Annual financial report 15

WDP
WAREHOUSES WITH BRAINS


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The strategy of WDP is aimed at creating stability for investors in terms of both dividends and long-term income. The management and Board of Directors of WDP are aware of the specific risks associated with managing a property portfolio, and do their utmost to keep them under control and wherever possible to eliminate them.

Here is an overview of the main risks facing the company, including their potential impact and the strategy used to reduce this potential impact[1].

The steps taken and the financial impact of these risks are described in detail in the separate chapters of the annual financial report.

1 The numbering for *Limiting factors and control* refers to the *Potential impact* in the next column.

Risk management

MARKET RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Economic situation Substantial deterioration of the economic situation.	1. Fall in the demand for storage and distribution facilities. 2. Higher vacancy and/or lower rents when re-let. 3. Reduction in the fair value of the property and as a result of the Net Asset Value (NAV). 4. Possible tenant bankruptcies.	Long-term: lease terms averaging 6.5 years[2] (until lease expiry).	1/2/3
		Sectoral diversification of clients and a low average contractual rent.	4
		Quality of the tenant portfolio, comprising mainly large national and international companies and a limited annual provision for dubious debts (averaging less than 0.30% of the rent per year for the past five years).	1
		Excellent location of WDP properties, mainly in the strategic Amsterdam-Rotterdam-Breda-Antwerp-Brussels-Lille logistics axis, offering easy accessibility, nearby consumers, and high logistics activity levels due to their location in the hinterland of the ports, which serve as an import and export gateway for Europe.	2/3
Rental market for logistics and semi-industrial property Lower demand for logistics and semi-industrial property, oversupply, and deterioration of tenants' financial situation.	1. Rental income and cash flow affected by a rise in vacancy rates and costs related to re-letting. 2. Reduced solvency among tenants and rise in the number of doubtful debts, leading to a decline in the rental income collection rate. 3. Fall in the fair value of the property and consequently the NAV. 4. Impossibility of pre-letting properties and of further developing the potential of land in the portfolio and improving its profitability.	Diversified client base with a limitation on the maximum exposure to a single tenant and a good spread of tenants across the industries (as well as of tenants' clients, particularly when these are third-party logistics services providers).	1/2
		Thorough integration in the market thanks to years of experience and in-house sales teams.	1/4
		Only sites in strategic logistics hubs or in secondary locations with growth potential.	1/3/4
		High degree of structural quality and durability in accordance with statutory norms and standards, promoting versatility and mixed use.	1/3
		Flexible property player that aims to meet changing client needs.	1
		Land reserves account for only approximately 49 million euros on a portfolio of 1.9 billion euros, and constitute long-term potential to respond flexibly to client requirements (speculative development is not practised).	4

2 Including solar panels.

MARKET RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Investment market for logistics and semi-industrial property Reduced investor demand for property.	1. Fall in the fair value of property. 2. As a result, decline in the NAV and increase in gearing.	Investment strategy aimed at high-quality buildings that generate stable long-term income based on relatively low rental levels.	1/2
		Prudent management of the capital structure, making it possible to offset any potential decreases in the fair value of the property. The current gearing ratio is 56%, compared with the statutory requirement of 65%.	2
		Geographic diversification of the portfolio with more than 95% of the portfolio (according to fair value) located in stable, mature Western European markets.	1
		Large share of land in the valuation of the property portfolio (36%), which has in the past been able to withstand decreases in value.	1
Interest rate volatility Sharp future fluctuations in the main short-term and/or long-term interest rates in the international financial markets.	1. Negative impact on expenses and consequently on cash flow in the event of a rise in the interest rate. 2. Sharp fluctuations in the value of the financial instruments that serve to hedge the debt. 3. Potentially negative impact on the NAV.	High degree of hedging against interest rate fluctuations (77% of debt is covered by fixed-interest financial debts) through derivative financial instruments (e.g. Interest Rate Swaps).	1
		Day-to-day monitoring of interest rate movements and of their impact on the effectiveness of the hedges.	1
		Fluctuations in the fair value of the hedging instruments represent a non-realised non-cash item (if these products are held until maturity and are not settled prematurely).	2/3
Deflation A reduction in economic activity, resulting in an overall drop in price levels.	1. Fall in rental income, due among other things to downward pressure on market rent levels and lower or negative indexation.	Clause in most leases setting a lower limit at the level of the base rent or stating that no negative indexation can take place.	1
Financial markets Extreme volatility and uncertainty in international markets.	1. More difficult access to equity markets in order to retrieve new capital/ shareholders' equity and limitations in the availability of debt financing with respect to existing and/or new credit facilities. 2. Sharp fluctuations in the share price. 3. Less liquidity available in debt capital markets with regard to the refinancing of outstanding commercial paper and/or outstanding bond loans.	Extensive, frequent dialogue with the capital markets and financial counterparties and transparent communications with clear targets.	1/2/3
		Strict monitoring and control of any risks that could negatively affect investor and financier perceptions of the company.	1/3
		Aim to build long-term relationships with financial partners and investors.	1/3
		Available unused credit facilities to cover the commercial paper programme.	3

OPERATIONAL RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Strategy Unsuitable policy decisions.	1. Failure to achieve projected returns. 2. Threat to the stability of revenue flow (as a result of visibility due to long lease terms and interest rate hedges). 3. Property portfolio not adjusted to the demand for logistics and semi-industrial property.	Defining a clear investment strategy with a long-term vision and consistent management of the capital structure.	1/2/3
		Continuous monitoring of changes in economic, property-related and regulatory trends (with regard to tax law, company law, regulations regarding GVVs/SIRs, etc).	2/3
		Experience of the management and supervision by the Board of Directors.	3
Investments Economic, tax and legal aspects relating to acquisitions.	1. Transfer of specific hidden liabilities in acquisitions and/or inaccurate assessment of tax consequences of complex transactions. 2. Acquisition of buildings that inadequately meet the quality requirements of the company. 3. Failure to achieve projected returns.	Extensive economic, strategic and property analysis of each acquisition proposal by the Investment Committee of the Board of Directors.	2/3
		Extensive due diligence process covering property, economic, tax, legal, accounting and administration aspects as part of all acquisitions – combined with the use of specialised external consultants.	1/2/3
		Valuation of properties by an independent property expert prior to acquisition.	3
Projects under development Risk specifically related to developments, such as contractor solvency and securing the required permits.	1. Inability to secure the required permits. 2. Major delays resulting in the loss of potential income. 3. Substantial overrun of investment budgets. 4. In the event of speculative developments, long periods of vacancy. 5. Failure to achieve the projected (higher) returns on developments.	Specialised in-house property development team and use of external consultants in order to hedge all risks.	1/2/3/5
		Strict monitoring of construction sites, including the implementation of penalty clauses in the event of non-compliance with contracts by third parties.	2/3/5
		Use of well-established contractors with good solvency, who submit the required guarantees.	3/5
		Community engagement to maintain a constructive dialogue with local decision-makers.	1
		In normal circumstances, no speculative developments are initiated, which means projects are launched only if they are pre-let and fully financed and the required permits have been obtained.	4/5
Non-renewal or early termination of leases Termination of leases earlier than initially expected.	1. Higher vacancy rates, assumption of costs that are typically recharged to the tenant (withholding tax and management costs) and commercial costs related to re-letting and/or downward adjustment of the rents. 2. Decline in revenues and cash flows.	Specialised in-house teams responsible for commercial management and facility management.	1
		Very extensive network in the logistics property market.	1
		Contractually required indemnity in the event of early termination of the lease.	1/2
		Preference for realistic rent levels and long-term contracts with tenants.	1

OPERATIONAL RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Vacancies Unexpected circumstances, such as bankruptcies and relocations, that result in vacancy.	1. Higher vacancy rates, assumption of costs that are typically recharged to the tenant (withholding tax and management costs) and commercial costs related to re-letting. 2. Decline in the fair value of the property, resulting in a lower NAV.	Proactive internal property management and marketing.	1
		High quality and versatility of the buildings, which increases reletting potential.	1/2
		Preference for realistic rent levels and long-term contracts with tenants, as reflected by the fact that 90% of leases which expired In the last five years were renewed by the then current tenants.	1
Negative variations in the fair value of buildings Negative revaluation of the property portfolio.	1. Negative influence of the net result and NAV. 2. Negative change in gearing ratio.	The property portfolio is valued on a quarterly basis by independent experts to ensure developing trends can be quickly identified and proactive measures taken.	1/2
		Investment policy oriented to high-quality property at strategic logistics hubs or secondary locations with growth potential.	1
		Good portfolio diversity with a maximum risk per building of 5%.	1
		Prudent, clearly defined management of capital structures.	2
Industry-specific risks Concentration of the activities of the tenant portfolio.	1. Loss of income if a specific industry is affected by an economic downturn.	Strong sectoral diversification of the tenant base.	1
Maintenance and repair Unexpected volatility in maintenance costs.	1. Decline in the results and cash flows. 2. Unexpected fluctuations in results.	Continuous inspection of the buildings by the facility managers and commercial teams in their day-to-day interaction with clients.	1/2
		Stringent periodic maintenance policy that is managed within the company.	1
Obsolescence and building quality Risk of structural and technical deterioration in the buildings' lifecycle.	1. Obsolescence of the buildings, reducing their commercial appeal. 2. Loss of income and long period during which the invested capital does not generate a profit.	Regular update of investment plans for the portfolio, with the objective of maintaining the highest quality levels.	1/2
		Ad-hoc redevelopment and renovation of obsolete properties in addition to regular investment in quality and sustainability.	1
Destruction of buildings Destruction by fire, natural disasters, accidents, terrorism and so on.	1. Discontinuity in the use of the building. 2. Loss of rental income and possible client turnover.	The insured value of the portfolio is based on the new value, i.e. the cost of restoring the building to its original state, including architects' fees and value-added tax.	1
		Loss of rental income due to temporary full or partial vacancy is also insured (loss of rent for a maximum period of two years).	2

OPERATIONAL RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Concentration risk Risk of concentration of tenants or concentration of investments in one or more buildings.	1. Sharp decline in income and cash flows in the case of the departure of a tenant. 2. Increased effect of a decline in the fair value of the property and consequently the NAV if investments are concentrated in one or more buildings. 3. Dependence on green energy certificates with regard to solar energy.	Highly diversified tenant base, where the largest tenant accounts for 7%[3] of rental income (spread over several sites).	1
		Furthermore, the largest tenants (8 of the top 10) are spread over several buildings, various countries and different activities.	1
		Good property portfolio spread over approximately a hundred sites, with the largest property representing less than 5% of the fair value of the portfolio.	2
		Constant monitoring of political decisions regarding green energy certificates at various legislative levels with a view to anticipating, reducing or avoiding a possible impact.	3
		Social importance in green energy as a mitigating factor.	3
Tenant solvency Risk of partial default or bankruptcy of clients.	1. Sudden unexpected decline in rental income due to a lower collection rate or a decline in occupancy. 2. Commercial costs of reletting if tenant insolvency results in vacancies.	Extensive tenant solvency check by external rating agency prior to inclusion in portfolio.	1
		Target for portfolio development through long-term contracts with first-rate stable, solvent tenants.	1
		Rent is payable in advance on a monthly, quarterly or (in exceptional cases) annual basis.	1
		Standard rent deposit covering at least three months, which is at the disposal of WDP (as owner).	1/2

FINANCIAL RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Counterparty risks Insolvency/credit risk at financial partners.	1. Loss of deposits (WDP as creditor). 2. Cancellation of existing lines of credit, costs related to restructuring facilities if these are taken over by another financial party and risk of higher charges for new credit (WDP as creditor).	Diversification of financing sources among different instruments and counterparties.	1/2
		Well-regulated financial position, with any cash surplus used to reduce financial liabilities, insofar as this surplus is not used for new investments.	1
Liquidity risk Non-availability of financing or term of financing options.	1. Impossibility of financing acquisitions or projects (with shareholders' equity or debt) or higher costs that reduce profitability. 2. Non-availability of financing to repay interest, capital or operating costs. 3. Higher cost of debt due to higher bank margins, impacting the result and cash flows. 4. Higher refinancing risk for the part of the short-term debts (12% of the total), predominantly commercial paper.	Conservative and prudent financing strategy with a balanced spread of maturity dates for debts maturing between 2016 and 2024, diversification of financing sources (63% through traditional bank loans and 37% via the capital market) and a large group of stable banking partners, with whom longstanding banking relationships exist.	1/3
		Maintenance of sufficient lines of credit to finance operating costs and planned investments. At 31 December 2015 total undrawn confirmed long-term credit lines amounted to 110 million euros.	1
		Continuous dialogue with investors and banking partners in order to build solid long-term relationships.	1/2/3
		The commercial paper is fully covered by the backup lines and unused credit facilities that serve as a guarantee for refinancing if the full placement or extension of the commercial paper proves impossible. Backup lines and unused credit facilities also need to be renewed periodically.	4

3 Including solar panels.

FINANCIAL RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Cost of capital Combination of unfavourable interest rate movements, higher risk premium in equity markets and/or rise in the cost of debt.	1. Material rise in the company's weighted average cost of capital (i.e. shareholders' equity and debt). 2. Impact on the profitability of the company as a whole and on new investments.	Protection from interest rate rises through the use of hedging instruments, with 77% of debts hedged[4]. If the rise in interest rates is the result of higher inflation, the indexation of rental income is also a mitigating factor.	1/2
		Continuous dialogue with investors and banking partners in order to build solid long-term relationships.	1/2
Budget Risk that financial results will deviate from the budget and statutory requirements.	1. Impact of the company's performance and non-compliance with specific obligations.	Quarterly update of the financial model, including testing of the assumptions and preparation methods, and daily monitoring of (economic, property and other) parameters that could affect the result.	1
Use of derivatives Risks of using derivatives to hedge the interest rate risk.	1. Complexity and volatility of the fair value of the hedging instruments and by extension the NAV as published in accordance with IFRS. 2. Counterparty risk with regard to partners with whom derivatives contracts have been signed.	Fluctuations in the fair value of the hedging instruments relate to a non-realised non-cash item (if the products are held until the maturity date and not terminated prematurely) and are displayed separately in the analytical profit and loss account in order to improve readability.	1
		All derivatives are used solely for hedging purposes. No instruments are held for speculative use.	1
		Cooperation with leading financial institutions.	2
Covenants and statutory financial parameters Risk of non-compliance with requirements to meet specific financial parameters under credit agreements and the statutory regimes to which the company is subject.	1. Sanctions and/or stricter supervision by the regulator if specific statutory financial parameters are not met (e.g. compliance with the gearing ratio as laid down in the GVV/SIR Royal Decree). 2. Possible cancellation of credit facilities and diminished confidence among investors and bankers in the event of non-compliance with contractual covenants.	Prudent financial policy, including continuous monitoring in order to meet financial parameters such as a maximum gearing ratio of 65% and a minimum Interest Coverage Ratio of 1.5x.	1/2
		Pursuant to Article 24 of the GVV/SIR Royal Decree of 13 July 2014, WDP draws up a financial plan (in which gearing at 31 December 2015 was approximately 56%)[5].	1
Foreign currency risks Risk of currency fluctuations relating to operations conducted outside the euro zone.	1. Decline in revenues and cash flows. 2. Decline in the value of the investments.	WDP operates primarily in the euro zone.	1/2
		The euro is the functional currency for the company's limited operations outside the euro zone (Romania), and any impact of exchange rate fluctuations (either realised or through conversion effects) is not substantial.	1/2

4 For the description of hedging policy in general and during the relevant period we refer to *5.4. Management of the financial resources* on page 54 as well as note *XIV. Financial instruments* on page 211.
5 For more details on the expected development of the gearing and the financial plan, we refer to note *XXI. Calculation of the gearing and notes regarding changes in gearing* on page 221.

REGULATORY AND OTHER RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Regulatory framework for GVVs[6] Non-compliance or amendment of the rules required by the tax-transparent regime used for the Belgian operations.	1. Loss of tax status and compulsory repayment of specific credit facilities in the event of non-compliance with the rules. 2. Negative impact on the results or NAV in the event of any changes in the regime.	Continuous monitoring of the statutory requirements and compliance with those requirements, assisted by specialised external consultants. Intensive dialogue with the regulator as part of the prudential regulation of GVVs/SIRs. Representation of the company in organisations that represent the GVV/SIR industry.	1/2 1/2 1/2
Regulatory framework for FBIs[6] Non-compliance or amendment of the rules required by the fiscally transparent regime used for the Dutch operations.	1. Loss of tax status and compulsory repayment of specific credit facilities in the event of non-compliance with the rules. 2. Negative impact on the results or NAV in the event of any changes in the regime.	Continuous monitoring of the statutory requirements and compliance with those requirements, assisted by specialised external consultants.	1/2
Regulatory framework for SIICs[6] Non-compliance or amendment of the rules required by the tax-transparent regime used for the French operations.	1. Loss of tax status and compulsory repayment of specific credit facilities in the event of non-compliance with the rules. 2. Negative impact on the results or NAV in the event of any changes in the regime.	Continuous monitoring of the statutory requirements and compliance with those requirements, assisted by specialised external consultants.	1/2
Changes in the regulatory framework the company is operating in Possible negative impact of translating new EU regulations in Belgian law.	1. Negative impact of business, result, profitability, financial wellbeing and prospects. 2. Negative impact on the current operating model.	Continuous monitoring of the statutory requirements and compliance with those requirements, assisted by specialised external consultants.	1/2

6 More information is available in chapter *12. General information regarding the public GVV/SIR, the FBI and the SIIC* on page 257.

REGULATORY AND OTHER RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Changes to international accounting rules Changes to international financial reporting standards (IFRS).	1. Potential impact on reporting, capital requirements, use of derivatives and organisation of the company. 2. Resulting impact on transparency, returns and possibly the valuation.	Continuous assessment of changes to statutory requirements and compliance, assisted by specialised external consultants, and gathering of advice from industry organisations.	1/2
Urban planning legislation Regulatory changes implemented by public and/or administrative authorities.	1. Negative impact on opportunities to lease the buildings, having an impact on rental income and ability to re-let the properties, along with the increased costs of maintaining the operational condition. 2. Fall in the fair value of the property portfolio and consequently the NAV. 3. Delay in new build and/or renovation projects.	Continuous assessment and possibly anticipation of changes to statutory requirements and compliance, assisted by specialised external consultants, and gathering of advice from industry organisations.	1/2/3
Environmental law Regulatory changes implemented by public and/or administrative authorities.	1. Negative impact on opportunities to lease the buildings, having an impact on rental income and ability to re-let the properties, along with the increased costs of maintaining the operational condition. 2. Fall in the fair value of the property and consequently the NAV. 3. Delay in new build and/or renovation projects.	Continuous assessment and possibly anticipation of changes to statutory requirements and compliance, assisted by specialised external consultants, and gathering of advice from industry organisations.	1/2/3
Expropriation risk Expropriation as part of public expropriations by competent government agencies.	1. Loss of investment value and forced sale at a loss. 2. Loss of income due to lack of reinvestment opportunities.	Continuous dialogue with the government in order to develop constructive solutions in the interest of all stakeholders.	1/2
Transactions Complexity of acquisitions and divestments.	1. Taking over certain inaccurately assessed risks, affecting the company's profitability or financial situation.	Extensive due diligence process covering property, economic, tax, legal, accounting and administration aspects as part of all acquisitions – combined with the use of specialised external consultants.	1
Human resources Turnover of key employees.	1. Negative impact on existing business relations. 2. Reputational damage in relation to stakeholders. 3. Loss of decisiveness and efficiency during the management decision process.	Competitive pay package for employees.	1
		Clear and consistent procedures in order to ensure continuity.	1/2/3
		Working in teams to ensure that individuals are not solely responsible for important and strategic tasks.	3

REGULATORY AND OTHER RISKS

DESCRIPTION OF RISK	POTENTIAL IMPACT	LIMITING FACTORS AND CONTROL	
Politics Various decisions made by regional, national or European political governments, for example with regard to taxation or subsidy laws.	1. Dependent on the field in which any decision is taken, it can negatively impact the company's results (e.g. its tax situation), planned investments, strategy or targets. 2. Changes in the regulatory framework for solar energy subsidies and/or new levies on renewable energy.	Continuous monitoring of the political decisions made at the various regulatory levels, making it possible to anticipate, reduce or avoid a possible impact.	1/2
Potential changes to regulations New legislation and regulations could come into force or changes could be made to existing legislation and regulations[7] or they could be reinterpreted and applied by agencies (including the tax administration) or courts.	1. Negative impact of business, result, profitability, financial wellbeing and prospects.	Constant monitoring of existing and future legislation, regulations and requirements and related compliance, assisted by specialised external advisors.	1

7 Such as existing practices within the tax administration, as mentioned in Ci.RH.423/567.729 of 23 December 2004 of the Belgian Finance Ministry setting out how the exit tax is calculated, which, among other things, stipulates that the actual/fair value of the fixed asset used to calculate the exit tax base is determined by taking account of the registration fees or the VAT that would be applied if the fixed asset in question was sold, which can be different (including lower) to the fair value of these assets as determined for IFRS purposes in the financial statements.

Readers should note that these risks are constantly reassessed and that new risks may be identified. Consequently, this is a non-exhaustive list based on information known when this report was published.

Please also note that risk management is not performed with a specific frequency, but rather constitutes an integral part of the company's business operations. This ranges from day-to-day financial and operational management, the analysis of new investment cases and the formulation of the strategy and objectives to the implementation of tight decision-making procedures. Understanding and hedging risks ensuing from internal and external factors is vital to achieving stable long-term returns.

2 History and milestones

VALUE OF THE PORTFOLIO

1977-1998 and earlier

Formation of Rederij De Pauw NV to which the property assets of the Jos De Pauw family group were transferred. // Start of development into specialised semi-industrial property company.

1999

Formation of Warehousing & Distribution De Pauw Comm. VA. // Company status: vastgoedbevak/sicafi. // IPO with increase in capital to support growth. // Formation of WDP Italia SRL and WDP CZ SRO.

2000

Formation of WDP France SARL.

2001

Name changed to Warehouses De Pauw. // Formation of WDP Nederland BV.

2003

Successful capital increase.

2004

Free float to 70% after the sale of a 20% stake of main shareholder the Jos De Pauw family.

2005

Sale of WDP Italia SRL. // Focus on two main regions: the Breda-Antwerp-Brussels-Lille axis and the Czech Republic.

2006

Strategic plan for 2006-09: doubling of portfolio value to 700 million euros over four years. // Capital increase after partial acquisition of the property of Massive NV in sale and rent back transaction.

2007

Acquisition of the shares of Royvelden NV. // Acquisition of Univeg's property portfolio. // Formation of WDP Development RO.

2008

Launch of the solar energy project, which is expected to lead to a total installed power of 30 MWp and a carbon-neutral property portfolio.

2009

Acquisition through payment in shares of DHL premises in Meer, Willebroek and Mechelen. // Successful capital increase.

2010

First BREEAM certificate for logistics premises in the Netherlands. // WDP Nederland BV becomes WDP Nederland NV and gains FBI status (Fiscale Beleggingsinstelling). // Financing package agreed with the European Investment Bank (EIB) to enlarge the portfolio in Romania.

2011

Strategic growth plan 2011-13 defining three growth markets: leases (within the existing portfolio, in ongoing projects and in projects on own land reserves), further implementation of the carbon-neutral portfolio and acquisitions. // Acquisition of the portfolio of Wereldhave NL. // WDP is the first vastgoedbevak/ Sicafi to offer an optional dividend.

2012

Strategic expansion in the Netherlands with the acquisition of the Lake Side Portfolio. // Completion of new-build project at a top location at Schiphol Airport. // Sale of WDP CZ SRO.

2013

Strategic plan for 2013-16: ambition to grow the portfolio by 50% to to 1.8 billion euros over four years and achieve a cumulative growth in net current result per share of 20-25% to 4.40-4.60 euros per share. // First bond issue. // Innovative optimisation in Londerzeel for four clients. // Logistics of tomorrow: multimodal locations in Vilvoorde, Port of Ghent and Meerhout. // Diversification of the portfolio: two sites in Geel on the Antwerp-Limburg logistics axis. // Completion of two solar farms in Romania.

2014

Change in company status to Regulated Real Estate Company (GVV/SIR). // Further internal professionalisation in response to the growth of the company. // Acceleration in the rhythm of investment with various new strategic acquisitions. // Issue of a retail bond. // (Indirect) contribution in kind of the Tiel site in the Netherlands. // Upgrade of the ambitions in the strategic growth plan for 2013-16.

2 billion euros

2015

Contribution in kind of the FMCG campus in Bornem. // WDP and The Greenery conclude a long-term partnership. // Launch of a 30 MWp solar park project in the Dutch property portfolio. // Private bond placement. // Accelerated investment pace through several new acquisitions and projects in the core markets. // Doubling of portfolio in Romania to a total of approx. 100,000 m² of lettable space. // Kick-off WDPort of Ghent. // Dual listing: WDP shares now listed on Euronext Amsterdam. // WDP achieves its 2013-16 growth targets one year earlier than planned, with a portfolio valued at around 2 billion euros[1] and a net current result per share of 5.00 euros. // Implementation of a new growth plan for 2016-20 with the ambitious target of growing the portfolio by 1 billion euros to 3 billion euros and a cumulative 25% increase in profit per share.

1 Including projects under development.

"The speed and efficiency at which the portfolio and the company have developed in 2015 is amazing, and allow us to further develop the existing platform and to roll out a new growth plan for 2016-20."

MARK DUYCK CHAIRMAN OF THE BOARD OF DIRECTORS

3

Chairman's letter to the shareholders

2015 was an exceptional year for WDP.

First, we managed to achieve the targets of our 2013-16 growth plan one year earlier than planned. The value of our portfolio is set to pass the 2 billion euros mark and further growth in profitability has led to an increase in the net current result (EPRA) per share rising 22% to 5.00 euros per share. On this basis, we are proposing an 18% increase in the dividend to 4.00 euros per share, based on a distribution rate of 80%. Moreover, we managed to further strengthen the company's fundamentals with a view to creating future shareholder value.

In doing so, we have remained true to our strategy: to develop a portfolio in logistics and semi-industrial property in selected geographical markets, and to differentiate ourselves vis-à-vis our customers through a fully integrated approach. Alongside various high-quality projects for well-known national and international companies, we for instance completed a state-of-the-art cold store for Lantmännen Unibake, an international bakery.

Showing innovation and commitment to sustainability, we continue together with our partners to design the logistics site of the future. For instance, we have developed for online retailer wehkamp an e-commerce warehouse with power from a PV installation and an Excellent BREEAM rating. In the Netherlands a new solar panel programme with a total capacity of approximately 30 MWp has been launched. We intend to continue along this path, despite having to battle against the wind of lower energy prices.

In 2015 we managed to further consolidate the high investment rate, as reflected by a total investment volume of some 300 million euros. All these investments are characterised by the pre-let developments in our core Benelux market. In the growth market Romania, the amount of rented floor space doubled to 100,000 m^2.

Our strategy of building and maintaining long-term partnerships steadily generates repeat business with existing customers. The trust and stability that this gives our customers is confirmed by the consistently high occupancy rate of 97.5% at the end of 2015, based on a 90% renewal rate for leases expiring in the coming year.

The strategic importance of the core Dutch market is reflected by the fact that the Dutch portfolio has grown to now rival the Belgian portfolio in value. It therefore seemed a matter of course to have WDP shares listed on Euronext Amsterdam, next to the existing historical reference market, Euronext Brussels. Already market leader in Belgium, WDP is no longer just a Belgian but now a true Benelux company operating in both the Netherlands and Belgium.

With respect to the financial aspect, here again we remain true to our strategy of strict capital discipline under which the issue of capital (debt and equity) is directly linked to real estate investments, with the ultimate goal of growing earnings per share. In this respect, we were able to strengthen equity by around 100 million euros via the optional dividend, the retained earnings and the contribution in kind from the Bornem site. In addition, equity has risen through the

"In a consistent continuation of our successful strategy, we are now targeting portfolio growth of 1 billion euros over the next five years, together with increased profitability in the form of a cumulative increase in net current result (EPRA) per share of at least 25%."

increase in the value of our property portfolio as assessed by property experts. Overall, this has led to our gearing ratio remaining constant at around 55-56%. In Belgium we were successful in issuing a 92 million euros bond through a private placement. Moreover, the extension of existing hedging instruments provided improved profit visibility and direct savings, resulting in the average cost of debt dropping to 2.8%.

These allround operating and financial dynamics resulted in an excellent 2015, with the target of the 2013-16 growth plan, i.e. to achieve a net current result (EPRA) of 5.00 euros per share, being achieved one year earlier than planned.

This strong development prompted us to launch a new growth plan for 2016-20. In the coming five years, WDP aims to expand its portfolio in its existing markets by 1 billion euros, bringing it up to 3 billion euros. This in turn will enable a cumulative increase in the net current result (EPRA) per share of at least 25%, bringing it up to at least 6.25 euros. For 2016 we are forecasting a net current result (EPRA) of 5.20 euros per share and a dividend of 4.20 euros per share. WDP bases this growth first on its well-diversified portfolio of customers and buildings, backed by a professional marketing platform with motivated employees offering tailor-made service to WDP clients day in, day outout. Secondly, its intensive pure player strategy is now bearing fruit, is now bearing fruit, within a context where demand for logistics property is being driven by such structural trends as the need for infrastructure, supply chain specialisation and automation, e-commerce, etc.

The confidence that customers and shareholders show in WDP, would not be possible without the unfailing efforts of all staff, members of the management team and external service providers. I would like to take this opportunity to sincerely thank them for this. I am similarly very grateful for the valued cooperation of my colleagues, the members of the Board of Directors.

MARK DUYCK
Chairman of the Board of Directors

4 Strategy

Investment segments

The cornerstone of WDP is its consistent pure player strategy pursued for decades, with a clear focus on investments in, development and long-term leasing of high-grade sustainable logistics and semi-industrial property.

WDP is the market leader in the Benelux region[1] and a respected European player, also active in France and Romania.

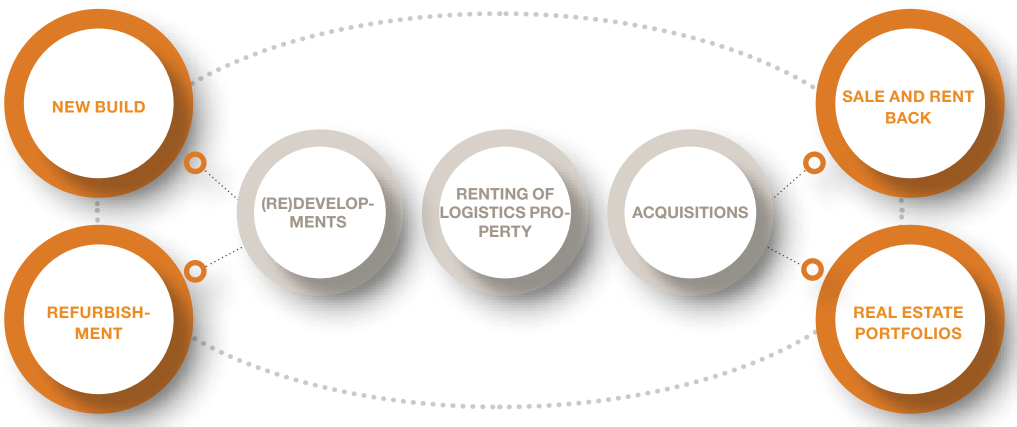
WPD has been steadily enlarging its property portfolio by developing self-financed storage and distribution facilities, based on client demand and requirements and with due consideration for the highest industry standards. In addition, the GVV/SIR[2] also invests directly in existing quality sites, always with a view to long-term letting.

1 This statement is based on a comparative calculation of the number of square metres of lettable surface area in the portfolio.

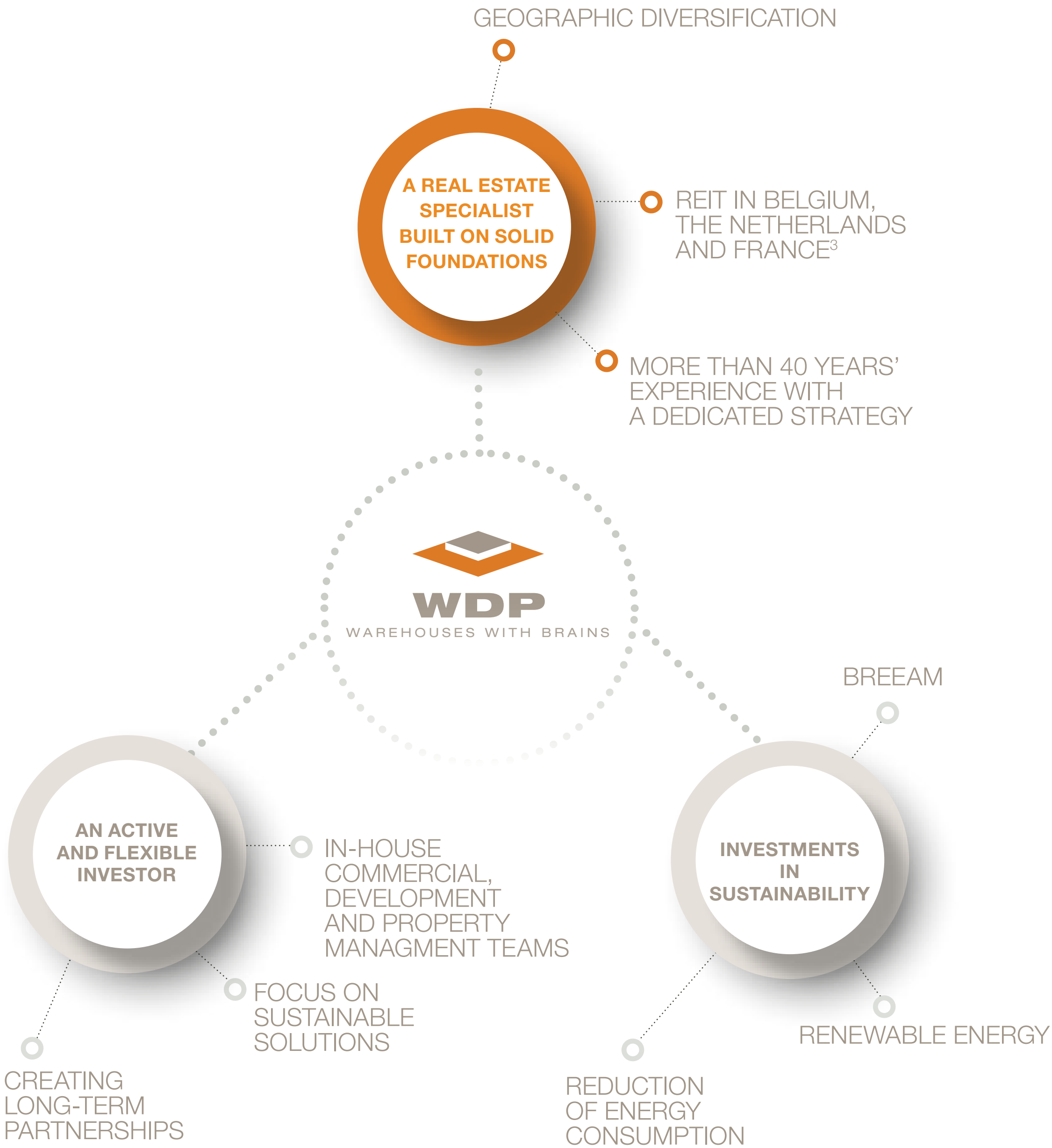
Warehouses with Brains

The backbone of WDP's policy is the high occupancy rate, the result of long-term leases with tenants, who are first and foremost regarded as partners. WDP wants to be a real estate partner that thinks together with its clients. Hence our slogan: WDP - Warehouses with Brains.

2 GVV/SIR stands for Regulated Real Estate Company. In 2014, the status of WDP changed from Sicafi to GVV/SIR. All information in this regard can be found in Section *12. General information regarding the public GVV/SIR, the FBI and the SIIC* on page 257.



A pure player focused on the logistics sector



3 REIT (Real Estate Investment Trust) is the internationally used name for listed real estate investment funds with special tax status. In Belgium: GVV, in the Netherlands: FBI and in France: SIIC.

As a GVV/SIR, WDP is not a passive fund but, rather, a commercial company offering tailor-made premises and property solutions. Furthermore, WDP is a self-managed company, with management taking place within the company and entirely at the service of the shareholders and other stakeholders. By maintaining projects in the portfolio following completion or acquisition, any additional profits achieved at WDP remain in the company.

As the market leader in logistics and semi-industrial property, WDP closely monitors trends in the industry so we can always offer tenants state-of-the-art properties and solutions. By developing and managing projects using in-house teams with many years of experience, WDP can always guarantee high-quality solutions.

WDP

A DYNAMIC AND SPECIALISED PROPERTY COMPANY OFFERING CREATIVE AND SUSTAINABLE SOLUTIONS

CREATING A SUSTAINABLE AND GROWING INCOME STREAM AND FOCUS ON ASSETS WITH STRONG RESIDUAL VALUE

BUILDING SCALE AND FINANCIAL STRENGTH TO DIVERSIFY RISKS AND DRIVE PERFORMANCE

LEAN AND MEAN POSITIONING WITHIN ITS CORE MARKETS SO AS TO MAINTAIN FLEXIBILITY

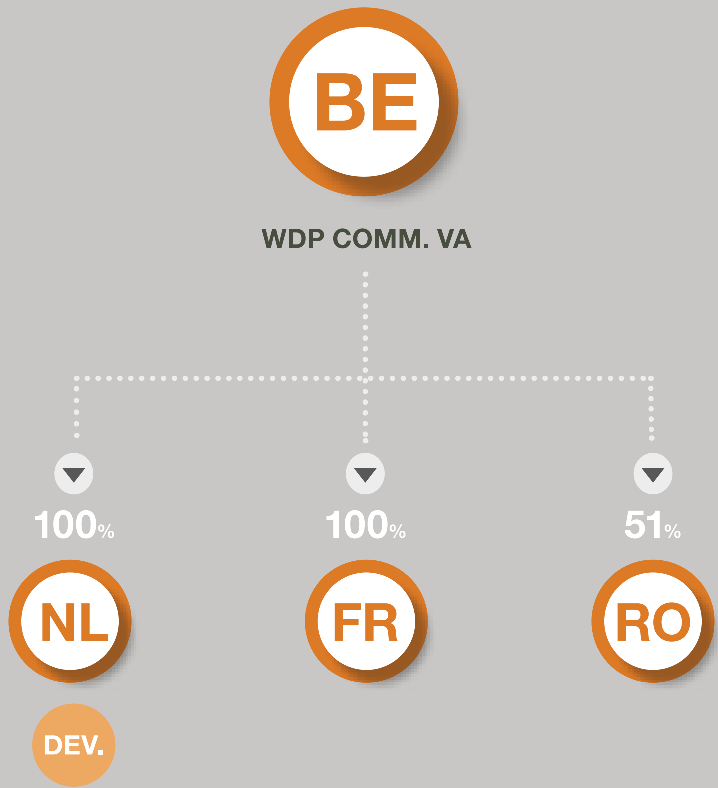
Another key concept in WDP's strategy is flexibility. Through its detailed knowledge of its tenants and their operating areas, combined with a diversified portfolio, WDP is able to quickly respond to changing customer needs. By working with a relatively small but committed team, WDP can also guarantee tenants fast and flexible solutions, while the high operating margin benefits our shareholders.

That brings us to another key concept in WDP's strategy: in-house knowhow. At WDP, we not only have our own sales team focused on achieving the highest possible occupancy. At the same time, property in the portfolio is developed and managed under the care of our own project and facility managers. We also maintain tight control of financial, accounting and legal aspects. It is important to manage all critical property functions in-house so that any problems can be dealt with speedily and efficiently and the company's long-term wellbeing can be protected.

This operational model has no impact on the cost structure, which remains competitive.

Lastly, WDP pursues a strategy in which the growth achieved by the company is clearly defined and generates added value for clients and shareholders alike, so that growth is controlled and sustainable.

The WDP group



THE NETHERLANDS

WDP Nederland NV
Hoge Mosten 2
4822 NH Breda

WDP Development NL NV
Hoge Mosten 2
4822 NH Breda

FRANCE

WDP France SARL
rue Cantrelle 28
36000 Châteauroux

ROMANIA

WDP Development RO SRL
1 Baia de Arama Street,
building C1, 1st floor,
office no. 19, district 2,
Bucharest

A 51-49% joint venture with entrepreneur
and Romania specialist Jeroen Biermans.

Market leader in the Benelux region

WDP is the market leader in the Benelux logistics and semi-industrial property market.

Priority markets are Belgium, the Netherlands and France, supplemented by the growing logistics market Romania.

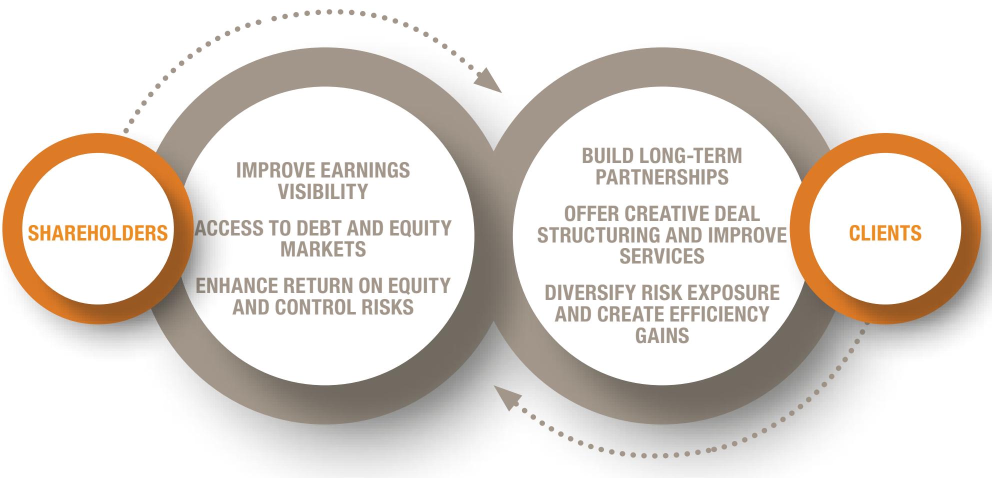
Site selection is based on proximity to strategic storage and distribution hubs. More than 95% of the WDP portfolio is situated in prime locations on the Amsterdam-Rotterdam-Breda-Antwerp-Brussels-Lille logistics axis.

The properties in the portfolio are located in the economic heart of Western Europe, which is home to a large concentration of consumers with disposable income. They are also situated in the strategic hinterland of the ports of Antwerp and Rotterdam, which serve as import and export gateways for Europe.

Investment criteria

In launching new projects and acquiring new properties, we always apply a number of strict criteria. The basic requirements include an adjusted market return and the positive outcome of a thorough screening process check ing for all potential technical, financial, commercial, and property-related risks.

In addition, with regard to financing, efforts are made to match property investments closely to the synchronous issue of new equity and debt. This provides for a healthy mix of own capital and external funding. Furthermore, the basic philo-



WIN-WIN FOR ALL STAKEHOLDERS
GENERATING SUSTAINABLE GROWTH IN PROFIT PER SHARE

sophy of the company – sustainable earnings per share – can be put into practice through capital increases backed by immediately yielding assets.

WDP invests in a new or existing property only when it is convinced of the re-letting potential after the current tenant has left. The buildings must also have high residual value – i.e. a lasting high value of the sites even at the end of the commercial lifespan of the buildings.

Any buildings or land in which the company invests must contribute to the total portfolio value and to earnings per share. They must be in line with the modern, efficient portfolio and so also the network WDP wishes to build in the logistics market.

Sustainability

As a long-term investor in logistics property WDP is aware of the important role it plays with regard to the environment and community life, and accordingly feels it is critical to enlarge its portfolio in a sustainable and responsible way. For instance, WDP focuses on the energy efficiency of its buildings, always with the intention of amply fulfilling all legal obligations. Innovative projects are implemented to reduce customer energy bills.

This is always based on a win/win approach benefiting all stakeholders. Furthermore, WDP has also made investments in green energy, installing solar panels on the roof of some of its portfolio properties. In Romania solar farms have been set up at a number of available sites.

