COLLADO VILLALBA, PLANETOCIO

Further steps in operational excellence

# ORGANISATION & EMPLOYEES

Wereldhave aims to be a good employer on all fronts. By rewarding its employees – in financial terms, but also by offering a pleasant working environment with a good collegial atmosphere – and by stimulating and motivating its employees to grow their full potential.



Along the road to *operational excellence* taken in 2012, Wereldhave has made several contributing changes in the area of human resources.

### Further professionalization of the HR tools

One of the starting points of the strategic reorientation of 2012 was to transform the company into a more transparent and outward-looking, driven, decisive and focused organization. In the course of 2013, these factors were translated into a renewed set of HR tools, with even more emphasis on personal ambition. Based on the new core values – ambition, entrepreneurship, transparency and team work – other competencies have been formulated to translate the new core values for employees. All new job candidates will take an assessment test to determine these competencies. Current employees will be attending group training days – with a pilot for Wereldhave Netherlands – and will be offered the opportunity to enrol for individual training to further develop these competencies.

The increased focus on competencies has also helped to professionalise the appraisal system. For every position a detailed job description is made, including assessment criteria and a corresponding remuneration structure. The job appraisal places equal weight on professional development and competency development. The corresponding financial remuneration comprises a fixed salary in addition to a short-term incentive plan, which has replaced the profit-sharing plan. The short-term incentive plan is a bonus scheme, based on individual performance indicators and group or country performance achieved.

Talent has been and will continue to be a key theme in the aim for operational excellence. Wereldhave

encourages its employees to keep developing themselves with relevant training and courses. A turnaround can be observed in the type of courses that employees are taking: besides professional courses, there is a growing interest in skill training. This shift is driven by the new policy of testing employees in terms of relevant competencies.

Young talent, 'straight from school', is likewise given room for development at Wereldhave. Each year two trainees get the opportunity to join the new traineeship programme at Wereldhave Netherlands. Trainees who successfully complete this two-year programme will be able to move into a junior position. The programme provides for two trainees per year.

### Staff changes

With Dirk Anbeek as CEO and newly-appointed CFO Pieter Roozenboom, the two-member Management Board is now operating at full strength. They are supported by a Management Team of four Country Directors and two Corporate Directors. Belinde Bakker has joined the Management Team as Country Manager for Wereldhave Netherlands.

Following the closure of its offices in the UK and the US, Wereldhave had to bid farewell to 76 employees.

### Pension developments

In December 2013, Wereldhave changed its Dutch pension scheme from a defined benefit to a defined contribution system. Wereldhave made a one-off payment of € 2.8m to the pension fund, to facilitate a buy-out with effect from December 31, 2013. This change reduces the volatility in equity and result, as the Company's exposure to the pension scheme has been

## FACTS & FIGURES



NUMBER OF EMPLOYEES

**127 FTE'S**

MEN

**49.6%**

WOMEN

**50.4%**



AVERAGE AGE

**44 YEARS**



AVERAGE LENGTH OF SERVICE

**10 YEARS**

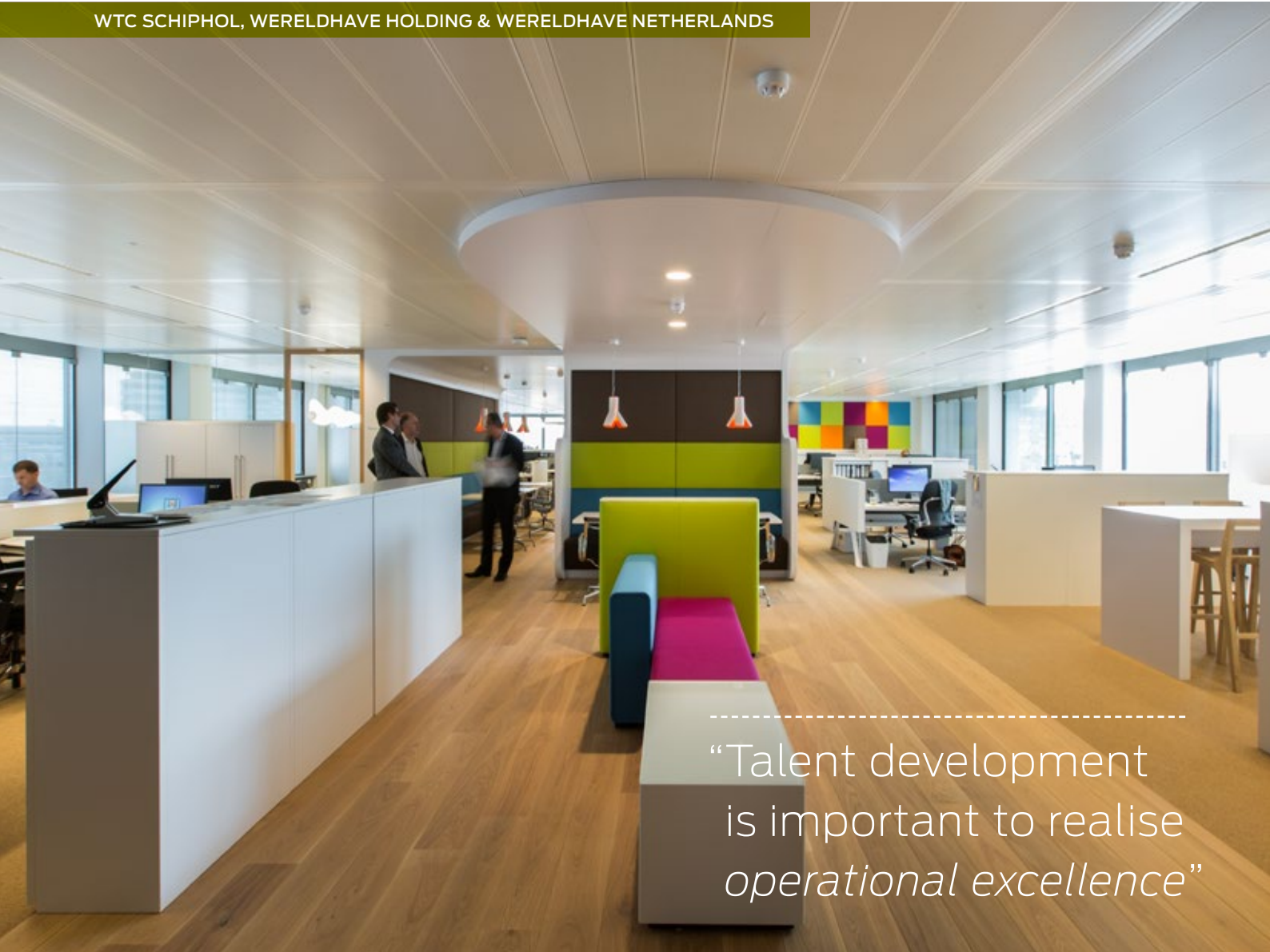


ABSENT DUE TO ILLNESS

**1.6 %**



## WTC SCHIPHOL, WERELDHAVE HOLDING &amp; WERELDHAVE NETHERLANDS



“Talent development is important to realise operational excellence”

terminated. In the United Kingdom, the pension fund agreed on a buy-in with an insurer, and the Company made a one-off donation of £ 5m, to terminate the exposure to the UK scheme.