Financial policy

Our financial policy is also based on a number of fixed conditions. The first is high occupancy based on long-term leases with tenants who are also partners. Secondly, all stakeholders (shareholders, clients, financiers, employees and suppliers) must benefit from strict cost control together with a sound debt structure and interest rate hedges.

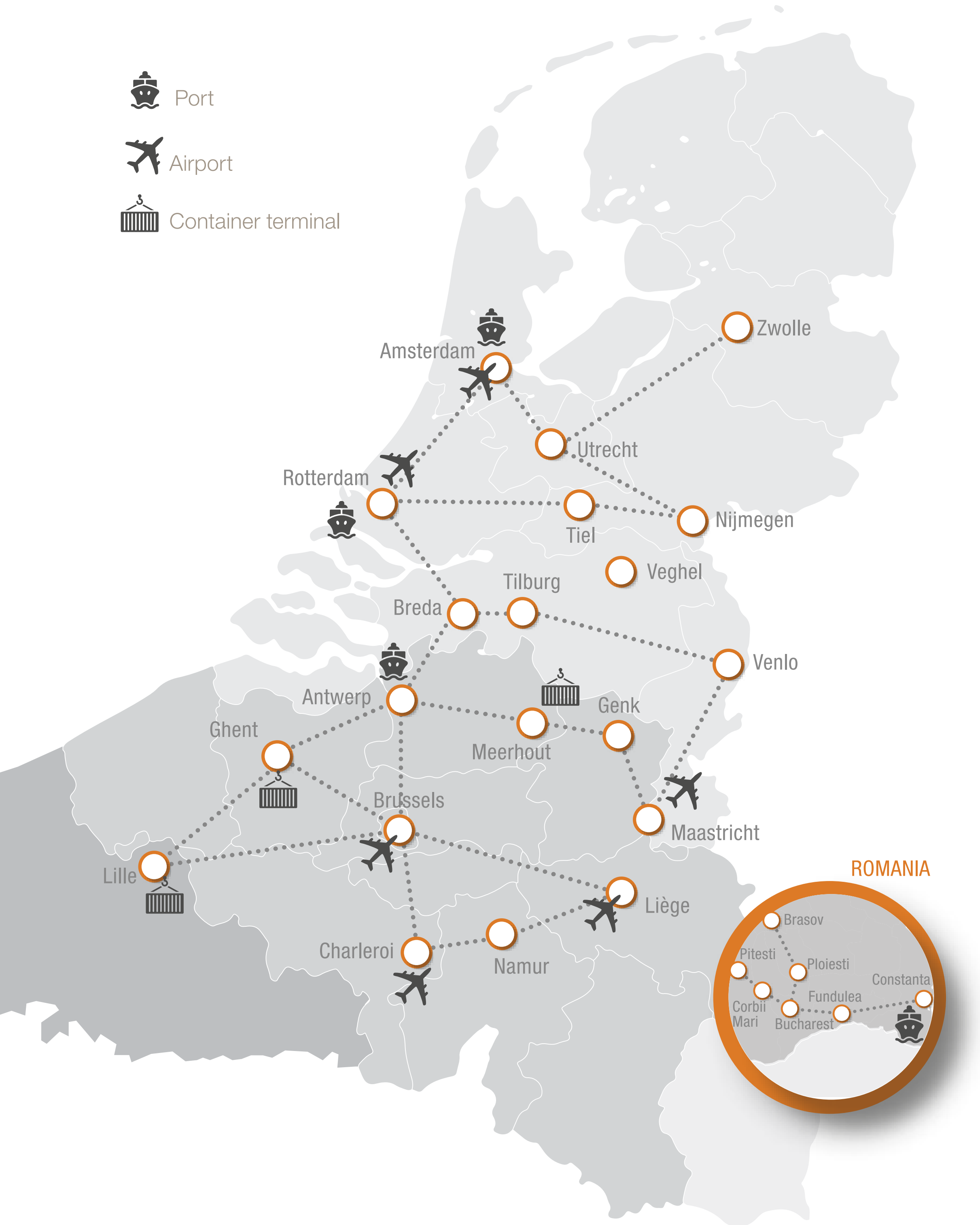
Appropriate financing is a sine qua non for a solid, profitable business model, given the capital-intensive nature of the property sector. The target is to maintain a gearing ratio of between 55% and 60%, with a high debt coverage ratio. By continuously upscaling, WDP aims to achieve a competitive debt and capital costs.

Our sustainable prudent but attractive dividend policy generates a consistently high, steadily increasing dividend per share. A financial buffer can also be built in by retaining part of the earnings.

Advantages of the GVV/SIR structure

Over the years, WDP has positioned itself as a leading listed property expert setting standards in logistics and semi-industrial property.

In Belgium, WDP is structured as a public GVV/SIR (Regulated Real Estate Company), also subject to the prudential supervision of the FSMA. In the Netherlands and France the company has the status of a Fiscale Beleggingsinstelling (FBI)


Port
Airport
Container terminal
Amsterdam
Zwolle
Utrecht
Rotterdam
Tiel
Nijmegen
Veghel
Tilburg
Breda
Venlo
Antwerp
Genk
Ghent
Meerhout
Brussels
Maastricht
Lille
Liège
Charleroi
Namur
ROMANIA
Brasov
Pitesti
Ploiesti
Constanta
Fundulea
Corbii Mari
Bucharest

and a Société d'Investissement Immobilier Côtée (SIIC), respectively. This enables WDP to operate in its core markets using the defensive Real Estate Investment Trust model (REIT). As a consequence, WDP reaps the benefits of a number of attractive features of this form of investment.

The GVV/SIR is, as a defensive investment vehicle, subject to strict regulations designed to protect shareholders and financiers. The GVV/SIR status gives financiers and investors alike the opportunity to access a diversified property portfolio in a balanced, cost-effective and tax-transparent way.

By emphasising the creation of long-term cash flows, in conjunction with the high earnings distribution obligation, a GVV/SIR like WDP provides a full-fledged, profitable, liquid alternative to direct property. Due to the scale of the portfolio, WDP provides investors with immediate substantial economies of scale in specific regions as well as healthy diversification.

Operating as a GVV/SIR, FBI and SIIC in Belgium, the Netherlands and France respectively, internationally WDP can position itself consistently with clients, suppliers, banks and investors.


wehkamp

5 Management report

1. Consolidated key figures

	2006	2007
OPERATIONNAL		
Fair value of the property portfolio (including solar panels) (in million euros)	429.6	616.6
Total surface area (in m²) (including land in concession)	1,954,000	2,799,000
Lettable area (in m²)	804,768	952,819
Gross initial yield (including vacancies)[1] (in %)	8.2	7.2
Average lease term (until first break)[2] (in years)	N/A	N/A
Occupancy rate[3] (in %)	96.6	98.5
Operating margin[4] (in %)	88.9	91.8
RESULT (IN MILLION EUROS)		
Property result	29.9	37.3
Operating result (before result on the portfolio)	26.6	34.2
Financial result (excluding IAS 39)	-4.3	-7.7
Net current result (including participation joint ventures) (EPRA)	22.3	26.2
Result on the portfolio (including participation joint ventures) (IAS 40)	16.3	26.1
Revaluation of financial instruments (IAS 39)	3.5	0.8
Depreciation and impairment on solar panels (including participation joint ventures) (IAS 16)	N/R	N/R
Net result (IFRS)	42.0	53.2
FINANCIAL		
Balance sheet total (in million euros)	457.2	663.5
Shareholders' equity (excluding IAS 39) (in million euros)	271.9	304.2
Net financial debt (in million euros)	159.9	313.5
Debt and liabilities included in gearing (in million euros)	177.0	334.8
Gearing ratio[5] (in %)	38.7	50.5
Average cost of debt (in %)	N/A	N/A
Interest Coverage Ratio[6] (in x)	5.9	4.5
FIGURES PER SHARE (in euros)		
Gross dividend	2.47	2.72
Net current result (EPRA)	2.75	3.05
Result on the portfolio (IAS 40)	2.01	3.04
Revaluation of financial instruments (IAS 39)	0.43	0.10
Depreciation and impairment of solar panels (IAS 16)	N/R	N/R
Net result (IFRS)	5.18	6.19
NAV (IFRS)[7]	32.0	36.10
NAV (EPRA)[7]	31.5	35.5

1 Calculated by dividing the annualised gross (cash) rents by fair value. The fair value is the value of the property investments after deduction of transaction costs (mainly transfer tax).
2 Including the solar panels which are included in the remaining weighted average term of the green energy certificates.
3 Calculation based on the rental values for the leased properties and the non-leased surfaces, including the income from solar panels. Ongoing projects and/or renovations are not considered.
4 The operating margin is obtained by dividing the operating result (before the portfolio result) by the property result.
5 For the calculation method used for the gearing, please refer to the GVV/SIR Royal Decree of 13 July 2014.

Some figures are rounded up or down, so totals in some tables may not represent exact arithmetical totals of the figures preceding them.

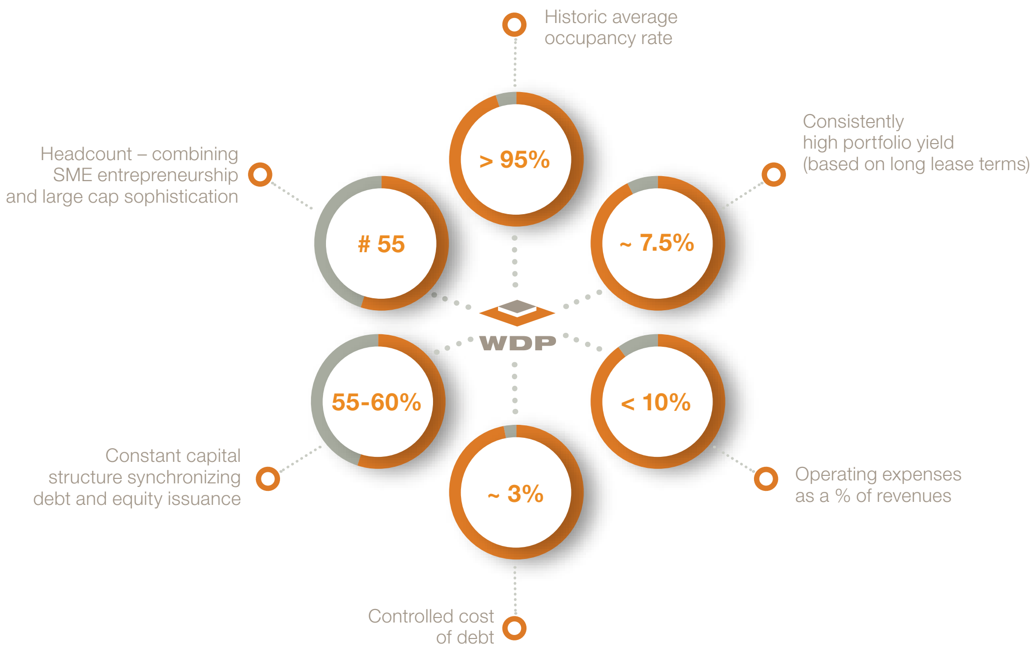
2008	2009	2010	2011	2012 restated[8]	2013 restated[8]	2014	2015
777.8	883.7	889.2	989.4	1,163.1	1,273.1	1,567.3	1,930.0
3,767,000	3,975,000	3,969,000	4,281,504	4,793,766	4,849,454	5,701,562	6,613,567
1,123,754	1,302,670	1,356,407	1,659,621	2,018,150	2,137,602	2,432,230	3,081,943
7.8	8.3	8.3	8.3	8.0	8.2	8.0	7.6
N/A	N/A	6.1	7.2	7.2	7.3	7.1	6.5
98.7	91.7	95.7	96.7	97.3	97.4	97.6	97.5
90.1	92.4	91.8	91.7	91.3	91.8	91.8	92.1
46.9	57.8	62.7	69.1	81.3	89.0	101.8	129.1
42.2	53.4	57.5	63.3	74.3	81.8	93.5	119.0
-12.8	-18.1	-18.5	-18.9	-21.3	-21.4	-25.4	-27.1
28.7	34.0	39.0	44.3	52.1	59.6	67.3	90.9
-15.7	-22.7	-4.2	2.7	1.7	-0.7	19.7	47.4
-28.8	-10.9	-2.3	-17.3	-18.5	20.8	-19.4	7.8
N/R	N/R	N/R	N/R	N/R	N/R	-2.90	-3.4
-15.8	0.4	32.6	29.7	35.3	79.7	64.7	142.7
802.7	916.1	922.4	1,018.9	1,181.1	1,283.1	1,570.3	1,907.3
282.3	399.3	406.0	453.3	520.6	576.7	682.5	829.4
475.8	492.8	499.2	547.0	644.1	686.8	863.6	1,041.7
506.1	506.1	509.1	561.3	655.7	701.1	876.8	1,062.9
63.0	55.3	55.2	55.1	55.1	54.6	55.8	55.7
N/A	N/A	4.3	4.0	3.6	3.6	3.5	2.9
3.0	2.5	2.9	3.1	3.4	3.6	3.3	4.2
2.94	2.94	2.94	2.94	3.11	3.25	3.40	4.00
3.34	3.14	3.11	3.42	3.67	3.85	4.10	5.00
-1.83	-2.29	-0.33	0.21	0.12	-0.05	1.20	2.60
-3.35	-1.01	-0.18	-1.34	-1.30	1.35	-1.18	0.43
N/R	N/R	N/R	N/R	N/R	N/R	-0.18	-0.19
-1.84	-0.21	2.60	2.29	2.49	5.15	3.94	7.85
30.4	29.3	29.6	29.4	29.9	32.8	35.2	41.5
33.2	32.0	32.5	33.4	34.6	35.9	39.2	44.9

6 Defined as operating result before the result on portfolio divided by interest charges less interest and dividends collected less fee for financial leasing and other.

7 NAV = Net Asset Value before profit distribution for the current financial year.

8 As a result of the entry into force of IFRS 11 *Joint Agreements* in 2014, comparable historical figures are shown in relation to previous period. With regard to the statistics related to reporting concerning the portfolio, the proportional part of WDP in the portfolio of WDP Development RO is still shown (51%).

BUILT ON STRONG FUNDAMENTALS[9]



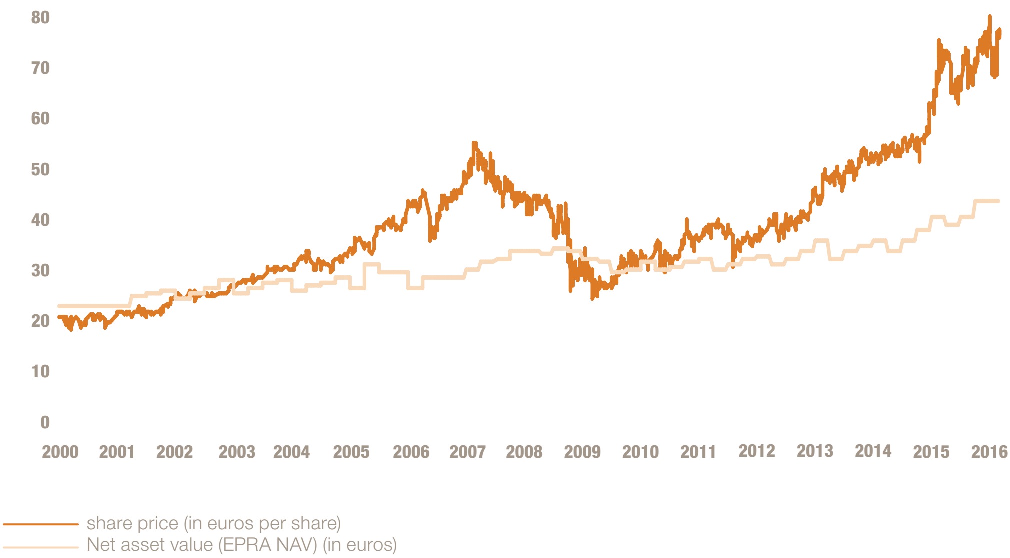
EPRA KEY PERFORMANCE INDICATORS[10]

	31.12.2015	31.12.2014
EPRA (in euros per share)	5.00	4.10
EPRA NAV (in euros per share	44.9	39.2
EPRA NNNAV (in euros per share	41.0	34.6
EPRA Net Initial Yield (in %)	6.9	7.3
EPRA Topped-up Net Initial Yield (in %)	6.9	7.3
EPRA vacancy rate (in %)	2.6	2.6
EPRA cost ratio (including direct vacancy costs) (in %)	10.0	9.4
EPRA cost ratio (excluding direct vacancy costs) (in %)	9.7	9.1

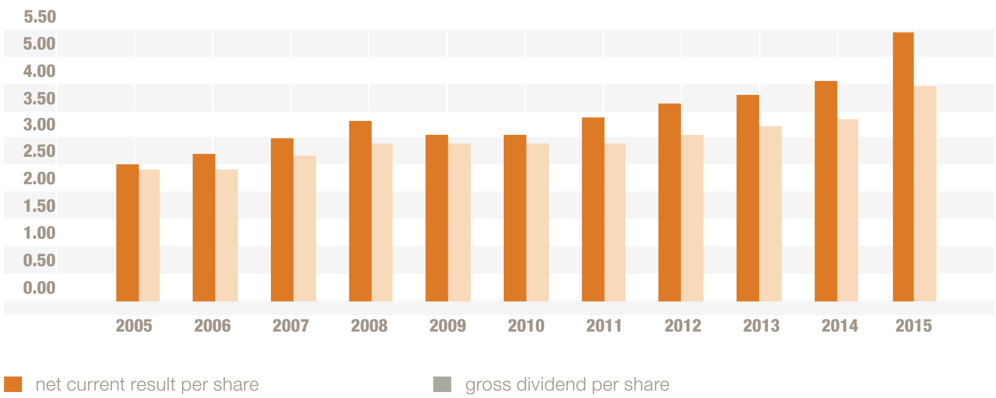
9 Based on parameters throughout the cycle.

10 Financial performance indicators calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. See also www.epra.com.

SHARE PRICE VERSUS NET ASSET VALUE (NAV)



HISTORICAL NET CURRENT RESULT AND GROSS DIVIDEND PER SHARE



2. Notes to the consolidated results for 2015

1. Summary[1]

- The net current result (EPRA) per share[2] over 2015 increased by 22.1% to 5.00 euros, compared to 4.10 euros in 2014. Approximately 12% (0.50 euros per share) of the increase of 22%, which was higher than projected, is related to the strong growth of the portfolio through acquisitions and pre-leased projects and a higher income from the solar panels due to a sunny summer, with 6% (0.25 euros per share) driven by the reduction in the cost of debt and 4% (0.15 euros per share) by one-off lease termination fees in the fourth quarter of 2015.

- A proposed 18% dividend increase to 4.00 euros per share over 2015 (with a possible optional dividend) based on a pay-out ratio of about 80%.

- The occupancy rate[3] on 31 December 2015 amounted to 97.5%, stable compared to 97.6% at the end of 2014. The average duration (until the first termination date) of the lease contracts of the WDP portfolio is 6.5 years (including solar panels).

- On 31 December 2015, the gearing ratio was 55.7%, compared to 55.8% on 31 December 2014. The fair value of the portfolio[4] was 1,930.0 million euros compared to 1,567.3 million euros at the end of 2014.

- The NAV (EPRA)[5] was 44.9 euros on 31 December 2015, compared to 39.2 euros on 31 December 2014.

- The total investment volume within the scope of the 2013-16 growth plan currently amounts to approximately 800 million euros, on the basis of which the portfolio has increased to 2 billion euros (including projects under development). Together with the net current result (EPRA) per share of 5.00 euros, the targets of the 2013-16 growth plan have been achieved one year earlier than planned.

- The extension of the existing hedging instruments[6] has led to an improved earnings visibility and an immediate cost saving, resulting in a drop of the cost of debt to 2.8% as of 31 December 2015.

1 As a consequence of IFRS 11 *Joint Arrangements* coming into effect, the results and effect on the balance sheet of the joint venture WDP Development RO, in which WDP holds 51%, were incorporated with effect from 1 January 2014 according to the net equity method. WDP's share in the portfolio of WDP Development RO (51%) still appeared as part of the statistics in the reporting on the portfolio.

2 Based on the weighted average number of outstanding shares, i.e. 18,181,244, during 2015.

3 The occupancy rate is calculated on the basis of the rental values of the leased buildings and the unleased premises and includes incomes from solar panels. Projects under development and/or renovation projects are not considered.

4 The portfolio value is composed of investment properties, investment properties under development for own account with the purpose of being rented out, assets held for sale and the fair value of the solar panels. If the solar panels are not taken into consideration, the portfolio value amounts to 1,844.0 million euros, compared to 1,492.1 million euros at the end of 2014.

5 Financial performance indicator calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. Please see www.epra.com.

6 WDP has made use of the very low interest rates to re-examine its existing hedging instruments. Within this context, a number of existing Interest Rate Swaps were extended by flattening these over time in a cash-neutral manner.

- WDP wishes to continue its focused and profitable expansion by implementing a new growth plan that targets an increase of the portfolio value with 1 billion to 3 billion euros for the period 2016-20. This growth will be generated through acquisitions and pre-leased projects on existing and/or new land, supported by WDP's professional platform. The objective for 2016-20 is a cumulative increase in the net current result per share (EPRA) of at least 25% to a minimum of 6.25 euros per share.

- In 2016, WDP expects its net current result (EPRA) to rise by 4% to 5.20 euros per share (an increase of 7%, excluding non-recurring items in 2015). Consequently, an increase in the dividend for 2016 (payable in 2017) is anticipated to 4.20 euros gross per share; again an increase, and this time by 5% in comparison with 2015, based on a payout ratio of approximately 80%.

2. Notes to the consolidated profit and loss account 2015 (analytical schedule)

Property result

The property result amounted to 129.1 million euros in 2015, an increase of 26.8% compared to last year (101.8 million euros). This increase was driven by the continued growth of the portfolio in 2014-15, primarily in Belgium and the Netherlands, through acquisitions and the completion of pre-leased projects. Based on an unchanged portfolio, the level of rental income has remained stable year by year (0.0%)[7]. This result also includes 8.2 million euros of income from solar panels (as compared to 6.8 million euros in the same period last year, when there was both less solar radiation and smaller capacity installed). The property result also includes, under the item *Indemnifications related to early lease terminations*, two lease termination fees totalling 3.7 million euros.

Operating result (before the result on the portfolio)

The operating result (before the result on the portfolio) amounts to 119.0 million euros for 2015, an increase of 27.3% compared to the same period last year (93.5 million euros). Property and other general expenses amounted to 10.1 million euros over the 2015 financial year, representing an increase of 1.8 million euros compared to

7 Calculated according to EPRA Best Practices Recommendations. Please see www.epra.com.

expenses in 2014. WDP succeeded in continuing to keep costs under control, as a result of which the operating margin[8] fover 2015 amounted to 92.1% – comparable to 2014 (91.8%).

8 The operating margin, obtained by dividing the operating result (before the result on the portfolio) by the property result.

Financial result (excluding IAS 39)

The financial result (excluding IAS 39) amounted to -27.1 million euros for 2015, an increase compared to last year (-25.4 million euros) because of the higher amount of outstanding financial debt. The total financial debt amounted to 1,042.3 million euros on 31 December 2015 compared to 863.8 million euros at the beginning of the year. The average cost of debt amounted to 2.9% in

CONSOLIDATED RESULTS (In euros X 1,000)	31 DEC. 15	31 DEC. 14
Rental income, net of rental-related expenses	117,185	93,438
Indemnification for early termination of leases	3,750	0
Income from solar energy	8,200	6,819
Other operating income/costs	-50	1,567
Property result	**129,086**	**101,824**
Property charges	-3,921	-2,830
General company expenses	-6,213	-5,535
Operating result (before result on the portfolio)	**118,952**	**93,458**
Financial result (excluding IAS 39)	-27,147	-25,378
Taxes on net current result	-450	-152
Deferred taxation on net current result	-719	-479
Participation in the result of associated companies and joint ventures	302	-113
NET CURRENT RESULT (EPRA)	**90,938**	**67,337**
RESULT ON THE PORTFOLIO (IAS 40)		
Movement in the fair value of investment property (+/-)	47,690	20,145
Result on disposal of investment property (+/-)	-76	13
Participation in the result of associated companies and joint ventures	-259	-455
Result on the portfolio (IAS 40)	**47,355**	**19,703**
REVALUATION OF FINANCIAL INSTRUMENTS (IAS 39)		
Revaluation of financial instruments	7,839	-19,375
Revaluation of financial instruments (IAS 39)	**7,839**	**-19,375**
DEPRECIATION AND AMORTIZATION ON SOLAR PANELS (IAS 16)		
Depreciation on solar panels	-3,010	-2,556
Participation in the result of associated companies and joint ventures	-425	-360
Depreciation and amortization on solar panels (IAS 16)	**-3,435**	**-2,916**
NET RESULT (IFRS)	**142,698**	**64,750**

KEY RATIOS
(in euros)

	31 DEC. 15	31 DEC. 14
Net current result (EPRA)/share[1]	5.00	4.10
Result on the portfolio (IAS 40)/share[1]	2.60	1.20
Revaluation of financial instruments (IAS 39)/share[1]	0.43	-1.18
Depreciation and amortization on solar panels (IAS 16)/share	-0.19	-0.18
Net result (IFRS)/share[1]	7.85	3.94
Net current result/share[2]	4.91	3.87
Proposed payment	74,029,040	59,291,390
Dividend payout ratio (versus net current result)[3]	81.4%	87.9%
Gross dividend/share	4.00	3.40
Net dividend/share	2.92	2.55
Weighted average number of shares	18,181,244	16,432,763
Number of shares outstanding at end of the period	18,507,260	17,438,644

1 Calculation based on the weighted average number of shares.
2 Calculation based on the number of shares entitled to dividend.
3 The dividend pay-out ratio is calculated based on the consolidated result. Dividend is distributed on a statutory basis by WDP Comm. VA.

2015 compared to 3.5% in 2014. This decrease is primarily the result of the extension of the existing hedging instruments, leading to an improved earnings visibility and an immediate cost saving.

Net current result (EPRA)

The net current result (EPRA) of WDP for 2015 amounts to 90.9 million euros. This result represents an increase of 35.0% compared to the result of 67.3 million euros in 2014. This represents an increase per share of 22.1% (from 4.10 to 5.00 euros). 12% of this increase (or 0.50 euro per share) is driven by the strong growth of the portfolio and the higher income from solar panels, 6% (0.25 euro per share) is driven by the reduction in the cost of debt, and 4% (0.15 euro per share) is due to the net impact of two lease termination fees.

Result on the portfolio (IAS 40)

The result on the portfolio (IAS 40) for the entire financial year amounts to +47.4 million euros[9],or +2.60 euros per share[10]. For the same period last year, this result amounted to +19.7 million euros or + 1.20 euros per share. This yields the following results per country for 2015: Belgium (+20.5 million euros), the Netherlands (+31.3 million euros), France (-4.2 million euros) and Romania (-0.3 million euros).

9 This includes joint ventures' shares in the result on the portfolio.
10 Based on the weighted average number of outstanding shares, i.e. 18,181,244, during 2015.

Revaluation of financial instruments (IAS 39)[11]

The impact of IAS 39 amounted to +7.8 million euros or +0.43 euros per share during 2015 (compared to -19.4 million euros or -1.18 euros per share in 2014). This positive impact is the result of movements in the fair value of the interest rate hedges entered into (mainly Interest Rate Swaps) as of 31 December 2015, as a result of a slight increase in the long-term interest rates in the course of 2015.

Movements in the fair value of these interest rate hedges are recognised in full in profit and loss rather than in shareholder's equity. Since this effect involves a non-cash and unrealised item, it is removed from the financial result in the analytical presentation and is recognised separately in the income statement.

Write-down and depreciation of solar panels (IAS 16)

The solar panels are valued in the balance sheet at fair value based on the revaluation model in accordance with IAS 16, *Tangible fixed* assets. Under IAS 16, WDP has to include a depreciation component in its IFRS accounts, based on the remaining life of the PV installations. The depreciation is calculated on the basis of the fair value as of the previous balance sheet date. Then, this net carrying value is revalued once again towards fair value. This revaluation is recognised directly in the shareholders' equity, unless the value falls below the initial cost (in which case the depreciation is recognised in the income statement). The depreciation component amounted to -3.4 million euros for 2015 (including joint ventures' shares in the result on the portfolio). Since this effect involves a non-cash and unrealised item, it is removed from the operating result in the analytical presentation and is recognised separately in the income statement.

Net result (IFRS)

The net current result (EPRA) along with the result on the portfolio (IAS 40) and the revaluation of financial instruments (IAS 39), led to a net result (IFRS) in 2015 of 142.7 million euros (compared to 64.7 million euros in 2014).

The difference between the net result of 142.7 million euros and the net current result of 90.9 million euros can primarily be attributed to the positive change in the fair value of the interest hedging instruments (IAS 39), the positive fluctuations in the value of the portfolio (IAS 40) and the write-down and depreciation of the solar panels (IAS 16).

11 The impact of IAS 39 (non-cash item) is calculated based on the mark-to-market (M-t-M) value of the interest rate hedges entered into.

BALANCE SHEET (in euros X 1,000)	31 DEC. 15	31 DEC. 14
Fixed assets	**1,893,137**	**1,547,013**
Intangible assets	96	93
Investment property	1,796,888	1,461,814
Other tangible fixed assets (including solar panels)	74,708	63,699
Financial fixed assets	14,084	13,573
Trade receivables and other non-current assets	4,088	4,500
Participation in associated companies and joint ventures, equity method	3,273	3,333
Current assets	**14,143**	**23,318**
Assets held for sale	823	1,346
Trade debtors	5,792	6,125
Tax benefits and other current assets	5,395	13,922
Cash and cash equivalents	551	234
Other current liabilities	1,582	1,691
TOTAL ASSETS	**1,907,281**	**1,570,331**
Shareholders' equity	**768,273**	**613,494**
Capital	143,568	135,329
Premiums on issues	304,426	239,399
Reserves	177,581	174,016
Net result for the financial year	142,698	64,750
LIABILITIES	**1,139,008**	**956,837**
Non-current liabilities	980,884	734,328
Non-current financial liabilities	916,010	664,928
Other non-current financial liabilities	64,874	69,400
Current liabilities	158,125	222,509
Current financial liabilities	126,313	198,886
Other current liabilities	31,812	23,623
TOTAL LIABILITIES	**1,907,281**	**1,570,331**

KEY RATIOS (in euros)	31 DEC. 15	31 DEC. 14
NAV (IFRS)/share	41.5	35.2
NAV (EPRA)/share	44.9	39.2
Share price	81.2	62.7
Premium/discount with regard to NAV (EPRA)	81.0%	60.0%

(in million euros)		
Fair value of the portfolio (including solar panels)[1]	1,930.0	1,567.3
Debt and liabilities included in gearing	1,062.9	876.8
Balance sheet total	1,907.3	1,570.3
Gearing ratio[2]	55.7%	55.8%

1 With due consideration for the proportional share of WDP in the portfolio of WDP Development RO (51%).
2 For the calculation method used for the gearing, please refer to the GVV/SIR Royal Decree of 13 July 2014.

3. Notes to the consolidated balance sheet 2015

Property portfolio[12]

According to independent property experts Stadim, Cushman & Wakefield, DTZ Zadelhoff and BNP Paribas Real Estate, the fair value[13] of the WDP property portfolio, in compliance with IAS 40, was at 1,844.0 million euros on 31 December 2015, compared to 1,492.1 million euros at the start of the financial year (including the *Assets held for sale* item). Together with the valuation at fair value of the investments in solar panels[14], the total portfolio value evolved to 1,930.0 million euros compared to 1,567.3 million euros at the end of 2014.

This value of 1,930.0 million euros includes 1,761.0 million euros in completed properties (standing portfolio). The projects under development represent a value of 33.5 million euros with, amongst others, projects in Belgium in Ghent, Heppignies and Willebroek, in the Netherlands in Barendrecht and Breda, and in Romania in Ramnicu Valcea and Sibiu (2). In addition, there are land reserves in Sint-Niklaas, Courcelles, Heppignies, Libercourt and the land bank in Romania, with a fair value of 49.5 million euros.

The implemented investments in solar panels were valued as of 31 December 2015 at a fair value of 86.0 million euros[15].

The overall portfolio is valued at a gross rental yield of 7.4%[16]. The gross rental yield, after the addition of the estimated market rental value of the unleased parts, equates to 7.6%.

Shareholders' equity

At 31 December 2015, the company's shareholders' equity (IFRS) was 768.3 million euros compared with 613.4 million euros at year-end 2014. The shareholders' equity excluding the cumulated IAS 39 result (which is incorporated in shareholders' equity under IFRS) was 829.4 million euros at 31 December 2015 versus 682.5 million euros at the end of 2014. This increase is the result of growth through profit generation during 2015, the dividend distribution for the 2014 financial year, and the realised capital increases in 2015 following the optional dividend and the capital increase following the MLB transaction. In addition, there was an increase in the value in the property portfolio as estimated by the independent experts. Shareholders' equity (EPRA), including the abstraction of the (negative) mark-to-market (M-t-M) value of the interest rate hedges (under IAS 39) amounted to 830.4 million euros at 31 December 2015.

12 As a consequence of IFRS 11 *Joint Arrangements*, coming into effect, the results and effect on the balance sheet of the joint venture WDP Development RO, in which WDP holds 51%, were incorporated with effect from 1 January 2014 according to the net equity method. WDP's share in the portfolio of WDP Development RO (51%) still appeared as part of the statistics in the reporting on the portfolio.

13 For the exact valuation method used, we refer to the BEAMA press release dated 6 February 2006 www.beama.be.

14 The investments in solar panels are valued in compliance with IAS 16 by applying the revaluation model.

15 See *VI. Segmented information – Assets by segment.*

16 Calculated by dividing the annualised contractual gross (cash) rents by the fair value. The fair value is the value of the property investments after deduction of transaction costs (mainly transfer tax).

NAV per share

The NAV (EPRA) per share was 44.9 euros on 31 December 2015. This represents an increase of 5.7 euros compared to a NAV (EPRA) per share of 39.2 euros on 31 December 2014. The NAV (IFRS*)* per share was 41.5 euros on 31 December 2015, compared to 35.2 euros on 31 December 2014.

Debts[17]

Total long-term and short-term financial liabilities in 2015 increased from 863.8 million euros at 31 December 2014 to 1,042.3 million euros at the end of December 2015. Debts and liabilities as included in the calculation of the gearing ratio in accordance with the GVV/SIR Royal Decree rose from 876.8 million euros to 1,062.9 million euros. At the same time, the balance sheet total rose from 1,570.3 million euros at 31 December 2014 to 1,907.2 million euros at year-end 2015. As a result, the gearing ratio at the end of December 2015 was 55.7% versus 55.8% at the end of December 2014.

17 As a consequence of IFRS 11 J*oint Arrangements*, coming into effect, the results and effect on the balance sheet of the joint venture WDP Development RO, in which WDP holds 51%, were incorporated with effect from 1 January 2014 according to the net equity method. WDP's share in the portfolio of WDP Development RO (51%) still appeared as part of the statistics in the reporting on the portfolio.

3. Transactions and realisations

1. Introduction

In 2015 WDP was able to further consolidate its leading position on the Benelux market as a specialised and fully integrated logistics property company

Total investment volume within the framework of the 2013-16 growth plan is now about 800 million euros on the basis of which the portfolio has evolved towards 2 billion euros (including projects under development). The bulk of these new investments are in the core Benelux market, although the portfolio has also grown in Romania.

2. Acquisitions and disposals

2.1. Acquisitions

The acquisitions listed were made for a total of approximately 235 million euros[1], at prices in line with the fair value as determined in the valuation reports of the independent property experts. These acquisitions generate a gross overall rental yield of ca. 7.25%

Belgium

- **Bornem, Sluisweg 32:** a strategic XXL site in Bornem, the multimodal FMCG[2] campus for DHL Supply Chain covers some 100,000 m², located on concession land near the Willebroek container terminal. The site consists of some 72,000 m² of existing buildings and some 18.000 m² of warehouse space in a second phase[3]. There is also an agreement with professional property developer MG Real Estate concerning the possible long-term realisation of a third phase of about 13,000 m² (on the basis of leasing it to DHL Supply Chain). This site was acquired on 31 March 2015, via WDP's purchase of 100% of the shares in the company MLB NV which owns the rights to this site. The price paid for the MLB NV[4] shares was based on the total investment value of the real estate held by this company of around 58 million euros (including the 10 million euros project under construction). This transaction has led to a 48.0 million euros increase in shareholders' equity, of which (approximately) 5.5 million euros has been allocated to the Capital item and (approximately) 42.5 million euros to the Share premium account item.
  In addition, at the beginning of May 2015, WDP was able to finalise the acquisition of two PV installations with a combined installed capacity of 3MWp on the roof of the MLB site in Bornem. This acquisition, with an overall investment value of around 8 million euros and annual revenue of about 1 million euros, was realised through the acquisition of 100% of the shares in the companies Suncop I NV and Suncop 2 BVBA.

- **Asse, Z4 Broekooi 290:** this site, formerly owned by the British logistics investor Segro and with direct access to the

1 Including 12 million euros for Alblasserdam (see *5.3.9 Management report – Transactions and realisations – Significant events after the balance sheet date* on page 53 and excluding 10 million euros for the second phase of the acquisition in Echt (Susteren).

2 FMCG stands for Fast Moving Consumer Goods.

3 See *5.3.3. Management report – Transactions and realisations – Projects under development – Belgium* on page 47.

4 MLB is the acronym for Maritime Logistics Bornem.

Brussels Ring road, consists of a warehouse and offices totalling approximately 26,000 m² on a 5 ha site and is fully leased to the paper and packaging company Antalis. This transaction was realised at the beginning of January 2015 and has an investment budget of about 11 million euros[5]. The lease runs until the end of May 2016, after which WDP intends to wholly or partially redevelop the site, on the basis of pre-letting.

- **Willebroek, Victor Dumonlaan 32:** close to the container terminal in Willebroek. MG Real Estate plans to complete a site of about 40,000 m² on an area of 7.5 hectares. During the first phase, a logistics building of about 15,000 m² was constructed which was completed and acquired by WDP in mid-June 2015. During the second phase, this area will be doubled, with completion planned for the second quarter of 2016[6]. Both phases were let to Damco based on a 3-6-9 lease contract. Damco wishes to consolidate its logistics activities between the port of Antwerp and Brussels at the new Willebroek site. Some 10,000 m² of development potential remains available at the site. WDP is acquiring the entire phased site after completion by MG Real Estate. The investment amount for the first phase totalled approximately 10 million euros.

The Netherlands

- **Moerdijk, Transitoweg 5:** WDP acquired this site, a property formerly owned by the Spoorwegpensioenfonds and currently leased to OWIM (a Lidl subsidiary), in February 2015. This fully owned site consists of warehouses with office space of over 41,000 m² and cross-dock facilities located at the port of Moerdijk, which, among other facilities, is equipped with a sea transport terminal. This transaction has an investment budget of approximately 18 million euros[7].

- **Barendrecht, Dierensteinweg 30/ Spoorwegemplacement 1 and Breda, ABC 5301:** in the beginning of May 2015, WDP and The Greenery entered into a partnership for the acquisition, redevelopment and expansion of The Greenery sites located in Barendrecht and Breda. Initial WDP investment is approximately 46 million euros for the acquisition of both sites[8].

- **Tilburg, Hermesstraat 1:** a site within the Vossenberg industrial estate in the immediate vicinity of the container terminal in Tilburg, the Netherlands, with a total area of over 45,000 m². The TAPA-certified buildings, equipped with cooling systems, are fully pre-leased to logistics service provider ID Logistics, which performs the distribution activities for Fujifilm Europe BV, the former owner of the site and still active at the neighbouring production site. This transaction was realised mid-May 2015

5 Including transaction costs.
6 See *5.3.4. Management report – Transactions and realisations – Projects under development – Belgium* on page 49.
7 Including transaction costs.
8 See *5.3.4. Management report – Transactions and realisations – Projects under development – The Netherlands* on page 50.

and required an overall investment amount of 36 million euros on behalf of WDP. ID Logistics has signed a rental commitment for a fixed period of 5 years, with an option to extend for another five years.

- **Sites te Meppel, Bodegraven (2) and Drunen:** sale-and-rent-back operation realised at the end of June 2015 for four properties with a total of over 37,000 m² and formerly owned by Steenbergen. These properties have been adapted to the logistics activities of this logistics service provider, which has signed an average 8-year lease within the scope of this transaction. This transaction has an investment budget of about 6 million euros.
- **Hasselt, Hanzeweg 21 and 29:** multimodal hub in the Zwolle (Hasselt) region, consisting of a container terminal with an area of approximately 23,000 m² (based on a long-term 20-year lease), to which is linked a cross-dock warehouse of approximately 10,000 m². This is let to Westerman Logistics, a logistics provider for the Benelux region and northern Germany on a 10-year lease. There is also a distribution centre of approximately 20,000 m² for the knock-down[9] truck activities of heavy vehicle producer Scania Logistics Netherlands, housed at its production site, also located in Zwolle. This acquisition was realised during the third quarter of 2015 and has an investment budget of about 25 million euros.
- **Veghel, Eisenhowerweg 15:** in July 2015, WDP signed a purchase agreement to acquire a plot of land of approximately 8,500 m², adjacent to the existing site, for 1.5 million euros for the future realisation of a project, subject to lease agreements.
- **Eindhoven, Achtseweg Noord 20:** On 31 December 2015, WDP concluded a sale and rent back transaction with DHL Parcel Benelux for their premises in Eindhoven, Netherlands, for a total investment of about 25 million euros. The site includes a cross-docking centre with a surface area of some 30,000 m² benefiting the Benelux distribution network of courier company DHL, as well as a 1.6 ha land reserve.

Romania

- **Clinceni:** Warehouse space and offices totalling some 10,000 m² for Quehenberger Logistics in the Bucharest region. The investment budget is around 5 million euros[10].

2.2. Disposals

- **Leuven, Vaart 25-35:** anticipating the need for more housing, WDP entered into a partnership agreement with project developer L.I.F.E. to convert the existing Hungaria building, where various smaller merchants are currently established, to a residential tower block. I love Hungaria will

9 Complete Knocked Down or CKD is a production process in the automotive sector. With CKD vehicles, all parts are manufactured, packed in crates, shipped, and then put together at a local assembly plant in the country of destination.

10 Based on 100% of the investment.

be ready in the spring of 2018. As part of this project, WDP along with L.I.F.E. will sell this site in phases[11].

In addition, during the first half-year of 2015, the seventh floor of the Asar towers at Frans Van Kalkenlaan 9 in Anderlecht was sold, as was a share of the land in Sint-Niklaas..

Currently, an amount of 0.8 million euros is recognised on the balance sheet as Assets held for sale. This concerns two plots of land, one in Wieze and the other in Nivelles.

3. Projects completed in 2015

As already announced, WDP was able to complete a number of pre-let projects in the course of 2015. Gross rental yield for these completed projects is ca. 7.75% for a total WDP investment budget of around 125 million euros (70 million euros of which was spent in 2015).

Belgium

- **Vilvoorde, Havendoklaan 10:** in the Cargovil zone, a warehouse of approximately 7,000 m² was built on a plot adjacent to the WDP site at Havendoklaan 1
2 for the benefit of logistics provider Intertrans. The investment budget totalled 5 million euros.

- **Bornem, Sluisweg 32:** some 18.000 m² of warehouse space, completed at the beginning of October 2015 as part of the multimodal FMCG campus[12] for DHL Supply Chain. The investment budget totalled some 10 million euros.

- **Londerzeel, Nijverheidsstraat 13:** state-of-the-art cold store with 30,000 pallet spaces for Lantmännen Unibake, an international bakery group, based on a twenty-year lease. The investment amount was approximately 18 million euros. In mid-June 2015, the adjacent production site, owned by Lantmännen Unibake, was completely destroyed by fire. WDP's cold store was saved, though it sustained minor damage, delaying completion. Initially planned for the end of June 2015, the project was completed at the end of October. The cost of the damage was covered by insurance.

The Netherlands

- **Schiphol, Schiphol Logistics Parc (Pudongweg 3):** a project of over 14,000 m² based on a lease contract with Kuehne + Nagel. The company aims to centralise various activities here and has also established the site as its headquarters. The project will be BREEAM-certified with a planned Very Good rating. The total investment for the first phase amounts to around 16 million euros.