### Relocation

In mid-2013, Wereldhave Holding and Wereldhave Netherlands moved into the new head office at WTC Schiphol: a central location with very easy accessibility in every respect, both nationally and internationally. The interior design of the new 1.500 m<sup>2</sup> office reflects the new corporate culture. All staff are now working in a level open-plan office, which strongly benefits visibility and teamwork. The staff lunchroom in the middle of the office floor is a popular venue for meeting with colleagues or visitors throughout the day. Closed rooms of various sizes allow for consultations requiring more privacy.

### Art auction for charity



*As Wereldhave moved from its historical premises in The Hague into its state-of-the-art office in dynamic WTC Schiphol a major part of its art collection became unnecessary. There was very limited interest from buyers and auctioneers, so employees were given the opportunity to buy their favourite work of art at an art auction. The total proceeds of € 5,500, including the auctioneer's fee which he made available on the spot, were donated to Stichting ALS Nederland.*

TROUPE WERELDHAVE  
ON TOUR OF  
SHOPPING CENTRES

# A musical collaboration with Festival Classique

Mid-2013 Wereldhave and the Hague Festival Classique sealed their partnership, a collaboration that goes way beyond the trodden path. Not only will Wereldhave be main sponsor for the next three years, it will also provide artistic input which is focused on performances for the visitors of the shopping centres of Wereldhave. A curious move, coming from a property investor... or is it?

## Connecting people

“Our common goal is to connect. Whether it’s with a stunning classical performance or an attractive shopping centre,” explains Annemarie Goedvolk, Artistic Director of Festival Classique, regarding the partnership between the two parties. “So, for both parties, it’s all about *people*. In that light, it’s really not strange at all that we’ve found each other and are now jointly zooming in on artistic input by Wereldhave.”

## Stuffy? Hip & happening!

Celebrating its 8<sup>th</sup> anniversary in 2014, Festival Classique has become a household name, especially thanks to its nationally renowned Hofvijver Concert. Annemarie Goedvolk, a Conservatory-trained oboist,

has been involved in the festival from day one. The programme changes every year, but the basic principle has remained practically untouched: introducing a broad audience to classical music. Short concerts, at unique and surprising locations – far from the beaten track. This way, the festival aims to shrug off the stuffy image that classical music has. And with great success. The 2013 edition drew more than 36,000 people ranging from toddlers to very senior citizens.

## Classical fun

“However, we’re not just focusing on the concerts as such. We think that the total package of what people experience in terms of our festival is at least as important. From the brochure, to the reception at a



concert, to musicians engaging with their audiences, who come to see *them*. Everything must be in synch, lowering the threshold and making people feel welcome and appreciated. This may sound very logical, but unfortunately it's anything but par for the course. I remember that, in the early years of the festival, I was sometimes called to account for the fact that we wanted to organise a classical music event that would be 'fun'. As if classical music must, by definition, be impersonal and complicated. Our welcoming approach is not something that we devised when we started, it's simply in our DNA. Thankfully, this element is now inherent in Festival Classique and it also enables us to grow further."

### Cultural entrepreneurship

Festival Classique has experienced from its start only one 'crisis-free' year. Goedvolk: "Although an economic recovery would perhaps take away some worries, it did force us to become entrepreneurs. From the very first edition, our income has come from sponsors, subsidies and private funds, in equal measures. Unlike perhaps many other cultural institutions that only recently had to demonstrate entrepreneurial spirit in the wake of the substantial subsidy cuts, we are used to entering the commercial market. In this area as well, we're continually looking to connect. In the form of agreements and in how we can jointly shape our ambitions."

### Seek out audience

Wereldhave and Festival Classique have in common that they want to reach out, consider talent development important and aim to make locations come alive. This has resulted in a unique concept for performances that can be staged both at Festival Classique and in shopping

-----  
 "Our common goal is  
 to connect people"

centres. In 2014 young talented classical musicians, jazz musicians and circus performers – in the final phase of their professional training or newly graduated – will team up with director Karel de Rooij to put together a surprising performance. "During the artistic process, we keep in mind that we're not asking the audience to come to us, as with traditional performances. We in fact are seeking out audiences," says Goedvolk. The opening performance will take place at the 2014 edition of Festival Classique, after which the 'Troupe Wereldhave' will go on a tour of various Wereldhave shopping centres. If successful, in subsequent years the concept will be rolled out in the other countries in which Wereldhave owns shopping centres.

### Unconventional method

Goedvolk: "A good cooperation between all stakeholders is key to making make this project a success in every respect, from start to finish. Everyone seems to be very much aware of this and is willing to provide valuable input, drawing on their own know-how and expertise. The shopping centre managers, for example – they know the shopping centres like no other and act as a social lubricant between the various local contacts. In addition, it's also very interesting in this process to be receptive to feedback from Wereldhave regarding the artistic plans. The artistic scope is expanded when you work together with a diverse group of people at unconventional locations."

## *Ambitious framework in 4 themes*

# SUSTAINABILITY AT WERELDHAVE

Sustainability and commercial management – they seem two separate worlds. At Wereldhave, however, they dovetail seamlessly, and have done so for many years.

The general target that all properties must at least obtain the BREEAM certificate ‘Excellent’ illustrate the ambitions. A good practical example is the shopping centre in Nivelles (Belgium), showcasing innovative implementation of countless sustainability aspects, ranging from the sustainable materials applied in its renovation to measures reducing energy and water consumption. The publication of the first Sustainability Report in 2014 puts its ambitions even more in the limelight.

### **Powerful framework**

Market research into material tests, best practices, brainstorming and internal management meetings – the ‘Cube sessions’ – have mapped out existing principles and new opportunities. The goal: creating a solid framework to accommodate all sustainability activities for the years ahead.