- **Zwolle, Paderbornstraat 21:** a new BREEAM-certified e-commerce warehouse (rating: Excellent) with a surface area of about 35,000 m², custom-built for

11 See press release of 30 April 2015.

12 See *5.3.2. Management report – Transactions and realisations – Acquisitions and disposals – Belgium* on page 44.

wehkamp, the Netherlands' largest online department store. The partnership is based on a fixed fifteen-year lease. The project required an investment by WDP of about 30 million euros for phase I of the building. Furthermore, the tenant, wehkamp, has invested over 70 million euros in equipping it.

- **Harderwijk, Archimedesstraat 9:** a new custom-built construction project for Alcoa. This is a new distribution centre with a warehouse totalling over 17,000 m² (excluding offices and mezzanine) on a plot acquired by WDP. Alcoa prefers this location given its strategic location close to its Dutch and German clients. Alcoa has signed a long-term 10-year fixed lease. The investment budget amounts to about 16 million euros.

- **Soesterberg, Centurionbaan:** on a new industrial estate along the A28 motorway, WDP has constructed a new industrial building for Hypsos, a specialist in live communication. A warehouse with offices with a total of more than 7,200 m² has been developed on a plot of more than 1.1 ha. This high-end building, custom-built for the tenant on the basis of a long-term lease, was completed in the fourth quarter of 2015. The investment budget amounts to over 7 million euros.

- **Papendrecht, Nieuwland Parc 121:** a new construction project extending the sale-and-rent-back operation[13] consisting of a warehouse with offices totalling over 7,000 m², carried out by Heembouw and completed at the end of 2015. Staay Food Group has signed a 15-year rental commitment. The investment budget amounts to over 13 million euros.

- **Alphen aan den Rijn, H.K. Onnesweg 3:** The refurbishment of 4.000 m² for the tenant Santa Fe Relocations was completed in the fourth quarter of 2015. The investment budget totals some 1.7 million euros.

Romania

- **Brasov:** an agreement was entered into with Inter Cars, the current tenant of a new WDP warehouse in Brasov, doubling its area at this site. The investment budget for this additional 5,000 m² was around 2 million euros[14]. Inter Cars has signed up for a 10-year lease for the new building and is also extending the contract for its existing buildings until the same maturity date.

- **Ploiesti:** on the existing plot of land containing a logistics building for Roquet, a new 12,000 m² building has been constructed for Federal-Mogul, an internationally known manufacturer and supplier for the automotive sector, on the basis of a 10-year fixed lease. The investment budget amounts to about 7 million euros[14].

- **Braila:** a 16,000 m² warehouse on a plot of concession land located near the Danube

13 See *5.3.9 Management Report – Transactions and realisations – Significant events after the balance sheet date* on page 53.
14 Based on 100% of the investment.

in Braila for the Japanese company Yazaki, a leading international supplier for the automotive industry. Yazaki has signed a 15-year lease with an option to extend. Yazaki is already active at several locations in Romania. Investment in the project is around 9 million euros[15].

4. Projects under development

WDP expects that total projects under construction will generate an initial gross rental yield between 7.50% and 8.00%

Belgium

- **Willebroek, Victor Dumonlaan 32:** construction of the second phase of this logistics site[16] for Damco (with completion planned for the second quarter of 2016), as well as a third phase (dependent on pre-letting) with a total area of 25,000 m². The investment budget is about 14 million euros.

- **WDPort of Ghent:** following the announcement[17] of the multimodal WDPort of Ghent – unique in Flanders –, WDP and its partner Havenbedrijf Gent announced a first project: a new 20,000 m² warehouse for the Distrilog Group, with planned completion in the second quarter of 2016 (with a planned investment budget of ca. 10 million euros).

- **Heppignies, rue de Capilône 6:** Construction of a 21.000 m² distribution centre and offices (planned completion: second quarter of 2016) on the existing site close to Charleroi Airport for the retailer Trafic. This development is based on an 18-year lease contract with a termination option every three years after the first nine years of the lease. The investment budget is 10 million euros.

The Netherlands

- **Barendrecht, Dierensteinweg 30:** a new building expanding the existing Retail DC of The Greenery. The building will also house the logistics activities of Hagé International, The Greenery's import department. A second new building is being constructed for the Euro Pool System container washing plant, where The Greenery's crates are washed. Completion of both properties with their total area of 40,000 m² is anticipated at the end of 2016. The 18 million euros investment budget is spread out over the next two years.

- **Breda, IABC 5301:** a new 20.000 m² building. The site has been partly established as Zachtfruit DC for The Greenery. Completion is anticipated in the course of the fourth quarter of 2016. In the meantime, the logistics operations of The Greenery Zachtfruit remain at their current location. The 9 million euros investment budget is spread out over the next two years.

15 Based on 100% of the investment.
16 See *5.3.2. Management Report – Transactions and realisations – Acquisitions and disposals* on page 44.
17 See press release of 15 May 2013.

Romania[18]

- **Ramnicu Valcea:** strategically located along the Pan-European Corridor IV – one of the Pan-European Corridors important to the transport sector – Faurecia, a global player in the development and supply of automobile parts, will take up residence in a new 12,000 m² warehouse to be developed (projected completion: first quarter of 2016) based on a 10-year lease. WDP anticipates an investment amount of some 8 million euros for this project.

- **Sibiu (1):** also situated along the Pan-European Corridor IV, and in the immediate vicinity of Sibiu's international airport, construction of a 8,000 m² logistics warehouse for tenant Siemens' supply operations to the train sector. To this end, Siemens is entering into a 10-year rental commitment. WDP anticipates that the new building will be completed in the course of the second quarter of 2016. The investment budget amounts to about 5 million euros[19].

- **Sibiu (2):** a strategic hub for DPD, a current tenant in Courcelles, Belgium, consisting of a warehouse and offices of about 4,500 m² and a large car park. DPD has signed a 15-year lease. WDP anticipates completion in the course of the second quarter of 2016. The investment budget is approximately 3 million euros[19].

18 These projects were carried out via WDP Development RO, a 51-49 joint venture with entrepreneur and Romanian specialist Jeroen Biermans.
19 Based on 100% of the investment.

5. Future potential

WDP has also applied for building permits for a number of projects within its own portfolio so that work can start as soon as the economic conditions are right and/or the site in question is pre-let.

Belgium

- **Gent, Vasco Da Gamalaan:** The WDPort of Ghent Logistic Park boasts a number of exceptional and unique multimodal assets in Flanders, offering the combination of sea and inland shipping, rail connections, container terminal and road links. Following completion of the first project[20], 160.000 m² remains available for development, dependent on pre-letting.

- **Heppignies, rue de Capilône 6:** this plot is strategically located close to Charleroi Airport, at the heart of the business activity around the airport and near a motorway junction. Following completion of the first project[20], a further area of ca. 60,000 m² remains available for development, dependent on letting opportunities.

- **Liege, Trilogiport:** WDP holds a concession at Trilogiport Liège, a tri-modal logistics hub in the city where 50,000 m² of land are ready for development once the infrastructure has been completed.

- **Meerhout, Nikelaan 1:** WDP is working on the further development of the trimodal terminal in Meerhout together with BCTN. The strategic site, visible from the E313, is in

20 See *5.3.4. Management report – Transactions and realisations – Projects under development – Belgium* on page 49.

the immediate vicinity of Belgium's biggest inland container terminal, with an excellent rail connection and water access via the Albert Canal. WDP plans the development of a 23,000 m² warehouse tailored to customer needs, based on pre-letting.

- **Sint-Niklaas, Prins Boudewijnlaan:** a 4,000 m² project on a 11,000 m² site, in a prime location alongside the E17 motorway.

- **Courcelles, rue de Liège 6:** there is space on this site for a third phase, the building of an additional 10.000 m² of storage space.

The Netherlands

- **Tiel, Medel 1A:** There remains room on this site to develop a second phase offering 30,000 m² of storage space, also dependent on pre-letting.

France

- **Lille (Libercourt), Zone Industrielle – Le Parc à Stock (fase II):** possible construction of 24,000 m² of additional storage space, bringing the total area of the project to 60,000 m².

Romania

There is still a great deal of potential in Romania. WDP will continue to focus on building pre-let properties, through WDP Development RO, a 51-49% joint venture with entrepreneur and Romania expert Jeroen Biermans.

6. Leases

The following lets were realised in the course of 2015 at market rates.

Belgium

- **Beringen (Paal), Industrieweg 135 – Rijsselstraat:** Val d'Hony Verdifarm has extended its existing space on this Beringen site, adding a further 5,000 m² of warehousing and offices, based on a 4-year fixed lease.

- **Vilvoorde, Havendoklaan 13:** Autoproducts has moved into a warehouse of over 1,400 m², signing a 6-9-lease for it.

- **Nivelles, chaussée de Namur 66:** the existing building has been split up and adjusted for the new tenant Dockx, which has signed a 3-6-9 lease for a total area of over 4.200 m² (warehouse space and outside storage).

- **Nivelles, rue de l'industrie 30:** Globall Concept, an international player in the field of light creations and decorations, moved into the existing warehouse step by step. The lease of the 7,000 m² premises is based on a 9-year contract.

The Netherlands

- **Venlo, Ampèrestraat 7-9:** an area of 7.000 m² has been let to IJS Global Netherlands under a fixed-term 5-year lease.

- **Alphen aan den Rijn, Eikenlaan 32:** part of the site, an area of ca. 3,300 m² has been let to Boland, a distributor of party supplies, under a 5-year lease. In addition, warehousing and offices with a floorspace of over 5,000 m² has been let to chemical company Dallas Group of America, again on the basis of a fixed-term 5-year lease.

France

- **Lille – Seclin, rue Marcel Dassault 16B:** a phased move into 4,000 m² floorspace let to Leroy under a 3-6-9 lease.
- **Lille – Templemars, route d'Ennetières 40:** Dispeo, a logistics provider for e-commerce, has taken over nearly the whole of the free floorspace of over 18,000 m² on this site, under a 3-6-9 lease.

WDP was able to maintain the high occupancy rate (97.6% at the end of 2014) in 2015, with the portfolio achieving a rate of 97.5 %[21] at 31 December 2015.

21 Including solar panels.

7. Projects in the field of renewable energy and sustainable warehouses

30 MWp solar panel programme in the Dutch portfolio

As part of its strategy for increasing the sustainability of its portfolio, WDP has started implementing a green energy programme, installing solar panels in the Netherlands with a total capacity of 30 MWp. WDP is planning for this project to be rolled out in late 2016 in cooperation with tenants. In a first phase, WDP has installed PV panels generating a total of 2.5 MWp on the roof of the wehkamp warehouse in Zwolle.

Installation of solar panels in Wallonia

A number of existing WDP sites in Wallonia (Nivelles (3), Jumet and Courcelles) have been equipped with solar panels with a total capacity of 1.9 MWp.

8. Dual listing

WDP shares are now also listed on Euronext Amsterdam. This so-called dual listing underlines the importance attached by WDP to its core Benelux market, and the increasing Dutch share - now equalling that of its home market, Belgium - of its property portfolio. The occasion of the dual listing was not used to place new shares. Euronext Brussels remains WDP's key stock market. The shares are listed and administered in the Euronext Group's central order book.

9. Significant events after the balance sheet date

The Netherlands

- **Alblasserdam, Nieuwland Parc 121:** a site for Staay Food Group close to Rotterdam. Triggered by its continuing growth, Staay Food Group, a company operating worldwide in the fields of importing, exporting, wholesaling and growing vegetables and fruit, wants to centralise its activities at this location. The transaction with an investment budget of some 12 million euros involved both the existing buildings and a new building in a sale and rent back operation.[22] Following completion of the new building at the end of Q4 2015, the sale and rent back contract was finalised at the beginning of January. Staay Food Group has signed a fixed-term 15-year lease.

22 See *5.3.3. Management report – Transactions and realisations – Projects completed in the course of 2015 – The Netherlands* on page 48.

4. Management of financial resources

1. Financing policy

WDP group's financing policy is designed to ensure that the company is well funded, with a balanced mix of debt and equity, and that there are sufficient resources available to complete current projects and seize any potential opportunities that may arise.

The main objectives in this context are as follows:

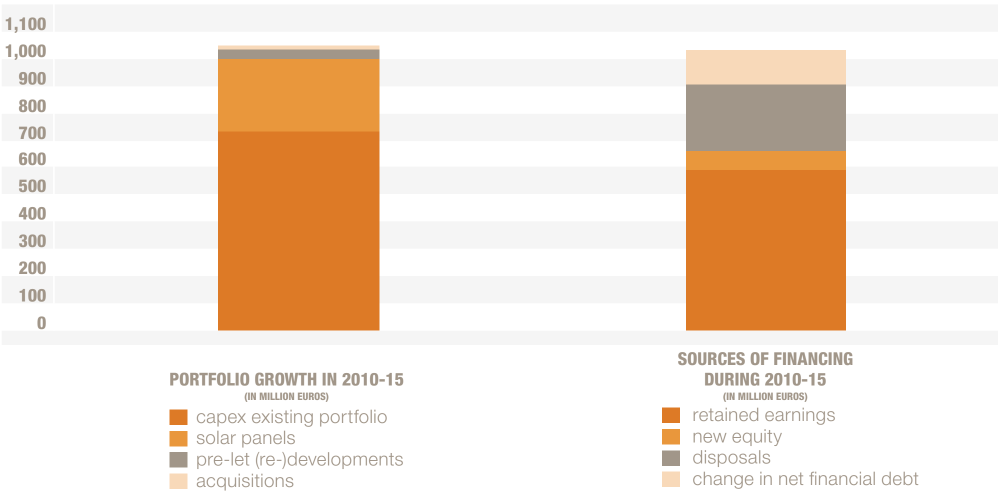
- proactive management of the capital structure;
- a good balance between equity and debt;
- good diversification of the various financing sources;
- a good spread of the maturity dates of the liabilities;
- maintenance of a satisfactory liquidity position;
- maintenance of sustainable long-term relationships with all financing partners;
- active management of financial risks, including interest rate risks, liquidity risks and counterparty risks.

KEY FINANCIAL DATA	31 DEC. 15	31 DEC. 14
Net financial debt (in million euros)	1,041.8	863.6
Debt and liabilities included in gearing (in million euros)	1,062.9	876.8
Balance sheet total (in million euros)	1,907.3	1,570.3
Gearing ratio[1] (in %)	55.7	55.8
Interest Coverage Ratio[2] (in x)	4.2	3.3
Average cost of debt (in %)	2.9	3.5
Average remaining term of outstanding debts (in years)	4.2	3.5
Average remaining term of long-term credit facilities (in years)	4.6	4.1
Hedge ratio[3] (in %)	77	82
Average remaining term of interest rate hedges[4] (in years)	6.8	6.7

1 For the calculation method used for the gearing, please refer to the GVV/SIR Royal Decree of 13 July 2014.
2 Defined as operating result before the result on portfolio divided by interest charges less interest and dividends collected less fee for financial leasing and other. This ratio indicates the extent to which the company is able to meet its annual interest payments.
3 Percentage of the debt at fixed rate or hedged against interest rate fluctuations by means of derivative financial instruments.
4 Remaining term of interest rate hedges entered into to hedge the debt against interest rate fluctuations.

WDP has a competitive edge when looking for appropriate sources of financing due to the scale at which it manages its business operations, the stringent regulations with which GVV/SIR must comply and the high level of rent flow transparency. This is exceptionally important in the ever-evolving financing environment, in which high creditworthiness and diversification are key.

SOURCES OF FINANCING 2010-15



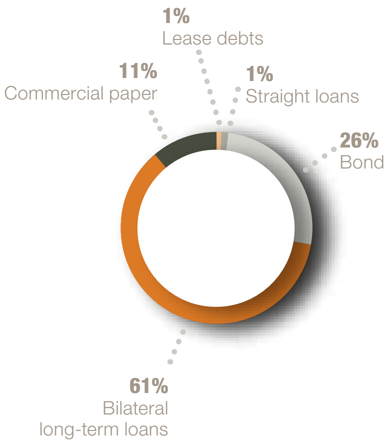
2. Debt structure

Gearing ratio

The use of debt is restricted by law under the GVV/SIR Royal Decree. For example, the maximum gearing is set at 65% (at both consolidated and statutory level) and distribution to shareholders is not possible if this exceeds the legal limit, as the resources must be used to reduce the gearing below 65% in that case. Debts are used to maximise shareholder return, but must be used prudently, taking into account a set of factors, such as access to refinancing capital, the capacity to bear interest charges, the quality of the portfolio, the term of the leases and the share of projects under development. WDP prefers a financial policy based on a gearing between 55% and 60%.

At the end of 2015 WDP had a consolidated gearing ratio of 55.7%, virtually unchanged to that at the end of 2014 (55.8%)[1].

Breakdown



At 31 December 2015 the total consolidated financial debt was 1,042.3 million euros. This amount is broken down as follows:

- 640.0 million euros in traditional bilateral medium and long-term bank loans, spread over nine banks;
- 114.2 million euros in commercial paper;
- 266.0 million euros in bond loans[2];
- 9.3 million euros in straight loans;
- 12.8 million euros in lease debts.

As regards its bank debts, WDP aims to work mainly with local bankers in those countries in which it operates.

Basic financing is provided mainly by traditional big Belgian banks (BNP Paribas Fortis, ING Bank, Belfius Bank and KBC Bank), in addition to financing provided by the Bayerische Landesbank, Caisse d'Épargne, Triodos Bank, Energiefonds Overijssel and Monte Paschi. In the Netherlands, WDP works with ABN AMRO. In Romania, the company has access to a financing package provided by the EIB (European Investment Bank) and BNP Paribas Fortis.

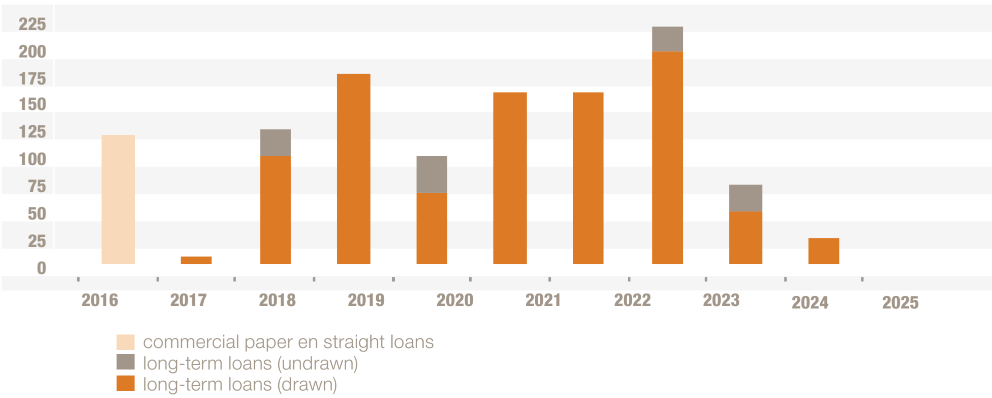
The commercial paper is fully covered by the backup lines and unused credit facilities that serve as a guarantee for refinancing if the full placement or extension of the commercial paper proves impossible.

Maturity dates

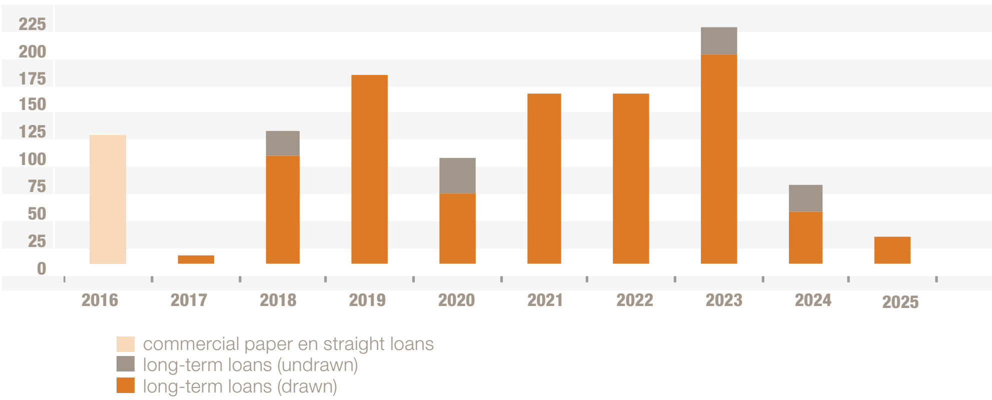
The bulk of debt instruments applied are bullet instruments, which means that interest charges are payable on the principal drawn down during the term and the capital must be fully repaid on the final maturity date. 12% of debts are short-term debts (mainly straight loans and commercial paper), while 47% have a term of more than one year and 41% expire after more than five years. With regard to the maturity dates of the long-term debts in 2016, these respective credit facilities have already been extended in full.

1 See also *Notes XXI. Calculation of the gearing and note regarding changes in gearing* on page 221 for the application of Article 24 of the GVV/SIR Law.
2 This concerns the bond loans issued in 2013 and 2014, as well as the 2015 bond loan, all of which have a term of 7 years.

CREDIT MATURITY DATES (MINIMAL TERM)[3]



CREDIT MATURITY DATES (MAXIMAL TERM)[3]



3 For some loans, the lender may decide to extend the loan through an extension option. With regard to the minimum term, it is assumed that these extension options will not be exercised, while with regard to the maximum term it is assumed that they are exercised.

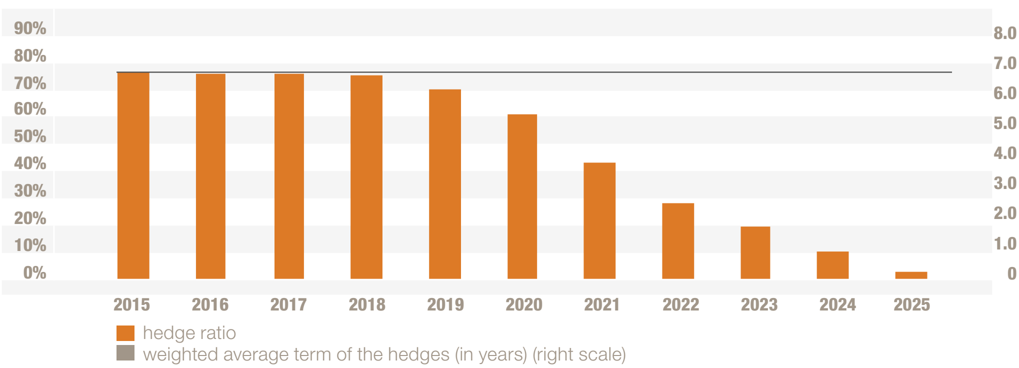
The weighted average term of WDP's outstanding debts at 31 December 2015 was 4.2 years[4]. If only total drawn and undrawn long-term credit facilities are included, the weighted average term is 4.6 years[5]. At year-end 2014, this was 3.5 years and 4.1 years respectively.

At 31 December 2015, the total amount in undrawn and confirmed long-term credit facilities was 110 million euros[6].

4 Including short-term debts: these consist mainly of the commercial paper programme which is fully covered by back-up facilities.
5 This takes account of the new funding operations completed after the balance sheet date and prior to the publication of the 2015 financial statements. For some loans, the lender may decide to extend the loan through an extension option. If this option were to be exercised each time, the weighted average term of the long-term loans would be 4.8 years.
6 Excluding the credit facility with the European Investment Bank to finance pre-let property developments in Romania and credit facilities for hedging the commercial paper programme.

The graphs above show the maturity dates of the loans WDP intends to spread debt as evenly as possible over time, which also involves finding a balance between term, cost, and diversification of the debt instruments used. As the lender for some loans can exercise an extension option, the graphs above take into account the minimum and maximum term of the loans. With regard to the maximum term, it was assumed that extension options were always exercised by the bank. A total of 126.3 million euros in debt will reach maturity in 2016, 114.2 million euros of which is related to the commercial paper, which by definition has a term of less than one year. As noted before, this commercial paper is fully covered by available, unused credit facilities if they cannot be placed with investors in whole or in part.

EVOLUTION OF THE HEDGE RATIO



Hedges

The goal of WDP's risk policy with regard to interest rates is to offset fluctuations in interest rates as much as possible and optimise the cost of the debts. This occurs on the basis of a centralised macro hedging policy in which interest rate derivatives are only used to hedge financial debts. On 31 December 2015, the hedge ratio, which measures the percentage of financial debt at fixed and floating interest rates hedged primarily with Interest Rate Swaps (IRS) was 77%[7]. Based on a constant debt level, this hedging ratio will evolve to 76% in 2018 and to 62% in 2020. However, WDP's result remains subject to fluctuations (see page 221 for a detailed list of financial derivatives and page 79 for a sensitivity analysis of short-term interest rates).

WDP's weighted average cost of debt for the financial year 2015 was 2.9%, including credit margins, the reservation commission on unused credit facilities and the cost of hedging instruments. The average cost of debt in 2014 was 3.5%. WDP has made use of the very low interest rates to reassess its existing hedging instruments. Within this context, a number of existing Interest Rate Swaps were extended in a cash-neutral manner, smoothing them over time.[8] This has led to greater profit visibility as well as direct savings, resulting in a lower average debt cost of 2.8% at 31 December 2015 (versus 2.9% on average for the whole of 2015).

As far as possible, WDP is trying to ensure the matching of its assets and liabilities throughout the cycle. In this context, the portfolio generated a gross yield of about 7.5% based on a very high visibility with average leases of 6.5 years. These are then financed at a current rate of 55-60% through debt with an average cost below 3%, based on a very high degree of hedging with long-term hedging instruments (on average 6.8 years).

This high margin between return and cost provide adequate support for the financial liabilities, translating into an Interest Coverage Ratio of 4.2x. In addition, the visibility on both revenues and costs results in a robust income flow.

3. Covenants and securities

The contractual provisions of the credit facilities generally stipulate that WDP remains qualified as a Regulated Real Estate Company (GVV/SIR) in Belgium and as a Fiscale Beleggingsinstelling (FBI) in the Netherlands for the financing of WDP Nederland, that there is a minimum interest coverage ratio of 1.5x[9] and that the value of speculative development projects must not exceed 15% of the book value of the portfolio. WDP confirms that all these conditions were satisfied during the whole of the 2015 financial year. The

7 For its hedging strategy, WDP implicitly assumed, for the long term of the existing interest rate hedges, that the absolute level of the outstanding liabilities would be maintained. See also 1. Risk factors on page 4 and note *XIV. Financial instruments* on page 211.

8 See press release of 11 February 2015.

9 For two minor loans there is a minimal interest coverage ratio of 2.0x. See also note *XXV. Rights and obligations not included in the balance sheet* on page 225.

interest coverage ratio was 4.2x, while the percentage for speculative developments at year-end 2015 was 0%.

WDP's financing policy is also aimed at not providing any mortgages or any other securities to creditors, with the exception of those stated on page 226.

4. Implementation of the financing strategy during 2015

Financing policy in 2015

In 2015 a significant net investment volume of approximately 300 million euros was realised. An appropriate financing strategy was developed in advance in order to be able to comply with the investment obligations and to maintain the company's solid capital structure.

Approximately 100 million euros of the net capital expenditure was financed through new equity (through the optional dividend, the increase in capital resulting from the MLB transaction and the retained earnings) and the balance through new debts. In addition, equity increased via an increase in the property value as estimated by the independent property experts. Together this led to a stable gearing ratio of 55.7% at 31 December 2015, within the targeted range of 55-60%. A buffer of unused credit facilities was also maintained and the maturity dates of the loans in 2016 were anticipated.

In 2015 the company boosted its financial resources as follows:

- **Capital increase as a result of the MLB transaction amounting to approximately 48 million euros**
  On 3 March 2015, WDP concluded an agreement on the acquisition of the multimodal FMCG campus for DHL Supply Chain in Bornem. This was realised through WDP's acquisition of 100% of the shares in MLB NV, the company holding the rights to the site. On 31 March 2015, the Board of Directors gave WDP management its approval for the contribution in kind of the shares in MLB NV, which led to a capital increase of 47,952,985.37 euros and the issue of 681,828 new shares. The issue price was 70.33 euros per share.

- **Optional dividend amounting to around 26 million euros**
  Shareholders representing approximately 55% of WDP's shares opted to exchange their dividend rights for new shares in lieu of a cash dividend. This resulted in a capital increase of 26 million euros through the creation of 386,788 new shares at an issue price of 66.30 euros.

- **20 million euros extension of the Monte Paschi credit facility**
  WDP was able to reach agreement with Monte Paschi on the extension of an existing 18 million euro loan that matured on 30 May 2015 via a new 20 million euro credit facility with a term of five years.

- **New 25 million euros loan granted by KBC Bank**
  WDP was able to conclude a 25 million euro loan with KBC Bank. This is a bullet loan with a 7-year term.

- **New 25 million euros loan granted by Caisse d'Épargne**
  WDP was able to conclude a loan with Caisse d'Épargne. This was a bullet loan of 25 million euros with a 5-year term.

- **New 35 million euros loan granted by ING Bank**
  WDP was able to conclude a 35 million euro *bullet* loan with ING Bank. The term agreed is 7 years

- **WDP realised a private placement of bonds with a 7-year term for a total of 92.2 million euros**
  54.4 million euros (59%) were placed at a fixed interest rate and 37.8 million euros (41%) at a variable rate. The fixed interest bonds were issued at an issue price of 99,361% and offer an annual gross return of 2.601%. The variable interest bonds were issued at 100% with interest paid at 6-month intervals[10]. The net income from this issue was used by WDP for general company objectives, and in particular for growing the WDP group and diversifying its financial sources. This issuance also includes an extension of average debt maturity.

- **Refinancing of BNP Paribas Fortis credit lines for 50 million euros**
  WDP was able to reach agreement with BNP Paribas Fortis to refinance two existing credits, each for 25 million euros and maturing on 31 March 2016 and 30 September 2016 respectively. The existing credits are replaced by two new credit facilities with terms of eight and seven years respectively.

- **Refinancing of KBC credit lines for 25 million euros**
  WDP was able to reach agreement with KBC Bank to refinance the existing credit for 25 million euros, due to mature on 30 October 2016. The existing credit is replaced by a new credit facility with a 7-year term.

- **Refinancing of ABN AMRO credit lines for 50 million euros**
  WDP was able to reach agreement with ABN AMRO to refinance two existing credits, each for 25 million euros, due to mature on 7 April 2016. The existing credits are replaced by a new credit facility with a 2+2 year term.

- **New 25 million euros loan granted by BNP Paribas Fortis**
  Via WDP Development RO, WDP was able to conclude a loan with BNP Paribas Fortis for financing its Romanian activities. The 25 million euro loan is a bullet loan with a 6-year term.

10 The interest on the bonds with a variable interest rate will be calculated on the basis of a margin of 175 basis points above Euribor 6 months.

- **New 25 million euros loan granted by Belfius Bank**
  WDP was able to conclude a 25 million euro bullet loan with Belfius with a 7-year term.

- **New 'green' loan of 3 million euros granted by Energiefonds Overijssel**
  In the Netherlands, WDP began a collaboration with the province of Overijssel through Energiefonds Overijssel, which provides specific funding for sustainable projects. A 15-year investment loan was entered into for approximately 3 million euros to finance the solar energy projects in Zwolle.

In addition, the company was able to lower its debt cost.

- **Extension and rescheduling of hedging instruments**
  WDP has made use of the very low interest rates to reassess its existing hedging instruments. Within this context a number of existing Interest Rate Swaps were extended in a cash-neutral manner, smoothing them over time11. This has led to better profit visibility and direct savings, resulting in the average debt cost dropping to 2.8% at 31 December 2015.

Financial risks

WDP continued to closely monitor the potential impact of the financial risks in 2015 and implemented the necessary measures to manage these risks. These risks include counterparty risk (insolvency or credit risk affecting financial partners), liquidity risk (non-availability of funding or very expensive funding options) and risks related to interest, budget, covenants and exchange rates.

For a detailed overview of financial and other risks, their mitigating factors and management, see chapter *1. Risk Factors* on page 4.

5. EPRA stats

EPRA key performance indicators

The rules pertaining to GVVs/SIRs do not impose any obligation to publish this data, which are not verified by public authorities.

The Auditor has checked whether the EPRA Earnings, EPRA NAV and EPRA NNNAV ratios comply with the definitions in the EPRA Best Practices Recommendations and/or whether the financial data used to calculate those ratios complies with the accounts as stated in the consolidated financial statements.

TABLE	EPRA PERFORMANCE MESURE	DEFINITION	PURPOSE	IN EUROS (X 1,000)	IN EUROS PER SHARE
I.	EPRA EARNINGS	Recurring earnings from the core operational activities.	A key measure of a company's underlying operating results from its property rental business and an indicator of the extent to which current dividend payments are supported by earnings.	90,939	5.00
II.	EPRA NAV[1]	NAV adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystalise in a long-term investment property business model.	Makes adjustments to IFRS NAV to provide stakeholders with the most relevant information on the current fair value of the assets and liabilities within a true real estate investment company with a long-term investment strategy.	830,364	44.9
II.	EPRA NNNAV[2]	EPRA-NAV adjusted to include the fair value of (i) financial instruments, (ii) debts and (iii) deferred taxes.	Makes adjustments to EPRA NAV to provide stakeholders with the most relevant information on the current fair value of all assets and liabilities within a real estate entity.	758,259	41.0
III.	EPRA NIY[3]	Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.	A comparable measure around Europe for portfolio valuations. In the past, there has been debate about portfolio valuations across Europe. This measure should make it easier for investors to judge themselves, how the valuation of portfolio X compares with portfolio Y.	N/A	N/A
III.	EPRA TOPPED-UP NIY[3]	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).	WDP provides detail on the calculation of the measure and reconciliation between the EPRA NIY and EPRA TOPPED-UP NIY.	N/A	N/A
IV.	EPRA VACANCY RATE	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	A pure (in %) measure of investment property space that is vacant, based on ERV.	N/A	N/A

1 NAV = Net Asset Value.
2 NNNAV = Triple Net Asset Value.
3 NIY = Net Initial Yield.

I. EPRA EARNINGS

(in euros x 1,000)	31 DEC. 15	31 DEC. 14
Earnings per IFRS income statement	**142,698**	**64,750**
Adjustments to calculate the EPRA Earnings, exclude:		
I. Changes in value of investment properties, development properties held for investment and other interests	-44,255	-16,786
- Changes in the value of the real estate portfolio	-47,690	-19,702
- Depreciation on solar panels	3,435	2,916
II. Profit or losses on disposal of investment properties, development properties held for investment and other interests	76	-13
VI. Changes in fair value of financial instruments and associated close-out costs	-7,839	19,375
VIII. Deferred tax in respect of EPRA adjustments	259	11
X. Minority interests in respect of the above	0	0
EPRA earnings	**90,939**	**67,337**
Weighted average number of shares	18,181,244	16,432,763
EPRA earnings per share (EPS) (in euros)	**5.00**	**4.10**

II. EPRA NET ASSET VALUE

(in euros x 1,000)	31 DEC. 15	31 DEC. 14
NAV (IFRS)	**768,273**	**613,494**
NAV (IFRS)/share (in euros)	41.51	35.18
Diluted NAV, after the exercise of options, convertibles and other equity interests	**768,241**	**613,494**
Includes (+/-):		
(iv) Fair value of financial instruments	61,166	69,004
(v.a) Deferred tax	957	650
EPRA NAV	**830,364**	**683,148**
Number of shares	18,507,260	17,438,644
EPRA NAV per share (in euros)	**44.9**	**39.2**
EPRA NAV		
Includes:	**830,364**	**683,148**
(i) Fair value of financial instruments	-61,166	-69,004
(ii) Fair value of debt	-9,982	-9,433
(iii) Deferred tax	-957	-650
EPRA NNNAV	**758,259**	**604,061**
Number of shares	18,507,260	17,438,644
EPRA NNNAV per share (in euros)	**41.0**	**34.6**

III. EPRA NIY AND TOPPED-UP NIY

(in euros x 1,000)		31 DEC. 15	31 DEC. 14
Investment property - wholly owned		1,843,197	1,492,240
Assets held for sale		823	1,346
Less developments and land reserves		-84,594	-153,063
Completed property portfolio		1,759,426	1,340,523
Allowance for estimated purchasers' costs		61,443	48,160
Gross up completed property portfolio valuation	**B**	**1,820,868**	**1,388,682**
Annualised cash passing rental income		129,686	104,140
Property outgoings		-4,236	-2,669
Annualised net rent	**A**	**125,451**	**101,472**
Notional rent expiration of rent free period or other lease incentives		0	0
Topped-up net annualised rent	**C**	**125,451**	**101,472**
EPRA NIY	**A/B**	**6.9%**	**7.3%**
EPRA TOPPED-UP NIY	**C/B**	**6.9%**	**7.3%**

IV. INVESTMENT PROPERTY – RENTAL DATA AND VACANCY RATE (EPRA)

SEGMENT	Gross rental Income 2015 (in euros x 1,000)	Net rental Income 2015 (in euros x 1,000)
Belgium	57,175	54,846
Netherlands	55,835	53,917
France	8,785	7,882
Romania	710	1,686
Total properties available for lease	**122,505**	**118,331**
Reconciliation to the consolidated IFRS income statement		
Rental income related to:		
- Investment properties held for sale	0	0
- Previously sold investment property	0	-16
- Investment properties under development for own account with the purpose of being rented out	489	335
- Income from solar energy		8,200
- Other adjustments	-710	-1,686
Total	**122,285**	**125,164**

Lettable space at 31 DEC. 15 (in m²)	Annualised gross rental income (in euros x 1,000)	Expected rental value for vacant spaces at 31 DEC. 15 (in euros x 1,000)	Estimated rental value (in euros x 1,000)	Vacancy rate (in %)
1,542,931	58,110	2,278	59,867	3.8
1,353,545	65,063	418	63,805	0.7
145,511	5,181	779	6,105	12.8
39,956	1,876	0	1,852	0.0
3,081,943	**130,230**	**3,475**	**131,629**	**2.6**

-39,956	-1,876	0	-1,852	
3,041,987	**128,190**	**3,475**	**129,777**	**2.6**

V. EPRA COST RATIO

(in euros x 1,000)		31 DEC. 15	31 DEC. 14
INCLUDE:			
I. Administrative/operating line per IFRS income statement		12,906	9,915
III. Management fees less actual/estimated profit element		-749	-694
IV. Other operation income/recharges, intended to cover overhead expenses less any related profits		350	333
Exclude (if part of the above):			
VI. Investment Property Depreciation		-678	-683
EPRA costs (including direct vacancy costs)	**A**	**11,829**	**8,871**
IX. Direct vacancy costs		-340	-327
Annualised net rental income	**B**	**11,489**	**8,544**
X. Gross rental income less ground rent costs		118,083	94,292
Gross rental income	**C**	**118,083**	**94,292**
EPRA cost ratio (including direct vacancy costs)	**A/C**	**10.0%**	**9.4%**
EPRA cost ratio (excluding direct vacancy costs)	**B/C**	**9.7%**	**9.1%**

IV. INVESTMENT PROPERTY - LIKE-FOR-LIKE NET RENTAL INCOME

	31 DEC. 15	
(in euros x 1,000)	Properties owned throughout the two years	Acquisitions
Belgium	42,695	6,884
Netherlands	31,735	14,956
France	8,135	
Romania	1,288	
Properties available for lease	**83,853**	**21,840**
Reconciliation to the consolidated IFRS income statement		
Net rental income property investments acquired at an earlier date		
Unassigned		
Income from solar energy		
Other adjustments: Romania	-1,288	
Operating result on portfolio in the IFRS consolidated profit and loss account	**82,565**	**21,840**

31 DEC. 15			31 DEC. 14	Organic growth of net rental income for 2015 (in %)
Disposals	Development property	Total net rental income	Properties owned throughout the two years	
	7,686	57,266	42,824	-0.3%
	7,364	54,055	31,481	0.8%
		8,135	8,387	-3.1%
	398	1,686	1,257	2.4%
0	**15,448**	**121,141**	**83,949**	**0.0%**
		-16		
		-2,475		
		8,200		
	-398	-1,686	-1,257	
0	**15,050**	**125,165**	**82,692**	

VII. INVESTMENT PROPERTY - VALUATION DATA

(in euros x 1,000)	Fair value	Fair value movements in the year	Net initial yield EPRA (in %)
Belgium	803,469	20,517	6.7
Netherlands	862,882	31,333	7.0
France	73,762	-4,236	6.6
Romania	45,809	-259	9.2
Total property available for lease	**1,785,922**	**47,355**	**6.9**
Reconciliation to the consolidated IFRS income statement			
- Property under construction or under development for own account for lease	27,392		
- Land reserves	30,206		
- Investment properties held for sale	-823		
- Other adjustments: joint ventures	-45,809		
Investment properties in the consolidated IFRS balance sheet	**1,796,888**		

VIII. INVESTMENT PROPERTY - DETAILS REGARDING LEASES

	Average lease length	
SEGMENT	Till break (in years)	Till expiry (in years)
Belgium	4.3	7.5
Netherlands	7.7	8.1
France	2.8	6.4
Romania	9.5	11.1
TOTAL	**6.0**	**7.8**

Lease next break data Current rent of leases with next break in (in euros x 1,000)			Lease expiry data Current rent of leases expiring in (in euros x 1,000)		
year 1	year 2	year 3-5	year 1	year 2	year 3-5
10,394	7,817	22,711	3,848	717	12,868
6,299	5,890	13,858	3,628	6,279	14,918
591	469	4,121	0	469	1,091
0	0	0	0	0	0
17,283	**14,177**	**40,690**	**7,476**	**7,465**	**28,876**

6. Outlook

The outlook described below includes expectations for the financial year 2016 with regard to the consolidated net current result[1] and the consolidated balance sheet of WDP Comm. VA.

This outlook was prepared based on information available at 31 December 2015 and takes account of events after the balance sheet date[2].

The projections with regard to the consolidated balance sheet and the net current result represent a forecast, the actual realisation of which specifically depends on changes in the economy, the financial markets and the property markets. These forward-looking information, forecasts, opinions and estimates made by WDP with regard to the expected future performance as of now of WDP and the market in which WDP is active do not constitute a commitment for the company. By their very nature, forward-looking statements entail inherent risks, uncertainties and assumptions, both general and specific, and there are risks that forward-looking statements will not prove correct.

1 The net current result is the result excluding the result on the portfolio in accordance with IAS 40, excluding the result relating to revaluation of financial instruments in accordance with IAS 39 and the depreciation of the solar panels (IAS 16).

2 See also *5.3. Management report – Transactions and realisations* on page 44 and *5.4. Management report – Management of financial resources* on page 54.

1. Assumptions

Accounting methods used

- The accounting method used for this outlook complies with the accounting methods used by WDP, as part of the preparation of its consolidated financial statements as at 31 December 2015 in accordance with IFRS as applied by the European Union and implemented by the GVV/SIR Royal Decree.

Assumptions regarding elements that are beyond WDP's direct control

- For changes in rental income, an average inflation level of 1.4% is taken into account for the indexation of leases in 2016, based on the economic consensus expectations as of 31 December 2015.

- Interest rates are calculated based on one-month, three-month and six-month average Euribor interest rates of -0.10%, -0.04% and 0.03% respectively and then rising slightly during the year to 0%, 0% and 0.10%.

- The financial result does not take any account of exchange rate fluctuations in Romania (RON). However, the potential impact of these fluctuations is likely to remain limited, as the functional currency for this country is the euro (EUR), being the determining factor in the economic reality of the underlying transactions for this foreign entity.

- The financial hedging instruments (mainly IRSs) are valued in accordance with IFRS (IAS 39) at market value in the consolidated financial statements. Due to the volatility in the international financial markets, movements in these market values were not taken into account. These variations are also irrelevant for the outlook with regard to the net current result on which the dividend payment is based.
- In line with IFRS, the property portfolio (IAS 40) and the solar panels (IAS 16) are stated at fair value. However, no forecast is made regarding movements in the fair value of the property portfolio and solar panels, as this would be unreliable and subject to a variety of external factors that are beyond the company's control. These variations are also irrelevant for the outlook with regard to the net current result on which the dividend payment is based.
- The outlook can also be impacted by market, operational, financial and regulatory risks as described in *1. Risk Factors* on page 4.

Assumptions regarding elements that are beyond WDP's direct control

Net rental result

- This result is estimated on the basis of current contracts, with due consideration for the assumptions used for the indexation of the leases (see above), where indexation is applied to individual contracts based on the anniversary of the lease.
- In 2016, 13% of the leases will reach their next expiry date, and 85% of these had already been renewed by the time of publication of the 2015 results, meaning that their actual rent is known. Lease extension/renewal is taken into account for the 15% that have not yet been renewed: an analysis is made on an individual basis of period of vacancy, increased charges and taxes that are normally charged to tenants, any renovation costs, marketing costs, and a new rental level if the property is re-let in line with the existing rental level. Based on the currently available information and the existing lease market situation, WDP assumes an average occupancy rate of 95% for 2016[3].
- The net investment volume of around 300 million euros realised in 2015 will contribute fully during the financial year 2016. In addition, several pre-let new developments under construction are due for completion in 2016. Further growth is also assumed, taking account of a capital structure that

3 This takes account of the currently vacant premises in Nieuwegein (NL), where the tenant (V&D) has gone bankrupt.

remains constant with a debt ratio of approximately 56%.

Other operating income/operating expenses

- This item mainly contains revenues from the production of solar energy. These are estimated at 8.8 million euros[4], a figure that takes account of lower revenues on an organic basis - following the sunny summer of 2015 - and the contribution of new solar projects currently under development, whereby capacity in the Netherlands is to be gradually expanded by 10 MWp.
- In addition, this item also includes the net effect of the costs charged to tenants, including the management fee for the property, which WDP charges to tenants.

Property charges

- These charges mainly include net costs (i.e. after any costs recharged to the tenants) for maintenance and repair, utilities, taxes, insurance contracts and commissions. For 2016, the charges were estimated on the basis of the current portfolio, expected investments and changes in the results for previous financial years.

General company expenses

- In general, the growth in general company expenses is in line with the growth of the portfolio. Further work is being done on the operational platform to maintain cost efficiency, i.e. maintaining the high operational margin (currently exceeding 92%).
- These costs include WDP's internal operating costs, i.e. the remuneration paid to WDP's statutory manager (at cost price) and the costs of administrative staff. This also includes the contractual rents payable for WDP's offices in Wolvertem and Breda, along with administrative costs.
- Fixed costs also include an item consisting of estimated fees payable to external consultants and experts, including property experts, lawyers, tax experts, accounting and IT costs, consultancy tasks and fees paid to the statutory auditor for statutory audits.
- As WDP is a listed company, its overhead costs also include the annual tax on GVVs/SIRs, fees payable to the financial agent and the liquidity providers, fees related to the Euronext listing, the costs of prudential supervision regarding the GVV/SIR and the company's budget for financial and marketing communication.

Interest charges

- Interest charges are estimated based on changes in financial debts, starting from the situation at 31 December 2015, and include an estimate of additional debt for the financing of the investment programme being implemented in 2016 and the assumption regarding continued portfolio growth. Assumed in this regard, as in previous years, is a capital structure

4 See also Notes *IV. Significant accounting opinions and key sources of estimation uncertainty* for the prediction of cash flows from PV installations.

that remains constant with a debt ratio of approximately 56%.

- Taking into account changes in short-term interest rates (see page 213) and a hedge ratio of 77% based on the situation at 31 December 2015, overall financing charges are estimated at 2.8% for 2016. These latter charges include an average weighted credit margin, along with the reservation commission for unused credit facilities and charges related to interest rate hedging instruments. For the assumptions, it was presumed that no loans would be repaid prematurely and that current IRS contracts would not be terminated prematurely.

- Total financial costs were subsequently decreased by an estimated amount in capitalised interest based on existing property developments and the possibility to capitalise interest[5]. This implies that the capitalised borrowing costs are neutralised in the profit and loss account and included in the investment costs of the projects (until they are completed and so start to generate income). The interest rate used for capitalising borrowing costs is equivalent to the estimated overall cost of debt.

Taxes

- These include the annual corporate tax. WDP's tax base in Belgium, the Netherlands and France is virtually nil due to the company's tax transparency in these countries (not including the effect on disallowed expenses and unusual benefits).

- For the other companies forming part of the WDP group, an estimate was made based on projected local results.

Share in the result of joint ventures

- This result includes the results of the joint venture WDP Development RO, in which WDP has a 51% holding. The interest that WDP receives from this joint venture on the intercompany loans is included in the interest income in the financial result (see table).

2. Projected consolidated profit and loss account (analytical schedule)

On the basis of the current outlook and the above assumptions, WDP is forecasting a 4% rise in the net current result per share (EPRA) to 5.20 euros per share (some 98 million euros)[6] for 2016. The projected increase amounts to 7% on the basis of the net current result (EPRA) for 2015, excluding the net impact of 0.15 euros from two indemnifications for lease terminations, i.e. 4.85 euros per share.

5 See also *5.3.4. Management report – Transactions and realisations – Projects under development* on page 49 and *7.1.5. Property report – Review of the consolidated property portfolio – Overview of property investments under development for own account* on page 129.

6 This earnings forecast is based on the current situation, barring unforeseen events (such as a material deterioration in the business and financial climate) and a normal amount of sunshine.

CONSOLIDATED PROFIT AND LOSS ACCOUNT
(in euros x 1,000)

	2015 Actual	2016 Budget
Rental income, net of rental-related expenses	117,185	129,184
Indemnification for early termination of leases	3,750	-
Income from solar energy	8,200	8,849
Other operating income/costs	-50	-1,206
Property result	**129,086**	**136,826**
Property charges	-3,921	-3,477
General company expenses	-6,213	-5,626
Operating result (before result on portfolio)	**118,952**	**127,723**
Financial result (excluding IAS 39)	-27,147	-31,003
Taxes on net current result	-450	-150
Deferred tax on net current result	-719	-750
Participation in the result of joint ventures	302	1,771
Net current result	**90,938**	**97,592**
Number of shares (weighted average)	18,181,244	18,774,130
Net current result (EPRA) (in euros per share)	**5.00**	**5.20**

CONSOLIDATED BALANCE SHEET
(in euros)

	31 DEC. 15	31 DEC. 16
Fixed assets	**1,893,517**	**2,030,959**
Investment properties	1,796,888	1,920,015
Other tangible fixed assets (including solar panels)	74,708	88,267
Other fixed assets	21,921	22,676
Current assets	**14,143**	**12,921**
Assets held for sale	823	0
Cash and cash equivalents	551	551
Other current assets	12,769	12,370
Total assets	**1,907,661**	**2,043,880**
Shareholders' equity	**768,652**	**815,850**
Non-current liabilities	**980,884**	**1,077,977**
Non-current financial liabilities	916,010	1,013,103
Other non-current liabilities	64,874	64,874
Current liabilities	**158,125**	**150,053**
Current financial liabilities	126,313	119,390
Other current liabilities	31,812	30,662
Total liabilities	**1,907,661**	**2,043,880**
Gearing ratio	55.7%	56.3%

3. Expected dividend

Dividend policy is set by the Board of Directors of WDP's management body and proposed to the Annual General Meeting of Shareholders at the end of each financial year. WDP expects a further increase of the net current result (based on current conditions) to 5.20 euros per share for 2016. Based on this outlook and barring any unforeseen circumstances, WDP expects to pay a dividend per share of 4.20 euros gross for the 2016 financial year (payable in 2017), corresponding to an increase of 5% compared with 4.00 euros in 2015, and furthermore based on a distribution rate of ca. 80%.

4. Projected consolidated balance sheet

The projected balance sheet takes into account any factors that could reasonably be estimated. Due consideration was given to the following assumptions:

- For the development of the property portfolio, account was taken of the investments mentioned above, comprising a combination of mainly work on new-build projects under development and selected direct property acquisitions.
- The solar panels are reflected at fair value using the same assumptions as at 31 December 2015, except that the valuation model is rolled over by one year[7]. This adjustment is directly recognised in shareholders' equity in accordance with IAS 16
- For the development of shareholders' equity account is taken of the higher equity needed to maintain the gearing to approximately 56%, the dividend payment in the form of an optional dividend with the assumption that the take-up in shares will be 50%, the earnings generated during the financial year 2016 and the revaluation of the solar panels. With regard to earnings generation, account is only taken of the net current result and, as stated above, an abstraction has been made of the revaluation of financial instruments in accordance with IAS 39 as well as the impact of market fluctuations on the portfolio in accordance with IAS 40.
- The forecast for the financial debts was drawn up on the basis of the expected investment volume and the part expected to be financed with new equity (through, amongst others, retained earnings and the optional dividend). At 31 December 2015 WDP has a buffer of 110 million euros in unused long-term credit lines that can be used to cover all existing investment commitments.

7 See also Note *XIII. Other non-current tangible assets* on page 208.

5. Implementation of the new 2016-20 growth plan

Structural drivers support demand for logistics space

Through implementing the 2013-16 growth plan, WDP now has a high-quality and diversified portfolio worth ca. 2 billion euros (including projects under development) at its disposal in its core markets in Belgium and the Netherlands, as well as in France and the logistics growth market Romania. The company boasts a professional marketing platform allowing further growth and customer service.

In addition, the logistics sector is being driven by a number of structural trends, including e-commerce, changing consumption and distribution networks, technological developments, sustainability and the need for a high-quality infrastructure, all of which translate into increased demand for modern logistics properties.

Targeted portfolio growth from 2 to 3 billion euros

Within this context WDP intends to carry on growing in its present markets both in size and profitability through a continuation of the current growth rate. WDP is targeting portfolio growth of 1 billion euros over the next 5 years, bringing the portfolio up to 3 billion euros by 2020. This growth is to be attained in various ways:

- acquisitions adding long-term value to the portfolio (including a high residual value and the possibility of creating partnerships with customers);
- the realisation of pre-let projects on existing and/or new sites (via a combination of repeat business and new partners);
- further investments in alternative sources of energy as well as projects aimed at reducing energy consumption within the current portfolio (for example the solar panel programme in the Netherlands).

The focus of this targeted growth is to create shareholder value. The aim of the new 2016-20 strategic growth plan is to achieve cumulative growth of the net current result per share (EPRA) of at least 25% to a minimum of 6.25 euros per share over the 5-year period[8]. This is also intended to provide dividend growth. WDP intends to achieve this growth on the basis of the company's strong fundamentals, such as the high occupancy rate, the long duration of the leases, the sustainable average rent levels, experienced and motivated staff, a cost of debt remaining under control and a balanced capital structure backed by a strategy of real estate investments accompanied by a synchronous issuance of new debt and equity.

8 This target is based on the current situation, barring unforeseen events (such as a material deterioration in the business and financial climate) and a normal amount of sunshine.

6. Sensitivity

The table below provides a non-exhaustive list of external and internal factors that affect the main parameters of the company, i.e. net current result, gearing and shareholders' equity.

Sensitivity analysis based on the consolidated results as at 31 DEC. 15

Δ Inflation (in %)	**-1.0%**	**-0.5%**	**0.0%**	**0.5%**	**1.0%**
Net current result (in milion euros)	-1.3	-0.7	0.0	0.7	1.3
Δ Occupancy (in %)	**-1.0%**	**-0.5%**	**0.0%**	**0.5%**	**1.0%**
Δ Net current result (in milion euros)	-1.5	-0.7	-	0.7	1.5
Δ Euribor (in %)	**-1.0%**	**-0.5%**	**0.0%**	**0.5%**	**1.0%**
Δ Net current result (in milion euros)	-	-	-	-1.3	-2.5
Δ Fair value of the investment property (in %)	**-5.0%**	**-2.5%**	**0.0%**	**2.5%**	**5.0%**
Δ Gearing ratio (in %)	2.8%	1.4%	0.0%	-1.3%	-2.6%
Δ Investments (in million euros)	**-50.0**	**-25.0**	**-**	**25.0**	**50.0**
Δ Gearing ratio (in %)	-1.1%	-0.5%	0.0%	0.5%	1.1%
Δ Fair value of the investment property (in %)	**-5.0%**	**-2.5%**	**0.0%**	**2.5%**	**5.0%**
Δ Fair value of the investment property and shareholders' equity (in million euros)	-92.2	-46.1	-	46.1	92.2
Δ Interest rates (in %)	**-1.0%**	**-0.5%**	**0.0%**	**0.5%**	**1.0%**
Δ Fair value of hedging instruments and shareholders's equity (in million euros)	-44.2	-21.6	-	20.7	40.5

7. Report of the Statutory Auditor

The Board of Directors on behalf of Warehouses De Pauw Comm. VA

Blakebergen 15
B-1861 Wolvertem
23 March 2016

Dear Sirs

We report on the forecasted consolidated profit and loss account and the forecasted consolidated balance sheet of Warehouses De Pauw Comm. VA (the Company) and its subsidiaries (together the Group) for the 12 months period ending 31 December 2016 (the Profit and Balance Sheet Forecast). The Profit and Balance Sheet Forecast, and the material assumptions upon which it is based are set out in 6.1, 6.2 and 6.4 of the Annual Financial Report 2015 (the 2015 Annual Report of the Group, the Reference Document) issued by the Company dated 23 March 2016. We do not report on the implementation of the new growth plan 2016-2020 and the projected dividend as mentioned in 6.3 and 6.5 of the 2015 Annual Report of the Group. This report is prepared in accordance with the principles as defined under Annex I item 13.2 of the European Commission Regulation (EC) No 809/2004 (the Prospectus Directive Regulation) and is given for the purpose of complying with that rule and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the Directors) to prepare the Profit and Balance Sheet Forecast in accordance with the Prospectus Directive Regulation.

It is our responsibility to form an opinion, as required by the Prospectus Directive Regulation, as to the proper compilation of the Profit and Balance Sheet Forecast and to report that opinion to you.

Save for any responsibility arising under art. 61 of the Law of 16 June 2006 to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this report or our statement, required by and given solely for the purposes of complying with Annex I item 23.1 of the Prospectus Directive Regulation, consenting to its inclusion in the registration document.

Basis of Preparation of the Profit and Balance Sheet Forecast

The Profit and Balance Sheet Forecast has been prepared on the basis stated in 6.1, 6.2 and 6.4 of the Reference Document and is based on a forecast for the 12 months periods ending 31 December 2016. The Profit and Balance Sheet Forecast is required to be presented on a basis consistent with the accounting policies of the Group.

Basis of opinion

We conducted our work in accordance with the International Standard on Assurance Engagement 3400 The Examination of Prospective Financial Information (ISAE 3400) issued by the International Auditing and Assurance Standards Board (IAASB). Our work included evaluating the basis on which the historical financial information included in the Profit Forecast has been prepared and considering whether the Profit Forecast has been accurately computed based upon the disclosed assumptions and the accounting policies of the Group. Whilst the assumptions upon which the Profit Forecast are based are solely the responsibility of the Directors, we considered whether anything came to our attention to indicate that any of the assumptions adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Profit Forecast have not been disclosed or if any material assumption made by the Directors appears to us to be unrealistic.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Profit and Balance Sheet Forecast has been properly compiled on the basis stated.

Since the Profit and Balance Sheet Forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Profit and Balance Sheet Forecast and differences may be material.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside Belgium, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the Profit and Balance Sheet Forecast has been properly compiled on the basis stated and the basis of accounting used is consistent with the accounting policies of the Group.

Declaration

For the purposes of art. 61 of the Law of 16 June 2006 we are responsible for this report as part of the registration document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the registration document in compliance with Annex I item 1.2 of the Prospectus Directive Regulation.

Yours faithfully

DELOITTE
Bedrijfsrevisoren/Reviseurs d’Entreprises

BV o.v.v.e. CVBA/SC s.f.d. SCRL

Represented by Kathleen De Brabander

7. Corporate governance

1. Corporate governance

Pursuant to Section 96, §2 (1) of the Belgian Companies Code (amended by the Law of 6 April 2010 to strengthen good governance at listed companies) and the Royal Decree of 6 June 2010 designating the good governance to be complied with by listed companies, WDP Comm. VA is required to comply with the Belgian Corporate Governance Code of 12 March 2009. The Belgian Corporate Governance Code is available online at www.corporategovernance-committee.be.

WDP does its utmost at all times to comply with the principles of good governance contained in the Belgian Corporate Governance Code and uses this as its reference code. The corporate governance principles are primarily relevant to the specific management structure of WDP, discussed in greater detail – in *2. Some background information: the Commanditaire Vennootschap (partnership limited by shares) and its statutory manager*.

Integrity and correctness in business conduct have been a priority since formation. In addition, WDP is committed to creating a balance between the interests of its shareholders (and the holders of bonds) and other parties directly or indirectly involved in the company (the stakeholders).

The Corporate Governance Code mandates the comply or explain principle, whereby departures from the recommendations must be justified. The WDP Corporate Governance Charter departs from the recommendations of the Corporate Governance Code only on a few points. These departures relate to the company's activities and the accompanying limited size of the Board of Directors of WDP's statutory manager.

- the Corporate Governance Code recommends that the Board of Directors should be chaired by a non-executive director. WDP has departed from this rule, as the chairman of the Board of Directors, Mark Duyck, holds the position of executive director without, however, being part of the executive management. WDP has chosen to assign a particularly active role to the chairman, who serves as a sounding board for the executive management and provides advice in this capacity. However, he does not participate in the management's decision-making process. His executive duties also include preparing strategic initiatives for discussion (and decision making) by the Board of Directors. WDP believes this role improves the communication between the Board of Directors and the executive management and, more generally, the company's operations. In order to be able to properly perform these duties, Mark Duyck is present at the company's offices an average of three days a week. Under the Corporate Governance Code, the chairman is permitted to be allocated specific responsibilities other than chairing the Board of Directors and its meetings;

- the Corporate Governance Code recommends that the nomination committee should include a majority of independent non-executive directors. Due to the limited size of the Board of Directors, WDP's nomination committee consists of the entire Board of Directors, and is chaired by the chairman of the Board of Directors. The nomination committee consequently consists of six members, half of whom - i.e. not the majority (as recommended by the Corporate Governance Code) - are independent non-executive directors. The chairman of the Board of Directors (who has certain management duties) chairs the nomination committee, even though the Corporate Governance Code recommends that this should be a non-executive director. Since the chairman of the Board of Directors, despite having certain executive duties, is not the CEO, the Board of Directors believes that one of the specific, typical duties of the Chairman, such as chairing the nomination committee, can be assigned to the chairman of the Board of Directors.

The Board of Directors must devote a separate section of its annual financial report to corporate governance, detailing the company's practices in this area during the relevant financial year, including the specific information required under the applicable laws and the Corporate Governance Code.

This chapter of the 2015 Annual financial report includes the contents of the WDP Corporate Governance Charter, which is also available on its website at www.wdp.eu and describes the situation as at 31 December 2015.

2. Some background information: the Commanditaire Vennootschap (partnership limited by shares) and its statutory manager

WDP is a Regulated Real Estate Company that has assumed the legal status of a Commanditaire Vennootschap op Aandelen (Comm. VA: a type of partnership limited by shares). A Commanditaire Vennootschap op Aandelen has two types of partners. The first is the general partner who has unlimited liability and is jointly and severally liable for the commitments the company makes. WDP Comm. VA's general partner is De Pauw NV, with registered office at Blakebergen 15, 1861 Meise (Wolvertem). There are also commanditaire or silent partners, who are shareholders and whose liability is limited to the sum of their investment.

Characteristic of a Commanditaire Vennootschap op Aandelen is that it is managed by a (statutory) manager, who must be a managing partner, who has the right to veto all major resolutions of the General Meeting and who it is virtually impossible to dismiss.

The manager is appointed by an Extraordinary General Meeting with due regard for the requirements for an amendment to the articles of association. The manager is free to resign at any time. However, the duties of the manager can only be withdrawn by a decision of the court called upon for this purpose by the General Meeting of Shareholders, based on valid reasons. The manager cannot vote on this resolution of the General Meeting.

The General Meeting can only deliberate and pass resolutions if the manager is in attendance. The manager must approve any amendment to the articles of association and the resolutions of the General Meeting with regard to actions concerning the company's interests vis-à-vis third parties, such as the distribution of dividends and any resolution that has an impact on the company's capital.

The company is represented by its manager, De Pauw NV, represented by its permanent representative. In addition, important transactions normally require a second manager beside the business manager in accordance with the four eyes principle. The company may also be represented by the holder of a special power of attorney.

The manager De Pauw NV has been appointed for an indefinite period. On 1 September 2002, Tony De Pauw was appointed as permanent representative of De Pauw NV as part of its appointment as statutory manager.

The manager of WDP, De Pauw NV, satisfies the provisions of Article 17 of the GVV/SIR Law, and has, in particular, its own management structure and an administrative, accountancy, financial and technical organisation that enables the company to pursue its activities as a GVV/SIR, as well as an adequate system of internal control (see *5.7. Management report - Corporate governance - Internal control* on page 106).

3. The shareholders

The company will treat all WDP shareholders that are in the same circumstances equally and respect their rights. Shareholders have access to the investors section of the website, where they are provided with all the information they need to act expertly. They can also download from the website any documents required to take part in the voting at the Annual General Meeting. This part of the website also includes the most recent version of the articles of association and the Corporate Governance Charter.

WDP's total equity at 31 December 2015 is 148,427,695.51 euros, represented by 18,507,260 fully paid-up ordinary shares. There are no preference shares. Each of these shares grants one voting right at the General Meeting, so these shares represent the denominator for purposes of notifications within the framework of transparency regulations (i.e. notifications in the event that the thresholds set down by the articles of association or by law are reached, exceeded or not reached).

In accordance with the conditions and terms stipulated in sections 6 to 13 of the Law of 2 May 2007, on the disclosure of major stakes in issuers whose shares may be traded on a regulated market specifying various stipulations, any natural person or legal entity that, either directly or indirectly, purchases or transfers shares granting voting rights of the company, is obliged to inform the company and the FSMA of the number and the percentage of the existing voting rights they hold as a consequence of the purchase/transfer, if the voting rights associated with these shares granting voting rights exceeds or becomes inferior to the above thresholds. There is a threshold of 3%

under the articles of association and thresholds set by law for each increment of five percentage points of the total existing voting rights.

No special control rights are granted to any specific shareholder categories. WDP currently has only one majority shareholder, which has one representative on the Board of Directors (see below *4.3.1. Current members of the Board of Directors* in *5.7.4. The Board of Directors of the statutory manager De Pauw NV*).

The obligations of the company and the rights of the shareholders with regard to the General Meeting are published in the Investor relations section of WDP's website at www.wdp.eu from the convening notice until participation and voting in extenso. This information will remain accessible on the company website for a period of at least five years, calculated from the date of the General Meeting to which it refers.

The Extraordinary General Meeting can only adopt a resolution on an amendment to the articles of association in a legally valid manner if the proposed amendments are clearly stated in the convening notice and if those attending the meeting represent at least half of the company's authorised capital, and provided that the manager is attending. If this quorum is not met or if the manager is not present, a new meeting must be convened.

The second meeting deliberates and passes resolutions in a legally valid manner, irrespective of the portion of the capital that is absent or represented and irrespective of the absence of the manager.

Amendments to the articles of association will only be adopted if they have been approved by the FSMA and three-quarters of the votes associated with the absent or represented shares are in favour of the amendment and the present or represented manager agrees.

4. The Board of Directors of the statutory manager De Pauw NV

4.1. Duties of the Board of Directors

The Board of Directors has various duties for the GVV/SIR. It:

- defines the strategy and policy of the company;
- approves all significant transactions with the aim of achieving the goals of WDP;
- monitors the quality of the management, among other things based on a thorough check and detailed discussion of the annual financial statements, as well as by an annual assessment of its operations;
- ensures that management is conducted in accordance with the strategy;
- handles the company's financial communications with the media and analysts.

4.2. Functioning of the Board of Directors

The Board of Directors of the manager meets four times a year, on the invitation of the chairman. One of these meetings is devoted to the discussion of the company's strategy. The dates of the meetings are established in advance for the entire year, in order to prevent absences as much as possible. Additional meetings must also be convened whenever so required in the interests of the GVV/SIR or when two directors so request it.

The chairman is responsible for chairing the Board meetings and ensuring they go smoothly, and sets the agenda of the meetings in consultation with the CEO.

This agenda contains a fixed list of items to be discussed, which are thoroughly prepared and documented, so that all directors have the same information in good time.

All Board members receive these documents no later than the Friday prior to the week in which the Board meets, so that they can prepare thoroughly.

The same person cannot hold the position of chairman of the Board of Directors and CEO.

The person chairing the meeting may appoint a secretary (who is not necessarily a director).

Only the members of the Board of Directors can take part in the deliberations and cast their votes. Normally, the Board's vote is only valid if the majority of its members are present or represented. Resolutions of the Board are passed by a simple majority of votes. If there is a tie no decision is taken.

On the chairman's invitation, members of the executive management who are not Board members or specialists in a particular field may attend Board meetings in order to inform or advise the Board. For matters concerning financial information or accounting procedures, the chairman can call upon the accounts department and/or statutory auditor directly.

4.3. Remit of the director

4.3.1. Current constitution of the Board of Directors

The statutory manager's Board of Directors is made up in such a way that WDP may be managed in accordance with its articles of association and pursue its permitted activities (as described in Article 4 of the GVV/SIR Law. The manager's Board of Directors comprises at least three independent directors who each comply with the criteria of Section 526ter of the Companies Code.

Furthermore, compliance with the criteria referred to in Section 526ter of the Companies Code is also assessed as though the relevant independent member of the Board of Directors of De Pauw NV were a director of WDP.

The following provisions apply to the composition of the Board of Directors of the manager:

- the Board of Directors is constituted by no fewer than three members;
- one or more directors, accounting for no more than half of the total number, can be executive directors. In other words they can exercise an operational function within WDP;
- the individual competencies and experience of the Board members must be complementary;

- The individual contribution of each directors guarantees that no individual or group of directors can influence the decision-making;
- directors should bear in mind the company's interests and forge an opinion and contribute to the decision-making process in an independent way;
- any independent director who ceases to comply with the independence requirements of Section 526ter of the Companies Code (supplemented by the Board of Directors as necessary) is obliged to inform the Board accordingly.

The directors of the manager De Pauw NV comply with sections 14 and 15 of the GVV/SIR Law (a fit-and-proper test of the directors, advice provided by the FSMA for appointments and reappointments, and rules regarding disqualification from professional practice).

Only one representative of the reference shareholder, the Jos De Pauw family, currently has a seat on the Board of Directors.

The manager's Board of Directors currently comprises six directors, including three independent non-executive directors and three executive directors.

The members of the Board of Directors must satisfy the applicable regulations laid down in the GVV/SIR Law. The members of the Board of Directors must be exclusively natural persons (exception being made in respect of mandates current at the time of entry into effect of the GVV/SIR Law).

On 31 December 2015, the Board comprised the following six members:

- **Mark Duyck**
  (Lindekensweg 73, 1652 Alsemberg)
  has been a director since 1999, chairman of the Board of Directors since 2003 and executive chairman since 2006. He is an economist and holds an MBA. After holding various positions at a number of European and American companies, he held various management positions during a fifteen-year period at Brussels Airport. His knowledge and expertise of transport operations contributes to the complementarity of the members of the Board of Directors. He is also the manager of Coconsult BVBA and chairman of the Steylaerts NV Board of Directors.

- **M.O.S.T. BVBA**
  (Drielindenbaan 66, B-1785 Merchtem)
  permanently represented by Frank Meysman, has been an independent non-executive director since 2006. Frank Meysman has broad knowledge and international experience (e.g. in the Netherlands) in marketing and in this respect is able to reinforce WDP's customer focus. He has been a director at several international companies including Procter & Gamble, Douwe Egberts and Sara Lee. In the past five years, he has also been a director of Picanol, Spadel, Betafence and Grontmij[1]. He is also chairman of the Board of Directors of the Thomas Cook Group and JBC.

- **Anne Leclercq**
  (Herhout 62, 1570 Tollembeek)
  has been an independent non-executive director since April 2015. After studying law at the KU Leuven, she went on to graduate

1 These terms have now ended.

from the Kellogg School of Management and gain an MBA from Vlerick Business School. After working for several banks, she joined the Belgian Debt Agency where she currently is Director Treasury and Capital Markets. In this capacity she has acquired major insights and expertise in the field of efficient management policy, while at the same time gaining management experience. Moreover, she has carried out various missions for such supranational institutions as the IMF, World Bank and the OECD. In the past five years she has also been a director at KU Leuven and a member of the KU Leuven and UZ Leuven audit committee.

- **Cynthia Van Hulle**
  (Heikant 22, 9190 Stekene)
  has been an independent non-executive director since February 2015. She has a PhD in Applied Economics from the KU Leuven, where she now works as Professor at the Faculty of Economics and Business. Her main academic focuses are corporate finance, restructuring and corporate governance. As well as studying at Yale and the University of Chicago and lecturing at Columbia University, she also held the Francqui chair at the University of Ghent. In the past five years she has held many directorships, inter alia as independent non-executive director at Argen-Co and Miko, as non-executive director at the Argenta Bank and Insurance Group and Argenta Assuranties and Argenta Savings Bank, as well as at KBC Ancora[2].

- **Tony De Pauw**
  (Ganzenbos 5, 1730 Asse)
  has been executive director and CEO since 1999 and represents the largest group of shareholders, i.e. the De Pauw family (through the family company structure[3] RTKA). He and Joost Uwents constitute WDP's executive management. In the past five years, he has also been a director of Ensemble Leporello VZW and Concert Olympique.

- **Joost Uwents**
  (Hillarestraat 4 A, 9160 Lokeren)
  director since 2002 and executive director and CEO since 2010, forms the WDP executive management team together with Tony De Pauw. He is a commercial engineer and holds an MBA. On 23 November 2015 he became an independent non-executive director of Xior Student Housing.

4.3.2. Appointment – term – end

Directors are appointed by the General Meeting of Shareholders of De Pauw NV, following a recommendation from the nomination committee of the Board of Directors, which assesses all the candidates. The selection of a new director is based on a professional, objective selection process. Care is taken with all appointments so that the complementarity of capacities and knowhow within the Board of Directors are guaranteed. A new director is appointed as soon as a director's seat becomes vacant and/or as soon as this is required.

2 These terms have now ended.

3 For more information on the corporate structure, see *6.3. Procedures of the executive management – Company shareholder structure* on page 118.

The General Meeting of the De Pauw NV can dismiss directors at any time.

Whereas in the past, directors were appointed for a term of six years, effective 2011 they are appointed for a period of four years. Independent directors may not serve as non-executive directors on the Board of Directors for more than three successive terms or more than twelve years. The appointment of other, non-independent directors can be renewed indefinitely.

The above rules apply subject to the age limit, which is set at sixty-five years, i.e. a director loses his seat at the end of the annual meeting in the year in which he turns sixty-five years of age, unless the Board of Directors decides otherwise on the recommendation of the nomination committee.

Directors are permitted to hold additional directorships at other listed and unlisted companies. They must inform the chairman of the Board of Directors of any such directorship. Under the Corporate Governance Code, non-executive directors are not permitted to hold more than five directorships at listed companies without the consent of the Board of Directors (subject to the comply-or-explain principle). Any changes in their other relevant commitments and new commitments outside the company must be reported to the chairman of the Board of Directors in a timely manner.

The directors must respect agreements relating to discretion and mutual confidentiality. They must also strictly comply with all the legal and applicable principles relating to conflicts of interest, insider information, etc.

When a transaction is considered where a director has a potential conflict of interest, the corresponding provisions of the Companies Code and GVV/SIR Law apply. With regard to WDP share transactions conducted by directors on their own behalf, WDP's rules of procedure must be observed (see also *9.3.1.I. Code of conduct regarding financial transactions* under *5.7.9. Management report - Corporate governance - Internal control* on page 105). The Board of Directors aims to maintain a good balance of knowledge and experience at all times, based on the requirements of efficient business conduct in our markets. The Board also strives to remain a flexible and practicable entity.

Developments in the composition of the Board of Directors in the 2015 financial year:

- The directorship of Alex Van Breedam as independent non-executive director ended at the close of the 29 April 2015 General Meeting.
- The directorship of Dirk Van den Broeck as independent director ended on 25 February 2015, as did his term as independent non-executive director at the close of the 29 April 2015 General Meeting.
- At the Extraordinary General Meeting of 19 February 2015, Cynthia Van Hulle was appointed as new independent non-executive director as of 25 February 2015. Her term runs until the close of the 2018 General Meeting.

- The 29 April 2015 General Meeting:
  - appointed Anne Leclercq as new independent non-executive director for a 3-year term, ending at the close of the 2018 General Meeting;
  - renewed the term of Mark Duyck as executive director for a 2-year term, ending at the close of the 2017 General Meeting;
  - renewed the term of Tony De Pauw as director for a 4-year term, ending at the close of the 2019 General Meeting.

Developments in the composition of the Board of Directors in the 2016 financial year

The current term of M.O.S.T. BVBA, with Frank Meysman as its permanent representative, ends at the 2016 General Meeting. Pursuant to the provision of the GVV Law that all members of the Board of Directors must be natural persons, the Board of Directors intends to propose Frank Meysman in person as independent non-executive director for a new 2-year term, ending at the close of the 2018 General Meeting.

4.3.3. Evaluation

Directors are evaluated on a permanent basis (as members of the Board of Directors and as members of a committee), in particular by their colleagues. If a director has any doubts concerning the contribution of one of his colleagues, he can propose that this be included as an agenda item of a meeting of the Board of Directors or the relevant committee, or notify the chairman, who may then take any necessary steps he sees fit.

In addition, all directors are individually evaluated by the Board of Directors on an annual basis and more frequently as the case may be, with due consideration for such aspects as attendance record, how often they speak at meetings, suggestions expressed outside of meetings, proposal of new ideas based on their experience on other Boards or Committees and their sense for identifying and controlling risks.

Given the limited constitution of the Board of Directors, continual interaction between the members is the most advisable way for WDP to efficiently and continually adjust and improve the administration process rather than the formal questionnaire or box-ticking method.

4.4. Declarations concerning directors

WDP's statutory manager, based on the information at its disposal, states that:

- at least in the past five years neither it nor its directors (including the executive management) – if companies act as a director, their permanent representatives:
  - have been convicted of fraud;
  - have been the subject of officially and publicly expressed accusations and/or sanctions imposed by legal or regulatory authorities (including recognised professional organisations), or have ever been declared unfit to act as a member of the administrative or regulatory bodies of a company or to act in the capacity of a director or performing a company's activities;
  - have held a managerial position as a senior manager or member of a company's administrative, managerial or supervisory bodies at the time of its bankruptcy, curatorship or liquidation;

- at present, there are no ongoing employment contracts or service contracts with the directors, through the GVV/SIR or the statutory manager, that provide for special payments upon termination of employment;
- the employment contracts or service contracts concluded between the statutory manager and the members of the executive management provide for no special payments upon termination of employment.

4.5. Issue or purchase of shares

The company may acquire and hold in pledge its own fully paid up shares by virtue of the decision of the General Meeting in accordance with the stipulations of the Companies Code. The same meeting may establish the disposal conditions.

The manager is also authorised, for the period of five years after the Extraordinary General Meeting of 27 April 2011, to acquire at the company's expense, accept as security and dispose of (even outside the stock exchange) the company's own shares at a share price that may not be lower than 0.01 euros per share (acquisition and acceptance as security) or 75% of the closing price on the trading day preceding the date of the transaction (disposal) and that may not exceed 70 euros per share (acquisition and accept as security), or 125% of the closing price on the trading day preceding the date of the transaction (disposal) without the company being authorised to hold over 20% of the total amount of shares issued. WDP has asked its shareholders to renew this authorisation.

On 31 December 2015, WDP Comm. VA did not own any shares.

5. Committees of the Board of Directors

With a view to the implementation of the Corporate Governance Code, WDP's Board of Directors set up four specialist committees in autumn 2004: a strategic committee, an audit committee, an nomination committee and a remuneration

NAME CAPACITY	BEGIN OF DIRECTOR-SHIP	MOST RECENT BOARD APPOINTMENT	END OF DIRECTOR-SHIP	ATTENDANCE	SHARES HELD AT 31 DEC. 2015
MARK DUYCK	June 1999	April 2015	April 2017		8,228
Chairman of the Board and executive director				13/13	
Charirman of the strategic committee				4/4	
Chairman of the nomination committee				2/2	
M.O.S.T. BVBA, permanently represented by Frank Meysman	April 2006	April 2012	April 2016		2,651
Independent non-executive director				12/13	
Strategic committee member				3/4	
Audit committee member				3/4	
Nomination committee member				2/2	
Chairman of the remuneration committee				2/2	
ANNE LECLERCQ	April 2015	N/A	April 2018	(as of 29 April 2015)	0
Independent non-executive director				8/8	
Strategic committee member				3/3	
Audit committee member				3/3	
Nomination committee member				1/1	
Remuneration committee member				1/1	
CYNTHIA VAN HULLE	February 2015	N/A	April 2018	(as of 25 Febru-ary 2015)	0
Independent non-executive director				12/12	
Strategic committee member				3/3	
Audit committee member				3/3	
Nomination committee member				1/1	
Remuneration committee member				1/1	
TONY DE PAUW	May 1999	April 2015	April 2019		0[1]
Executive director				13/13	
Strategic committee member				4/4	
Nomination committee member				2/2	
JOOST UWENTS	April 2002	April 2014	April 2018		17,000
Executive director				13/13	
Strategic committee member				4/4	
Nomination committee member				2/2	
ALEX VAN BREEDAM	April 2003	N/A	April 2015	N/A	N/R
Independent non-executive director	(ended on 29 April 2015)				
DIRK VAN DEN BROECK	February 2003	N/A	February 2015	N/A	N/R
Independent director	(ended on 25 February 2015)				
Non-executive director	(Ended on 29 April 2015)				

1 The largest shareholder, the De Pauw family, has placed all its shares (4.814.918 or 26.02% of total WDP shares with voting rights at 31 December 2015), under joint ownership within the family-run RTKA holding company, thereby institutionalising the joint decision-making. The voting rights are in the hands of the Board members of this company, i.e. Robert, Tony, Kathleen and Anne De Pauw, to the exclusion of all other shareholders of the holding. These Board mem-bers act in mutual agreement with De Pauw NV, holder of 1,869 WDP shares. As a company, De Pauw NV is 100% controlled by the members of the RTKA Board.

committee. The composition of these committees is in accordance with the Companies Code and the Corporate Governance Code, with the exception of the departures stated at the beginning of this section (see page 84).

All of these committees can invite people who are not committee members to attend their meetings. They can also request, on behalf of the company, external professional advice on subjects relating to the committee's specific competences. They are nevertheless required to inform the chairman of the Board of Directors beforehand.

After each committee meeting, all of the members of the Board of Directors receive a copy of the minutes of the meeting and its conclusions.

5.1. Strategic committee

The strategic committee deals with subjects that could potentially affect the company's strategy. Given the limited number of directors and the importance of strategic discussions, this is undertaken permanently by the entire Board of Directors. The strategic committee is chaired by the chairman of the Board of Directors. The strategic committee met four times in 2015.

5.2. Audit committee

The Board of Directors has appointed an audit committee from among its members. This committee is composed of the independent non-executive directors of the Board of Directors.

At least one member of the audit committee must possess the necessary expertise in the field of accountancy and audits and, as an independent director, must, satisfy the criteria specified in Section 526ter of the Companies Code. Cynthia Van Hulle currently satisfies the conditions with respect to expertise, as well as the required criteria.

The audit committee is now chaired by Cynthia Van Hulle, who organises committee proceedings and can invite members of the executive management, the chairman of the Board of Directors or the statutory auditor to take part in the meetings.

The audit committee met four times in 2015.

The audit committee performs the following duties:

- monitoring the financial reporting process;
- monitoring the statutory audit of the financial statements and the consolidated financial statements, including following up questions and recommendations made by the auditor;
- assessing and monitoring the auditor's independence, in particular in relation to additional services provided to the company.

The audit committee reports to the Board of Directors on a regular basis on the performance of its duties, and in any case when the Board of Directors prepares the financial statements, the consolidated financial statements and the abridged financial overviews intended for publication. Prior to each half-yearly meeting of the Board of Directors, an interim report is drawn up that is presented to the audit committee by the statutory auditor.

5.3. Nomination committee

The nomination committee was established to advise the Board of Directors on appointments proposed to the General Meeting of the manager. It also gives its opinion on recruitment for key posts at the manager and the GVV/SIR, even if this does not have to be approved by the General Meeting of the manager.

Given the limited size of the Board of Directors, the nomination committee is composed of the entire Board of Directors and is chaired by the chairman of the Board. The nomination committee consequently consists of six members, half of whom - i.e. not the majority (as recommended by the Corporate Governance Code) - are independent directors. The chairman of the Board of Directors (who has certain management duties) chairs the nomination committee, even though the Corporate Governance Code recommends that this should be an independent non-executive director. Since the chairman of the Board of Directors, despite having certain executive duties, is not the CEO, the Board of Directors believes that one of the specific, typical duties of the chairman, such as chairing the nomination committee, can be assigned to the chairman of the Board of Directors.

However, the chairman is not authorised to chair the nomination committee when his successor is to be selected or where it concerns his reappointment.

The nomination committee meets at least twice a year (as was the case in 2015). It also meets at other times if circumstances so require.

5.4. Remuneration committee

The remuneration committee comprises the non-executive members of the Board of Directors and so includes a majority of independent directors within the meaning of article Section 526ter of the Companies Code, and possesses the necessary expertise on remuneration policies. The Chairman of the Board of Directors (if the latter is a non-executive director) or another non-executive director chairs the committee. M.O.S.T. BVBA, permanently represented by Frank Meysman, is the chairman of the remuneration committee.

The chairman of the Board of Directors is invited to all the meetings of the remuneration committee, which he may attend without being a member and without having voting rights. However, if the remuneration committee is discussing the remuneration of the chairman of the Board, the latter is not invited to that particular meeting.

- the remuneration committee submits proposals to the Board of Directors regarding the remuneration policy of directors and the members of the executive management, as well as, where applicable, any resulting proposals that the Board of Directors must submit to the shareholders;
- it submits proposals to the Board of Directors regarding the individual remuneration of the directors and the members of the executive management, including variable remuneration and long-term performance bonuses, linked to shares or otherwise, in the form of share options or other financial instruments, and of severance payments and, where applicable, the resulting proposals that must be submitted to the shareholders by the Board of Directors;
- it prepares the remuneration report that the Board of Directors subsequently incorporates into the corporate governance report contained in the annual financial report;
- it clarifies the remuneration report at the ordinary General Meeting of shareholders.

The remuneration committee meets at least twice a year (which was also the case in 2015) and whenever it deems this necessary in order to properly perform its duties. The remuneration committee regularly reports on the performance of its duties to the Board of Directors.

6. The executive management

WDP is a self-managed operational and commercial real estate company. That means it does not delegate the management of its property-related activities to a third party, but manages them within the company in consultation with the manager. The management is therefore not involved in any other property activity, but works exclusively for WDP's stakeholders.

WDP's executive management is the effective leadership body within the sense of the GVV/SIR Law.

6.1. Duties of the executive management

WDP's executive management is responsible for:

- preparing, proposing and implementing the strategic objectives and the group's general policy plan, as approved by the Board of Directors;
- defining the standards based on which the strategy must be implemented;
- implementing Board resolutions, monitoring performance and results;
- reporting to the Board of Directors.

6.2. Current constitution of the executive management

Duties are split among the executive management as follows:

Tony De Pauw is an executive director and CEO. He bears executive responsibility for:

- investment policy (i.e. finding, studying and negotiating potential new acquisitions in the regions where WDP is active);
- management of the property portfolio, specifically, defining the policy for the management of existing properties (maintenance, renovation and improvement work) in consultation with the facility managers;
- project management, i.e. supervising current new build sites in conjunction with the project managers.

Joost Uwents is an executive director and CEO. He has ultimate responsibility for:

- general management (i.e. day-to-day management of the WDP team);
- Financial policy and internal reporting. This includes cash management, receivables and payables, management of loans and interest charges, and reporting to the various levels in consultation with the CFO;
- marketing, in particularly preparing commercial campaigns targeting current and potential clients, in conjunction with the marketing director;
- commercial policy, i.e. devising a strategies to increase long-term occupancy rates, focusing on both current and potential clients, in conjunction with the various commercial directors;

26%
JOS DE PAUW FAMILY
74%
PUBLIC

100%
FAMILY
JOS DE PAUW

INDEPENDENT EXPERTS
CHARTERED SURVEYORS
STATUTORY AUDITOR

WDP

MANAGER
DE PAUW SA
BOARD OF DIRECTORS

TONY DE PAUW

EXECUTIVE MANAGEMENT

JOOST UWENTS

INVESTMENTS
COMMERCIAL POLICY
FINANCES AND ADMINISTRATION
INVESTOR RELATIONS
TECHNICAL MANAGEMENT

- investor relations, i.e. liaising with private and institutional investors through communications with financial analysts and journalists, as well as directly with the investors through road shows and other initiatives, together with the CFO.