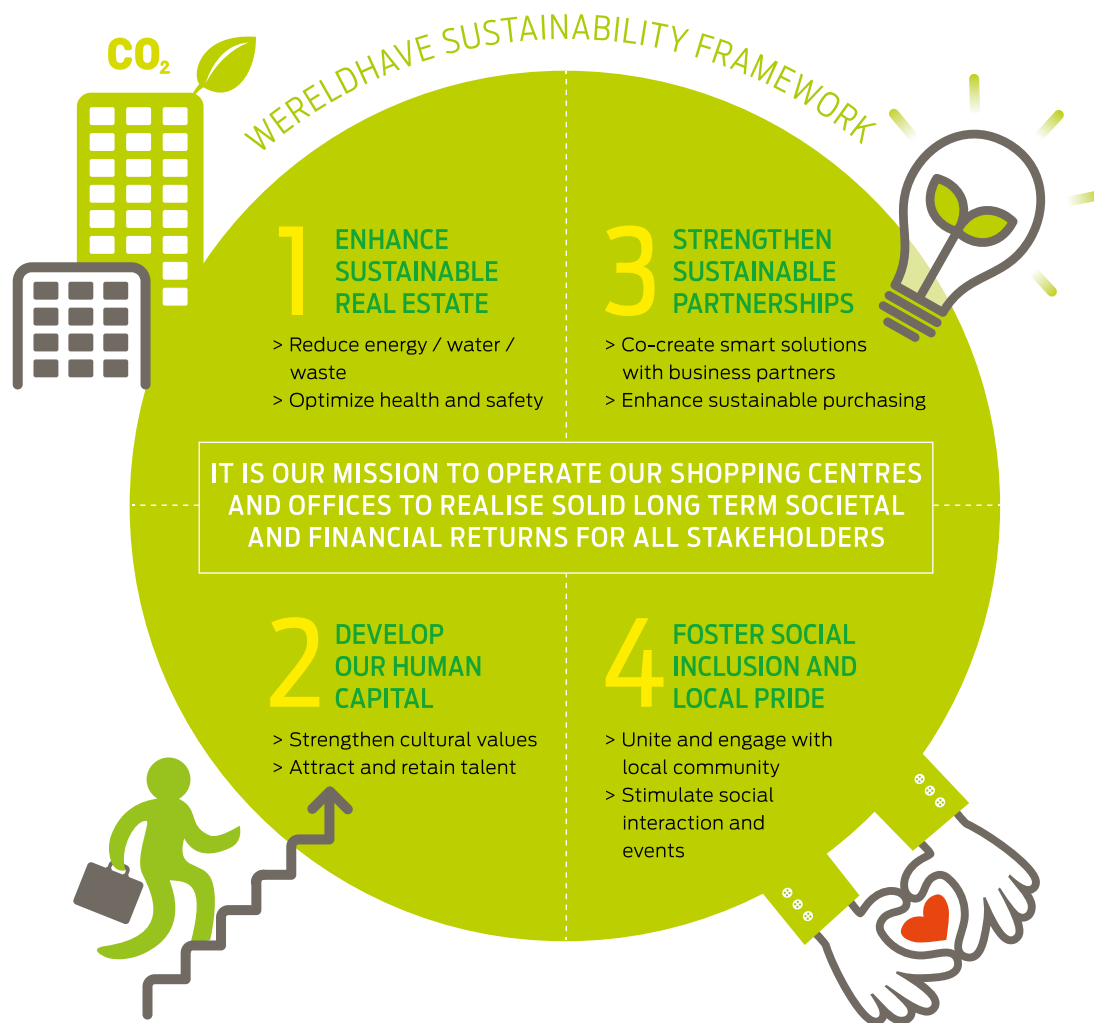
It covers four, diverse themes that build on Wereldhave’s overall long-term strategy. The framework has been embraced by the entire Management Team and already the implementation of the individual themes kicked off in 2013.



### **SUSTAINABILITY THEME: Sustainable Real Estate**

Sustainability is a high priority for tenants. Their consistently growing demand for sustainability shows that sustainable buildings are the new standard, rather than a trend. For a front-runner like Wereldhave this is a unique opportunity to distinguish itself in the market. A BREEAM certification of no less than ‘Excellent’ has by now become standard for Wereldhave, while reality already records with BREEAM Outstanding higher results (see box). The introduction of ‘smart metering’ two years ago has provided tenants more information about their energy consumption. Moreover, the new Environment Management System will take the reduction of energy and water consumption and waste volumes a step further.

“In April 2014, the first sustainability report is a fact”



**SUSTAINABILITY THEME: Human Capital**

For sound performance in an ever-changing environment, the organisation’s people are key. We have traditionally given above-average attention to each employee’s personal development, as well as to formal and informal team sessions and suitable remuneration. Wereldhave is always looking for ways to optimise its human capital. In 2013, several concrete changes were introduced in line with the ‘outside world’ and Wereldhave’s long-term strategy. Job descriptions and corresponding competencies were reviewed and a new remuneration system was put in place. These bonus schemes are broken down into individual results and the results achieved as a team and organisation. This provides clarity from the perspective of employer and employee alike. In the near future, more focus will be placed on the non-financial performance indicators that comply with the Global Reporting Initiative (GRI).

“Employees play a major role in the sustainability ambitions”



**SUSTAINABILITY THEME: Innovation, together with tenants and suppliers**

Wereldhave’s relationship with its tenants and suppliers is best described as a relationship in which the various stakeholders jointly explore ways to create added value – also with regard to sustainability. In response to the great demand for sustainable buildings, measures have been formulated to further optimise the relationship in this respect. For example, by means of the further roll-out of Green Leases and by concluding covenants that set sustainability criteria for suppliers.



### BREEAM 'Outstanding'

*In Paris, the Noda office development reached an interim BREEAM Design stage assessment of 'Outstanding', with a score above 92%. Also in Paris, the office Carré Vert received the BREEAM certificate 'Outstanding' in 2013. This is a highly exceptional qualification – maybe even the world's first – for an existing building. And it is best possible example of what good co-ownership by a tenant and Wereldhave can achieve. At the same time, it proves that Wereldhave's BREEAM targets may be ambitious, but realistic nonetheless. In short, an achievement that Wereldhave can be proud of.*



### SUSTAINABILITY THEME: Social Inclusion & Social Pride

With its shopping centres, Wereldhave plays a visible role in society. That entails major social responsibility. A targeted approach creates value for both society and Wereldhave itself. Each and every one of the various events organised by shopping centres throughout the year – from relatively small campaigns at the local level to the more momentous occasions in tune with topical events or a specific theme, such as Christmas – are aimed at making a shopping centre more attractive to the catchment area in which it operates.

In addition to the specific activities undertaken by shopping centres, Wereldhave also focuses on more sustainable initiatives with a broader scope. In 2013, Wereldhave committed itself to the Festival Classique. Wereldhave not only acts as a financial partner but also provides artistic input. It literally offers young talent the stage during the Hague festival itself as well as on a tour along various Dutch shopping centres. If successful, this programme will be extended to the other countries in which Wereldhave operates.

### Sustainability policy as the new standard

Wereldhave's employees play a relevant role in realising the four themes. Based on their expertise, individuals throughout the organisation have been designated to work out the themes, assisted by an external expert. They prepare policies and formulate targets based on key performance indicators, geared to the local market where necessary. They also help facilitate an effective roll-out throughout the organisation, ensuring that the sustainability policy is embraced by all Wereldhave employees.

### Wereldhave's first Sustainability Report

Wereldhave has decided to communicate more explicitly about its non-financial performance indicators. In order to give all stakeholders clear insight into Wereldhave's long-term Sustainability Policy, it will publish its first Sustainability Report in 2014 over the year 2013. This report draws on the Global Reporting Initiative (GRI), the international standard in the area of sustainability reporting, and the KPIs included in the best practices of the European Public Real Estate Association (EPRA).

# FINANCIALS

## 2013

---

# Results

Compared to the previous year, the total result for 2013 improved by € 137m to € 50.0m. This can be attributed to the improved indirect result. The total result per share amounts to € 1.82 (2012: € -4.54).

## Direct result

The direct result from continuing operations improved by 2.5% to € 77.4m from € 75.5m, mainly due to lower general costs and a positive like-for-like rental growth. However, net rental income from continuing operations decreased by € 2.8m, mainly due to the disposal in the Netherlands of four non-core properties in 2013.

The activities in the United States and the United Kingdom have been accounted for as discontinued operations. The effect from these disposals became fully visible as from the second quarter. The direct result from discontinued operations in 2013 amounted to € 3.9m.

This includes (inter-company) interest charges. The net income from discontinued operations in 2013 amounts to € 0.35 per share, excluding the effect from the disposal of the non-core portfolio in the Netherlands. This decline in 2014 will be more than compensated by acquisitions, the completion of developments and a positive like-for-like rental growth.