The management team can also count on the support and professional experience of the chairman of the Board of Directors, who works on a part-time basis (three days a week) in his capacity as executive chairman.

6.3. Procedures of the executive management

The members of the executive management work together closely and in constant consultation. Where the company's day-to-day operations are concerned, resolutions are adopted by a majority of votes. Major decisions regarding day-to-day management are taken unanimously in accordance with the agreements made with the Board of Directors. If the executive management fails to reach an agreement regarding these major decisions, the decision is passed to the Board of Directors.

A weekly management meeting is held, attended by both the members of the management team and the chairman of the Board of Directors in his capacity as executive chairman. The Board of Directors is entitled to see the agenda and minutes of these meetings. An agenda is drawn up before each meeting and is sent well in advance to all the management team members and the executive chairman so that they can prepare for the meeting appropriately. This agenda contains matters including operational decisions relating to day-to-day operations, the status of projects in progress and leases and the evaluation of new projects under consideration.

6.4. Accountability to the Board of Directors

The executive management submits all the relevant financial and business information to the Board of Directors of the manager every three months. Among other things, the following information is provided: key figures, an analytical presentation of the results compared to the budget, an overview of the changes in the property portfolio, and consolidated management accounts including notes.

The members of the executive management who are also executive directors are also accountable to their colleagues on the Board of Directors.

6.5. Term of the executive management

6.5.1. Appointments

The CEO (or both CEOs, if two CEOs are nominated) is selected and nominated by the Board of Directors, also acting as a nomination committee.

The CEO (or both CEOs, if two CEOs are nominated) and the chairman of the Board of Directors jointly submit the selection and nomination of the executive management for approval to the Board of Directors, which also acts as a nomination committee.

6.5.2. Evaluation

The executive management is assessed by the Board of Directors on the basis of targets and performance. The targets on which the evaluation is based are defined by the Board of Directors on the recommendation of the remuneration committee.

7. Remuneration report

This remuneration report complies with the provisions of the Corporate Governance Code 2009 and represents the implementation of Section 96, paragraph 3 (2) of the Companies Code, as implemented by the Law of 6 April 2010 and contains:

- procedures followed during the 2015 financial year to (a) develop a remuneration policy on behalf of the directors and the executive management and to (b) set the remuneration of individual directors and of individual members of executive management;

- a report regarding the remuneration policy pursued during the 2015 financial year for the directors and the executive management, containing the following information:

  - the principles on which the remuneration was based, specifying the relationship between remuneration and performance;
  - the relative significance of the various components of the remuneration;
  - characteristics of performance bonuses in shares, options or other rights to acquire shares;
  - information on the remuneration policy for the next two financial years;

- the remuneration and any other benefits received by non-executive directors on an individual basis from the manager or from WDP; if the executive directors or members of the executive management are eligible for compensation based on WDP's performance, the criteria for evaluating performance against the targets, specification of the evaluation period, and a description of the methods used to determine whether these performance criteria were complied with;

- the amount of the remuneration and other benefits the WDP group awarded to the executive management. This information must be broken down into the following components:

  - basic salary;
  - variable remuneration: any additional compensation linked to the performance criteria, specifying the form in which this variable remuneration was paid;
  - pension: the amounts paid during the 2015 financial year or the costs of the services provided during the 2015 financial year depending on the type of pension scheme, including details on the applicable pension scheme;
  - the other components of the remuneration, e.g. the costs or value of the insurance policies and other benefits in kind, including details on the particulars of the main components;

- the overall amount of the remuneration, broken down by category, of the executive directors and the members of executive management;

- the potential or actual severance pay of the members of the executive management.

INDIVIDUAL REMUNERATION FOR THE FINANCIAL YEAR 2015

NON-EXECUTIVE DIRECTOR	FIXED[1] (in euros)		VARIABLE (in euros)
	REMUNERA-TION	OTHER BENEFITS[2]	
M.O.S.T. BVBA, with Frank Meysman as its permanent representative	25,000	-	-
Cynthia Van Hulle	25,000	-	-
Anne Leclercq	25,000	-	-
Alex Van Breedam[3]	12,500	-	-
Dirk Van den Broeck[3]	12,500	-	-
EXECUTIVE DIRECTORS[4]			
Tony De Pauw	271,500	12,500	180,000[5]
Joost Uwents	296,500	4,500	180,000[5]
EXECUTIVE CHAIRMAN OF THE BOARD OF DIRECTORS[6]			
Mark Duyck	221,500	-	-

1 The fixed remuneration includes fixed expenses of 3,500 euros a year and a remuneration for their work as direc-tors. The latter was increased by 2,000 euros in 2015.
2 Other benefits include a company car for members of the executive management..
3 With the terms of Alex Van Breedam and Dirk Van den Broeck ending at the 29 April 2015 General Meeting, the Board decided to accord them the basic remuneration for six months. .
4 Basic remuneration is determined by the individual responsibilities and skills of each member of executive management, is not dependent on company results and is not indexed
5 Amounts relate to 100% target achievement and are 50% payable over two and three years.
6 The Board of Directors has taken the decision to award a further remuneration to the chairman for additional work, such as a part-time executive function.

The remuneration committee regularly performs a benchmark against both the remuneration of non-executive directors and executive directors of comparable listed Belgian companies in order to make sure that the remuneration remains appropriate and complies with market practices, taking into account the company's size, financial situation and position in the Belgian economy, along with the directors' level of responsibility.

In addition, on an annual basis the remuneration committee analyses the remuneration policy that applies to the executive directors and determines whether any adjustments are needed to retain and motivate them, taking account of the size of the company. Overall remuneration levels, the spread of the various components of the remuneration and the conditions for obtaining the remuneration are all analysed. The remuneration committee also determines whether the process of setting the targets that specify the level of the variable remuneration in the short term is in line with the company's risk appetite.

The Board of Directors, on the proposal of the remuneration committee, does not intend to make any substantial changes to the remuneration policy applicable to directors and executive management for the 2014 and 2015 financial years.

In 2015, the manager received remuneration of 1,300,000 euros. This amount corresponds to the total cost for the Board of Directors in 2015, including the bonus scheme for the executive management and the management of the GVV/SIR and administrative costs.

The total remuneration of the non-executive directors and the executive chairman during the financial year 2015 was 325,000 euros (100% fixed). The non-executive directors do not receive any performance-related pay.

The total remuneration of the executive management for the financial year 2015 was 928,000 euros (including 39% variable pay).

The criteria and targets on which basis the variable remuneration is allocated to the executive management are expressly set at the beginning of the financial year by the Board of Directors on the proposal of the remuneration committee. For the 2015 financial year the following criteria were used (in descending order of importance): the operating result of the group and the occupancy rate, for the one-year targets, and the implementation of the solar energy project and the control of the gearing ratio for the multi-year targets. The extent to which the financial targets were achieved will be assessed after the close of the financial year, based on accounting and financial data to be analysed by the audit committee. These and other criteria are subsequently further assessed by the remuneration committee. Based on the company's profit or loss, the Board of Directors then awards the variable remuneration to the executive directors Tony De Pauw and Joost Uwents. Under article 35, §1 of the GVV/SIR Law, these criteria for awarding the variable pay or the portion of the variable pay that is based on performance relate exclusively to WDP's consolidated net result, excluding any fluctuations in fair value and hedging instruments, and no compensation may be awarded based on a specific act or transaction on the part of WDP or any of its subsidiaries.

Variable remuneration may only be awarded if the criteria for payment determined by a member of executive management and WDP have been satisfied for the reference period. The following also applies: at least 25% of the variable remuneration paid to a member of executive management must be based on performance criteria measured over a period of at least two years, while (another) 25% must be based on performance criteria measured over a period of at least three years. WDP complies with these statutory rules relating to the distribution over time of the variable pay, a portion of which is awarded upon expiry of the relevant financial year and another portion of which is awarded subsequent to this period (i.e. after three years).

Executive directors may use their variable remuneration and the chairman his basic compensation to finance their group insurance in accordance with the cafeteria principle.

No shares, options or any other benefits are provided for, with the exception of a company vehicle for the members of executive management.

No prevailing employment contracts or contracts for the provision of services have been signed with the executive directors (being all persons in accordance with Section 96 of the Companies Code for whom information must be provided) that provide for severance pay. Similarly, the contracts contain no claw-back clauses.

The ordinary Annual General Meeting, which decides on the Board of Directors' annual financial report, will also decide on the remuneration report by means of a separate vote.

8. Conflicts of interest

8.1. Conflicts of interest involving directors

The statutory regulation relating to conflicts of interest for directors (Section 523 of the Companies Code) applies to decisions or actions covered by the competence of the Board of Directors when:

- a director has a direct or indirect property interest, i.e. an interest with financial implications;
- this interest is contrary to the company's interest in this decision or transaction.

In accordance with this regulation, directors are obliged to point out any potential conflicting property interest to the Board of Directors before the decision is taken. They should leave the meeting during the discussion of the relevant agenda item and cannot take part in the debate or the decision taken on this agenda item.

To the company's knowledge, none of the directors currently have a conflict of interest within the meaning of Section 523 of the Companies Code. Other than potential conflicts relating to remuneration issues, the company does not foresee any other potential conflicts of interest in the immediate future.

8.2. Conflicts of interest involving transactions with affiliates

The GVV/SIR must comply with the procedure set out in Section 524 of the Companies Code if it takes a decision or performs an action that relates to: (a) the relations between the GVV/SIR and an affiliate, not including its subsidiaries, and (b) relations between a subsidiary of the GVV/SIR and its affiliate, with the exception of subsidiaries of that subsidiary.

Application of this procedure was not required during 2015. If such a conflict of interest arises, this will be communicated at the appropriate time.

8.3. Functional conflicts of interest

WDP is subject to the provisions of articles 37 and 38 of the GVV/SIR Law. Article 37 contains a provision regarding functional conflicts of interest due to which GVVs/SIRs must inform the FSMA if and when certain persons affiliated with the GVV/SIR (an exhaustive list of which is set out in the same Article, including the manager and its directors, the individuals responsible for supervising, affiliated with or holding a stake in the GVV/SIR, the promoter and the other shareholders of all the subsidiaries of the GVV/SIR) that act directly or indirectly as a counterparty in, or gain any financial benefit from, a transaction with the GVV/SIR or any of its subsidiaries. In its statement to the FSMA, WDP must demonstrate its interest in the planned transaction and the fact that the transaction concerned is within the scope of the investment policy of the GVV/SIR. Article 38 describes in situations in which the provisions of article 37 do not apply.

Transactions that involve a functional conflict of interest must be completed at normal market conditions. If such a transaction concerns property, the valuation of the property expert is binding as a minimum price (in the event of the sale of its subsidiaries by the public GVV/SIR) or a maximum price (in the event of acquisition of subsidiaries by the public GVV/SIR).

Such transactions, along with the data to be reported, are publicly disclosed without delay. They are explained in the annual financial report and in the report of the statutory auditor.

In addition to these stipulations of the GVV/SIR Law, WDP imposes the obligation on each member of the Board of Directors and of the executive management to wherever possible prevent conflicts of interest from arising and WDP also employs a stricter definition of functional conflict of interest with regard to a matter that falls under the powers of the Board of Directors or the executive management respectively.

Specifically, a member of the Board of Directors or the executive management has a functional conflict of interest if:

- the member or any of his or her close relations has an interest regarding proprietary rights that conflicts with a decision or transaction of the company;
- a company that does not form part of the group and in which the member or any of his or her close relations holds a director's or management position has an interest regarding proprietary rights that conflicts with a decision or transaction of the company.

If such a functional conflict of interest arises the director in question will notify his or her colleagues. They then decide whether the director in question is permitted to take part in the vote on the matter to which the conflict of interest relates and whether that colleague can be present during the debate on this matter.

Functional conflicts of interest did arise during 2015 (in connection with both the GVV/SIR Law and with the stricter definition applied by WDP) in connection with the optional dividend offered to shareholders on 29 April 2015, whereby the manager of WDP, some of the manager's directors and the reference shareholder stood to gain material advantage therefrom in their capacity as shareholders of WDP.

The Board of Directors approved the optional dividend, in the knowledge that this transaction was in the interest of WDP (the capital increase accompanying the transaction boosted WDP equity capital and, consequently, reduced its (legally limited) gearing ratio). The transaction was likewise effected under normal market conditions, all shareholders being treated on an equal footing.

9. Internal control

9.1. General

The internal control has three concrete pillars: internal audit (internal audit procedures and internal audit function), risk management (risk management policy and risk management function) and compliance (integrity policy and compliance function), whereby the internal audit should be regarded not only as a self-standing third pillar but also as having a transversal role with regard to the other two pillars. These three pillars are attended to by the person charged with, respectively, the internal audit function, the risk management function and the compliance function (the independent control functions). These functions are organised in a suitable and proportionate manner, always according to the nature, scale and complexity of the activities of WDP. The exercise of each of these functions, in cooperation with the responsibilities of the operational services, forms a line of defence against the risks that threaten the GVV/SIR. The primary characteristics of the objectives, principles, structure, organisation and responsibilities of the internal control and risk management systems of WDP are mapped out in what follows.

The effective leadership, Joost Uwents and Tony De Pauw, in their role as co-CEO of WDP and executive director of the manager of WDP, attend to the organisation of internal control, this under the supervision of the Board of Directors of the manager of WDP.

9.2. Internal control and risk management systems

9.2.1. Company organisation

WDP's internal organisation has expanded significantly in recent years through the growth of WDP. The number of employees has increased, as has the internal division of duties in order to ensure a clearer separation of functions. WDP ended 2015 with a symmetrical sales structure, with one general manager for the Netherlands and one for Belgium, France and Luxembourg. Both are supported in their day-to-day management activities by a respective business team made up of facility management, contracting, development and portfolio management, and an administrative team. In addition, such horizontal responsibilities as finance, legal, project management, marketing and investor relations are to be found at group level. Notwithstanding this further professionalisation, the size of the team remains limited, as an excessively heavy structure and bureaucracy would have an undermining effect, considering the nature of the company's activities. A certain flexibility, where some employees must sometimes serve as a backup for colleagues as necessary, remains vital. However, the responsibilities are clearly defined and daily meetings are held to discuss and follow up on current business.

9.2.2. Organisation of internal control - audit committee

Alongside the general organisation of internal control, the audit committee has a specific responsibility as regards WDP's internal control. The composition of the audit committee and its activities are described elsewhere in this annual report. (See *2. Audit committee* in *5.7.5. Management report - Corporate governance - Committees of the Board of Directors* on page 93).

9.2.3. Risk analysis and audits

The audit committee and the Board of Directors regularly assess the risks the company is exposed to and, based on the ncecessary assessments, they make appropriate decisions (e.g. with regard to defining an interest rate-hedging strategy, assessing tenant risks, etc).

Risk analysis is described (in the form of an extensive list) in *1. Risk factors* of this annual financial report on page 4. This section also describes the measures WDP is implementing and the strategy it pursues to prevent these risks from happening, and to limit and control their potential impact if they occur.

9.2.4. Financial information and communications

The process of preparing financial information is structured on the basis of predefined responsibilities and the time schedules to be adhered to. WDP uses a checklist containing all the tasks to be performed as part of the annual, biannual and quarterly closing of the WDP accounts (at both the separate and consolidated levels). A person responsible within the financial department and a deadline are linked to each task. Based on this checklist, all employees in the financial department know exactly what tasks are to be performed, along with the deadline for completion. Once all accounting tasks have been completed, the person responsible in the financial department verifies the figures. This verification consists mainly of the following steps:

- an analysis of the discrepancies between the actual figures and the budgeted figures (the budgeted figures are drawn up once a year and are updated each quarter based on a forecast);
- an analysis of the discrepancies between actual figures and historical data;
- an ad hoc analysis of all material amounts and entries;

Once these checks have been completed, the figures are submitted to WDP's executive management and set down by agreement with the CFO.

9.2.5. Parties involved in the assessment of internal control

During the course of the financial year, the quality of the internal control is also assessed by:

- The statutory auditor as part of (1) the audit of the biannual and annual figures, and (2) the annual check of the underlying processes and procedures. In the course of 2015, the IT environment was described and audited, with a specific focus on change management for financial applications, logical and physical IT access, and IT operations. Based on the recommendations of the statutory auditor, the process was adjusted where necessary;
- As stated above, the audit committee has a special responsibility when it comes to WDP's internal control and risk management (see *1. Risk factors* on page 4). The Board of Directors of the manager is responsible for ensuring that the duties of the audit committee are performed, including through reports submitted by the audit committee to the Board of Directors;
- Internal audit: the company has appointed an external auditor as third-line function within the internal control structure (see *9.3.3. Appropriate independent internal audit function* in *chapter 5.7.9. Management report - Corporate governance - Internal control*).

9.3. Pillars of internal control

9.3.1. Appropriate independent compliance function and appropriate integrity policy

The independent compliance function is understood as an independent function within an organisation, directed towards the monitoring and encouragement of due observation by the company of the laws, regulations and codes of conduct applicable in respect of the company and, more particularly, the rules in relation to the integrity of the activities of the company. In other words it is a part of the corporate culture with the emphasis laid on honesty and integrity, the respect of high ethical standards in doing business, and observation of the rules that apply to the company.

The exercise of the compliance function is entrusted to the Legal Counsel of WDP, Ilse Fruytier, applying the integrity policy described in what follows.

I. Code of conduct regarding financial transactions

- Rules regarding transactions involving the company's shares

The following rules apply to all the members of the Board of Directors, members of the executive management, all members of staff of WDP and of the manager, as well as the employees of the independent property experts who have access to insider information they know, or should know, in the course of their duties.

Insider information means any information not publicly disclosed that is accurate and directly or indirectly relates to one or more issuers of financial instruments or one or more financial instruments and that, if it were publicly disclosed, could significantly affect the price of those financial instruments (or financial instruments derived from them). The statutory auditor is subject to the legal provisions and code of ethics of the Instituut van de Bedrijfsrevisoren (IBR). These rules also apply to transactions completed under the company's programmes to acquire its own shares

- Duty of disclosure

For both the manager and the directors of the manager WDP applies the provisions of Section 25bis §2 of the Law of 2 August 2002 concerning the supervision of the financial sector and financial services, relating to the reporting of the transactions instructed by these persons. This means that the persons with leadership responsibilities of WDP (the manager and the manager's permanent representative), as well as the persons that are closely connected to them (within the sense of article 2, 23° of the Law of 2 August 2002) and the directors of De Pauw NV must report any transaction on their own behalf in securities issued by WDP to the compliance officer (stating all information the compliance officer needs to be able to make the legally required report to the FSMA on behalf of these persons) in the course of the working day following the working day when the transaction was made.

In accordance with article 13 of the Royal Decree of 5 March 2006, the compliance officer must report each notification to the FSMA as soon as possible but no later than five working days after the transaction is completed. However, the compliance officer can postpone such notifications until 31 January of the following calendar year at the latest if the total amount of transactions made by the same person during the current calendar year remains below the 5,000 euros limit. Should this limit be exceeded, the compliance officer shall report all transactions made by the same person up to that moment within five working days of completion of the last transaction of said person. This system, in which the compliance officer reports on behalf of the person concerned, does not alter the fact that, from a legal perspective, the duty of disclosure exclusively exists for the individual persons obliged to make a disclosure, namely the persons with management responsibilities and those closely related to them, and that they remain responsible for this.

- Disclosure of insider information

The Board of Directors is required to report any insider information (or postpone the notification of such information) in accordance with the statutory provisions. All members of the Board of Directors, the executive management and staff who obtain potentially price-sensitive information regarding WDP are obliged to inform the compliance officer accordingly. The directors undertake to preserve the confidential nature of inside information and to not disclose it in any form whatsoever, nor enable anyone to gain access to it without the prior consent of the chairman of the Board of Directors and in compliance with the relevant statutory provisions.

- Prohibition of insider trading and prohibition of market manipulation

In this respect, WDP complies with Section 25, §1, (1) and (2) of the Law of 2 August 2002 and, in general, the applicable regulations, as amended from time to time.

- Black out periods

As from the sixteenth working day after the end of each quarter until the date of publication of the results for the past quarter (blackout periods), it is forbidden to sell or purchase the company's shares or other financial instruments. The partial sale of shares with a view to financing the exercise price of options or any capital gains tax payable is also forbidden during these periods. However, the compliance officer can authorise departures to this principle in exceptional cases. The compliance officer is also entitled to impose occasional blackout periods on the basis of significant insider information known to the Board of Directors and the executive management, but the disclosure of which is postponed under Article 10 of the Law of 2 August 2002. These occasional blackout periods begin at the moment when the information becomes known to the Board of Directors and the executive management. They last until the moment when the information is released to the public. The fixed and occasional blackout periods apply to the members WDP's Board of Directors, executive management and all members of staff.

- Transactions prohibited at all times

Short-term speculative transactions are prohibited at all times. This means that short-term option transactions, known as short selling, and the hedging of options granted under share option schemes are not allowed. The following transactions are however permitted, also during blackout periods:

- Purchases and sales, provided the instruction was given outside the blackout periods (and obviously at a time the person concerned did not possess any insider information). Restricted purchase and sale orders must not be altered during blackout periods.

- The exercise of options granted under a share option scheme, provided that the instruction for this transaction was given outside the blackout period (and obviously at a time the person concerned did not possess any inside knowledge). The sale of shares acquired through this exercise during a blackout period is nevertheless prohibited.

- The acquisition of shares as part of dividend distribution (and obviously at a time the person concerned did not possess any insider information).

- Transactions undertaken in the context of discretionary asset management outsourced to third parties, in which the party concerned does not exercise control over the management and the choice of the financial instruments by the asset management company, which should preferably not consult the parties concerned on the matter.

II. Conflicts of interest

See *5.7.8. Conflicts of interest* above.

III. Abuse of company property and bribery

As stated in article 492bis of the Criminal Code, WDP directors, executive management and staff are prohibited from using WDP's property or credit facilities for private purposes, either directly or indirectly. They can only do so if they have been duly authorised for this purpose. They also undertake not to accept any benefits in the form of gifts or entertainment from customers or suppliers, except where this is compatible with customary, admissible commercial practices.

If a director, executive manager or member of staff is unsure whether or not a specific act constitutes abuse of company property or bribery, they must request prior authorisation from the chairman of the Board of Directors. However, such authorisation clearly never exempts this person from criminal liability.

9.3.2. Appropriate risk management function and appropriate risk management policy

The person in charge of the risk management function is responsible for, among other things, preparing, developing, monitoring, updating and implementing the risk management policy and risk management procedures. The role of Risk Manager at WDP is performed by the CFO, Mickaël Van den Hauwe.

The Risk Manager performs this role by, both at regular intervals as well as on an ad-hoc basis, analysing the identified risks with which the company is confronted (see also *1. Risk factors* on page 4). The risks are then evaluated and management of the risks can be implemented on that basis.

Risk management forms an integral part of the way in which the company is run. This ranges from daily financial and operational management, including the four-eyes principle, analysis of new investment files, formulating the strategy and objectives, to establishing tight procedures for the decision-making process. Risk management is therefore the responsibility of the entire WDP group, across all layers of the organisation, on any level with different responsibilities.

9.3.3. Appropriate independent internal audit function

The internal audit can be seen as an independent evaluation function, embedded in the organisation, directed towards examining and assessing the proper functioning, effectiveness and efficiency of the company's processes, procedures and activities. This can relate to, among other things, operational matters (quality and appropriateness of systems and procedures, organisational structures, policies and methods applied and resources compared to objectives), financial matters (reliability of accounting, annual financial statements and the financial reporting process, and compliance with the prevailing ((accounting) regulations), management matters (quality of the management function and staff in the context of the company's objectives), as well as the compliance and risk management functions.

WDP has outsourced its internal audit function to an external consultancy firm, Quiévreux Audit Services (Christophe Quiévreux SPRL), permanently represented by Christophe Quiévreux, an independent consultant. In the GVV/SIR, Mark Duyck is responsible for the supervision of the internal audit function the external auditor is in charge of.

6 Shares and bonds


WDP

1. The share

1. Share price

In the first few months of 2015 the WDP share price rose from 62.68 euros at 31 December 2014 to around 67 euros in May, when the dividend was paid out, and then rose further to a record closing price of 81.24 euros on 31 December 2015.

The share benefited from increasing investor confidence on stock markets, driven by signs of economic recovery and a continuing low interest rate.

Within this context, WDP was again able to build on its reputation and traditional advantages. First and foremost, it is important that potential investors and shareholders appreciate the added value that WDP offers. In addition, there is the company's position as the market leader in logistics and semi-industrial property in the Benelux market and the transparent tax regime within which the company operates in Belgium, France and the Netherlands. Furthermore, WDP operates as a self-managed company, which it is managed exclusively for the benefit of its shareholders and other stakeholders. In addition, the property portfolio instantly provides investors with key economies of scale in specific regions. And of course, the company pays a stable dividend.

This strong interest of investors and their confidence in the 2013-16 strategic growth plan was confirmed during the successful capital increases in 2015, which created room for new investments.

2. Velocity and liquidity

As a result of the capital increases following the optional stock dividend and the contribution in kind arising from the MLB transaction, as well as the strong performance of the share during 2015, market capitalisation increased to more approx. 1.5 billion euros.

The liquidity of WDP shares continued to rise too. In 2015 the average daily volume was 1,521,272 euros (in 2014: 691,657 euros). As a result, velocity – the number of shares traded per year divided by the total number of shares at year end – was 30%. WDP continues to make efforts to regularly participate in road shows and events for both institutional and private investors so that it is able to keep investors permanently informed in a transparent way and continue to broaden the investor base.

3. Long-term price and return

Total return[1] on the WDP share in 2015 was +36.0%.

Data provided by EPRA show that, over the past fifteen years – since the IPO in late June 1999 –, WDP has significantly outperformed the European property share (+9.8%), Eurozone property share (+10.9%) and Belgian property

1 The return on a share in a given period is equal to the gross return. This gross return is the sum of the following components:
- the difference between the share price at the end of the period and the beginning of the period;
- gross dividend (dividend before deduction of withholding tax);
- gross return on the dividend received when reinvested in the same share.

FIGURES PER SHARE	31 DEC. 15	31 DEC. 14	31 DEC. 13
Number of shares in circulation on closing date	18,507,260	17,438,644	16,079,247
Free float	74%	73%	72%
Market capitalisation (in euros)	1,503,529,802	1,039,054,205	847,376,317
Traded volume in shares per year	5,461,095	3,165,630	3,244,920
Average daily volume (in euros)	1,521,272	691,657	629,536
Velocity[1]	29.5%	18.2%	20.2%
Stock exchange price			
- high	81.24	64.15	55.69
- low	61.90	51.68	43.77
- closing	81.24	62.68	52.70
NAV (IFRS)[2] (in euros)	41.5	35.2	32.8
NAV (EPRA)[2] (in euros)	44.9	39.2	35.9
Dividend payout ratio	81%	88%	88%
Net current result/share[3] (in euros)	5.00	4.10	3.85
Net current result/share[4] (in euros)	4.91	3.87	3.70
Gross dividend/share (in euros)	4.00	3.40	3.25
Net dividend/share (in euros)	2.92	2.55	2.44

1 The number of shares traded annually divided by the total number of shares at the end of the year.
2 NAV: Net Asset Value, i.e. shareholders' equity before profit distribution for the current financial year.
3 Calculation based on the weighted average number of shares.
4 Calculation based on the number of shares entitled to dividend.

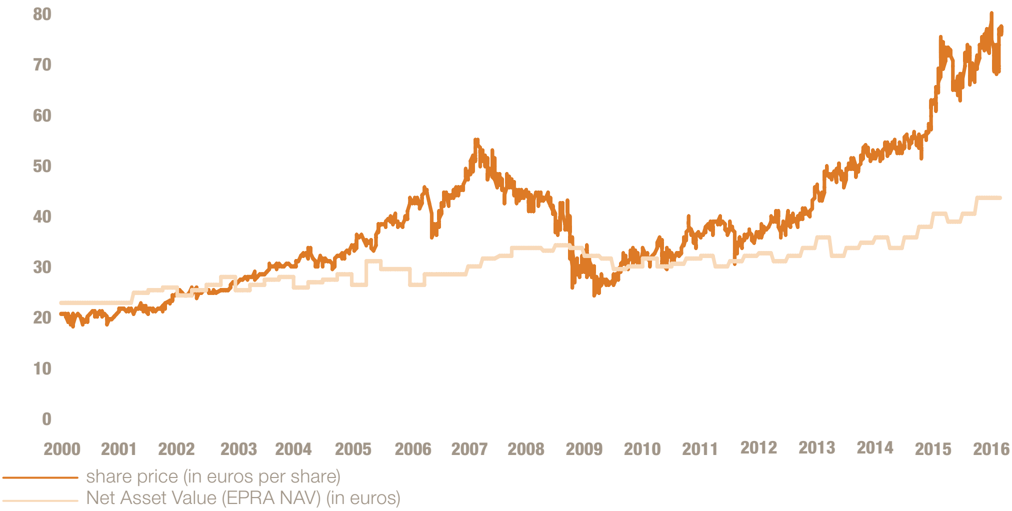
share (+7.7%) indexes with an overall annual return of +15.0%. In other words, WDP again offered a good return in 2015 in a general climate of low interest rates.

WDP remains committed to generating strong cash flow in order to create a basis for a high dividend. The company also firmly believes that the quality of the property portfolio and the tenants, plus the fact that a high dividend is paid every year, continues to point towards a strong future.

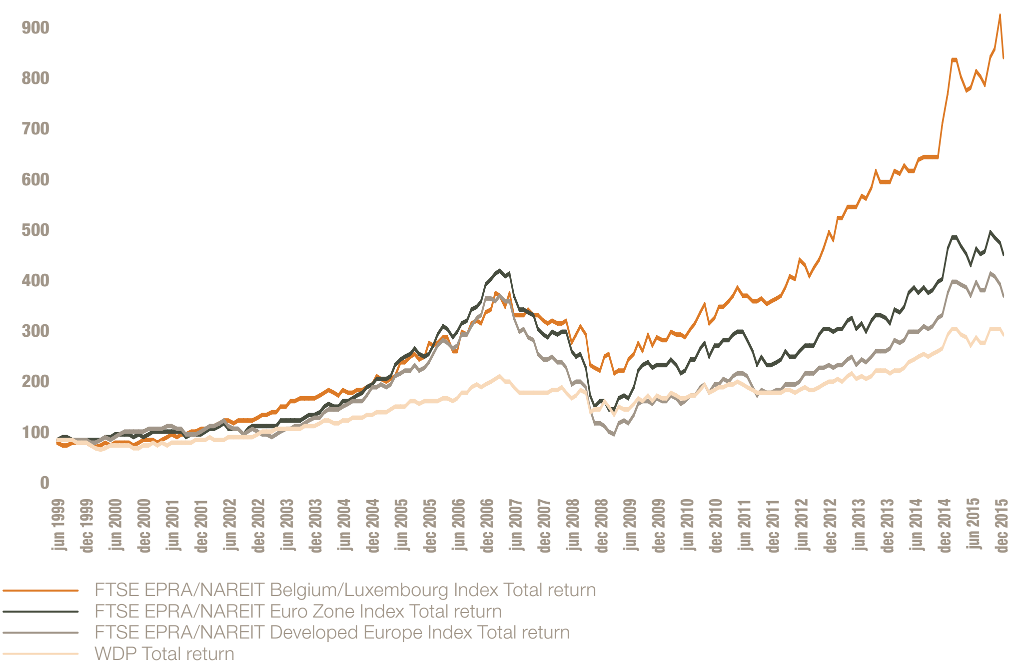
4. Dual listing

As of 18 November 2015, WDP has a second stock market listing, on Euronext Amsterdam (alongside Euronext Brussels). This dual listing underlines the importance attached by WDP to its core Benelux market, and the increasing Dutch share of its property portfolio - now equalling that of its home market, Belgium. The occasion of the dual listing was not used to place new shares. Euronext Brussels remains WDP's key stock market.

SHARE PRICE VERSUS NET ASSET VALUE



COMPARISON BETWEEN RETURN ON THE WDP SHARE AND EPRA INDICES



2. Bonds

WDP also makes use of the capital market to finance its investment projects. The table below shows bond issues as of 31 December 2015.

Emittent	ISIN-code	nominal amount (in million euros)	Term (in years)	Maturity date	Coupon	Issue price	Indicative price 31 DEC. 2015
WDP Comm. VA	BE0002234038	54	7	2 juli 2022	2.50%	99.36%	**101.70%**
WDP Comm. VA	BE0002235043	38	7	2 juli 2022	Euribor 6M + 1.75%	100%	**98.51%**
WDP Comm. VA	BE0002216829	125	7	13 juni 2021	3.38%	101.88%	**105.24%**
WDP Comm. VA	BE0002192582	50	7	18 maart 2020	3.80%	99.86%	**103.82%**

3. Structure of shareholding of the company[1]

On 26 October 2012 the main shareholder, the Jos De Pauw family, transferred all of its shares, which were held by mutual agreement in joint ownership, to the family company structure RTKA, in which the existing mutual agreement was institutionalised. RTKA currently holds 4,814,918 WDP shares of the total number of WDP shares granting voting shares. De Pauw NV holds 1,869 shares. Together they hold 26.03% of WDP capital. The holders of voting rights are the members of the management body of RTKA, I.e. Robert, Tony, Kathleen and Anne De Pauw, to the exclusion of any other holder of rights to the holding. The members of this management body act by mutual agreement with De Pauw NV, which is wholly owned by the members of the management body of RTKA.

At 31 December 2015 the stake of BNP Paribas Investment Partners NV was still more than 3%.[2] WDP also received a report from AXA Investment Managers NV that it again held a stake in WDP exceeding 3% as of 7 April 2015.[3] WDP also received a joint report from BlackRock-related companies that their stake no longer exceeded the 3% limit as from 1 April 2015.[4]

1 Situation based on transparency reports received by the end of 31 December 2015. Any changes announced are also published at www.wdp.eu.
2 See the press release of 3 July 2013.
3 See also the press releases of 17 March 2015 and 13 april 2015.
4 See the press release of 13 April 2015, as well as that of 20 March 2015.

Financial calendar

13|04|2016	Final date for registering shares for participation in the General Meeting of Shareholders of 27 April 2016
21|04|2016	Final date for confirming participation in the General Meeting of Shareholders of 27 April 2016 (bank certificate/proxy)
27|04|2016	General Meeting of Shareholders
28|04|2016	Ex-dividend date 2015
29|04|2016	Dividend record date 2015
04|05|2016	Publication of Q1 2016 results
05|08|2016	Publication of 2016 interim results and publication of 2016 Interim financial report
09|11|2016	Publication of Q3 2016 results
03|02|2017	Publication of 2016 annual results

Dates for registration period, Payment Date and date of listing of new shares were set at the Board of Directors meeting on 27 April 2016.

Please check the website www.wdp.eu for any changes to the financial calendar. www.wdp.eu.

WDP
LISTED
NYSE
EURONEXT

Euronext
IPO: 28|06|1999
listing: continous
ISIN-code: BE0003763779

liquidity provider:
Kempen & Co and Degroof Petercam


SCANIA
1

7 Property Report

1. Review of the consolidated property portfolio

1. Description of the portfolio at 31 December 2015

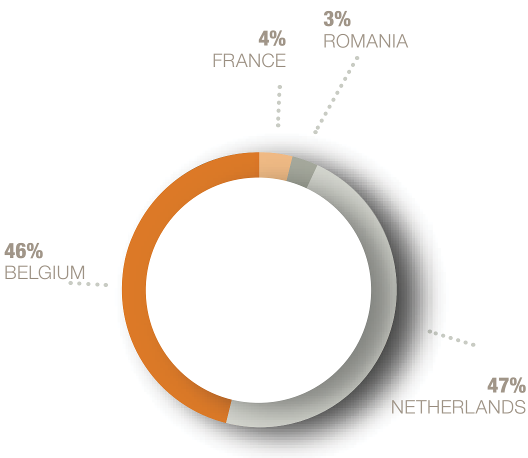
The independent surveyors Stadim, Cushman & Wakefield, DTZ Zadelhoff and BNP Paribas Real Estate have estimated the fair value[1] of the WDP property portfolio (including assets held for sale and excluding solar panels) in accordance with IAS 40 at 1,844.0 million euros at 31 December 2015. The comparable value at year-end 2014 was 1,492.1 million euros.

The portfolio breaks down as follows:

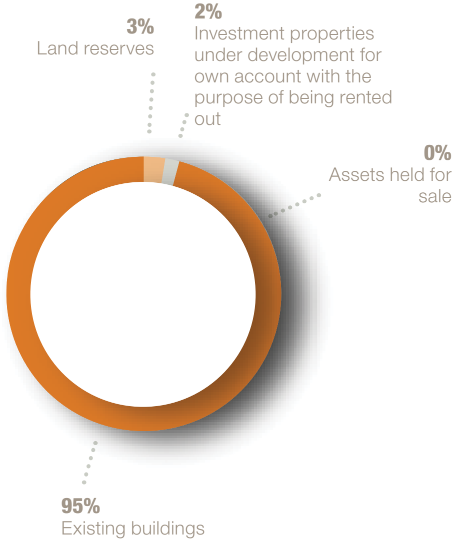
FAIR VALUE (in million euros)	BELGIUM	NETHER-LANDS	FRANCE	ROMANIA	Total
Existing buildings	802.6	862.9	73.8	21.7	**1,761.0**
Investment property in development at WDP's expense for the purpose of leasing	27.4	0.4	-	5.6	**33.5**
Land reserves	15.4	11.8	3.0	18.5	**48.7**
Assets held for sale	0.8	-	-	-	**0.8**
Total	**846.3**	**875.1**	**76.8**	**45.8**	**1,844.0**

1 Impact on the fair value of estimated transfer duties and transfer fees for the hypothetical sale of investment property (-): these are the transfer costs that must be paid on the hypothetical sale of investment property. The fair value at which the investment property is valued consists of the investment value less transaction fees. The average theoretical local registration duties deducted from the investment value by country are as follows: Belgium: 2.5%, the Netherlands: 4.4%, France: 3.6% and Romania: 1.5%.

GEOGRAPHIC BREAKDOWN OF THE FAIR VALUE OF THE PORTFOLIO



BREAKDOWN OF THE FAIR VALUE OF THE PORTFOLIO BASED ON USE

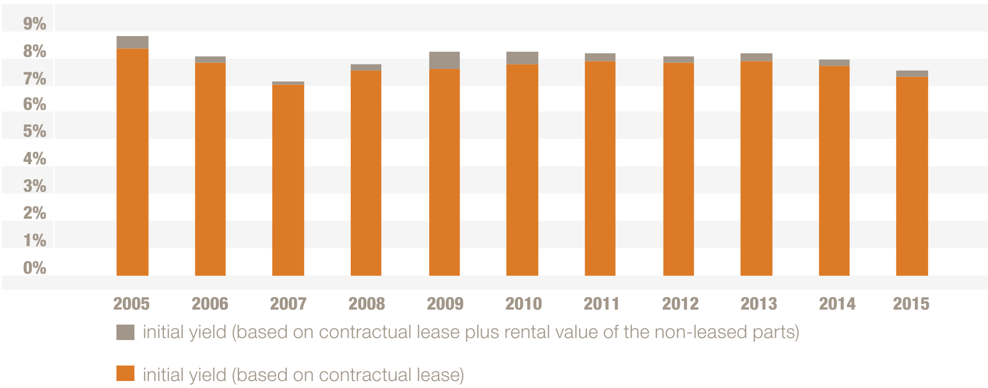


PORTFOLIO STATISTICS BY COUNTRY

	BELGIUM	NETHER-LANDS	FRANCE	ROMANIA	Total
Number of lettable sites	70	58	8	5	**141**
Gross lettable area (m²)	1,542,931	1,353,545	145,511	39,956	**3,081,943**
Land (m²)	2,870,476	2,400,951	376,174	965,966	**6,613,567**
Fair value (in million euros)	846.3	875.1	76.8	45.8	**1,844.0**
% of total fair value	46%	47%	4%	2%	**100%**
% change in fair value over 2015	2.4%	3.6%	-5.5%	-0.4%	**2.6%**
Vacancy (EPRA)[1,2]	3.8%	0.7%	12.8%	0.0%	**2.6%**
Average lease length till first break (in years)[2]	4.3	7.7	2.8	9.5	**6.0**
WDP gross initial yield[3]	7.5%	7.6%	8.1%	9.3%	**7.6%**
Effect of vacancies	-0.3%	0.0%	-1.1%	0.0%	**-0.2%**
Adjustment gross to net rental income (EPRA)	-0.3%	-0.3%	-0.2%	0.0%	**-0.3%**
Adjustments for transfer taxes	-0.2%	-0.3%	-0.2%	-0.1%	**-0.2%**
EPRA net initial initial yield[1]	6.7%	7.0%	6.6%	9.2%	**6.9%**

1 Financial performance indicators calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. See also www.epra.com.
2 Excluding solar panels.
3 Calculated by dividing annualised contractual gross (cash) rents by fair value. The fair value is the value of the property investments after deduction of transaction costs (mainly transfer tax).

HISTORICAL GROSS RENTAL YIELD OF THE WDP PORTFOLIO

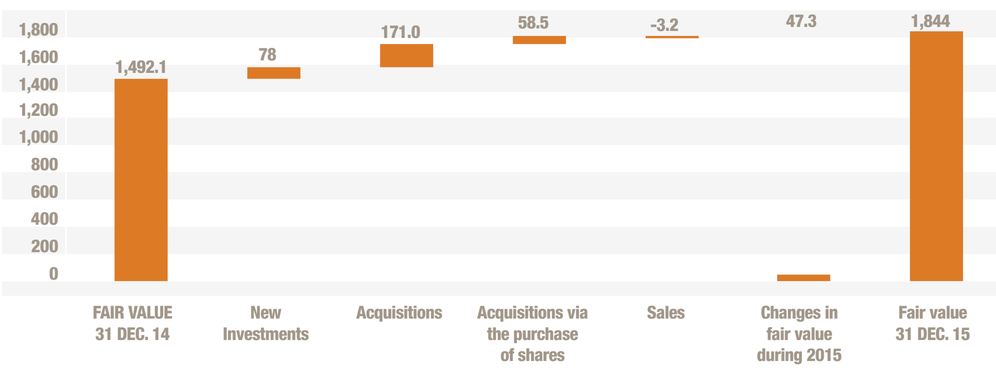


2. Changes in fair value during 2015

In 2015, WDP invested a total of 229.5 million euros in new acquisitions, 58.5 million euros of which was used to acquire property via the purchase of shares. An additional 78 million euros was invested in finishing pre-let projects. A small non-strategic site was also sold for 3.2 million euros.

The variation in the valuation of investment property was +47.3 million euros in 2015 for a portfolio of approximately 1.9 billion euros. The gross rental yield based on contractual rents after the addition of the estimated market rental value for the non-leased parts remained stable at 7.6% at 31 December 2015, a slight decrease versus 8.0% at year-end 2014, due to the downward pressure on returns in the investment market.

EVOLUTION OF THE PROPERTY PORTFOLIO IN 2015



3. Value and composition of the rental portfolio

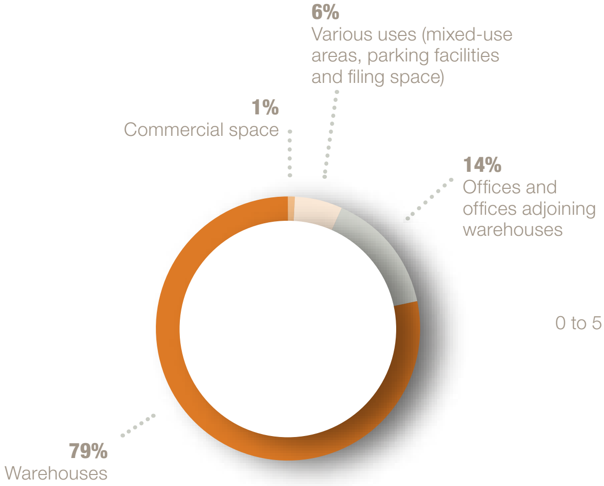
Total surface area comprises 661.3 hectares, including 50.8 hectares granted in concession. The remaining 610.6 hectares have an estimated sale value of 670.8 million euros or 36% of the total fair value. This produces an average land value of 109.9 euros per m² excluding transaction fees. This surface area also includes the land reserves, predominantly in Belgium and Romania.

Total leasable surface of the buildings is 3.1 million m², with an estimated rental value of 131.7 million euros. Warehouses account for the bulk (79%) of this volume, with 2,449,361 m² and a total rental value of 103.7 million euros. This brings their average rental value per square metre to 42.3 euros.

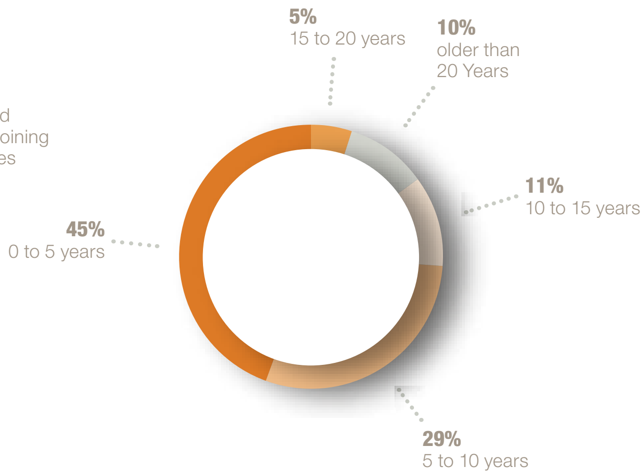
Offices, some of which are separate and some of which are adjacent to warehouses, have a surface area of 206,579 m², equivalent to a rental value of 19.2 million euros. Average rental value per m² is 92.9 euros. Commercial space accounts for 13,903 m² and represents 1.0 million euros in rent, with an average price per square m² of 72.6 euros. Miscellaneous uses account for 412,100 m² (7.8 million euros), with an average rent of 18.9 euros per m².

Designated use at 31 Dec. 15	Built surface (in m²)	Estimated rental value (in million euros)	Estimated average rental value per m² (in euros)	% of total rental value
Warehouses	2,449,361	103.7	42.3	**79%**
Offices adjoining warehouses	206,579	19.2	92.9	**14%**
Commercial space	13,903	1.0	72.6	**1%**
Various uses (mixed-use areas, parking facilities and filing space)	412,100	7.8	18.9	**6%**
Total	**3,081,943**	**131.7**	**N/R**	**100%**

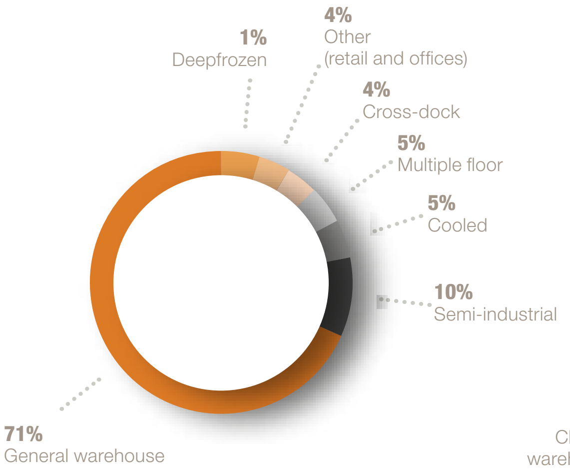
TOTAL RENTAL VALUE BY DESIGNATED USE



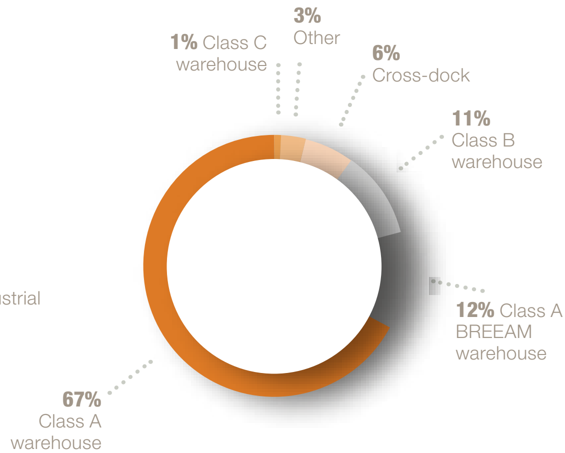
BREAKDOWN OF FAIR VALUE BASED ON AGE



DIVERSIFICATION OF PROPERTY PORTFOLIO (BASED ON RENTAL INCOME) BY PROPERTY TYPE



DIVERSIFICATION OF PROPERTY PORTFOLIO (BASED ON RENTAL INCOME) BY PROPERTY QUALITY CLASSIFICATION



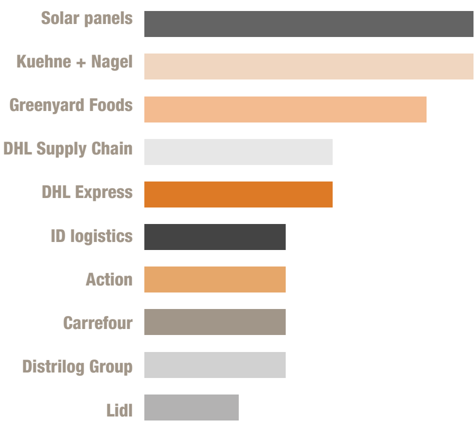
4. Rental situation of the available buildings

The occupancy rate of the WDP portfolio at year-end 2015 was 97.5% (including solar panels)[2]. This represents an implementation of WDP's commercial strategy, which is aimed at building long-term relationships with its clients and supports the company's performance through a high operating margin.

WDP's practice of building partnerships together with its clients is also reflected by the fact that the average remaining term until the expiry date of the leases is 7.8 years. Taking into account the first cancel opportunity, the average remaining term is 6.0 years.

HISTORICAL OCCUPANCY RATE OF THE WDP PORTFOLIO (INCLUDING SOLAR PANELS)

TOP 10 TENANTS[3]



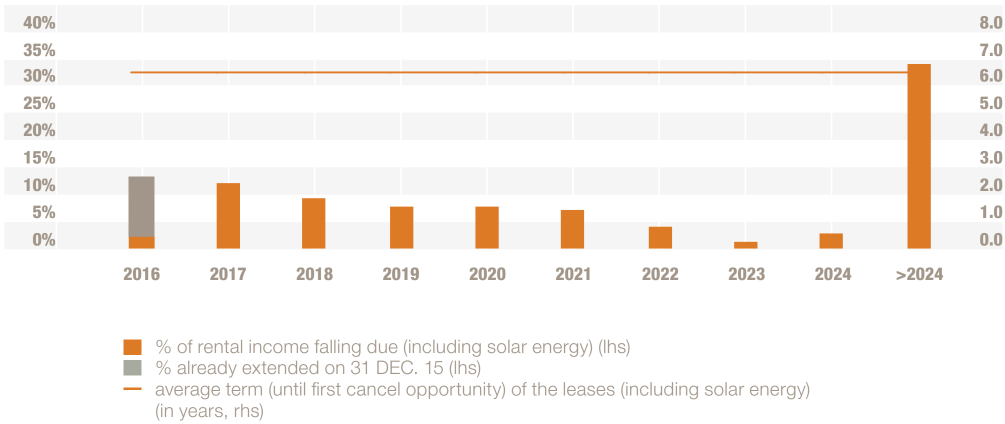
If income from solar panels is included, the average remaining term[4] until the expiry date is 8.2 years. Taking into account the first cancel opportunity, the average remaining term is 6.5 years.

The main tenants are: solar panels (7.1%), Kuehne + Nagel (7.0%), Greenyard Foods (6.3%), DHL Supply Chain (3.9%), DHL Express (3.5%), ID-Logistics (2.7%), Acton (2.7%), Carrefour (2.6%), Distrilog Group (2.6%) and Lidl (2.4%). The share of the ten biggest tenants combined is 41%. The top 20 account for 56.1%.

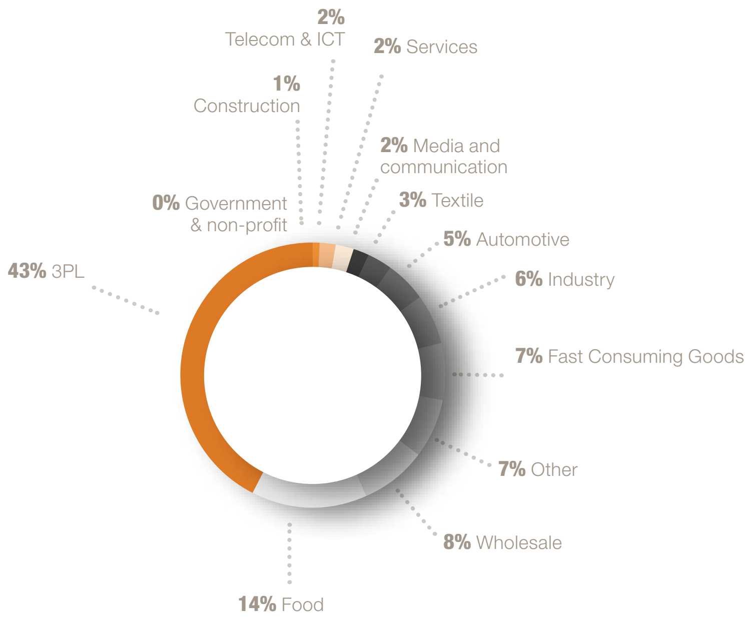
2 The occupancy rate excluding solar panels is 97.4%.
3 Eight of the top 10 tenants are multi-site tenants.

4 See Note *XIII. Other tangible fixed assets* on page 206.

LEASE EXPIRY DATES (UNTIL THE FIRST CANCEL OPPORTUNITY)



RENTAL INCOME FOR 2015 BY TENANTS' INDUSTRIES



5. Overview of projects under development[5]

Projects under development – fully owned by WDP	Country	Type	Lettable area (in m²)	Expected Completion	Pre-let	Tenant	Investment budget (in million euros)[1]	Expected return
Willebroek	BE	New build	15,000	Q2 2016	100%	Damco	14	
WDPort of Ghent	BE	New build	20,000	Q2 2016	100%	Distrilog Group	10	
Heppignies	BE	New build	21,000	Q2 2016	100%	Trafic	10	
Barendrecht	NL	New build	40,000	Q4 2016	100%	The Greenery	18	
Breda IABC 5301	NL	New build	20,000	Q4 2016	100%	The Greenery	9	
Sibiu (1)	RO	New build	8,000	Q2 2016	100%	Siemens	2.5[2]	
Sibiu (2)	RO	New build	4,500	Q2 2016	100%	DPD	1.5[2]	
Ramnicu Valcea	RO	New build	12,000	Q1 2016	100%	Faurecia	4[2]	
Total			**140,500**		**100%**		**69**	**7.5-8.0%**

1 For redevelopment projects, the value of the redevelopment projects before renovation begins is not taken into account.
2 With due consideration for the proportional share of WDP in the portfolio of WDP Development RO (51%).

The budgeted out-of-pocket cost for the completion of these projects is 70 million euros, 15 million euros of which were already spent as of 31 December 2015. WDP expects to earn a return on the total investment of 7.5-8.0%.

5 See also *5.3.4. Management report – Transactions and realisations – Projects under construction* on page 49.

6. Key data of properties

Independent property surveyors Stadim, Cushman & Wakefield, DTZ Zadelhoff and BNP Paribas Real Estate inspected all sites in this table in the course of 2015.

	Built in (most recent renovation/ extension)	Lettable area (in m²)	Estimated rental value[1]	Rental income in 2015	Occupancy rate[2] 31 DEC. 15
BELGIUM (FULLY OWNED BY WDP)		**1,542,931**	**59,866,694**	**57,054,403**	**96.2%**
Aalst, Tragel 47	1998-1999 (2013)	24,989	1,143,852	1,156,625	100.0%
Aalst, Wijngaardveld 3-5 - Dijkstraat 7	1992 (2005)	17,982	586,846	577,836	100.0%
Aarschot, Nieuwlandlaan B19	2009	8,602	395,858	396,616	100.0%
Anderlecht, Frans Van Kalkenlaan 9 - Biestebroeckkaai 300 - Walcourtstraat	1969 (2007)	20,498	922,954	942,194	98.3%
Asse (Kobbegem) - Breker 41	1989	12,100	428,152	442,593	100.0%
Asse (Mollem), Zone 5 nr. 191, 192, 320, 321	1967 (2012)	31,026	1,533,362	1,572,993	100.0%
Asse (Mollem), Zone 5 nr. 200	2011	3,287	323,277	322,392	100.0%
Asse (Mollem), Zone 5 nr. 340	1989 (2005)	5,993	266,008	267,021	100.0%
Asse, Z4 Broekooi 290 (gebouw 1)	1995	37,534	837,765	1,294,708	100.0%
Beersel (Lot), Heideveld 290 (building 1)	2001	7,275	327,443	92,506	52.1%
Beringen (Paal), Industrieweg 135 - Rijsselstraat	2002 (2008)	10,189	415,283	462,996	100.0%
Boom, Langelei 114-116 - Industrieweg 1	2000-2001	37,246	1,666,181	1,550,765	93.0%
Boortmeerbeek, Industrieweg 16	1991 (2011)	28,605	689,133	607,527	80.5%
Boortmeerbeek, Leuvensesteenweg 238	2004	11,270	239,510	197,994	100.0%
Bornem, Rijksweg 17	1996 (2004)	11,911	560,910	694,398	100.0%
Bornem, Rijksweg 19	2004 (2013)	22,334	1,078,295	1,122,325	96.5%
Bornem, Sluisweg 32	2011	76,574	3,785,715	3,093,720	100.0%
Courcelles, rue de Liège 25	2007 (2009)	53,752	1,252,295	1,258,728	99.1%
Geel, Hagelberg 12	2012	13,465	554,578	561,835	100.0%
Geel, Hagelberg 14	2009	24,064	1,206,506	1,239,533	100.0%
Genk, Brikkenovenstraat 48	2008 (2010)	35,050	1,369,970	1,445,842	100.0%
Genk, Brikkenovenstraat 50	2009	19,180	765,235	759,936	100.0%
Grimbergen, Eppegemsesteenweg 31[3]	1978 (2013)	66,346	1,358,939	1,186,447	97.0%
Grimbergen, Industrieweg 16	2008	15,406	696,150	666,065	100.0%
Heppignies, rue de Capilône 6	(in progress)	N/R	N/R	N/R	N/R
Jumet, Zoning Industriel - 6	1995 (2005)	6,385	236,220	293,015	100.0%
Kontich, Satenrozen 11-13 - Elsbos	1985 (2006)	56,725	2,423,326	2,718,758	100.0%
Kortenberg, A. De Conincklaan 2-4	1997 (2012)	6,181	314,119	249,999	100.0%
Leuven, Vaart 25-35	1950's (in progress)	N/R	N/R	448,774	N/R
Leuven (Wilsele), Kolonel Begaultlaan 9, 17-21, hoek Levèfrelaan	1935 (1985)	21,005	679,816	689,013	94.8%
Londerzeel, Nijverheidsstraat 13	2015	10,343	1,021,475	661,505	100.0%
Londerzeel, Nijverheidsstraat 15	1989 (2013)	18,773	706,823	483,567	96.4%
Londerzeel, Weversstraat 2	2014	16,311	744,688	775,685	100.0%
Luik (Flémalle), rue de l'Arbre Saint-Michel 99	2011	7,881	362,796	422,684	100.0%
Machelen, Rittwegerlaan 91-93 - Nieuwbrugstraat	2001 (2006)	17,282	1,323,400	1,315,733	100.0%
Mechelen, Zandvoortstraat 3	2005	32,816	1,284,887	1,141,711	98.1%
Meer, Seoelstraat 1	1998	19,049	533,713	472,161	100.0%
Merchtem, Wolvertemse Steenweg 1 - Bleukenweg 1	1970's (2011)	5,375	320,295	331,272	99.3%

	Built in (most recent renovation/ extension)	Lettable area (in m²)	Estimated rental value[1]	Rental income in 2015	Occupancy rate[2] 31 DEC. 15
Nijvel, chaussée de Namur 66	1974 (2011)	13,892	488,146	154,677	38.2%
Nijvel, rue Buisson aux loups 8	2013	30,492	308,170	326,494	100.0%
Nijvel, rue de l'Industrie 30	1990 (2004)	27,692	1,207,280	1,068,680	92.5%
Nijvel, rue du Bosquet 12	2007	11,591	560,694	365,820	69.8%
Puurs, Lichterstraat 31	1970's (2012)	15,683	586,317	502,791	88.0%
Rumst (Terhagen), Polder	1950's (2007)	28,748	620,712	245,526	50.4%
Sint-Katelijne-Waver, Drevendaal 1 - Strijbroek 4	1991 (2007)	20,957	987,203	947,874	100.0%
Sint-Katelijne-Waver, Drevendaal 3	1996 (1997)	22,575	1,416,312	1,434,315	100.0%
Sint-Katelijne-Waver, Fortsesteenweg 19 en 27	1989	31,484	300,956	306,386	100.0%
Sint-Katelijne-Waver, Strijbroek 10	1989 (2007)	2,103	318,615	342,106	100.0%
Ternat, Industrielaan 23	2004	12,256	405,720	270,358	90.1%
Ternat, Industrielaan 24	1977 (2010)	26,125	827,876	613,349	75.3%
Vilvoorde, Havendoklaan 10	2015	8,200	375,790	137,616	100.0%
Vilvoorde, Havendoklaan 12	1977 (2001)	13,863	774,124	868,697	99.8%
Vilvoorde, Havendoklaan 13	2006	9,168	377,105	367,431	81.0%
Vilvoorde, Havendoklaan 18	1994 (2001)	76,399	3,602,765	3,731,319	100.0%
Vilvoorde, Havendoklaan 19	2002	11,649	585,867	531,404	97.6%
Vilvoorde, Jan Frans Willemsstraat 95	2004 (2006)	11,049	357,599	331,991	100.0%
Vilvoorde, Willem Elsschotstraat 5	1995 (2005)	21,214	996,395	677,060	84.5%
WDPort of Ghent	in progress	N/R	N/R	N/R	N/R
Willebroek, Koningin Astridlaan 14	2015	1,770	197,816	132,750	100.0%
Willebroek, Koningin Astridlaan 16	2008 (2015)	56,208	2,531,680	2,643,096	100.0%
Willebroek, Victor Dumonlaan 4	1991	33,871	1,628,643	1,534,874	100.0%
Willebroek, Victor Dumonlaan 4	(in progress)	N/R	N/R	N/R	N/R
Willebroek, Victor Dumonlaan 32	2015	15,579	742,435	432,469	100.0%
Zaventem, Fabriekstraat 13	1984 (1993)	7,854	393,348	407,126	100.0%
Zaventem, Leuvensesteenweg 573	2001	19,929	1,114,965	971,176	80.0%
Zele, Lindestraat 7 - Baaikensstraat	2003 (2008)	41,246	1,562,681	1,288,292	98.3%
Zwevegem, Deerlijkstraat 58A	1980	74,382	1,291,740	1,233,376	100.0%
Zwijndrecht, Vitshoekstraat 12	2006 (2013)	49,696	1,797,240	1,742,562	100.0%
Five rented properties have a fair value lower than 2.5 million euros. These are properties at Beersel, Stationstraat 230; Antwerpen, Vrieskaai 59; Estaimpius, rue du Pont Bleu 21; Puurs (Breendonk), Koning Leopoldlaan 9; Asse, Z4 Broekooi 290 (building 2).		34,452	1,152,727	1,527,317	N/R
NETHERLANDS (FULLY OWNED BY WDP)		**1,353,545**	**63,804,973**	**55,835,309**	**99.3%**
Alkmaar, Berenkoog 48	1990	7,692	498,341	406,942	100.0%
Alphen aan den Rijn - Onnesweg 3	1996	3,773	212,200	33,333	100.0%
Alphen aan den Rijn, Eikenlaan 32-34	2012	21,741	695,689	128,312	49.2%
Alphen aan den Rijn, J. Keplerweg 2	2005	15,742	847,340	930,408	100.0%
Amersfoort, Basicweg 1-3	1992	11,542	619,240	746,599	100.0%
Amsterdam, Hornweg 64	1992	12,518	781,368	770,676	100.0%
Barendrecht, Dierensteinweg 30/A	1995	25,550	742,125	501,969	100.0%
Barendrecht, Dierensteinweg 30/A	in progress	N/R	N/R	N/R	N/R
Barendrecht, Dierensteinweg 30/B	1995	26,900	538,000	340,059	100.0%

	Built in (most recent renovation/ extension)	Lettable area (in m²)	Estimated rental value[1]	Rental income in 2015	Occupancy rate[2] 31 DEC. 15
Barendrecht, Dierensteinweg 30/B	in progress	N/R	N/R	N/R	N/R
Barendrecht, Spoorwegemplacement 1	1995	27,720	874,020	495,313	100.0%
Barneveld, Nijverheidsweg 50-52	1981 (2013)	28,740	1,847,435	2,157,729	100.0%
Bleiswijk, Spectrumlaan 7-9	2014	11,281	658,680	651,536	100.0%
Bodegraven, Schumanweg 4	2003	6,379	242,350	105,392	100.0%
Breda, IABC 5301	1995	61,504	1,522,293	954,641	100.0%
Breda, IABC 5301	in progress	N/R	N/R	N/R	N/R
Breda, Hazeldonk 6462 en 6464	1996 (2006)	37,847	1,203,375	1,061,691	100.0%
Duiven, Innovatie 1	2006	27,556	1,347,195	1,807,728	100.0%
Echt (Susteren), Fahrenheitweg 1	2014	88,239	3,813,715	3,620,580	100.0%
Eindhoven, Achtseweg Noord 20	1994 (2008)	31,381	1,499,918	N/R	100.0%
Eindhoven, Park Forum 1129	2014	10,612	604,255	619,343	100.0%
Harderwijk, Archimedesstraat 9	2015	34,486	1,230,355	559,011	100.0%
Hasselt, Hanzeweg 21	2015	20,880	814,320	407,160	100.0%
Hasselt, Hanzeweg 29	2015	20,340	199,332	100,000	100.0%
Hasselt, Hanzeweg 31	2015	11,220	586,245	107,347	100.0%
Helmond, Sojadijk 2	2011	13,025	644,650	762,456	100.0%
Maastricht-Aachen (Beek), Engelandlaan 30	2011 (2012)	25,004	1,127,655	984,533	100.0%
Moerdijk, Transitoweg 5	2002	41,910	1,635,893	1,291,678	100.0%
Nieuwegein, Inundatiedok 34	2010 (2012)	44,423	2,346,017	2,657,022	100.0%
Oss, Keltenweg 70	2012	16,905	1,037,059	952,829	100.0%
Oss, Menhirweg 15	2010 (2012)	11,074	563,575	512,884	100.0%
Papendrecht, Nieuwland Parc 121	2015	10,027	804,567	37,000	100.0%
Raamsdonksveer, Zalmweg 27	1980 (2011)	9,745	355,050	465,488	100.0%
Ridderkerk, Handelsweg 20 en 25	2005 (2009)	43,194	4,100,305	5,550,701	100.0%
Roosendaal, Aanwas 9	2012	9,551	819,300	880,454	100.0%
Roosendaal, Borchwerf 23	1994	15,834	745,065	761,596	100.0%
Schiphol Logistic Parc, Incheonweg 7	2012	12,574	1,156,299	1,195,328	100.0%
Schiphol Logistic Parc, Pudongweg 3	2015	16,887	1,588,570	1,351,531	100.0%
Soesterberg, Centurionbaan	2015	7,322	526,854	0	100.0%
Tiel, Medel 1A	2014	38,272	2,047,110	1,815,746	100.0%
Tilburg, Hermesstraat 1	2007	47,187	2,364,603	1,446,774	100.0%
Tilburg, Marga Klompeweg 11	2011	20,000	855,724	881,250	100.0%
Tilburg, Siriusstraat 7-9	2009	17,762	934,040	1,179,919	100.0%
Utrecht, Rutherfordweg 1	1992 (2009)	12,600	768,450	756,717	100.0%
Veghel, Doornhoek 3765	2006 (2011)	9,820	512,675	490,287	100.0%
Veghel, Kennedylaan 19	2002	21,020	876,400	748,294	100.0%
Veghel, Marshallweg 1	1990	81,227	3,130,168	2,930,670	100.0%
Venlo, Ampèrestraat 7-9	2011 (2012)	32,539	1,588,020	1,233,486	95.9%
Venlo, Edisonstraat 9	1990	26,135	1,065,860	573,963	100.0%
Venray, Newtonstraat 8	2013	17,440	700,690	695,016	100.0%
Venray, Wattstraat 2-6	2013	43,227	2,087,060	2,051,386	100.0%
Voorhout, Loosterweg 33	1987 (2007)	38,578	944,440	1,040,011	100.0%
Wijchen, Bijsterhuizen 2404	2010	15,619	1,028,818	1,430,253	100.0%
Zaltbommel, Heksenkamp 7-9	2012	10,275	631,392	676,726	100.0%
Zwolle, Lippestraat 15	2008	19,765	1,177,348	1,362,410	100.0%
Zwolle, Mindenstraat 7	2012	21,956	1,287,845	1,232,961	100.0%
Zwolle, Paderbornstraat 21	2015	47,996	2,475,825	1,228,524	100.0%

	Built in (most recent renovation/ extension)	Lettable area (in m²)	Estimated rental value[1]	Rental income in 2015	Occupancy rate[2] 31 DEC. 15
Four rented properties have a fair value lower than 2.5 million euros. These are properties at Bodegraven, Schumanweg 1c; Meppel, Oeverlandenweg 8; Drunen, Albert Einsteinweg 20; Breda, IABC 5375-5377.		11,009	499,855	151,647	100%
FRANCE (FULLY OWNED BY WDP)		**145,511**	**6,104,978**	**5,645,288**	**87.2%**
Aix-en-Provence, rue Gustave Eiffel 205	2000	16,369	734,933	809,828	100.0%
Lille - Libercourt, Zone Industrielle - le Parc à stock	2008	36,413	1,529,780	1,478,858	100.0%
Lille - Roncq, avenue de l'Europe 17	2003 (2006)	13,251	488,944	254,320	44.8%
Lille - Seclin, rue Marcel Dassault 16B	2008	13,224	536,864	537,187	100.0%
Lille - Templemars, route d'Ennetières 40	1989 (2008)	19,182	782,524	823,783	84.4%
Lille - Templemars, rue de l'Épinoy 16B	1990	4,524	250,795	278,301	100.0%
Neuville-en-Ferrain, rue de Reckem 33	2006	13,407	524,636	383,154	100.0%
Vendin-le-Vieil, rue Calmette - rue des frères Lumière	2004	29,141	1,256,502	1,079,857	69.2%
ROMANIA (51% OWNED BY WDP)[4]		**39,956**	**1,852,175**	**772,484**	**100%**
Aricestii Rahtivani	2014	10,329	533,533	127,477	100.0%
Braila	2015	8,437	411,862	17,041	100.0%
Brasov	2013	6,673	271,823	197,122	100.0%
Clinceni	2015	6,225	208,080	N/R	100.0%
Oarja	2012	8,292	426,877	429,890	100.0%
Ramnicu Valcea	under construction	N/R	N/R	N/R	N/R
Sibiu (1)	under construction	N/R	N/R	N/R	N/R
Sibiu (2)	under construction	N/R	N/R	N/R	N/R
Seven properties have a fair value lower than 2.5 million euros. These are the land at Agigea, Fundulea (2), Mihail Kogalniceanu, Paulesti, Sarulesti and Sibiu.		N/R	N/R	953	N/R
TOTAL		**3,081,943**	**131,628,820**	**119,307,483**	**97.4%**

1 Estimated rental value is the rental value determined by independent property experts. See *7.3. Property Report – Conclusions of the property experts* on page 136 for the report of the independent property experts and the appraisal methodology.
2 The occupancy rate calculation is based on the rental values of leased properties and non-leased surfaces, including income from solar panels. Ongoing projects and/or renovations are not considered.
3 The site in Grimbergen is jointly held with another GVV/SIR, Montea Comm. VA, based on a 50-50 split. As a result, WDP Comm. VA is co-owner of the site.
4 These are always the site plus the land reserves.

2. Review of the logistics property market in Belgium, the Netherlands, France and Romania

1. Belgium

Throughout 2015, demand for large-sized state-of-the-art storage areas exceeded available supply, especially in the logistics axis of Antwerp-Brussels. Supply remained inhibited by the continuing limited number of speculative developments. Custom-built projects continue to be in great focus, mainly developed by domestic logistics property players, although foreign investors are keeping a close eye on the market. Demand for semi-industrial properties is growing. But it is not just the limited supply in strategic locations that is putting pressure on demand for pure logistics premises. The difficulty in responding to new trends such as e-commerce – Belgium has no suitable legal framework for flexible working conditions – also has an impact. The expectation here is that a response from the government needs to be forthcoming. We expect this trend to continue in 2016.

2. The Netherlands

The market for logistics property ended the year on a strong note, driven by both investors and end-users and the slight upturn in business in general. Demand for high-quality space remained higher than supply, favouring the renewal of existing leases and commitments for future expansions of existing sites, as well as the further development of projects custom-built for prospective users. Smaller properties on short-term leases were also in demand, pending the availability of new (larger) warehouse space. With hardly any speculative projects on the horizon, no change can be expected in this respect.

3. France

With the economy continuing to slowly pick up, the take-up level is also increasing, in particular in the regions around Lyon, Marseilles and Paris. Of note is the demand for consolidation, with a view to decreasing the warehouse footprint and thus to cutting costs. Companies, especially large retailers, are opting for a strategy of upscaling modern, central locations as a way of optimizing their distribution networks. However, the supply of available large logistics platforms in high-quality locations remains limited, putting a damper on the sector in 2015. The expectation is that demand from investors and end-users will continue to rise, despite the absence of large-scale modern facilities and the lack of speculative projects. The market will remain driven by pre-let custom-built developments.

4. Romania

The economic upturn, largely driven by an increase in activity of primarily international retailers and logistics providers, saw demand for quality properties rising throughout 2015, stimulating investor interest. In addition to custom-built developments, the supply of speculative developments increased, with the focus on Bucharest. The expectation is for the industrial property market to continue this positive trend.

Sources BNP Paribas Real Estate, Cushman & Wakefield and DTZ Zadelhoff

3. Conclusions of the property experts

Dear Sirs,

We are pleased to present to you our estimate of the value of the property portfolio of WDP Comm. VA at 31 December 2015.

WDP has appointed us as independent property experts to determine the investment value and fair value of its property portfolio. The estimates made take into account both the observations and definitions stated in the reports and the International Valuation Standards issued by IVSC.

The fair value is defined in IAS 40 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. IVSC considers these conditions to have been met if the definition of market value set out above is complied with. In addition, market value must reflect current rental agreements, the current gross margin of self-financing (or cash flow), the reasonable assumptions in respect of potential rental income and expected costs.

The administration costs must be adjusted in this context to the actual situation in the market. Following analysis of a large number of transactions the independent property experts acting on the request of listed property companies concluded in a working party that, since tax engineering takes place on a large scale in various forms (completely within the law), the impact of the transaction costs on large investment property in the Belgian market with a value of more than 2.5 million euros is limited to 2.5%. The value with additional costs borne by the seller therefore corresponds to the fair value plus 2.5% administration costs. Fair value is consequently calculated by dividing the value with additional costs borne by the seller by 1.025. Properties below the threshold of 2.5 million euros and foreign properties are subject to the usual registration regime and their fair value therefore equals the value with costs borne by the buyer.

As independent property experts we have a relevant and recognised professional qualification as well as recent experience with properties of a similar category and location to the properties being valued in the property portfolio of WDP.

The estimates of the properties take account of both current rental agreements and all rights and obligations arising from those agreements. Each property was estimated separately. The estimates do not take account of potential additional value that could be realised by offering the portfolio as a whole in the market. Our estimates also do not take account of marketing costs specific to a transaction, such as estate agents' fees or advertising costs. Our estimates are based on an annual inspection of the properties concerned and also take account of the information provided by WDP regarding the rental situation, surface areas, drafts or plans, rental costs and taxes relating to the property concerned, conformity and environmental pollution. The information provided was assessed to be accurate and complete. Our estimates are based on the assumption that any components not included do not affect the value of the property.

Each independent property expert is responsible for valuing the part of the portfolio that has been contractually assigned to him or her.

On the basis of the statements in the preceding paragraphs, we can confirm that the fair value of WDP's real estate property (excluding solar panels and assets held for sale) at 31 December 2015 was 1,843,162,211 euros (one billion eight hundred and forty three million one hundred and sixty two thousand two hundred and eleven euros).

Yours faithfully,

KOEN NEVENS
CEO Northern Region - Country Head Belgium & Luxembourg | Cushman & Wakefield

PHILIPPE JANSSENS
CEO | Stadim

JACQUES BOEVE
Partner Valuations | DTZ Zadelhoff

CAROLINE HUSSENOT
Director of the International department | BNP Paribas Real Estate

8

Corporate social responsibility

1. Sustainability, a cornerstone for generating a long-term return

As a leading logistics property partner, WDP has a strong sense of responsibility with regard to sustainable building, towards both its clients and its shareholders. Here, again, WDP adopts a long-term approach – one of the cornerstones of the company's strategy.

This includes an extensive study of the sustainable impact of every investment for all stakeholders. While some clients are looking for simple storage space, others require a high-tech logistics facility. WDP always takes the most responsible sustainability approach, whatever the choice. The possibilities of renewable energy and energy efficiency are studied in the design phase of both new builds and renovations. In consultation with the client, this improves the competitiveness of the tenant by driving down energy bills and strengthens the tenant's sustainability credentials through a more responsible environmental footprint.

As a logistics property partner we also wish to generate added value by creating synergies between clients, regions, cities, ports, public services and others to achieve smart logistics (including tri-modality and bundling).

WDP has the medium-term ambition to achieve carbon neutrality.

1. Vision and strategy

As we've said, the carbon neutrality of WDP's property portfolio is a medium term target. According to the definition of the UK's Department of Energy and Climate Change (DECC), 'Carbon neutral means that - through a transparent process of calculating emissions, reducing those emissions and offsetting residual emissions - net carbon emissions equal zero'. Organisations and individuals striving for carbon neutrality must first and foremost reduce carbon emissions so that only unavoidable emissions need to be offset. Carbon neutrality is usually achieved in two ways:

- Offsetting the carbon emissions when fossil fuels are burnt by consuming renewable sources that generate an equal amount of useful energy. Using only renewable energy sources that do not produce any carbon emissions (the post-carbon economy).

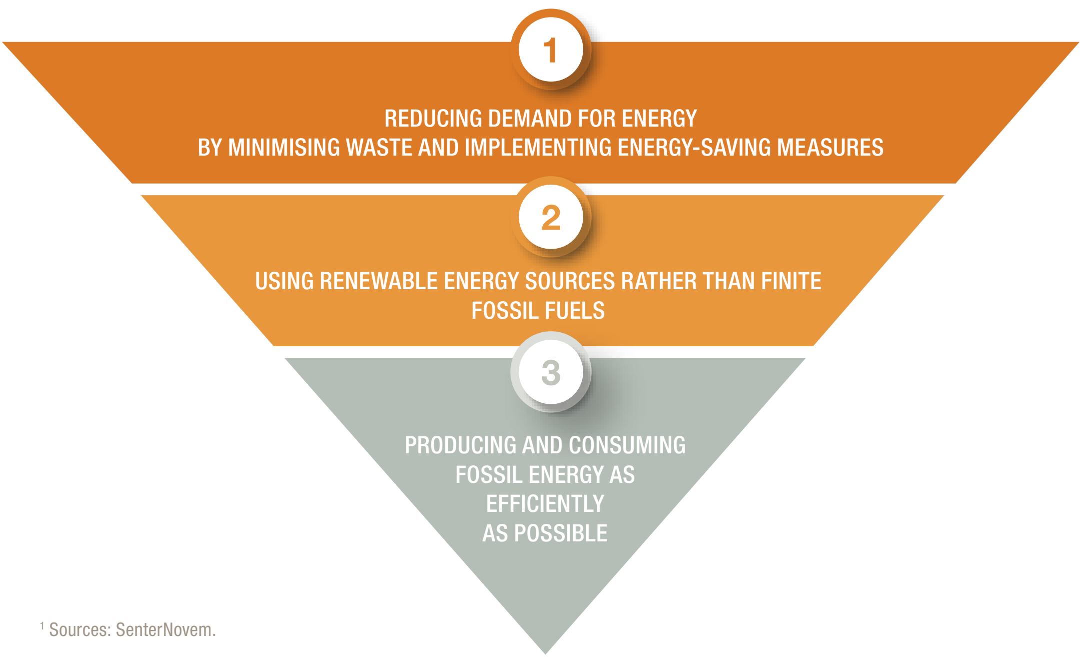
- Offsetting carbon emissions by paying others to remove the equivalent volume of the carbon dioxide from the atmosphere – by funding climate projects to prevent greenhouse gas emissions in the future or by buying carbon credits to reduce or stop carbon emissions elsewhere.

The entire approach to avoidance, reduction and offsetting lowers our dependence on fossil fuels, while increasing the share of renewable energy is encouraged. It is a global approach that creates value by lowering the price of energy and lessens the impact on people and planet.

The carbon-neutral target of creating sustainable value through environmental responsibility demands a well-structured, economically viable approach. Trias Energetica is an established model we use to drive down our energy consumption and make the transition to sustainable energy consumption.

Calculating the carbon footprint of our main offices and our property portfolio has given us improved insight into the current situation, the opportunities and challenges. The carbon footprint calculation made by climate advisor CO2logic was based on the energy consumption of twenty-one monitored sites and the energy consumption of the main offices in Belgium. It gives WDP information about where the focus needs to be and where investments must be made to improve efficiency within the company.

THE TRIAS ENERGETICA[1]-CONCEPT:
THE MOST SUSTAINABLE ENERGY IS THE ENERGY YOU SAVE.



[1] Sources: SenterNovem.

1.1. Reduction

In recent years WDP has invested in a system to closely monitor a large percentage of the electricity and gas consumption of its property portfolio. This enables WDP to gain a clear understanding of current energy consumption and to respond quickly to any anomalies. High-quality monitoring is the foundation of a high-quality reduction strategy. WDP will use this monitoring system to compare the performance of its warehouses on an ongoing basis and focus renovation and site lighting efforts on those warehouses that are performing least well.

Stringent quality and performance standards need to be met if WDP's new large-scale warehouses are to achieve a Very Good rating on the BREEAM scale. This will safeguard the performance and value of our property portfolio for the coming years. In 2015, WDP was awarded the Excellent certificate for the first time – for the logistics site under construction in Zwolle (Pommerenstraat 4A), for the tenant wehkamp.

To further reduce the energy consumption (focusing on electricity) of its property portfolio, WDP invests in new lighting technologies (including LEDs), insulation and efficient heating and cooling solutions, such as phase change materials (PCM).

PCMs are used to store heat and cold. They can absorb heat within a given temperature range without undergoing a significant change in temperature. Instead, the absorption or release of heat changes the general condition of the material. Some materials are able to store large amounts of energy as they melt. This energy is released during crystallisation. The material's temperature remains virtually constant during melting and crystallisation. This explains the alternative name of latent heat storage. Large amounts of heat can be stored within comparably small temperature ranges by using materials with high melting points.

Following the success of the 2014 event, the 2nd Efficient Energy Event was held at WDP headquarters in Wolvertem on 28 May 2015. Via this event, WDP wants to inform its customers about the latest sustainability trends in the logistics sector. This year, ELectrabel and Vervoer Verbessem presented a practical green energy project, while WaterstofNet, Fuso, Glan-O and Nissan presented their latest innovations. WDP used the occasion to present its Energy with Brains sustainability programme, informing participants for instance about its Smart Energy Tool. This underlines the importance attached by WDP to profitabaility through sustainability, leading to a win-win situation for both WDP and the tenant.[1]

1.2. Offsetting

WDP currently disposes of installed green energy power of 38 MWp[2] through investments in solar panels on the roofs of its buildings in Benelux (23.5 MWp) and Romania (14.5 MWp). See also *2.9. Solar energy* on page 150.

WDP is constantly studying additional investments in solar and wind power, geothermal energy and biomass. Decisions to invest are dependent on a low-risk assessment and a yield pattern comparable with its existing logistical property portfolio.

1 See also *2.7. Sustainable property management – Energy efficiency and EPB regulations* on page 147.
2 Based on 100% of the investment.

1.3. Recovery

Our approach to sustainability benefits our clients, WDP shareholders, external stakeholders and WDP itself. Our vision and strategy for the WDP property portfolio will reduce the total cost of use of the properties by minimising the price of energy per square metre and the carbon footprint of WDP and our clients. Our dependence on fossil fuels will also be reduced, as will the risk of price fluctuations, inherent to the turbulent markets. Our impact and the impact of our clients on both planet and people will be reduced. This approach is also expected to increase the value of our property.

But WDP's influence and support is not limited to warehouses. By developing synergies between clients, regions, cities, ports and public services to encourage smart logistics activities (including tri-modality and bundling), we will lower the negative impact on our clients of transport restrictions (such as carbon taxing) and improve efficiency while reducing traffic in and around cities.

Multimodal transport and bundling

Multimodal transport means choosing the most suitable mode of transport with due consideration for its characteristics with regard to product flow and logistics requirements. In some cases this may be unimodal transport by road, rail or waterway; in other cases combining more than one mode of transport is the best solution, such as inland shipping together with road transport by truck. Co-modality is often used in this context, where the stress is on the strengths of the various modes of transport. The term synchro-modality refers to the parallel use of various modes of transport.

That means that the shipper or the transport partner has a choice of mode.

Clear in our mind is that multimodal sites lower the total cost, improve the level of the service and increase the sustainability of the supply chain, as well as anticipating the logistics needs of tomorrow. In Belgium WDP is able to offer multimodal sites to its clients, each perfectly located: WDPort of Ghent, Liege - Trilogiport and the site in Meerhout. The premises on the Cargovil industrial estate in Vilvoorde underscore WDP's confidence in this future-oriented approach to sustainable logistics. The equipping of specific XXL platforms and FMCG campuses (like the sites in Tiel in the Netherlands and Bornem in Belgium) also enables logistics flows to be bundled, thereby optimising the client's supply chain.

Urban transport

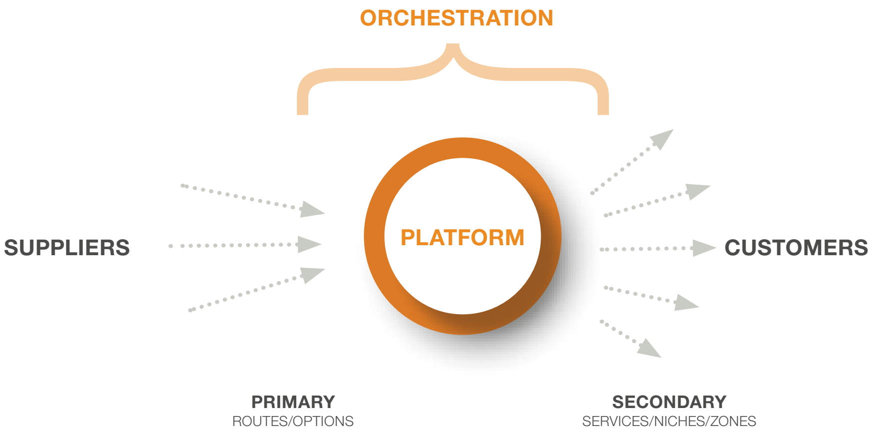
One of the options for ensuring sustainable urban transport is the establishment of a viable, sustainable urban distribution platform, based on orchestrated horizontal partnership. This concept has shown that the efficiency of goods transport can be significantly improved, reducing fuel consumption, greenhouse gas emissions and other inconveniences connected with transport.

An orchestrated horizontal partnership unites all participants in the goods transport chain (including suppliers, loaders, unloaders, multimodal platforms and government agencies) and an orchestrator. The purpose of the partnership is to improve the efficiency of the transport chain and save costs.