General costs (including discontinued operations) dropped by € 8.2m to € 14.5m (€ 13.8m excluding discontinued operations). The 2012 general costs included a one-off of € 2m for restructuring costs. If taken out of the equation, general costs dropped by € 6.2m. The cost reduction programme is more than € 1.5m ahead on target and for the year 2014, general costs are expected to stay below € 14m.

Interest charges (including discontinued operations) decreased from € 35.2m for 2012 to € 19.9m in 2013, including commitment fees for undrawn facilities. The proceeds from property disposals in the UK and US were used to repay debt and for the buyback of the 4.375% convertible bonds, due 2014. As at December 31, 2013, the average nominal interest rate on debt stood at 2.8%.

## KEY FIGURES (IN €)

	2013	2012
Result	50.0m	-87.1m
Direct result	81.3m	93.8m
Indirect result	-31.3m	-180.9m
Result per share	1.82	-4.54
Direct result per share	3.30	3.91
	<b>31-12-2013</b>	<b>31-12-2012</b>
Property investment portfolio	1,731.9m	2,073.0m
Equity	1,499.8m	1,525.8m
Net asset value per share (EPRA)	64.99	66.33



### Indirect result

The property valuation results of continued operations amounts to € 6.3m, with a slightly negative revaluation of the investment portfolio of € -5.9m and a positive revaluation of the development portfolio of € 12.2m. The valuation of financial instruments amounts to € -2.3m. This relates to interest rate swaps.

The investment portfolio was revalued positively in Finland (+4.0%), Belgium (+0.7%) and France (+0.6%), and negatively in the Netherlands (-4.6%) and Spain (-8.5%). The total revaluation amounted to -0.2% for the investment portfolio, of which +1.2% due to yield changes and -1.4% due to rent and other changes.

The development portfolio was revalued positively in France, particularly due to the letting of Noda (€ +19.7m) and negatively in the Netherlands (€ -7.5m). The refurbishment and expansion plans for the Dutch shopping centres have been finalised, with adjustments in terms of smaller size, better scalability and procurement. Prime goal is increasing the attractiveness of the current centres. The negative revaluation reflects the adjusted size of the schemes.

The indirect result from discontinued operations was impacted negatively due to the recycling of exchange rate differences of € -20.9m. Under IFRS, when companies are liquidated, sold or divested, their exchange rate differences reserve must be released from equity and taken to the income statement. Since the exchange rate differences will subsequently be taken to the general reserve, this movement has no net impact on the net asset value.

At December 31, 2013, the EPRA net initial yield on the portfolio stood at 6.0% (excluding Itis, due to the redevelopment). The current estimated EPRA net initial yield of Itis after completion amounts to 5.25% (June 30, 2013: 5.45%)

On March 28, Wereldhave N.V. successfully repurchased € 230m of its 4.375% convertible bonds due 2014. Costs of repurchasing the convertible of € 17m are charged to the income statement for an amount of € 13m and within equity for an amount of € 4m and will contribute at least an equal amount over the remaining period of the original term (September 2014).



	Share price/DR		Price (€)	
	2013	2013	2013	2012
highest	17.9	59.0	61.3	
lowest	14.4	47.5	40.3	
year-end	17.3	57.2	48.0	

Share price development (€)



# Equity

At December 31, 2013, shareholders' equity including minority interest amounted to € 1,500m (December 31, 2012: € 1,526m, after an adjustment of € 11m due to changes in IAS 19 "Pensions"). The movement of € -26m is attributable to the dividend payment (€ -72m), the 2013 result of € 40m, the premium for the repurchase of the convertible bonds (€ -4m) and currency differences and other movements of € 10m.

The net asset value per share (EPRA) including current profit stood at € 64.99 at December 31, 2013 (2012: € 66.33). The amount of ordinary shares in issue did not change during the year and remained at 21,679,608.

Share ownership is spread among institutional and private investors, both in the Netherlands and abroad. As at December 31, 2013, Wereldhave had no shareholders with an interest of more than 5%. The free float of the ordinary shares is 100%.

## Debt

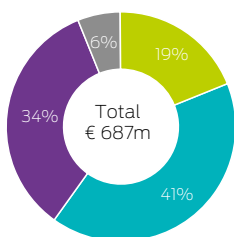
Nominal interest bearing debt was € 687m at December 31, 2013, which together with a cash balance of € 88m results in a net debt of € 599m. The average cost of debt

and Interest Coverage Ratio (ICR) were 2.8% and 6.6 respectively. On December 31, 2013, the Loan-to-Value amounted to 27.4% (2012: 43.6%).

Of the expected capital expenditure of € 330m for shopping centre developments and € 110m for office developments, during 2013 a total of € 177m was incurred. Upon completion of the Regroup phase, Wereldhave aims to arrive at a Loan-to-Value between 30%-40%.

No bonds had been converted into Wereldhave shares as at 31 December 2013. Wereldhave has a lot of headroom within its financial covenants. The covenants require that the Loan-to-Value should not exceed 60%. At December 31, 2013, the Loan-to-Value stood

## DEBT PROFILE



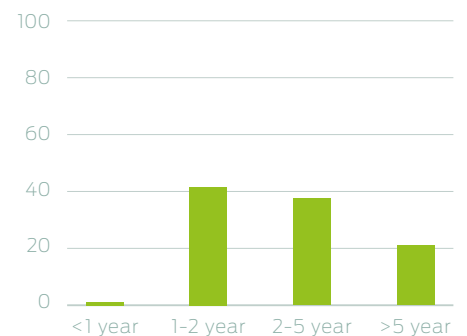
- USPP
- Debenture
- Convertible bond
- Revolving credit facilities

31-12-2013

Covenant

LTV	27.4%	≤60%
Solvency ratio	67.6%	≥40%
ICR	6.6x	≥2.0x
Secured	5.1%	≤40%

Maturity spread interest bearing debt (as a %)



at 27.4%. The covenants also require a solvency ratio of more than 40%. With a solvency ratio of 67.6% Wereldhave is well above.

### Derivatives

Wereldhave 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 share and the interest rate sensitivity of the earnings per share. The use of financial instruments like interest rate and currency swaps accordingly serves the interest rate and currency policies referred to above. Derivatives will only be used in combination with the underlying loan portfolio.

## Composition of the portfolio

The year 2013 was marked by drastic changes to the portfolio. Wereldhave sold the entire property portfolios in the United States and the United Kingdom and in the Netherlands, all non-core assets were sold.

The total volume of disposals in the US and the UK amounts to € 1,2bn. There were no property acquisitions in 2013, but after balance sheet date, in the Netherlands, Wereldhave acquired a shopping centre in Hoofddorp and reached agreement on the acquisition of the single ownership of shopping centre De Koperwiek in Capelle. The total volume of these two transactions amounts to € 208m, including transaction costs.

### share ranking for dividend (x € 1)

	2013	2012
Net asset value before distribution of profit as at 01/01	63.60	73.44
Effect implementation IAS 19	-	-0.09
Adjusted net asset value as at 01/01	63.60	73.35
less: dividend previous year	-3.30	-4.70
	60.30	68.65
Direct result	3.30	3.91
Indirect result	-1.48	-8.45
Movements in equity	0.12	-0.51
Net asset value before distribution of profit as at 31/12	62.24	63.60
less: proposed dividend:	-3.30	-3.30
Net asset value after distribution of profit as at 31/12	58.94	60.30

The increase of the share of shopping centres in the portfolio can be fully attributed to the disposals in the United States and the United Kingdom, as these portfolios contained a high share of offices. As at 31 December 2013, the share of shopping centres as a percentage of the total core portfolio increased to 77% and including the acquisitions in 2014, this number will rise to 79%.

As at December 31, 2013, EPRA occupancy stood at 96.6% (2012: 94.8%). The investment portfolio was re-valued slightly negatively by 0.2%. There were positive revaluations in Belgium, Finland and France for a total of € 27.6m and negative evaluations in the Netherlands and Spain for a total of € -33.4m. At year-end 2013, the value of the development portfolio amounted to € 413m; the value of the investment portfolio stood at € 1,732m.

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

	2009	2010	2011	2012	2013
Retail	46	52	54	79	78
Offices	45	41	41	18	21
Other	9	7	5	3	1

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

	2009	2010	2011	2012	2013
Belgium	16	14	14	24	29
Finland	21	18	18	22	28
France	7	6	6	8	10
Netherlands	16	22	21	26	28
Spain	6	5	5	5	5
UK	9	10	11	15	-
USA	25	25	25	-	-

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

	2009	2010	2011	2012	2013
Belgium	16.8	14.7	19.1	29.5	32.5
Finland	20.1	18.4	21.9	21.9	22.7
France	2.1	5.2	9.5	9.7	9.4
Netherlands	18.0	23.8	29.6	32.5	30.7
Spain	6.8	5.4	5.9	6.4	4.7
UK	11.7	10.1	14.0	-	-
USA	24.5	22.4	-	-	-
Total	100.0	100.0	100.0	100.0	100.0

#### Net sales proceeds of investment properties (x € 1m) (against year-end rates)

	2009	2010	2011	2012	2013
Belgium	-	-	2.7	11.7	-
Finland	-	-	47.2	-	-
France	-	-	-	17.0	-
Netherlands	-	6.5	62.4	0.7	34.0
Spain	-	-	-	15.4	-
UK	2.7	38.3	82.9	80.0	329.0
USA	-	-	23.8	206.7	514.0
Total	2.7	44.8	219.0	331.5	877.0

#### Net purchases of investment properties (x € 1m) (against year-end rates)

	2009	2010	2011	2012	2013
Belgium	5.6	11.1	-	74.0	-
Finland	-	-	-	-	-
France	-	-	-	-	-
Netherlands	-	265.0	3.9	3.0	-
Spain	-	-	-	-	-
UK	-	98.8	199.0	-	-
USA	-	-	-	-	-
Total	5.6	374.9	202.9	77.0	-

## RESULTS BROKEN DOWN INTO DIRECT AND INDIRECT RESULT

### DIRECT AND INDIRECT RESULT FOR FY 2013

(amounts x € 1,000)

	FY 2013		FY 2012	
	direct result	indirect result	direct result	indirect result
Gross rental income	116,179		118,359	
Service costs charged	22,721		24,820	
Total revenues	138,900		143,179	
Service costs paid	-25,454		-27,450	
Property expenses	-8,586		-8,014	
	-34,040		-35,464	
<b>Net rental income</b>	<b>104,860</b>		<b>107,715</b>	
Valuation results		4,019		-34,672
Results on disposals		-3,583		1,832
General costs	-13,798		-18,740	
Other income and expense	1,679	-288	1,584	-3,559
<b>Operational result</b>	<b>92,741</b>	<b>148</b>	<b>90,559</b>	<b>-36,399</b>
Interest charges	-14,668	-5,625	-14,882	-4,054
Interest income	290		313	-
Net interest	-14,378	-5,625	-14,569	-4,054
Other financial income and expense		-7,979		1,197
<b>Result before tax</b>	<b>78,363</b>	<b>-13,456</b>	<b>75,990</b>	<b>-39,256</b>
Taxes on result	-975	9,142	-459	28,317
<b>Result from continuing operations</b>	<b>77,388</b>	<b>-4,314</b>	<b>75,531</b>	<b>-10,939</b>
<b>Result from discontinued operations</b>	<b>3,870</b>	<b>-26,933</b>	<b>18,282</b>	<b>-169,968</b>
<b>Result</b>	<b>81,258</b>	<b>-31,247</b>	<b>93,813</b>	<b>-180,907</b>
<i>Profit attributable to:</i>				
Shareholders	71,452	-32,081	84,851	-183,291
Non-controlling interest	9,806	834	8,962	2,384
<b>Result</b>	<b>81,258</b>	<b>-31,247</b>	<b>93,813</b>	<b>-180,907</b>
Earnings per share from continuing operations (x € 1)	3.12	-0.24	3.07	-0.61
Earnings per share from discontinued operations (x € 1)	0.18	-1.24	0.84	-7.84
Earnings per share (x € 1)	3.30	-1.48	3.91	-8.45

### Direct and indirect result

Wereldhave presents results as direct and indirect results, enabling a better understanding of results. The direct result consists of net rental income, general costs, other gains and losses (other than exchange rate differences), financial income and expense (other than the interest addition to 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 expense, 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. The direct result per share is identical to the EPRA result per share.

## EPRA TABLES

## INVESTMENT PROPERTY - RENTAL DATA

(x € 1,000)

	Gross rental income	Net rental income	Lettable space (m <sup>2</sup> )	Annual theoretical rent	Estimated rental value	EPRA vacancy rate
Belgium	36,214	34,088	171,548	37,492	37,796	3.0%
Finland	25,347	23,853	104,000	35,000	36,000	0.6%
France	10,180	9,869	30,600	12,173	12,303	1.0%
Netherlands	37,678	32,073	142,295	35,725	35,930	3.0%
Spain	6,760	4,976	78,816	8,689	8,279	19.0%
<b>Total portfolio</b>	<b>116,179</b>	<b>104,860</b>	<b>527,259</b>	<b>129,079</b>	<b>130,308</b>	<b>3.4%</b>

The EPRA vacancy rate is determined on a unit by unit basis. Vacancy due to redevelopment has been excluded from the vacancy rate. The total reversionary potential is currently estimated at approximately 1%.

## INVESTMENT PROPERTY - VALUATION DATA

(x € 1,000)

	Market value of property (€m)	Valuation movement in the year (€m)	Change in %
Belgium	505.3	3.3	0.7%
Finland	482.1	23.2	4.0%
France	177.4	1.1	0.6%
Netherlands	477.0	-25.1	-4.6%
Spain	90.1	-8.4	-8.5%
<b>Total portfolio</b>	<b>1,731.9</b>	<b>-5.9</b>	<b>-0.2%</b>

## INVESTMENT PROPERTY - LEASE DATA

(x € 1,000)

	Average lease length *		Annual rent of leases expiring in		
	to break	to expiry	year 1	year 2	year 3-5
Belgium	2.4	6.1	6,128	11,928	17,036
Finland	5.7	5.9	3,248	3,266	9,997
France	4.4	4.6	171	315	2,523
Netherlands	2.9	3.3	4,187	9,238	11,751
Spain	2.9	5.2	1,326	1,437	3,126
<b>Total portfolio</b>	<b>3.6</b>	<b>5.1</b>	<b>15,060</b>	<b>26,184</b>	<b>44,433</b>