This is achieved by proactively combining cargoes to increase truck loads and to achieve economies of scale. The orchestrator is a small, neutral independent partner functioning as manager, trustee and referrer in the community. In that sense, WDP is able to act as a partner in such a partnership, for instance by offering strategic locations in the direct vicinity of good access and water and/or rail (see also *Multimodal transport and bundling* as discussed earlier in this chapter).

The diagram below shows that incoming and outgoing flows must be integrated in the urban distribution platform.

ORCHESTRATED HORIZONTAL PARTNERSHIP



2. Sustainable property management

Industrial activities – and that goes for property too – inherently have an impact on the natural environment in all of its facets and on those living and working in and around the buildings. As a sustainable, responsible business, WDP strives to constantly develop its portfolio while also constantly working to minimise its impact on the environment and natural resources. WDP sets itself the goal of reducing its eco footprint every year by focusing on land and water use, waste flows, transport, sustainable materials and renewable energy.

1. Soil studies

Before acquiring a building or a plot of land WDP always conducts an in-depth study of the environmental risks or irregularities that could arise from previous high-risk activities. As soon as any contamination is suspected, a study is conducted into the quality of the soil and the groundwater. If the soil proves to be contaminated, WDP makes sure that everything is done to control and eliminate this risk. Systems that potentially entail a high risk continue to be inspected regularly after the building is occupied, in accordance with the articles of association and applicable laws. WDP also complies with all national and regional regulations with regard to soil certificates and other obligations connected to uncontaminated soil.

2. Environmental and town-planning permits

WDP has the required official environmental and town-planning permits for all buildings and systems, in accordance with the applicable laws of the respective countries. If the tenant is responsible for gaining special permits – such as a compulsory environmental permit – WDP will strongly encourage the tenant to make all necessary arrangements as soon as possible.

The local laws and regulations regarding buildings and systems are closely monitored and implemented. Permits are immediately updated in the event of changes to laws or technical systems.

3. Inspection of technical and security systems

All technical and security systems installed in the buildings in the WDP portfolio must be regularly inspected, on the initiative of either WDP or on the tenant. In the latter case, WDP also closely monitors the quality of the inspection. We involve independent and/or in-house experts in the monitoring process.

4. Reducing greenhouse gas emissions by coolants

The BREEAM-certified buildings in Nieuwegein, Zwolle and Helmond all have thermal storage systems installed, a new technology that stores heat and cold in the soil for use in heating or cooling the buildings depending on the time of year.

In the new building for Staay Food Group in Alblasserdam completed at the end of 2015, the offices are supplied with heat recovered from the warehouse cooling system.

Customised heating can also be provided by solar boilers, like those installed on the roof of the building at the Schiphol Logistics Park (Pudingweg 3) for Rapid Logistics.

5. Removing asbestos

Although the operator is technically responsible for removing asbestos rather than the owner, both existing buildings and properties lined up for acquisition are always inspected by experts to identify any asbestos. If there is a potential risk to the health of the people using the building the asbestos is removed in accordance with standard procedures and all the articles of association and applicable laws. If the experts decide that the asbestos does not pose a threat due to how it is used in the existing situation, this is deemed to be a latent risk, which will be regularly evaluated. As soon as the risk increases – if the building falls vacant or there are amendments to the legal framework, for instance – the asbestos is immediately removed. Maintenance or repairs are performed to simplify removal.

6. Waste recycling

WDP encourages its employees to sort their waste: in all our offices, we sort paper, organic waste, glass and residual waste in accordance with the rules of the local waste disposal service.

Tenants are also encouraged to sort and reduce their waste. Waste from properties built in accordance with BREEAM guidelines is sorted into four to six streams and processed by certified waste management companies.

As well as using a certified company to collect waste, WDP also endeavours to recycle waste on the building site. WDP has also opted for prefab structures to further reduce waste volumes on building sites.

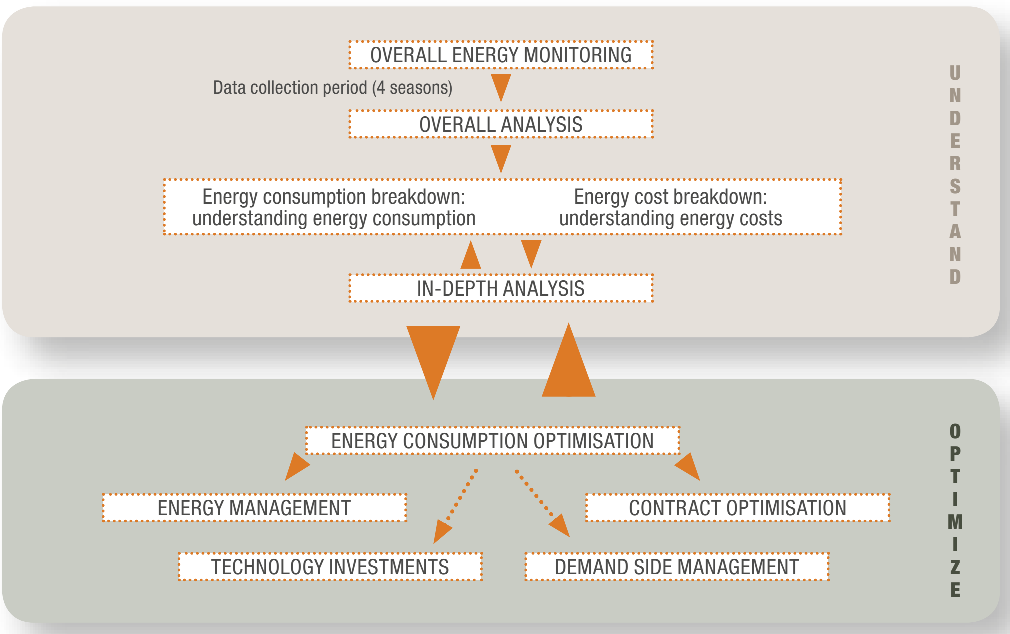
7. Energy efficiency and EPB regulations

WDP undertakes to minimise energy consumption in the properties making up its portfolio. This is done by full insulation of walls and roofs (by using a thermal resistance factor of at least 2.5 m^2 K/W and 3.2 m^2 K/W respectively). Furthermore, we also choose the most cost-effective, energy-efficient heating, ventilation and air conditioning options. The sustainable electrical power, heating and insulation projects are specially designed to reduce carbon emissions at the storage facilities in the portfolio while reducing the tenant's energy bill.

This accent on sustainability applies not only to new projects, and many old sites in the portfolio are being upgraded to efficient, sustainable state-of-the-art properties.

Since 1 January 2006 all new-build and renovation projects requiring a town-planning permit in the European Union under EU law must comply with the Energy Performance of Buildings (EPB) Regulations, which set the standards for energy performance and air conditioning.

ENERGY WITH BRAINS SCHEME



These EPB standards set binding thermal insulation and ventilation requirements. For new-build projects the technical systems are also considered, for which the calculation of the total energy performance level (E level) is demanded. For existing buildings, too, the European Directive provides for the introduction of an EPB certificate specifying the building's energy performance.

All projects completed by WDP in 2015 meet these standards. WDP's target is to achieve an E level below the level required by law.

As mentioned above, the occasion of WDP's EE event in 2015 was used to present the sustainability programme Energy with Brains. The intention of this programme is to help further reduce energy consumption in the various portfolio sites and to lower the total cost of ownership. Energy With Brains involves a study of potential savings using two tools:

- WDP Smart Energy Tool: this maps the energy consumption of the WDP portfolio on a building-by-building basis. In a first phase this tool was applied to six properties, in preparation of its extension to the whole portfolio. The aim is to take measures, where appropriate, to optimise energy consumption (for example by reducing standby power use).
- Solar panel monitoring: a complete overview of the solar panel output per site within the WDP portfolio.

With the study period now over, the tools can be fully rolled out in 2016.

8. BREEAM

BREEAM (Building Research Establishment Environmental Assessment Method) is a method for certifying the sustainability of buildings throughout their useful life. Its multi-criteria approach distinguishes BREEAM, Europe's most generally accepted sustainability standard for buildings, from other methods. The building certification process evaluates land use, environmental aspects, the building process, water consumption, waste, contaminations, transport, equipment and materials, health and comfort, alongside energy consumption.

Buildings are given an overall rating of Acceptable[1], Pass, Good, Very Good, Excellent or Outstanding.

WDP is firmly convinced that the existing properties have great potential. A more sustainable building and management also mean lower costs and higher margins.

The methodology enables the evaluation of the total sustainability of the properties and their benchmarking, as well as achieving WDP's objectives.

When designing a new building the carbon footprint is determined for ten or more years on the basis of strict criteria imposed by WDP.

With that in mind, the goal is to achieve a minimum BREAAM rating of Very Good for all new buildings exceeding 5,000 m^2.

12% of the WDP portfolio (based on contractual rental income) is currently BREEAM-certified.

1 This score applies solely to BREEAM In-Use.

SITE	BREEAM-SCORE	
Schiphol Logistics Parc (NL), Incheonweg 7	★★★☆☆	
Wijchen (NL), Bijsterhuizen	★★★☆☆	
Tilburg (NL), Siriusstraat 7-9	★★☆☆☆	
Helmond (NL), Sojadijk 2	★★☆☆☆	
Nieuwegein (NL), Inundatiedok 14	★★☆☆☆	
Willebroek (B), Koningin Astridlaan 16	★★★☆☆	(certification ongoing)
Willebroek (B), Koningin Astridlaan 14	★★★☆☆	
Venray (NL), Newtonstraat 8	★★☆☆☆	(certification ongoing)
Zwolle (NL), Paderbornstraat 21	★★★★☆	
Schiphol Logistics Parc (NL), Pudongweg 3	★★★☆☆	
Tiel (NL), Medel 1A	★★★☆☆	(certification ongoing)

ACCEPTABLE[2]	
PASS	★☆☆☆☆
GOOD	★★☆☆☆
VERY GOOD	★★★☆☆
EXCELLENT	★★★★☆
OUTSTANDING	★★★★★

[2] This score is only applicable by BREEAM In-Use.

Wehkamp's green logistics service centre

9. Solar energy

In 2007 WDP launched a solar energy project to help achieve its goal of a carbon-neutral portfolio in the medium term. The installed green energy power is 38 MWp, generated by solar panels in Benelux (23.5 MWp) and Romania (14.5 MWp). In Romania, it is not just roofs that are having solar panels installed on them; two solar parks have also been installed on sites in Sarulesti and Fundulea. In 2015, a further 3 MWp was added through the PV installation on the roof of the MLB site in Bornem[2], and a number of existing WDP sites in Wallonia (Nivelles (3), Jumet and Courcelles) were also equipped with solar panels for a total of 1.9 MWp.

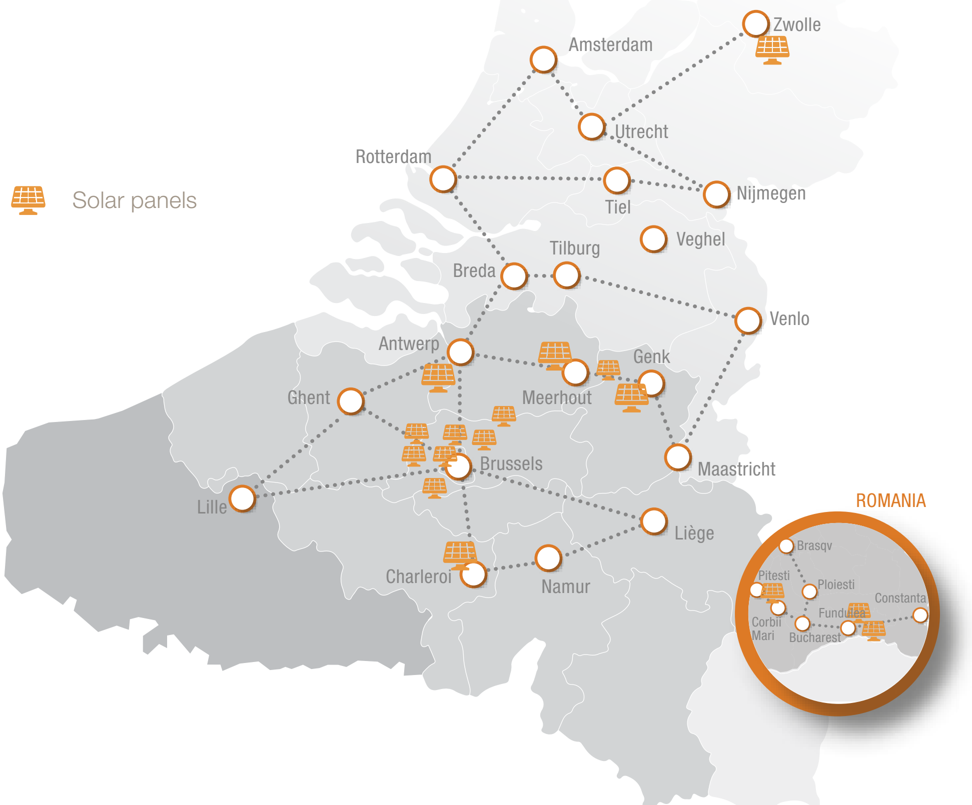
2 See also *5.3.2. Management Report – Transactions and realisations – Acquisitions and disposals* on page 44.

Around 55% of green energy generated at these sites is consumed by tenants; the rest is fed into the national grid. This energy is charged to the tenant and/or energy supplier on a monthly basis. Additionally, WDP generates income from green energy certificates awarded in Belgium and Romania after the system was taken into use. See also *1.2. Offsetting* on page 142.

In the course of 2015, WDP started implementing a green energy programme through the installation of solar panels in the Netherlands with a total capacity of some 30 MWp. WDP plans for this project to be rolled out by the end of 2016 in collaboration with tenants. In a first phase, WDP installed solar panels with a total capacity of 2.5 MWp on the roof of the wehkamp warehouse in Zwolle.

Solar energy is also captured by solar boilers and heat pumps (see also *2.5. Other efficient heating and cooling solutions*).

Solar panels within the property portfolio



Solar panels within the property portfolio

10. Day-to-day sustainability measures with regard to property

Opportunities for reduced consumption at the various sites can be identified by monitoring electricity, gas and water consumption.

Both BREAAM and the carbon footprint of the existing assets will facilitate the assessment and monitoring of building ratings and performances. Extra energy meters will eliminate the current rating uncertainties across the entire portfolio and ensure that ratings can be properly monitored.

New lighting technologies

Continuing its quest for efficient new lighting solutions, WDP has found the applicability of LED lighting in warehouses to be very useful. Besides the longer life and improved energy efficiency, LED lights also offer numerous other advantages over TL lights, including fewer start-up problems and lower heat emissions, especially in a cold store. When the lighting is linked to motion detectors via a dimmer, energy is used more efficiently.

Within the WDP portfolio, the sites at Asse (Mollem) (Zone 5 no. 200), Zaltbommel (Heksekamp 7-9), Venray (Newtonstraat 8), Boom (Langelei 114-116 - Industrieweg 1), Schiphol Logistics Parc (Pudongweg 3), Veghel (Marshallweg 1), Tiel (Medel 1A), Alblasserdam (Nieuwland Parc 121) and Vilvoorde (Havendoklaan 19) have all been equipped with LED lighting.

Water consumption

To reduce water consumption WDP uses such means as infrared motion detectors on taps and urinals. Rainwater is collected and used to flush toilets. Leak detection systems also prevent unnecessary water loss.

11. Sustainable financing

The attention paid by WDP to sustainability also translates into its funding its funding of energy efficiency and eco-friendly measures. For this type of financing, WDP works with Triodos Bank.

In the Netherlands, WDP was able to launch a collaboration project in 2015 with the Province of Overijssel, via the Energiefonds Overijssel, an agency providing specific financing for sustainable projects. An fifteen-year 3 million euros investment credit has been concluded, for use in financing solar energy projects in Zwolle.

12. Energy consumption benchmark

The benchmark study of twenty-one monitored Belgian WDP sites in 2012 shows that the monitored property portfolio achieves a better energy consumption performance than the standards set by ISA (2011), BIM (2009), Agentschap NL (2008) and the Royal Commission on Environmental Pollution (2006).

The study results were predominately good. Quick-scan energy audits are being conducted on buildings with the lowest rating to achieve a better result. The benchmark serves as a functional guideline for sustainable measures in the future.

EXTERNAL BENCHMARK

Sustainability Performance Measure	UNITS	ISA (2011)	BIM[1]	AGENTSCHAP NL (2008)[2]	ROYAL COMMISSION ON ENVIRONMENTAL POLLUTION UK (2006)[3]	WDP (21 SITES)[4]
Energy intensity of the building	kWh/m²/year	117	145	104	145	**99**
Greenhouse gas intensity from energy and the building	kg CO2e/m²/year	78	-	-	-	**14**

1 Wholesale and retail > 5,000 m². Electricity: 89 kWh/m², gas: 56 kWh/m².
2 Wholesale. Electricity: 65 kWh/m², gas: 42 kWh/m².
3 Electricity: 81 kWh/m², gas: 64 kWh/m².
4 These results are based on the twenty-one sites where energy consumption is measured. Based on the figures for 2012 as prepared by an independent consultant. Comparable figures were measured for 2013 based on internal analysis.

3. Corporate social responsibility linked to WDP's own activities

Although most of our carbon footprint can be attributed to our property portfolio, we also wish to reduce the carbon footprint of our business activities, applying the same principles to our main office and our daily operational measures.

1. Day-to-day sustainability measures within the organisation

WDP has also implemented measures in its day-to-day business to reduce its footprint, including digital document management. Paper volumes can be slashed by digitising incoming documents and storing them on servers.

Employees are encouraged to makes use of such simple measures as duplex printing. Moreover, efficient high-capacity printers and copiers produce less waste and consume less energy.

All the paper consumed within WDP is sourced from sustainably managed forests and is FSC-certified.

WDP upholds this green philosophy for its fleet management, choosing more efficient engine technology. Vehicles consume less fuel and emit less carbon dioxide, particulates and nitrogen oxide. The fleet now also includes hybrid vehicles, in which the advantages of electrical engines (when driving at lower speeds) are combined with the advantages of a very efficient diesel engine, with due consideration for fuel efficiency and reduced air pollution. Users of electric vehicles can now make use of charging points installed at the offices in Wolvertem and Breda.

2. Sustainability and ERP

Sustainable enterprise is, of course, about more than simply using eco-friendly materials and technologies. It also includes optimising the day-to-day procedures and processes to generate a maximum yield from as little energy and material as possible. That is another way we have again created value for all stakeholders. To achieve this, WDP uses the enterprise resource planning (ERP) system SAP Real Estate, which also improves the transparency of business processes and sustainability procedures.

3. WDP's carbon footprint

Following the analyses conducted for the calculation of the carbon footprint by sustainable development company CO2logic in 2011, WDP continues to work hard to reduce emissions. Day to day, WDP studies potential measures and has drawn up a new action plan covering the property portfolio and the company's own offices.

4. General reporting scoreboard

INVESTMENT PROPERTY

SCOPE	TARGET	RESULTS	COMPLETION	ADVANCEMENT
Property investments	Test projects	In recent years WDP has conducted various test projects, including LED lighting, heat/cold storage, light dimming and heat recovery from coolers. In doing so, WDP has gained experience in new technologies, which, after positive evaluation, can be applied to several buildings. WDP advocates test projects as part of warehouse studies in the future.	In progress	N/A
	Carbon footprint calculation (benchmark)	In 2013 the carbon footprint of WDP's investment property was calculated for 2012. The scope of the study was limited to energy-related data (scope 1 and 2 of the GHG Protocol). The calculation was based on data from twenty-one monitored buildings. The results will be used as a benchmark for a comparison of the results from future years.	2013	N/A
	Carbon footprint update	The carbon footprint calculation will be regularly recalculated going forward.	2014	N/A
	Energy measurement	The energy consumption of twenty-one sites was measured digitally over the period 2008-12. To get a correct picture of the total energy consumption of the WDP portfolio, WDP plans to implement the Smart Energy tool to map the energy consumption of Its buildings with a view to optimising it.	2018	80%

INVESTMENT PROPERTY

SCOPE	TARGET	RESULTS	COMPLETION	ADVANCEMENT
Property investments	Renewable energy	Currently the installed green energy power at WDP is 38 MWp, generated by solar panels at around thirty sites in Benelux (23.5 MWp) and Romania (14.5 MWp). WDP is currently studying whether more renewable energy can be generated from existing and new sources, based on a low-risk assessment and an equivalent yield pattern as property investment.	In progress	N/A
Property investments (existing buildings)	Reducing energy consumption in existing buildings	The carbon footprint report for 2012 drawn up in early 2013 shows that consumption at some sites is higher than average energy consumption over the twenty-one sites studied. The Smart Energy tool will be used to map the energy consumption of portfolio builings with a view to optimising it.	In progress	40%
	Green electricity	In 2013 the energy contract with Electrabel was renewed, under which tenants now consume green energy only, to the exclusion of grey energy.	2013	100%
	Better energy performances than required by law	Since 2006 the EU directive on the energy performance of buildings has urged member states to introduce energy regulations. WDP is committed to complying with these regulations and to achieving a lower E level than laid down in law.	In progress	N/A
Investment property (new buildings)	BREEAM certification	Since 2010 part of WDP's policy is to obtain BREEAM certification for new builds and to include these criteria in the design process. WDP is committed to obtaining at least a Very Good rating for every building of more than 5,000 m².	In progress	N/A

MAIN OFFICES

SCOPE	TARGET	RESULTS	COMPLETION	ADVANCE-MENT
Main offices	Sustainable working environment	In the context on expanding its headcount, the Wolvertem offices are to be extended. The plans take account of the energy efficiency of the new offices, as well as optimising the working environment for the benefit of staff and visitors.	In progress	10%
	Reducing paper consumption	WDP reduces paper consumption at its offices.	In progress	N/A
		WDP has changed the standard printer setting to duplex printing.		

MOBILITY

SCOPE	TARGET	RESULTS	COMPLETION	ADVANCE-MENT
Main offices	Reducing carbon emissions by company vehicles	WDP intends to systematically reduce the emissions of its fleet. This is being achieved by upgrading the fleet, by regularly checking tyre pressure and the use of energy-efficient company vehicles.	In progress	N/A
Property investments	Reducing carbon emissions in logistics activities	WDP makes efforts to reduce its logistics-related carbon emissions by introducing new mobility concepts like multimodality and bundling. This is already applied at the new sites in Meerhout and Vilvoorde, and at WDPort of Ghent Logistic Park and the Liege Trilogiport. The equipping of specific XXL platforms and FMCG campuses (like the sites in Tiel in the Netherlands and Bornem in Belgium) also enable the bundling of logistics flows to optimise the client's supply chain.	In progress	N/A

RAISING AWARENESS

SCOPE	TARGET	RESULTS	COMPLETION	ADVANCE-MENT
Main office and investment property	Reducing the carbon footprint of suppliers	Bearing in mind that the sustainability behaviour of suppliers has an impact on the sustainability of the entire supply chain, WDP intends to work with its suppliers to raise their awareness. In this context WDP has held two Energy Efficiency Events, the last in 2015, giving clients and suppliers concrete examples of cost-saving sustainability measures that can be taken right now in the logistics sector.	2015	100%

COMMUNICATION

SCOPE	TARGET	RESULTS	COMPLETION	ADVANCE-MENT
Main offices and investment property	Publication of a sustain-ability report	WDP reports on its sustainability policy every year.	2015	100%

We hope that this sustainability report shows how strongly WDP believes in creating value for clients and shareholders by reducing energy costs, dependence on fossil fuels and the impact on the environment.

We aim to prioritise actions that balance the advantages for people, planet and prosperity. Our solid sustainability strategy is the best way to improve our financial performance, strengthen our relations with stakeholders, manage risks better, maximise business opportunities and create value.

9

Declarations by the statutory manager

WDP's statutory manager declares that no government interventions, lawsuits or arbitrations exist that could influence – or in the recent past influenced – WDP's financial position or its results. It also declares that, to its knowledge, no circumstances or facts exist that could lead to such government interventions, lawsuits or arbitrations.

Furthermore, the manager declares that, to its knowledge:

- the annual accounts, drawn up in accordance with the applicable standards for annual accounts, give a true and fair view of the group's equity, financial position and of the results of the issuer and of the companies taken up into the consolidation;
- the annual financial report gives a true and fair view of the development and results of the company and of the issuer's position and of the companies taken up into the consolidation, along with a description of the main risks and uncertainties they face.

WDP declares that the information provided by the experts and the independent surveyor has been faithfully reproduced. To its knowledge, and based on what it has been able to deduce from the information published by the experts and the independent surveyor, no facts were omitted that would render the information provided incorrect or misleading.

This annual financial report contains statements referring to the future. Such statements involve unknown risks, insecurities and other factors that could result in the current results, financial position, performance and realisations differing from any future results, financial position, performance and realisations expressed or implicated by such statements referring to the future. Given these uncertain factors, such statements referring to the future do not give any guarantees.

WDP's statutory manager is responsible for the information provided in this annual financial report.

The statutory manager has made all reasonable efforts to verify this information. He declares that, to his knowledge, the data in this annual financial report are a fair presentation of reality, and that no information has been omitted which would, if reported, alter the effect of this annual report.

WDP's statutory manager also reports that the statutory auditor and the property experts have approved the inclusion of the content of their respective reports and conclusions in the annual financial report, and that they have approved the content and form in which this section is included in the annual financial report.

For confidentiality reasons, the full report of the property experts has not been included and cannot be consulted.

The statutory manager of WDP declares that there have been no significant changes in the financial or commercial position of the group after 31 December 2015.

10 Financial statements

Contents

10. Financial statements

1. 2015 annual consolidated financial statements

Profit and loss account

in euros (x 1,000)		Note	31 DEC. 15	31 DEC. 14
I.	**Rental income**		**122,285**	**94,509**
Rents		VIII	118,535	94,509
Indemnification for early termination of lease			3,750	0
III.	**Rental charges**		**-1,349**	**-1,071**
Rent to be paid for leased premises			-1,000	-738
Provision for doubtful debtors (additions)		XVI	-708	-970
Provision for doubtful debtors (reversals)		XVI	358	636
NET RENTAL RESULT			**120,935**	**93,438**
IV.	**Recovery of property costs**		**770**	**0**
V.	**Recovery of rental charges and taxes normally paid by the tenant on let properties**		**7,322**	**6,389**
Re-invoicing rental charges paid out by the owner			2,502	2,175
Re-invoicing advance property levy and taxes on let buildings			4,820	4,214
VI.	**Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease**		**-1,318**	**0**
VII.	**Rental charges and taxes normally paid by the tenant on let properties**		**-9,390**	**-7,815**
Rental charges paid out by the owner			-2,628	-2,286
Withholding taxes and taxes on let properties			-6,762	-5,529
VIII.	**Other income and charges related to leases**		**10,767**	**9,811**
Property management fees			726	674
Other operating income/costs			1,841	2,318
Income from solar energy		XIII	8,200	6,819
PROPERTY RESULT		**V**	**129,086**	**101,824**
IX.	**Technical costs**		**-2,789**	**-1,757**
Recurrent technical costs			-2,763	-1,764
	- Repairs		-1,918	-1,175
	- Insurance premiums		-845	-590
Non-recurrent technical costs			-26	7
	- Accidents		-867	-409
	- Claims paid by insurers		841	416
X.	**Commercial costs**		**-621**	**-373**
Agency commissions			-226	-144
Advertising			-142	-120
Lawyers' fees and legal charges			-252	-109
XII.	**Property management costs**		**-511**	**-701**
Fees paid to external managers			0	0
(Internal) property management costs			-511	-701
PROPERTY CHARGES			**-3,921**	**-2,830**

PROPERTY OPERATING RESULTS		**125,165**	**98,993**
XIV. General company expenses		**-6,213**	**-5,535**
XV. Other operating income and costs (Depreciation and write-downs on solar panels)		**-3,010**	**-2,556**
OPERATING RESULT (BEFORE RESULT ON PORTFOLIO)		**115,942**	**90,902**
XVI. Result on disposals of investment property	**IX**	**-76**	**13**
Net property sales (sales price - transaction costs)		3,266	1,125
Book value of properties sold		-3,342	-1,112
XVIII. Variations in the fair value of investment property	**XII**	**47,690**	**20,145**
Positive variations in the fair value of investment property		67,854	31,942
Negative variations in the fair value of investment property		-20,166	-11,729
Variations in the fair value of assets under development (+/-)		2	-68
OPERATING RESULT		**163,556**	**111,060**
XX. Financial income		**953**	**1.301**
Interests and dividends received		548	650
Other financial income		405	652
XXI. Net interest charges		**-27,598**	**-26,272**
Interest on loans		-15,584	-12,475
Interest capitalised during construction		1,338	2,023
Cost of permitted hedging instruments		-13,235	-15,703
Other interest charges		-117	-118
XXII. Other financial charges		**-502**	**-407**
Bank charges and other commissions		-57	-45
Other financial charges		-445	-362
XXIII. Movements in the fair value of financial assets and liabilities	**XIV**	**7,839**	**-19,375**
FINANCIAL RESULT	**X**	**-19,308**	**-44,752**
XXIV. Share in the result of associated compagnies and joint ventures		**-382**	**-927**
PROFIT BEFORE TAXES		**143,866**	**65,381**
XXV. Corporate tax		**-1,169**	**-631**
TAXES	**XI**	**-1,169**	**-631**
NET RESULT		**142,698**	**64,750**

Statement of overall result

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
I. NET RESULT	**142,698**	**64,750**
II. OTHER ELEMENTS OF THE OVERALL RESULT (RECOVERABLE THROUGH PROFIT AND LOSS)	**448**	**1,169**
G. Other elements of the overall result after tax	448	1,169
Revaluation of the solar panels in Belgium and the Netherlands	240	-139
Revaluation of the solar panels in joint ventures	208	1,308
OVERALL RESULT	**143,146**	**65,919**
Attributable to:		
Shareholders of the group	143.146	65.919

Other components of comprehensive income

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
NET CURRENT RESULT		
Net current result (including share in the result of joint ventures) (EPRA)	90,938	67,337
Result on the portfolio (including share in the result of joint ventures) (IAS 40)[1]	47,355	19,703
Revaluation of financial instruments (IAS 39)	7,839	-19,375
Depreciation and write-down on solar panels (including share in the result of joint ventures) (IAS 16)	-3,435	-2,916
NET RESULT (IFRS)	**142,698**	**64,750**

in euros (per share)[2]	31 DEC. 15	31 DEC. 14
NET CURRENT RESULT		
Net current result (including share in the result of joint ventures) (EPRA)	5.00	4.10
Result on the portfolio (including share in the result of joint ventures) (IAS 40)[1]	2.61	1.20
Revaluation of financial instruments (IAS 39)	0.43	-1.18
Depreciation and write-down on solar panels (including share in the result of joint ventures) (IAS 16)	-0.19	-0.18
NET RESULT (IFRS)	**7.85**	**3.94**

in euros (per share) (diluted)[2]	31 DEC. 15	31 DEC. 14
NET CURRENT RESULT/SHARE		
Net current result (including share in the result of joint ventures) (EPRA)	5.00	4.10
Result on the portfolio (including share in the result of joint ventures) (IAS 40)[1]	2.61	1.20
Revaluation of financial instruments (IAS 39)	0.43	-1.18
Depreciation and write-down on solar panels (including share in the result of joint ventures) (IAS 16)	-0.19	-0.18
NET RESULT (IFRS)	**7.85**	**3.94**

1 Including deferred tax on the portfolio result.
2 Calculated based on the weighted average number of shares.

Balance sheet - Assets

in euros (x 1,000)		Note	31 DEC. 15	31 DEC. 14
I.	**FIXED ASSETS**		**1,893,137**	**1,547,013**
B.	**Intangible assets**		**96**	**93**
C.	**Investment property**	**XII**	**1,796,888**	**1,461,814**
	Property available for leasing		1,739,291	1.332,210
	Property developments		27,392	109,756
	Other: land reserves		30,206	19,849
D.	**Other tangible fixed assets**	**XIII**	**74,708**	**63,699**
	Tangible fixed assets for own use		896	647
	Other: solar panels		73,812	63,052
E.	**Financial fixed assets**		**14,084**	**13,573**
	Assets at fair value through result		155	0
	Permitted hedging instruments	XIV	155	0
	Loans and receivables		13,929	13,573
	Other		13,929	13,573
G.	**Trade receivables and other non-current assets**	**X**	**4,088**	**4,500**
I.	**Participations in associated companies and joint ventures, equity method**		**3,273**	**3,333**
II.	**CURRENT ASSETS**		**14,143**	**23,318**
A.	**Assets held for sale**		**823**	**1,346**
	Investment property	XV	823	1,346
D.	**Trade receivables**	**XVI**	**5,792**	**6,125**
E.	**Tax benefits and other current assets**	**XVII**	**5,395**	**13,922**
	Taxes		1,441	9,460
	Other		3,954	4,462
F.	**Cash and cash equivalents**		**551**	**234**
G.	**Accruals and deferred income**		**1,582**	**1,691**
TOTAL ASSETS			**1,907,281**	**1,570,331**

Balance sheet – Liabilities

in euros (x 1,000)		Note	31 DEC. 15	31 DEC. 14
SHAREHOLDERS' EQUITY			**768,273**	**613,494**
I.	**Attributable to the parent company's shareholders**		**768,273**	**613,494**
A.	Capital	XVIII	143,568	135,329
	Subscribed capital		148,427	139,857
	Costs of capital increase		-4,859	-4,529
B.	Issue premiums		304,426	239,399
C.	Reserves		177,582	174,016
D.	Net result for the financial year		142,698	64,750
LIABILITIES			**1,139,008**	**956,837**
I.	**Non-current liabilities**		**980,884**	**734,328**
A.	Provisions	XIX	1,046	1,046
	Other		1,046	1,046
B.	Non-current financial liabilities	XX, XXI	916,010	664,928
	Credit institutions		639,615	477,393
	Financial lease		10,355	13,064
	Other		266,040	174,472
C.	Other non-current financial liabilities		61,321	68,354
	Permitted hedging instruments	XIV	61,321	68,354
D.	Trade payables and other non-current liabilities		2,507	0
II.	**Current liabilities**		**158,125**	**222,509**
B.	Current financial liabilities	XX, XXI	126,313	198,886
	Credit institutions		123,828	196,060
	Financial lease		2,485	2,826
C.	Other current financial liabilities		0	650
	Permitted hedging instruments	XIV	0	650
D.	Trade payables and other current liabilities		17,456	12,473
	Exit tax		2,967	0
	Other		14,489	12,473
	Suppliers		11,739	9,190
	Tax, salary and social security		2,750	3,282
E.	Other current liabilities	XXII	579	531
	Other		579	531
F.	Deferred charges and accrued income		13,754	9,968
TOTAL LIABILITIES			**1,907,281**	**1,570,331**

Cash flow statement

in euros (x 1,000)	Note	31 DEC. 15	31 DEC. 14
CASH AND CASH EQUIVALENTS, OPENING BALANCE		**234**	**1,579**
NET CASH FLOWS CONCERNING OPERATING ACTIVITIES		**123,504**	**87,442**
1. Cash flows concerning operations		**123,637**	**89,815**
Profit/loss from operating activities		170,512	90,352
Profit for the year		142,698	64,750
Interest charges	X	27,598	26,272
Interest received	X	-953	-1,301
Income tax	XI	1,169	631
Adjustments to non-monetary items		-51,500	6,137
Write-downs		3,665	3,240
Depreciations	XVI	-350	333
Carried interest charges		-1,208	-2,532
Interest capitalised during construction	X	1,338	2,023
Carried interest income		612	715
Increase (+)/decrease (-) in provisions	XIX	0	-19
Variations in the fair value of investment property	XII	-47,690	-20,145
Increase (+)/decrease (-) in deferred taxes		-695	2,828
Variations in fair value of financial derivatives	XIV	-7,838	19,375
Share in the result of associated companies and joint ventures		590	332
Increase(+)/decrease (-) in disposals	IX	76	-13
Increase (+)/decrease (-) in working capital requirements	XXVI, XXVII	4,625	-6,673
Increase (-) / decrease (+) in assets		24,299	-9,263
Increase (+)/decrease (-) in liabilities		-19,651	3,359
Other		-23	-769
2. Cash flows concerning other operating activities		**-133**	**-2,373**
Interest received classified by operating activities		341	586
Income tax paid/received		-474	-2,959
NET CASH FLOWS CONCERNING INVESTMENT ACTIVITIES		**-237,869**	**-208.,919**
1. Purchases		**-242,779**	**-221,776**
Payments regarding purchases of real estate investments		-222,638	-208,286
Payments regarding purchases of shares of real estate companies	XII	-14,193	-13,547
Acquisitions of other tangible and intangible fixed assets		-5,948	57
2. Disposals		**5,266**	**3,125**
Receipts from sale of investment property		3,266	1,125
Receipts from sale of shares of real estate companies		2,000	2,000
3. Financing provided to joint ventures		**-356**	**9,732**
Financing of joint ventures		-356	9,732
NET CASH FLOWS CONCERNING FINANCING ACTIVITIES		**114,682**	**120,133**
1. Loan acquisition	XX, XXI	238,353	350,882
2. Loan repayment	XX, XXI	-59,845	-175.444
3. Interest paid		-27,728	-25,763
4. Dividends paid[1]		-36,098	-29,542
NET INCREASE (+) OR DECREASE (-) IN CASH AND CASH EQUIVALENTS		**317**	**-1.344**
CASH AND CASH EQUIVALENTS, CLOSING BALANCE		**551**	**234**

1 This relates only to cash-out: Because an optional dividend was offered in 2013 and 2014, with 72% and 60% of the shareholders respectively opting for distribution of dividend in shares rather than cash.

Consolidated statement of changes of the equity capital 2015

in euros (x 1,000)	01 JAN. 15	ALLOCATION OF RESULT OF FINANCIAL YEAR 2014		
		Profit for the previous year	Transfer of result on portfolio	Impact on the fair value of estimated duties and transfer fees for the hypothetical sale of investment property
A. Subscribed capital	**135,329**	**0**	**0**	**0**
Subscribed capital	139,857			
Costs of capital increase	-4,529			
B. Issue premiums	**239,399**	**0**	**0**	**0**
C. Reserves	**174,016**	**64,750**	**0**	**0**
Statutory reserves (+)	0			
Reserves for the balance of movements in the fair value of the property (+/-)				
Reserves for the balance of movements in the investment value of the property (+/-)	147,652		20,366	10,503
Reserves for the impact on the fair value of estimated transfer duties and transfer fees for the hypothetical sale of investment property (-)	-42,700			-10,503
Reserves for the balance of movements in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS (+/-)	-49,630			
Reserves for the balance of translation differences in monetary assets and liabilities (+/-)	-184			
Reserves for translation differences arising from the conversion of a foreign activity	249			
Reserves for deferred taxes relating to property located outside Belgium	-634			
Other reserves	17,462			
Result brought forward from previous financial years	101,800	64,750	-20,366	
Result carried forward				
Net result for the financial year	**64,750**	**-64,750**	**0**	**0**
TOTAL SHAREHOLDERS' EQUITY	**613,494**	**0**	**0**	**0**

	OTHER ELEMENTS OF THE OVERALL RESULT		OTHER			31 DEC. 15
Transfer of IAS 39	Net result for the current financial year	Movements in the fair value of solar panels	Capital increases	Dividends distributed	Other	
0	**0**	**0**	**8,240**	**0**	**0**	**143,568**
			8,570			148,427
			-330			-4,859
0	**0**	**0**	**65,027**	**0**	**0**	**304,426**
0	**0**	**448**	**0**	**-61,610**	**-22**	**177,582**
						0
						178,521
						-53,203
-19,375						-69,005
						-184
						249
						-634
		448				17,910
19,375				-61,610	-22	103,927
0	**142,698**	**0**	**0**	**0**	**0**	**142,698**
0	**142,698**	**448**	**73,267**	**-61,610**	**-22**	**768,273**

Consolidated statement of changes of the equity capital 2014

in euros (x 1,000)	01 JAN. 14	ALLOCATION OF RESULT OF FINANCIAL YEAR 2013		
		Profit for the previous year	Transfer of result on portfolio	Tranfer of deferred taxes relating to property located outside belgium
A. Subscribed capital	**124,898**	**0**	**0**	**0**
Subscribed capital	128,955			
Costs of capital increase	-4,057			
B. Issue premiums	**177,057**	**0**	**0**	**0**
C. Reserves	**145,451**	**79,674**	**0**	**0**
Statutory reserves (+)	0			
Reserves for the balance of movements in the fair value of the property (+/-)				
Reserves for the balance of movements in the investment value of the property (+/-)	148,575		-4,203	3,280
Reserves for the impact on the fair value of estimated transfer duties and transfer fees for the hypothetical sale of investment property (-)	-39,420			-3,280
Reserves for the balance of movements in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined n IFRS (+/-)	-70,468			
Reserves for the balance of translation differences in monetary assets and liabilities (+/-)	-184			
Reserves for translation differences arising from the conversion of a foreign activity	249			
Reserves for deferred taxes relating to property located outside Belgium	-634			
Other reserves	16,293			
Result carried forward from previous financial years	91,040	79,674	4,203	
D. Net result for the financial year	**79,674**	**-79,674**	**0**	**0**
TOTAL SHAREHOLDERS' EQUITY	**527,080**	**0**	**0**	**0**

	OTHER ELEMENTS OF THE OVERALL RESULT		OTHER			31 DEC. 14
Transfer of IAS 39	Net result for the current financial year	Movements in the fair value of solar panels	Capital increases	Dividends distributed	Other	
0	**0**	**0**	**10,431**	**0**	**0**	**135,329**
			10,902			139,857
			-472			-4,529
0	**0**	**0**	**62,342**	**0**	**0**	**239,399**
0	**0**	**1,169**	**0**	**-52,311**	**32**	**174,016**
						0
						147,652
						-42,700
20,838						-49,630
						-184
						249
						-634
		1,169				17,462
-20,838				-52,311	32	101,800
0	**64,750**	**0**	**0**	**0**	**0**	**64,750**
0	**64,750**	**1,169**	**72,773**	**-52,311**	**32**	**613,494**

2. Notes

I. General information on the company

WDP is a public Regulated Real Estate Company, with the status of a Commanditaire Vennootschap op Aandelen, a type of partnership limited by shares, under Belgian law. Its registered office is at Blakebergen 15, 1861 Wolvertem (Belgium). The telephone number is +32 (0)52 338 400.

The company's annual consolidated financial statements as of 31 December 2015 include the company and its subsidiaries. The financial statements have been drawn up and their publication authorised by the meeting of the Board of Directors of 22 March 2016.

WDP is listed on Euronext Brussels and Amsterdam.

II. Representational model

The consolidated financial statements are drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and administrative regulations applicable in Belgium. These standards include all new and revised standards and interpretations published by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), insofar as they apply to the group's activities and are effective for the financial years starting on or after 1 January 2015.

The consolidated financial statements are presented in thousands of euros, rounded to the nearest thousand. The financial years 2015 and 2014 are presented in this report. We refer to the 2013 and 2014 annual reports for historical financial information on the 2013 financial year.

The accounting policies have been applied consistently for all the financial years presented.

Standards and interpretations applicable to the financial year as of 1 January 2015

- Improvements to IFRS (2011-2013) (applicable as of the financial year beginning at 1 January 2015).
- IFRIC 21 Levies (applicable to financial years as of 17 June 2014).