\* Excluding indefinite contracts

**INVESTMENT PROPERTY - LIKE-FOR-LIKE NET RENTAL INCOME**

(x € 1,000)

	Properties owned throughout the 2 years	Acquisitions	Disposals	Development properties	NET RENTAL INCOME 2013	
					Other / Currency differences	Total net rental income
Belgium	26,083	3,163	-	1,131	3,711	34,088
Finland	23,853	-	-	-	-	23,853
France	9,869	-	-	-	-	9,869
Netherlands	29,577	-	1,728	81	687	32,073
Spain	4,976	-	-	-	-	4,976
United Kingdom	-	-	2,998	-	-	2,998
United States	-	-	7,228	-	-	7,228
<b>Total portfolio</b>	<b>94,358</b>	<b>3,163</b>	<b>11,954</b>	<b>1,212</b>	<b>4,398</b>	<b>115,085</b>

net like-for-like rental growth 2.7%

	Properties owned throughout the 2 years	Acquisitions	Disposals	Development properties	NET RENTAL INCOME 2012	
					Other / Currency differences	Total net rental income
Belgium	24,547	2,471	791	1,030	2,913	31,752
Finland	22,701	-	14	-	850	23,565
France	9,448	-	1,069	-16	-	10,501
Netherlands	29,298	-	3,809	280	1,615	35,002
Spain	5,878	-	913	-	105	6,896
United Kingdom	-	-	21,786	-	1,309	23,095
United States	-	-	20,143	-	-	20,143
<b>Total portfolio</b>	<b>91,872</b>	<b>2,471</b>	<b>48,525</b>	<b>1,294</b>	<b>6,792</b>	<b>150,954</b>

Like-for-like net rental growth is determined on a unit by unit basis. Units in redevelopment are excluded from the like-for-like analysis. Like-for-Like for the core retail segment amounts to 3.6%, core offices 2.5% and -3.3% for the non-core portfolio.

Calculation EPRA 'triple NAV' per share	31-12-2013	31-12-2012
Shareholders' equity per share	62.24	63.60
Effect of conversion	-	-
Adjustments for fair value of derivatives	-0.17	-0.24
Adjustments for deferred taxes	3.00	3.04
Adjustment goodwill	-0.08	-0.07
EPRA net asset value per share	64.99	66.33
Fair value of derivatives	0.17	0.24
Fair value of interest bearing debt	-1.24	-1.35
Fair value of deferred taxes	-1.80	-1.84
EPRA 'triple NAV' per share	62.12	63.38

**EPRA Cost ratio (as per)****31-12-2013***Continuing operations*

Net service charges	2,734
Property expenses	8,586
General Costs	13,798
Ground rent	(1,310)
Total Costs (EPRA)	<u>23,808</u>

Gross rental income	116,179
---------------------	---------

Cost ratio (%)	<u>20.5%</u>
----------------	--------------

**EPRA NET INITIAL YIELD AND 'TOPPED-UP' INITIAL YIELD***as per December 31, 2013, amounts x € 1,000*

	Income	Gross value	Net Bookvalue
<b>Portfolio value (net of cost to complete)</b>		1,976,503	1,737,020
Purchasers costs			231,766
Net portfolio valuation as reported in the financial statements			<u>1,744,737</u>
<b>Income and yields</b>			
Rent for valuer's initial yield (equivalent to EPRA Net Initial Yield)	114,449	5.8%	6.6%
Rent-free periods (including pre-lets)	485	0.0%	0.0%
Rent for 'topped-up' initial yield	114,934	5.8%	6.6%

**EPRA Performance Measures**

PERFORMANCE Measures	DEFINITION	PAGE	PURPOSE
EPRA NAV	Net Asset Value (NAV) adjusted to include properties and other investment interest at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model	47	Makes adjustments to IFRS NAV to provide stakeholders with the most relevant information on the fair value of the assets and liabilities within a true real estate investment company with a long-term investment strategy
EPRA NNNNAV (triple net)	EPRA NAV adjusted to include the fair values of financial instruments, debt and deferred taxes	47	Makes adjustments to EPRA NAV to provide stakeholders with the most relevant information on the current fair value of all the assets and liabilities within a real estate entity
EPRA Net Initial Yield	Annualised rental income based on cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, including estimated purchasers' cost (EPRA Net Initial Yield = (Annualised rent passing + other income + turnover rent +/- property expenses) / Gross Property Value)	48	A comparable measure for portfolio valuations
EPRA Vacancy	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio	46	A measure of investment property space that is vacant, based on ERV
EPRA Cost Ratio	The calculation for a cost ratio is based on total operating cost and gross rental income	48	Cost ratio to reflect the relevant overhead and operating costs of the business and provide a recognised and understood reference point for analysis of a company's costs



# INVESTMENT PROPERTIES

---

## INVESTMENT PROPERTY AS AT 31 DECEMBER 2013

location	retail	office	other	parking spaces	year of acquisition	year of construction or renovation	annual theoretical rent (x € 1m)
	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	number			
	n.l.a.	n.l.a.	n.l.a.				
<b>Belgium *)</b>							
<b>RETAIL PORTFOLIO</b>							
<b>Genk</b>							
Sint Martinusplein	15,400			600	2012	2008	3.4
<b>Liège</b>							
Quai des Vennes 1	30,252			2,200	1994	1994	11.0
<b>Nivelles</b>							
Chaussée de Mons 18	28,600			1,300	1984	2012	7.7
<b>Tournai</b>							
Boulevard Walter de Marvis 22	15,540			1,260	1988	1996	3.1
<b>Waterloo</b>							
Chaussée de Bruxelles 193-195	3,347			95	2010	1967	0.8
	<u>93,139</u>						<u>26.0</u>
<b>OTHER PROPERTIES</b>							
<b>Brussels</b>							
Boulevard Bischoffsheim 1-8		12,666		150	1988	2002	2.6
Medialaan, Vilvoorde		22,695		606	1998	2002	3.2
Jan Olieslagerlaan		3,077		82	1999	1999	0.4
<b>Antwerp</b>							
Veldekens, Berchem		39,971		771	1999	2002	5.3
	<u>93,139</u>	<u>78,409</u>					<u>37.5</u>
<b>Finland</b>							
<b>RETAIL PORTFOLIO</b>							
<b>Helsinki</b>							
Itis **)	94,000	10,000		1,700	2002	2014	35.0
	<u>94,000</u>	<u>10,000</u>					<u>35.0</u>
<b>France</b>							
<b>OFFICE PORTFOLIO</b>							
<b>Paris and environs</b>							
45-49 Rue Kléber, Levallois-Perret		19,679		351	1999	1999	9.1
Avenue Jules Rimet, Saint-Denis		10,921		124	1999	2001	3.1
		<u>30,600</u>					<u>12.2</u>

location	retail	office	other	parking spaces	year of acquisition	year of construction or renovation	annual theoretical rent (x € 1m)
	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	number			
	n.l.a.	n.l.a.	n.l.a.				
<b>Netherlands</b>							
<b>RETAIL PORTFOLIO</b>							
<b>Arnhem</b>							
Shopping Centre Kronenburg (leasehold until 2110)	31,752			1,000	1988	1985	8.7
<b>Purmerend</b>							
Shopping Centre Eggert	19,381			375	2010	1992	4.8
<b>Leiderdorp</b>							
Shopping Centre Winkelhof	17,857			830	1993	1999	4.3
<b>Eindhoven</b>							
Shopping Centre Woensel	10,145				2010	2006	3.4
<b>Etten-Leur</b>							
Shopping Centre Etten-Leur	22,146				1991	1995	3.9
<b>Roosendaal</b>							
Shopping Centre De Roselaar	12,736				2010	1996	3.6
<b>Capelle a/d IJssel</b>							
Shopping Centre De Koperwiek	9,103		60 app.		2010	1995	3.1
<b>Maassluis</b>							
Shopping Centre Koningshoek	14,638				2010	1973	2.8
<b>Geldrop</b>							
Heuvel 62-89A and Achter de Kerk 1, 3, 5 and 15	4,537		30 app.		1978	1996	1.1
	<b>142,295</b>		<b>90</b>				<b>35.7</b>
<b>Spain</b>							
<b>OFFICE PORTFOLIO</b>							
<b>Madrid</b>							
15 Avenida de la Vega, Alcobendas		22,579		421	1999	2000	3.6
15 Calle Fernando el Santo		3,254		39	1991	1993	0.8
		25,833					4.4
<b>OTHER PROPERTIES</b>							
46 Avenida Juan Carlos I, Collado Villalba	17,735			802	2007	2012	2.5
1-2 Calle Mariano Benlliure, Rivas-Vaciamadrid			35,248	351	2001	2002	1.8
	<b>17,735</b>	<b>25,833</b>	<b>35,248</b>				<b>4.3</b>
<b>Total</b>	<b>347,169</b>	<b>144,842</b>	<b>35,248 m<sup>2</sup></b>				<b>129.1</b>
			<b>90 app.</b>				

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

\*) Wereldhave has a 69.41% interest in the properties in Belgium.

\*\*) At completion.

## Independent valuers

*CBRE*, Amsterdam, Helsinki

*Cushman & Wakefield*, Amsterdam, Brussels

*Jones Lang LaSalle*, Paris, Madrid, London

*Troostwijk-Roux Expertises cvba*, Antwerp

## SUMMARY OF INVESTMENT PROPERTIES

The following is a summary of the open market value of the Group's investment properties at December 31, 2013. The annual rent is shown on the assumption that the buildings are fully let and before deduction of property expenses.

(x € 1,000)

	retail		offices		other		total	total
	market value	annual theoretical rent	market value	annual theoretical rent	market value	annual theoretical rent	market value	annual theoretical rent
Belgium	381.0	26.0	124.3	11.5	-	-	505.3	37.5
Finland	482.1	35.0	-	-	-	-	482.1	35.0
France	-	-	177.4	12.2	-	-	177.4	12.2
Netherlands	477.0	35.7	-	-	-	-	477.0	35.7
Spain	13.1	2.5	59.5	4.4	17.5	1.8	90.1	8.7
Total portfolio	1,353.2	99.2	361.2	28.1	17.5	1.8	1,731.9	129.1

## SUMMARY OF REVALUATIONS OF THE INVESTMENT PROPERTIES

This summary shows the revaluation in 2013 of investment properties by country and sector. The revaluations have been converted at average exchange rates.

(x € 1,000)

	value at 31-12-2013	revaluation in 2013	Core	Non core	Total
Belgium	505.3	3.3	0.8%	0.3%	0.7%
Finland	482.1	23.2	4.0%	-	4.0%
France	177.4	1.1	0.6%	-	0.6%
Netherlands	477.0	-25.1	-4.6%	-	-4.6%
Spain	90.1	-8.4	-3.9%	-16.5%	-8.5%
Total portfolio	1,731.9	-5.9	0.1%	-3.5%	-0.2%

**PRIMARY  
STATEMENTS  
OF THE ANNUAL  
ACCOUNTS 2013**

---

## CONSOLIDATED BALANCE SHEET AT DECEMBER 31, 2013

(amounts x € 1,000)

	December 31, 2013	December 31, 2012	January 1, 2012
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties in operation	1,731,942	2,073,027	2,830,169
Lease incentives	13,237	14,812	44,809
Investment properties under construction	413,229	240,044	227,932
Investment properties	2,158,408	2,327,883	3,102,910
Property and equipment	2,918	4,450	6,720
Intangible assets	3,834	3,993	6,753
Financial assets	31,763	47,702	42,375
Deferred tax assets	2,605	3,129	5,200
Other non current assets	-	1,275	424
	41,120	60,549	61,472
	2,199,528	2,388,432	3,164,382
<b>Current assets</b>			
Trade and other receivables	31,590	26,126	26,947
Tax receivables	292	5	140
Cash and cash equivalents	88,466	44,406	24,400
	120,348	70,537	51,487
Assets held for sale	6,000	543,166	-
	126,348	613,703	51,487
	2,325,876	3,002,135	3,215,869
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	216,796	216,796	216,796
Share premium	759,740	767,315	767,315
Reserves	372,890	394,643	605,910
	1,349,426	1,378,754	1,590,021
Non-controlling interest	150,325	146,998	121,871
	1,499,751	1,525,752	1,711,892
<b>Long-term liabilities</b>			
Interest bearing liabilities	672,669	1,213,778	1,224,088
Deferred tax liabilities	76,270	87,492	115,835
Other long-term liabilities	14,952	12,882	5,229
	763,891	1,314,152	1,345,152
<b>Short term liabilities</b>			
Trade payables	7,935	9,371	12,656
Tax payable	1,567	599	924
Interest bearing liabilities	8,000	75,000	64,965
Other short term liabilities	44,732	77,261	80,280
	62,234	162,231	158,825
	2,325,876	3,002,135	3,215,869

## CONSOLIDATED INCOME STATEMENT FOR FY 2013

(amounts x € 1,000)

	<b>FY 2013</b>	<b>FY 2012</b>
Gross rental income	116,179	118,359
Service costs charged	<u>22,721</u>	<u>24,820</u>
Total revenues	138,900	143,179
Service costs paid	-25,454	-27,450
Property expenses	<u>-8,586</u>	<u>-8,014</u>
	<u>-34,040</u>	<u>-35,464</u>
<b>Net rental income</b>	104,860	107,715
Valuation results	4,019	-34,672
Results on disposals	-3,583	1,832
General costs	-13,798	-18,740
Other income and expense	<u>1,391</u>	<u>-1,975</u>
<b>Operational result</b>	92,889	54,160
Interest charges	-20,293	-18,936
Interest income	<u>290</u>	<u>313</u>
Net interest	-20,003	-18,623
Other financial income and expense	<u>-7,979</u>	<u>1,197</u>
<b>Result before tax</b>	64,907	36,734
Taxes on result	<u>8,167</u>	<u>27,858</u>
<b>Result from continuing operations</b>	73,074	64,592
<b>Result from discontinued operations</b>	-23,063	-151,686
<b>Result</b>	<u>50,011</u>	<u>-87,094</u>
<i>Profit attributable to:</i>		
Shareholders	39,371	-98,439
Non-controlling interest	10,640	11,345
<b>Result</b>	<u>50,011</u>	<u>-87,094</u>
Basic and diluted earnings per share from continuing operations (x € 1)	2.88	2.46
Basic and diluted earnings per share from discontinued operations (x € 1)	-1.06	-7.00
Basic earnings per share (x € 1)	1.82	-4.54
Diluted earnings per share (x € 1)	1.82	-4.54

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(amounts x € 1,000)

	FY 2013		FY 2012
Result from continuing operations	73,074		64,592
Result from discontinued operations	<u>-23,063</u>		<u>-151,686</u>
Result		50,011	-87,094
<i>Other comprehensive income to be recycled to the income statement subsequently</i>			
Exchange rate differences	13,816		359
Revaluation of financial assets available for sale	3,025		-1,236
Effective portion of change in fair value of cash flow hedges	<u>-8,075</u>		<u>-568</u>
		8,766	-1,445
<i>Other comprehensive income not to be recycled to the income statement</i>			
Remeasurement pension schemes	<u>-1,259</u>		<u>-8,903</u>
Total other comprehensive income not to be recycled to the income statement		<u>-1,259</u>	<u>-8,903</u>
Total comprehensive income		<u>57,518</u>	<u>-97,442</u>



## CONSOLIDATED STATEMENT OF MOVEMENTS IN GROUP EQUITY FOR 2013

(amounts x € 1,000)

	Attributable to shareholders								
	Share capital	Share premium	General reserve	Revaluation reserve	Hedge reserve	Reserve for exchange rate differences	Total attributable to shareholders	Non-controlling interest	Total
<b>Balance at December 31, 2011</b>	216,796	767,315	631,199	1,351	730	-25,477	1,591,914	122,060	1,713,974
Effect implementation IAS 19	-	-	-1,893	-	-	-	-1,893	-189	-2,082
<b>Balance at January 1, 2012</b>	216,796	767,315	629,306	1,351	730	-25,477	1,590,021	121,871	1,711,892
<i>Comprehensive income</i>									
Result	-	-	-98,439	-	-	-	-98,439	11,345	-87,094
Exchange rate differences	-	-	-	-	-	359	359	-	359
Remeasurement pension schemes	-	-	-8,903	-	-	-	-8,903	-	-8,903
Revaluation of financial assets available for sale	-	-	-	-857	-	-	-857	-379	-1,236
Effective portion of change in fair value of cash flow hedges	-	-	-	-	-568	-	-568	-	-568
Total of comprehensive income	-	-	-107,342	-857	-568	359	-108,408	10,966	-97,442
<i>Transactions with shareholders</i>									
Purchase shares for remuneration	-	-	299	-	-	-	299	-	299
Purchase Genk (Belgium) - extension share capital Wereldhave Belgium	-	-	-1,264	-	-	-	-1,264	20,706	19,442
Dividend 2011	-	-	-101,894	-	-	-	-101,894	-6,545	-108,439
<b>Balance at December 31, 2012</b>	216,796	767,315	419,105	494	162	-25,118	1,378,754	146,998	1,525,752
<b>Balance at January 1, 2013</b>	216,796	767,315	419,105	494	162	-25,118	1,378,754	146,998	1,525,752
<i>Comprehensive income</i>									
Result	-	-	39,371	-	-	-	39,371	10,640	50,011
Exchange rate differences	-	-	-	-	-	13,816	13,816	-	13,816
Revaluation of financial assets available for sale	-	-	-	2,100	-	-	2,100	925	3,025
Remeasurement pension schemes	-	-	-1,259	-	-	-	-1,259	-	-1,259
Effective portion of change in fair value of cash flow hedges	-	-	-	-	-8,075	-	-8,075	-	-8,075
Total of comprehensive income	-	-	38,112	2,100	-8,075	13,816	45,953	11,565	57,518
<i>Transactions with shareholders</i>									
Purchase shares for remuneration	-	-	-66	-	-	-	-66	-	-66
Repurchase convertible	-	-7,575	3,875	-	-	-	-3,700	-	-3,700
Dividend 2012	-	-	-71,515	-	-	-	-71,515	-8,238	-79,753
<b>Balance at December 31, 2013</b>	216,796	759,740	389,511	2,594	-7,913	-11,302	1,349,426	150,325	1,499,751

## CONSOLIDATED CASH FLOW STATEMENT FOR 2013

(amounts x € 1,000)

	FY 2013	FY 2012
<b>Operating activities</b>		
<u>Result</u>	50,011	-87,094
Adjustments:		
Valuation results	-6,550	197,033
Net interest charge	25,562	39,280
Other financial income and expense	28,696	-1,197
Results on disposals	10,353	-7,896
Deferred taxes	-9,951	-26,094
Other non cash movements	1,303	1,389
	<u>49,413</u>	<u>202,515</u>
	99,424	115,421
Movements in working capital	<u>-33,923</u>	<u>-7,046</u>
<u>Cash flow from company activities</u>	65,501	108,375
Interest paid	-28,644	-38,666
Interest received	183	155
Income tax paid	-408	-700
	<u>-28,869</u>	<u>-39,211</u>
<u>Cash flow from operating activities</u>	36,632	69,164
<b>Investment activities</b>		
Proceeds from disposals direct investment properties	729,616	332,403
Proceeds from disposals indirect investment properties	163,071	-
Investments in investment property	-191,711	-208,414
Investments in equipment	-1,558	197
Inv/divestments in financial assets	3,704	-5,209
Investments in intangible assets	-135	-606
Inv/divestments in other long term assets/liabilities	-9,461	-4,353
Cash settlement forward currency transactions	-2,794	-610
<u>Cash flow from investment activities</u>	690,732	113,408
<b>Financing activities</b>		
New loans interest bearing debts	66,000	575,290
Repayment interest bearing debts	-670,591	-581,521
Transactions with shareholders	-	-47,769
Repayment other long-term liabilities	-1,244	-806
Other movements in reserves	-	299
Dividend paid	-79,777	-108,439
<u>Cash flow from financing activities</u>	-685,612	-162,946
<b>Increase / Decrease (-) cash and bank</b>	41,752	19,626
Cash and bank balances at January 1	44,406	24,400
Foreign exchange differences	2,308	380
<b>Cash and bank balances at December 31</b>	<u>88,466</u>	<u>44,406</u>

## ADDRESSES

### The Netherlands

Wereldhave N.V., Wereldhave Management Holding  
B.V. en Wereldhave Management Nederland B.V.  
WTC Schiphol, Tower A, 3<sup>rd</sup> floor  
Schiphol Boulevard 233,  
1118 BH Schiphol  
T: +31 20 702 78 00

### Belgium

C.V.A. Wereldhave Belgium S.C.A.  
30 Mediaalaan,  
B-1800 Vilvoorde  
T: +32 2 732 19 00

### Finland

Wereldhave Finland Oy  
Turunlinnantie 8, 4<sup>th</sup> floor  
FIN-00930 Helsinki  
T: +358 9 3436 4846

### France

Wereldhave Management France S.A.R.L.  
80 Avenue de la Grande Armée  
F-75017 Paris  
T: +33 1 70 39 42 50

### Spain

Wereldhave Management Spain S.A.  
c/ Fernando el Santo, 15-Bajo-dcha  
E-28010 Madrid  
T: +34 91 310 38 27

[WWW.WERELDHAVE.COM](http://WWW.WERELDHAVE.COM)

After 40 years a goodbye was said to the monumental office on the Nassaulaan in The Hague. Since June 2013, Wereldhave HQ and Wereldhave Netherlands operate from WTC Schiphol.

# RELOCATION