New or revised standards and interpretations that are not yet effective

Several new standards, revised versions of existing standards and interpretations have not yet entered into force in 2015 but can be adopted in advance of their effective dates. WDP has not yet adopted these, unless stated otherwise. The impact of their adoption - insofar as these new standards, revised versions or existing standards and interpretations are relevant to WDP - on the consolidated financial statements for 2016 and the following years is presented below. The following standards have no or no tangible impact on the annual financial statements:

- IFRS 9 *Financial Instruments* and the related amendments (applicable to financial years as of 1 January 2018 but not yet approved in the European Union)

- IFRS 14 *Regulatory Deferral Accounts* (applicable to financial years as of 1 January 2016, but not yet approved in the European Union).
- IFRS 15 *Revenue from Contracts with Customers* (applicable to financial years as of 1 January 2018, but not yet approved in the European Union).
- IFRS 16 *Leases* (applicable to financial years as of 1 January 2019, but not yet approved in the European Union).
- Improvements to IFRS (2010-2012) (applicable to financial years as of 1 February 2015).
- Improvements to IFRS (2012-2014) (applicable to financial years as of 1 January 2016).
- Amendments to IFRS 10, IFRS 12 and IAS 28 *Investment Entities: Applying the Consolidation Exception* (applicable to financial years as of 1 January 2016, but not yet approved in the European Union).
- Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (the effective date has been deferred indefinitely, and therefore EU approval has been postponed).
- Amendment to IFRS 11 *Joint arrangements – Recognition of acquisitions of participations in joint operations* (applicable to financial years as of 1 January 2016).
- Amendments to IAS 1 *Presentation of Financial Statements – Disclosure Initiative* (applicable to financial years as of
- 1 January 2016).
- Amendments to IAS 7 *Statement of Cash Flows – Disclosure Initiative* (applicable to financial years as of 1 January 2017, but not yet approved in the European Union).
- Amendments to IAS 12 *Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses* (applicable to financial years as of 1 January 2017, but not yet approved in the European Union).
- Amendment to IAS 16 and IAS 38 *Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation* (applicable to financial years as of 1 January 2016).
- Amendment to IAS 16 and IAS 41 *Agriculture – Bearer Plants* (applicable to financial years as of 1 January 2016).
- Amendment to IAS 19 *Employee Benefits* (applicable to financial years as of 1 February 2015).
- Amendment to IAS 2 *Separate Financial Statements - Equity method* (applicable to financial years as of 1 January 2016).

III. Accounting rules

1. Consolidation principles

Subsidiaries

Subsidiaries are entities over which the company exercises control. A company exercises control over a subsidiary only if the parent company:

- has power over the participation;
- is exposed to, or has rights to variable revenues, by virtue of its involvement in the participation and;

- has the possibility of using its power over the participation to influence the size of the revenue of the investor.

The companies in which the group holds a direct or indirect stake exceeding 50% or in which it has the power to set the financial and operational policy in order to benefit from its activities are entirely included in the group's annual consolidated financial statements.

This means that the group's assets, liabilities and results are fully reflected. Inter-group transactions and profits are entirely eliminated.

Minority interests are the interests in the subsidiaries that are not held directly or indirectly by the group.

Joint Ventures

Joint ventures are companies over which the group has joint control, specified by contractual agreement.

Such joint control is applicable when the strategic financial and operational decisions with respect to the activities require unanimous agreement from the parties that share the control (the shareholders in the joint venture).

As set down in *IFRS* 11 *Joint Arrangements,* the results and balance sheet impact of the joint venture WDP Development RO, in which WDP holds a 51% stake, will be recognised in accordance with the equity method as of 1 January 2014. As of 1 April 2015 a joint venture was established with I Love Hungaria, with WDP holding a 50% stake. This will also be recognised in accordance with the equity method. With regards to the statistics in relation to the reporting on the portfolio, WDP's proportional part in the portfolio of WDP Development RO (51%) continues to be shown.

Transactions eliminated from consolidation

All transactions between the group companies, balances and unrealised profits and losses on transactions between companies of the group are eliminated when the consolidated annual accounts are prepared.

2. Business combinations and goodwill

When WDP acquires control over an integrated set of activities and assets, as defined in *IFRS 3 Business Combinations,* the identifiable assets, obligations and conditional obligations of the acquired company will be booked at their fair value on the purchase date. The goodwill represents the positive difference between the acquisition cost and the group's share in the fair value of the acquired net assets. If this difference is negative (negative goodwill) it is immediately booked in the result after a re-evaluation of the values.

After the initial take-up, the goodwill is not written down but subjected to an impairment test carried out each year on the cash flow generating units to which the goodwill is allocated. If the book value of a cash flow generating unit exceeds the operating value, the loss of value following from this will be booked in the result and in the first instance included in the reduction of the possible goodwill and then subsequently to the other assets of the unit, in proportion to their book value. A write-down on the goodwill cannot be reversed in a subsequent financial year.

3. Foreign currency

The individual financial statements of each group member are presented in the currency unit of the primary economic environment in which the entity is active (its functional currency). For the preparation of the consolidated annual accounts, the results and the financial position of each entity are expressed in euros, the functional currency of the parent company and the currency used for the presentation of the consolidated annual accounts.

Transactions in foreign currency

Transactions in foreign currency are immediately booked at the exchange rate on the transaction date. Monetary assets and liabilities in foreign currency are converted at the closing price.

Realised and unrealised exchange rate differences are recognised in profit and loss, except when they relate to intragroup borrowings that meet the definition of a net investment in a foreign activity. In that case the exchange rate differences are included in a separate component of shareholders' equity and recognised in profit and loss after disposal of a net investment.

Foreign activities

Assets and liabilities are converted at the closing price, except for the property, which is converted at the historic price. The profit and loss account is converted at the average price over the financial year.

The resulting conversion differences are included in a separate component of shareholders' equity. These conversion differences are included in profit and loss when the foreign entity is disposed of, sold or liquidated.

4. Investment property

Land and buildings held to generate rental income in the long term are included as investment property. Investment property is valued on first recording at the purchase price, including the transaction costs and directly attributable costs.

Land held for the purpose of initiating project developments with a view to subsequent lease and long-term increase in value, but for which no construction plans or project developments (as referred to in the definition of project development) have been begun (land bank), is also deemed to be investment property.

The financing costs that are directly attributable to the acquisition of an investment property are also capitalised. If specific funds were borrowed for a specific asset, the actual financing costs of that loan capitalised during the period are activated, less any investment income from the temporary investment of that loan.

After initial inclusion, the investment property is valued at fair value, in accordance with IAS 40. From the seller's perspective, the valuation is after deduction of the registration fees. In the opinion of independent property experts that regularly value the properties of GVVs/SIRs, registration fees of 10-12.5% should be taken into account for transactions involving buildings in Belgium with an overall value less than 2.5 million euros, depending on the region in which the property is located.

For transactions involving properties with an overall value greater than 2.5 million euros, property experts have valued the weighted-average of the transfer duties at 2.5%, owing to the wide range of property transfer methods used in Belgium.

This percentage will be revised each year as necessary by increments of 0.5%. The experts will confirm the agreed percentage to be deducted in their regular reports to shareholders. The independent property experts take account of the theoretical local registration fees for property located outside Belgium.

Estimates are made on a quarterly basis at fair value. This means that the transaction costs of 2.5% are recognised in the income statement in accordance with IAS 40. Pursuant to the GVV/SIR Royal Decree, these must be included in the relevant reserves at the end of the financial year.

Property under construction or in development for future use as investment property (project development) is also recognised in *Investment property at fair value.*

After initial recognition, projects are valued at fair value. This fair value takes account of the substantial development risks. The following criteria must be met: there must be a clear understanding of the project costs, all permits required for the project development must have been obtained and a substantial part of the project development must have been pre-let (signed final lease). This fair value measurement is based on the valuation by the property expert (in accordance with customary methods and assumptions) and takes account of costs still to be incurred before full completion of the project.

All costs directly related to the purchase or construction of property and all other investment costs are included in the cost of the development project. In accordance with IAS 23, financing costs attributable directly to the creation of an investment property are also capitalised for the period during which the investment property is prepared for leasing.

The financing costs must be capitalised as part of the cost price of an eligible assets when:
- disbursements are made for the assets;
- financing costs are incurred;
- activities are in progress to prepare the property for its intended use.

The activities required to prepare the asset for its intended use comprise more than the physical construction of the asset. They also include the technical and administrative work before construction commences, such as activities in connection with the acquisition of permits.

However such activities do not include holding an asset if there are no production or development activities that change the condition of the property:

- financing costs that are incurred while land is made ready, for instance, are capitalised during the period in which these activities occur;
- on the other hand, financing costs incurred in the period that the land is held for construction purposes without any development activity occurring are not eligible for capitalisation.

The capitalisation of financing costs is suspended during long periods in which there is no active development. Capitalisation is not suspended during a period of extensive technical and administrative activities. Nor is capitalisation suspended if a temporary delay constitutes an essential part of the process to prepare a property for its intended use or sale.

At the end of each quarter these development projects are subject to a test for special write-down (see *2.7. Special write-downs* on page 184).

5. Other tangible fixed assets

General

Other tangible assets are valued at their cost price less the accumulated depreciations and write-downs. The cost price includes all directly attributable costs and the relevant part of the indirect costs incurred to make the asset ready for use.

Future disbursements for repairs are immediately recorded in the result unless they increase the future financial profits of the asset.

The straight-line depreciation method is applied over the estimated lifetime of the assets. The useful life and the depreciation method are revised at least annually at the end of each financial year. The tangible fixed assets are depreciated in accordance with the following percentages:

- plants, machinery and equipment: 10-33%;
- rolling stock: 10-33%;
- office furniture and fittings: 10-33%;
- computers: 10-33%;
- projection installation: 20%;
- other tangible assets: 10-20%.

Solar panels

These are valued on the basis of the revaluation mode in accordance with IAS 16 *Property, Plant and Equipment.* After initial inclusion, the asset whose fair value can be reliably established must be booked at the revalued value, being the fair value at the time of the revaluation less any subsequent deprecation and special write-downs. The fair value is defined on the basis of the discount method of future returns.

The useful life of the solar panels is estimated at thirty years, without taking account of any residual value.

The added value at the start-up of a new site is included in a separate component of shareholders' equity. Decreases in value are also included in this component, unless they are realised or the fair value falls below the original cost. In the last case they are included in the result.

6. Lease

WDP als lessee

A lease is classed as a financial lease if it transfers almost all the risks and benefits connected to the property to the lessee. All other forms of lease are deemed to be operational leases.

At the start of the lease, financial leases are recorded as assets and liabilities in the balance sheet at the fair value of the leased asset or at the cash value of the minimal lease payments, whichever is lower. The minimal lease payments are recorded partly as financing costs and partly as settlement of the outstanding debt such that this results in constant periodic interest over the remaining balance of the liability. The financial charges are directly charged to the result. Conditional lease payments are included as charges in the periods in which they are made.

Lease payments on the basis of operational leases are recorded as a cost during the lease period in a time-proportionate way, unless another systematic attribution method is more representative of the time pattern of the user's benefit. Benefits (to be) received as a stimulus to conclude an operational lease are also spread across the lease term on a time-proportionate basis.

WDP as lessor

If a lease meets the conditions of a financial lease (according to IAS 17), WDP as the lessor will recognise the lease from its effective date in the balance sheet as a receivable at an amount equal to the net investment in the lease. The difference between the latter amount and the book value of the leased property (excluding the value of the residual right held by WDP) at the start of the lease contract will be recognised in the profit and loss account for that period. Each periodic payment made by the lessee will be partly recognised by WDP as a repayment of the capital and partly as financial income based on a constant periodic return for WDP.

The residual right held by WDP will be recognised at its fair value on each balance sheet date. This value will increase each year and will correspond to the market value of the full right of ownership at the end of the lease. These increases will be recognised in Variations in the fair value of investment property in profit and loss.

7. Special write-downs

On the balance sheet date a check is made whether there is an indication that the book value of an asset is higher than the realisable value, for tangible and intangible assets in the group.If such indications are present, the realisable value of the asset must be estimated.

Goodwill is annually subject to a test for special impairment, regardless of whether there is an indication. A special impairment is booked if the book value of an asset or the cash flow generating unit to which the asset belongs is higher than the realisable value.

The realisable value is the operating value or the real value less sales charges, whichever is higher. The operating value is the capitalised value of the expected future cash flows for the continued use of the asset and its disposal at the end of its useful life, on the basis of a discount rate that takes account of the current market evaluations for the time value of the cash and the risks inherent to its assets. The fair value minus sales charges is the amount that may be realised from the sale of an asset in a commercial, objective transaction between well-informed independent parties between whom there is a consensus ad idem, after deduction of the disposal costs.

For an asset that does not generate significant cash income in itself, the realisable value is established for the cash flow generating unit to which the asset belongs.

For development projects, the realisable value is established each quarter by the property experts.

If the book value of an asset or a cash flow generating unit is higher than the realisable value, the surplus is recorded immediately as a special impairment in the profit and loss account.

Special impairments recorded in previous financial years are reversed if a later increase in the realisable value can be connected on an objective basis with a circumstance or event that took place after the special impairment was booked. Special impairments on goodwill are not reversed.

8. Financial instruments

Financial assets

All financial assets are recognised or no longer recognised in the balance sheet on the transaction date if the purchase or sale of a financial asset is on the basis of a contract prescribing the delivery of the asset within the term generally prescribed or agreed on the market in question and initially valued at fair value, plus transaction costs, save for financial assets at fair value with changes in value in profit and loss, which are initially valued at fair value.

The financial assets are classified in one of the categories provided for by IAS 39 *Financial instruments: Recognition and Measurement,* depending on why the financial assets were purchased and are recorded at their initial recognition. This classification determines the valuation of the financial assets on future balance sheet dates: amortised cost price or fair value.

Financial assets at fair value with changes in value in profit and loss (FVPL)

Financial assets are classified at fair value with changes in value in profit and loss if they are held for trading purposes. Financial assets at FVPL are valued at fair value, by which all ensuing income and expenditure is recognised in the result. A financial asset is included in this category if it is primarily acquired for sale in the short term. Derivatives are also included in the category at FVPL, unless they are considered to be hedges and are effective.

Held to maturity investments

Securities with fixed determinable payments and a fixed term that are listed on an active market and that the group has the firm intention and is able to hold until maturity are classified as held until maturity. Held to maturity investments are valued at the amortised cost price on the basis of the effective interest method, less any special impairment losses, with revenues recognised in accordance with the effective interest.

Loans and receivables

Loans and receivables are non-derivative financial instruments with fixed or determinable payments that are not listed on a active market. The group's loans and receivables include: cash and some cash equivalents, trade receivables and loans, save pension fund surpluses. Cash equivalents are short-term, very often liquid investments that can be immediately converted to cash of a known amount, have an original term of no more than three months and entail no significant risks of impairment. Loans and receivables are valued at amortised cost price on the basis of the effective interest method, save for short-term receivables.

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value with changes in value through profit and loss (FVPL) or as financial liabilities at amortised cost price.

Financial liabilities at fair value with changes in value through profit and loss (FVPL)

Financial liabilities classified at fair value with changes in value through profit and loss (FVPL) if they are held for trading purposes. Financial liabilities at FVPL are valued at fair value, by which all ensuing income and expenditure is recognised in the result. A financial liability is included in this category if it is primarily acquired for sale in the short term. Derivatives are also included in the category at FVPL, unless they are considered to be hedges and are effective.

Financial liabilities at amortised cost price

Financial liabilities at amortised cost price, including debts, are initially valued at fair value after deduction of the transaction costs. After initial recognition they are valued at the amortised cost price. The group's financial liabilities amortised at cost price are the non-current financial debts, other non-current liabilities, current financial debts, trade debts, trade payables and payable dividends in the other current liabilities.

Financial liabilities and equity capital instruments

Financial liabilities and equity capital instruments issued by the group are classified on the basis of the economic reality of the contractual agreements and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that includes the remaining interest in the assets of the group, after deduction of all liabilities. The principles for financial reporting with regard to specific financial liabilities and equity instruments are described below.

- Bank loans

Interest-bearing bank loans and overdrafts are initially valued at face value less transaction costs and are subsequently valued at the amortised cost price calculated by the effective interest method. Any difference between the receipts (after transaction costs) and the settlement or payment of a loan is included over the term of the loan in accordance with the principles for financial reporting with regard to financing costs that are applied by the group (see above).

- Trade payables

Trade payables are initially valued at face value and are subsequently valued at amortised cost price calculated by the effective interest method.

- Equity instruments

Equity instruments issued by the company are included for the sum of the amounts received (after deduction of the directly attributable issue costs).

- Derivatives

The group uses derivatives to limit risks in relation to unfavourable interest rates ensuing from the operational, financial and investment capacities within the framework of its operations. The group does not use these instruments for speculative purposes, does not hold any derivatives and does not issue derivatives for trading purposes.

Derivatives are valued at fair value in conformity with IAS 39. The derivatives currently used by WDP do not qualify as hedges. Consequently, changes to fair value are immediately recognised through profit and loss.

9. Assets held for sale

Fixed assets and groups of assets that are to be disposed of are classified as *Assets held for sale* if their book value will mainly be realised in a sale transaction and not by their continued use. This condition is fulfilled only if the sale is highly likely and the asset (or group of assets that are to be disposed of) is immediately available for sale in its current state. The management must have agreed to a plan for the sale of the asset (or group of assets that are to be disposed of), which sale is expected to be completed within one year of the date of the classification.

A fixed asset (or group of assets that are to be disposed of) held for sale is recorded at book value or fair value less sale costs, whichever is lower.

Investment property intended for sale is valued in the same way as other investment property (at fair value). These investment properties are presented separately in the balance sheet.

10. Provisions

A provision is established when:

- the group has an existing – legally enforceable or de facto – liability resulting from a prior event;
- It is probable that financial resources will have to be spent to settle this liability; and
- The amount of the liability can be reliably estimated.

The amount included as a provision is the best estimate on the balance sheet date of the expenditure needed to settle the existing liability, discounted if the time value of the money is relevant.

11. Staff remuneration

The company has a number of defined contribution pension plans.

A promised contribution plan is a pension plan in which the company transfers fixed amounts to a separate company. By law, the employer must in addition guarantee a minimum interest rate, whereby the company has the obligation to further pay contributions, if the fund does not have sufficient assets to pay the pensions of all the staff in relation to the services they have provided in current or previous periods of employment. Contributions are recorded as charges when they are owed and are then recorded in the personnel costs.

For personnel with permanent employment the remunerations, bonuses, redundancy compensation and termination benefits are recognised through profit and loss account in the period to which they apply.

12. Revenues

Rental income includes rents, income from operational leases and directly related income, such as compensation for early termination of leases.

Revenue is valued at fair value of the compensation that is received or to which a right is acquired. Revenue is only included if it is likely that the financial benefits will accrue to the entity and can be established with sufficient certainty.

Rental income, received operational lease payments and other income and expenditure are recognised in profit and loss in the periods to which they apply.

Compensation for early termination of leases is directly recognised in profit and loss for the financial year.

13. Costs

Costs relating to lease are impairments and reversals on trade receivables that are recognised through profit and loss if the book value is higher than the estimate realisation value and the rent to be paid on the leased assets (such as concession fees).

Rent and taxes on leased buildings and the recovery of these charges are costs that are payable by the tenant or lessee in accordance with law or generally accepted practice. The owner may or may not charge these costs to the tenant in accordance with the contractual agreements.

Other income and expenditure related to lease comprise the charging of management fees to tenants as well as other income that is not classified as rental income (including income from solar energy).

General expenses of the company are expenses related to the management and general operation of the GVV/SIR. This includes general administration costs, personnel costs for general management and depreciation of assets used for general management.

Costs related to work carried out in the buildings are recognised in various ways, depending on the type of work:

- maintenance and repair: maintenance and repair costs are recognised as property charges for the accounting period, because they do not increase the expected future economic benefits of the building and do not provide any additional functionality or improve the building's comfort level;
- improvements and renovation: this is work carried out on an occasional basis to add functionality to the premises and significantly increase the expected future economic benefits of the building. The costs of this work (materials, contractor costs, technical studies, internal costs, architects' fees and interest during the construction period) are capitalised. Examples are installing a new air-conditioning system, building a new roof and extensive renovation of all or part of the building. The sites for which costs are capitalised are identified beforehand in accordance with the above criteria.

14. Tax on profits

The status of the GVV/SIR provides for a transparent tax status, because it is only subject to tax on specific components in profit and loss, such as disallowed expenses and exceptional benefits. No corporate tax is paid on the profit generated by leases or capital gains.

Tax on profits generated in the financial year includes taxes owed and to be settled over the period of the report and previous reporting periods, deferred taxes as well as the exit tax due. The tax burden is recognised through profit and loss unless it relates to elements that are recognised immediately directly in shareholders' equity. In this case, the tax is also charged to shareholders' equity.

The tax rates effective on the balance sheet date are used to calculate the tax on the taxable profit over the year.

The exit tax – capital gains tax as a result of a merger of a GVV/SIR with a company that is not a GVV/SIR – is deducted from the revaluation capital gain established at the merger and are recognised as a liability.

In general, deferred tax liabilities (tax receivables) are recognised for all taxable (deductible) temporary differences. Such receivables and liabilities are not recorded if the temporary differences

result from the first recognition of goodwill or the first recognition (other than in a business combination) of other assets or liabilities.
Deferred tax assets are recognised insofar as it is likely that a taxable profit will be available to settle the temporary difference. Deferred tax receivables are reduced when it is no longer likely that the related tax advantage will be realised.

IV. Significant accounting estimates and key uncertainties affecting estimates

Significant estimates when preparing the financial statements

- Determining whether control, joint control or a significant influence is exercised over investments (see note *III. Accounting rules* on page 179).
- Determining when acquiring control over an entity that holds property investments whether this acquisition is deemed to be a business combination. In all cases, the respective transactions were recognised as direct acquisitions of assets (also when shares were acquired in property companies) and IFRS 3 *Business Combinations* was not applied (see note *VII. Information on subsidiaries* on page 195).
- Determining whether derivative financial instruments qualify for hedge accounting. The group has no hedging instruments that qualify for this and as such the changes in the fair value of the hedging instruments are recognised through profit and loss (see note *XIV. Financial instruments* on page 209).

Determination of the fair value of the investment property

The fair value of the investment property is determined by independent property experts in accordance with the GVV/SIR regulations (see note *XII. Investment property* on page 200).

Assumptions used to measure the fair value of solar panels

WDP has made a significant investment in solar energy. Following initial recognition, the solar panels (PV) installed at a number of sites are valued using the revaluation model of IAS 16 and recorded as fixed assets in Other tangible fixed assets. This revaluation is taken directly to equity as revaluation surplus. There is no best practice for valuing this asset category. The fair value of the PV systems is calculated using a valuation model based on future cash flow (see note *XIII. Other tangible fixed assets* on page 208).

The appraisal of Antwerp, Vrieskaai 59 based on the assumption that the concession term will be extended

Simultaneously with the assessment of the merits of further exhausting legal remedies after proceedings failed in the first instance and in appeal, the Issuer is in negotiation with the Antwerp Port Authority to amicably resolve the dispute regarding the term of the concession of the site at Vrieskaai 59, Antwerp. The Issuer is of the opinion that, regardless of the final outcome of the dispute with the Antwerp Port Authority, there will be no material effect on the Group's operating activities, financial position, prospects and/or operating results.

V. Segmented information - Result by segment

in euros (x 1,000)		31 DEC. 15 Belgium	Nether-lands	France	Non-allocated amounts	Total IFRS	Romania[3]
I.	Rental income[1]	57,664	55,835	8,785	0	122,285	710
III.	Rental charges	-1,085	-137	-128	0	-1.349	0
	RENTAL INCOME, NET OF RENTAL-RELATED EXPENSES	**56,579**	**55,699**	**8,658**	**0**	**120,935**	**710**
IV.	Recovery of property costs	0	0	770	0	770	0
V.	Recovery of rental charges normally paid by the tenant on let properties	6,166	225	931		7,322	94
VI.	Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease	0	0	-1,318	0	-1,318	0
VII.	Rental charges and taxes normally paid by the tenant on let properties	-6,827	-1,564	-998	0	-9,390	-150
VIII.	Other income and charges related to leases[2]	10,439	248	80	0	10,767	1,296
	PROPERTY RESULT	**66,356**	**54,607**	**8,122**	**0**	**129,086**	**1,950**
IX.	Technical costs	-1,756	-896	-137	0	-2,789	-211
X.	Commercial costs	-435	-64	-121	0	-621	-45
XII.	Property management costs	-863	334	19	0	-511	-8
	PROPERTY CHARGES	**-3,054**	**-626**	**-240**	**0**	**-3,921**	**-264**
	PROPERTY OPERATING RESULTS	**63,302**	**53,981**	**7,882**	**0**	**125,165**	**1,686**
XIV.	General company expenses	0	0	0	-6,213	-6,213	N/R
XV.	Other operating income and costs (depreciation and write-downs on solar panels)	-2,987	-23	0	0	-3,010	-425
	OPERATING RESULT (BEFORE RESULT ON PORTFOLIO)	**60,315**	**53,958**	**7,882**	**-6,213**	**115,942**	**1,261**
XVI.	Result on disposals of investment property	-76	0	0	0	-76	0
XVIII.	Variations in the fair value of investment property	20,593	31,333	-4,236	0	47,690	-176
OPERATING RESULT		**80,832**	**85,291**	**3,646**	**-6,213**	**163,556**	**1,085**

The segmentation used In the segment reporting within WDP is based on geographical region, and reflects the geographical markets in Europe in which WDP operates. WDP's operations are split into four regions.

This segmentation is important for WDP as the nature of the activities and the customers have similar economic characteristics within those segments.

31 DEC. 14					
Belgium	Nether-lands	France	Non-allocated amounts	Total IFRS	Romania [3]
49,077	39,608	5,823	0	94,509	525
-502	-15	-555	0	-1,071	-4
48,576	**39,594**	**5,268**	**0**	**93,438**	**521**
0	0	0	0	0	0
5,462	86	842	0	6,389	68
0	0	0	0	0	0
-5,989	-896	-930	0	-7,815	-114
8,964	762	86	0	9,812	790
57,012	**39,546**	**5,266**	**0**	**101,824**	**1,264**
-1,180	-491	-85	0	-1,757	-175
-301	-14	-58	0	-373	-40
-853	143	9	0	-701	101
-2,334	**-363**	**-134**	**0**	**-2,830**	**-114**
54,678	**39,183**	**5,132**	**0**	**98,993**	**1,151**
0	0	0	-5,535	-5,535	N/R
-2,556	0	0	0	-2,556	-360
52,122	**39,183**	**5,132**	**-5,535**	**90,902**	**791**
13	0	0	0	13	0
1,324	18,095	725	0	20,145	-443
53,460	**57,278**	**5,858**	**-5,535**	**111,060**	**347**

1 The maximum tenant risk within the WDP portfolio was 10% and the maximum risk per site 5%. See also *7.1. Property report – Review of the consolidated property portfolio* on page 122.

2 In 2015, income from solar energy totalled 9.458 million euros against 7.589 million euros in 2014. This income was generated in Belgium (8.137 million euros in 2015 and 6.819 million euros in 2014), the Netherlands (0.064 million euros) and Romania (1.258 million euros in 2015 and 0.770 million euros in 2014). They belong to VIII. Other income and charges related to leases.

3 The joint venture WDP Development RO is recognised using the equity method in accordance with IFRS 11 *Joint arrangements*. Table shows the operating result (before general costs and according to the 51% share of WDP) and makes the reconciliation with the 51% share.

Business decisions are taken at that level and various key performance indicators (such as rental income and occupancy) are monitored in this way.

A second segmentation basis is not deemed relevant by WDP as the activity focuses primarily on letting logistics sites.

VI. Segmented information – Assets by segment[1]

in euros (x 1,000)	31 DEC. 15 Belgium	Netherlands	France	Total	Romania
INVESTMENT PROPERTY	**844,999**	**875,101**	**76,788**	**1,796,888**	**45,809**
Existing buildings	802,646	862,882	73,762	1,739,291	21,688
Investment properties under development for own account with the purpose of being rented out	26,949	443	0	27,392	5,620
Land reserves	15,404	11,776	3,026	30,206	18,501
ASSETS HELD FOR SALE	**823**	**0**	**0**	**823**	**0**
OTHER TANGIBLE FIXED ASSETS	**70,751**	**3,957**	**0**	**74,708**	**12,423**
Tangible fixed assets for own use	801	95	0	896	229
Other: solar panels	69,950	3,862	0	73,812	12,194

in euros (x 1,000)	31 DEC. 14 Belgium	Netherlands	France	Total	Romania
INVESTMENT PROPERTY	**734,405**	**646,708**	**80,701**	**1,461,814**	**28,917**
Existing buildings	681,236	573,290	77,676	1,332,210	9,418
Investment properties under development for own account with the purpose of being rented out	36,346	73,418	0	109,756	602
Land reserves	16,824	0	3,025	19,849	18,897
ASSETS HELD FOR SALE	**1,346**	**0**	**0**	**1,346**	**0**
OTHER TANGIBLE FIXED ASSETS	**63,606**	**93**	**0**	**63,699**	**12,289**
Tangible fixed assets for own use	554	93	0	647	119
Other: solar panels	63,052	0	0	63,052	12,170

For events after the end of the period, see *5.3.9. Management report - Transactions and realisation – Significant events after the balance sheet date.*

1 Including property developments in compliance with the IAS 40 standard.

VII. Information on subsidiaries

	SHARE OF THE CAPITAL	
	31 DEC. 15	31 DEC. 14
Fully consolidated companies		
Name and full address of the registered offices		
WDP France SARL - Rue Cantrelle 28 - 36000 Châteauroux - France	100%	100%
WDP Nederland NV - Hoge Mosten 2 - 4822 NH Breda – Netherlands	100%	100%
with participation in WDP Development NL NV - Hoge Mosten 2 - 4822 NH Breda - Netherlands[1]	100%	100%
Eurologistik 1 Freehold BVBA - Blakebergen 15 - 1861 Wolvertem - Belgium[2]	100%	100%
Breker Immo NV - Blakebergen 15 - 1861 Wolvertem - Belgium[2]	100%	100%
Transeuropean Leuven NV - Blakebergen 15 - 1861 Wolvertem - Belgium[4]	100%	100%
Charles V Property NV - Blakebergen 15 - 1861 Wolvertem - Belgium[5]	100%	100%
Suncop I NV - Blakebergen 15 - 1861 Wolvertem - Belgium[6,10]	100%	
Suncop 2 BVBA - Blakebergen 15 - 1861 Wolvertem - Belgium[6,10]	100%	
MLB NV - Blakebergen 15 - 1861 Wolvertem - Belgium[7,10]	100%	
The Bridge Logistic III NV - Blakebergen 15 - 1861 Wolvertem - Belgium[8,10]	100%	
Joint ventures		
WDP Development RO SRL – 1 Baia de Arama Street, building C1, 1st floor, office no. 19, district 2 - Bucharest - Romania	51%	51%
I Love Hungaria - Mechelsesteenweg 61, Bus 401 - 2018 Antwerp - Belgium[9]	50%	

1 WDP Development NL NV was founded in August 2011 as a permanent development company at its own expense belonging to WDP Nederland NV.

2 On 7 June 2013 WDP acquired 100% of the shares of Eurologistik 1 Leasehold and Eurologistik 1 Freehold, which hold the rights to an existing logistics site in Vilvoorde. In early October 2013 WDP merged with wholly owned subsidiary Eurologistik Leasehold. This transaction is not deemed to be a business combination.

3 In early September 2013 WDP acquired 100% of the shares of Breker Immo NV; This company owns a building in Asse (Kobbegem), which was acquired in this transaction. This transaction is not deemed to be a business combination. On 29 September 2014, WDP merged with its 100% subsidiary Breker Immo NV.

4 At the end of April 2014 WDP acquired 100% of the shares of Transeuropean Leuven NV. This company owns a multi-unit at Leuvensesteenweg 573, Zaventem. This transaction is not deemed to be a business combination. On 30 June 2015, WDP merged with its 100% subsidiary Transeuropean Leuven NV

5 Also at the end of April 2014 WDP acquired 100% of the shares of Charles V Property NV, which owns a logistics building at Industrielaan 23, Ternat. This transaction is not deemed to be a business combination. On 30 June 2015, WDP merged with its 100% subsidiary Charles V Property NV

6 At the end of May.2015 WDP acquired 100% of the shares of Suncop I NV and Suncop II NV, thereby gaining two PV Installations on the roof of the MLB site in Bornem. This transaction is not deemed to be a business combination.

7. On 31 March.2015 WDP acquired 100% of the shares of MLB NV, the company holding the rights to the same-named site in Bornem. This transaction is not deemed to be a business combination.

8. At the beginning of June.2015 WDP acquired 100% of the shares of The Bridge Logistics III NV, the company holding the rights to the site at Willebroek, Victor Dumonlaan 32. This transaction is not deemed to be a business combination.

9. This regards a joint venture established in May 2015 between WDP Comm. VA and the developer L.I.F.E. NV, with a view to redeveloping the Hungaria building in Leuven.

10. On purchasing these companies no assets or liabilities other than the property and/or solar panels were acquired. The one exception was the two external financings for Suncop I NV and Suncop 2 BVBA respectively for a total amount of 5.3 million euros.

WDP Development RO is a material joint venture within the group and is consolidated in accordance with the equity method. IFRS 12 requires that the information with regard to joint ventures is given at 100%. In line with the internal reporting at the WDP group, this information is always given proportionally at 51%. The Chief Operating Decision Maker makes the policy decisions on the basis of the information in this form.

There is no reconciliation difference between the value included in the balance sheet and the proportional part of the equity of WDP Development RO nor are dividends paid out from WDP Development RO nor is there any limitation on cash transfers to the other companies of the group.

I Love Hungaria NV is also consolidated in accordance with the equity method. In light of the immaterial impact of this joint venture within the group, it is not recognized separately.

VIII. Overview of future rental income (including annualised income from solar energy)

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
Annualised rental income (including annualised income from solar energy) with final expiry date within		
one year	7,476	7,682
more than one but less than five years	36,341	25,310
more than five years	95,612	75,914
TOTAL	**139,430**	**108,907**

This table contains an overview of the annualised rental income (including the annualised income from solar energy) in accordance with the current agreements. This is based on the index rents to be received up to and including the expiry date, as agreed in the leases.

The impact of the adjusted indexation of rents averaged 0.6% and 0.4% for 2014 and 2015, respectively.

The annualised rental income (including the annualised income from solar energy) rose 28% compared with the previous year. This was driven mainly by the sharp growth in the portfolio (see also *5.3. Management Report – Transactions and realisations* on page 44).

Type of lease

The majority of leases WDP enters into are governed by either the 'provision of storage space' (terbeschikkingstelling van bergruimte) regime (which is subject to VAT) or the 'general right of tenancy' (gemeen huurrecht) regime. The standard WDP lease has an uninterrupted term of nine years, where both the lessor and the lessee have the option to break the lease after three years and six years, subject to six months' notice.

Rents are generally payable monthly in advance (sometimes quarterly). The index is revised annually on the date when the contract was signed.

Taxation and levies, including the advance property levy, a minimum of half of the insurance premiums and shared general charges are payable by the tenant, who pays a monthly provision for them at the same time as the rent. Each year, they receive a statement of the actual charges.

In order to guarantee the fulfilment of commitments imposed on the tenants, the tenant is obliged to deposit a rental guarantee, generally in the form of a bank guarantee equal to six months' rent.

When the contract begins, a jointly prepared inventory between the two parties is drawn up by an independent surveyor. At the end of the lease, the tenant has to restore the rented premises to the condition described in this entry inventory except for normal wear and tear. An exit inventory is drawn up. The tenant is liable for the repair of any damage observed and the potential unavailability of the premises whilst such damage is being repaired.

The tenant is not authorised to conduct any high-risk activity in the rented areas unless it has received prior permission in writing from WDP. In such cases, WDP may oblige the tenant to take certain precautionary measures. If the tenant conducts a high-risk activity during the term of the contract, it is obliged to conduct a soil orientation study before the lease expires and where soil pollution is found, to fulfil all the potential remediation obligations and repair any resulting damage.

The tenant is solely responsible for obtaining its operating licence and environmental permit. The refusal or withdrawal of permits does not constitute justification for the dissolution or termination of the agreement.

The tenant is not permitted to transfer the lease or sublet the leased spaces without prior written permission from WDP. In the event of agreement with the transfer of a lease, the original tenant remains jointly and severally liable in relation to WDP.

The tenant is obliged to register the lease at its own expense.

IX. Result from the sale of investment property

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
Net property sales (sales price - transaction costs)	3,266	1,125
Book value of properties sold	-3,342	-1,112
RESULT FROM THE SALE OF INVESTMENT PROPERTY	**-76**	**13**

The loss realised in 2015 is related to the sale of the seventh floor of the Asar Tower in Anderlecht, Frans Van Kalkenlaan 9, a non-strategic plot of land in Wieze, and part of the plot at Sint-Niklaas, Prins Boudewijnlaan.

X. Financial result

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
FINANCIAL INCOME	**953**	**1.301**
Interests received	548	650
Other financial revenues	405	652
NET INTEREST CHARGES	**-27,598**	**-26,272**
Nominal interest on loans	-15,584	-12,475
Interest capitalised during construction	1,338	2,023
Cost of permitted hedging instruments	-13,235	-15,703
Other interest charges	-117	-118
OTHER INTEREST CHARGES	**-502**	**-407**
Bank charges and other commissions	-57	-45
Other financial charges	-445	-362
MOVEMENTS IN THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	**7,839**	**-19,375**
FINANCIAL RESULT	**-19,308**	**-44,752**

The comments on the *Financial result (excluding IAS 39)* as well as Revaluation of financial instruments (IAS 39) are given in *5.2. Notes to the consolidated results for 2015* on page 36.

WDP's risk policy with regard to the financial policy is detailed in *1. Risk Factors* on page 4. The derivatives currently used by WDP do not qualify as hedging transactions. Consequently, changes to fair value are immediately recognised through profit and loss.

XI. Taxes

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
Corporation tax	-128	-152
Deferred tax on the net current result	-1,041	-479
TOTAL TAXES	**-1,169**	**-631**

XII. Investment property[1]

Movements during the financial year

in euros (x 1,000)	31 DEC. 15 Belgium	Netherlands	France	Total	Romania
Level (IFRS)	3	3	3		3
AT THE END OF THE PREVIOUS FINANCIAL YEAR	**734,405**	**646,708**	**80,701**	**1,461,814**	**28,917**
Investments	19,510	44,476	323	64,309	13.444
New acquisitions	14,826	152,585	0	167,410	3.624
Acquisition of investment properties by means of share-based payment transactions	58,484	0	0	58,484	0
Transfers to fixed assets held for sale	-481	0	0	-481	0
Sales and disposals	-2,338	0	0	-2,338	0
Variations in the fair value	20,593	31,333	-4,236	47,690	-176
Latent variations of existing property (+/-)	20,710	31,214	-4,236	47,687	-180
Latent variations on properties under development (+/-)	-117	119	0	2	4
AT THE END OF THE YEAR	**844,999**	**875,101**	**76,788**	**1,796,888**	**45.809**
Acquisition price	741,451	860,589	77,020	1,679,060	51,719
Insured value	677,418	632,523	67,221	1,377,161	40,984
Rental income during 2015	57,664	55,835	5,035	118,535	710

in euros (x 1,000)	31 DEC. 14 Belgium	Netherlands	France	Total	Romania
Level (IFRS)	3	3	3		3
AT THE END OF THE PREVIOUS FINANCIAL YEAR	**683,094**	**404,966**	**79,673**	**1,167,733**	**26,328**
Investments	34,997	49,265	303	84,566	3,032
New acquisitions	15,279	132,897	0	148,175	0
Acquisition of investment properties by means of share-based payment transactions	0	41,610	0	41,610	0
Transfers to fixed assets held for sale	-290	0	0	-290	0
Sales and disposals	0	-125	0	-125	0
Variations in the fair value	1,324	18,095	725	20,145	-443
Latent variations of existing property (+/-)	2,023	17,464	725	20,212	-443
Latent variations on properties under development (+/-)	-699	631	0	-68	0
AT THE END OF THE YEAR	**734,405**	**646,708**	**80,701**	**1,461,814**	**28,917**
Acquisition price	630,930	641,705	75,222	1,347,857	35,225
Insured value	573,000	475,000	67,000	1,115,000	12,000
Rental income during 2014	49,077	39,608	5,823	94,509	525

1 Including property developments in compliance with the revised IAS 40 standard.

The capital expenditure relates to investments made for new acquisitions, WDP's own property developments and investments within the existing portfolio (for additional details, please refer to *5.3. Management report - Transactions and realisations* on page 44).

The property portfolio is measured at fair value. Fair value is determined based on non-observable inputs; consequently, the investment property assets are part of level 3 of the fair value hierarchy, as provided for in IFRS. There were no shifts in the level of the fair value hierarchy during 2015. Level 1 of the fair value hierarchy determines that the fair value was derived on the basis of listed (not adapted) prices in an active market for identical assets or liabilities, whereas level 2 is based on other data than for level 1, which can be directly or indirectly determined for the assets or liabilities involved.

There are no assets that are not valued in accordance with their highest and best use, given that the use for some assets is different from the highest and best use.

During 2015 WDP achieved a gross investment volume of approximately 300 million euros (including solar panels). This was primarily achieved in the core Benelux market. For a detailed description of the various individual purchases and the (100% pre-let) projects completed or in progress, see *5.3. Management report - Transactions and realisations* on page 44).

The table below presents a comparison of the annual expected rental income for these properties and the rents actually achieved in 2015. The decision was also taken in 2015 to sell three non-strategic sites and plots of land (Wieze, Anderlecht, Sint-Niklaas). These three sites generated no rental income in 2015.

in euros (x 1,000)	Full-year rental income	Actual rental income
Asse, Z4 Broekooi 290	1,316	1,295
Asse, Z4 Broekooi 290	313	308
Bornem, Sluisweg 32	3,906	3,094
Willebroek, Victor Dumonlaan 32	743	432
Echt (Susteren), Fahrenheitweg 1	3,795	3,621
Moerdijk, Transitoweg 5	1,506	1,292
Bodegraven, Schumanweg 1c	92	47
Bodegraven, Schumanweg 4	205	105
Meppel, Oeverlandenweg 8	72	37
Barendrecht, Dierensteinweg 30, perceel A	762	502
Barendrecht, Dierensteinweg 30, perceel B	516	340
Barendrecht, Spoorwegemplacement 1	752	495
Breda, IABC	1,474	955
Tilburg, Hermesstraat 1	2,300	1,447
Papendrecht, Nieuwland Parc 121	1,058	37
Drunen, Albert Einsteinweg 20	123	63
Hasselt, Hanzeweg 21	814	407
Hasselt, Hanzeweg 29	200	100
Hasselt, Hanzeweg 31	655	107
Breda, IABC 5375-5377	48	4
Eindhoven, Achtseweg Noord 20	1,500	0
Total	**22,153**	**14,689**

The positive variation in the value of investment property is explained by the reduction in the return on logistics property in the investment market, particularly in the Netherlands. The gross rental yield after the addition of the estimated market rental value for the non-leased parts was 7.6% at 31 December 2015, versus 8.0% at year-end 2014.

Valuation method

Appraising a site involves determining its value on a specific date, i.e. the price at which the site is likely to be sold to well-informed sellers in absence of information asymmetries and who wish to complete such a transaction, without taking into account any special agreement between the parties. This value represents the investment value if it matches the total price to be paid by the buyer, plus any registration fees or VAT if the acquisition is subject to VAT. The fair value within the meaning of the IAS/IFRS reference schedule can be calculated by deducting an adjusted percentage of the registration fees and/or deducting VAT. For the calculation of the change in fair value, the theoretical, local registration rights are deducted from the investment value. These rates averaged 2.5% in Belgium, 4.4% in the Netherlands, 3.6% in France and 1.5% in Romania.

		Non-observable inputs used to determine the fair value			
Level (IFRS)	Classification according to geographic split	Fair value 31 DEC. 15 in euros (x 1,000)	Valuation technique	Input 31 DEC. 15	Bandwidth (min./max.) (weighted average) 31 DEC. 15
3	Belgium	844,999	Discounted cash flow	* ERV (in euros/m²) [1]	8-105 euros/m² (42 euros/ m²)
				* Discount rate	5.2%-7.8% (5.8%)
				* Required yield	5.9%-12.6% (7.3%)
			Income capitalisation	* Remaining lease term (until first break)	4 months-17 years (4.4 years)
				* Remaining lease term (until final expiry)	4 months-32 years (7.5 years)
				* Occupancy rate	38%-100% (96.2%)
				* Inflation	1.0%-1.0% (1.0%)
3	Netherlands	875,101	Discounted cash flow	* ERV (in euros/m²)[1]	25-120 euros/m² (51 euros/ m²)
				* Discount rate	6.0%-7.8% (6.9%)
				* Required yield	5.5%-9.3% (6.5%)
			Income capitalisation	* Remaining lease term (until first break)	2 months-19,5 years (7.7 years)
				* Remaining lease term (until final expiry)	6 months-19,5 years (8 years)
				* Occupancy rate	49%-100% (99.3%)
				* Inflation	2.0%-2.0% (2.0%)
3	France	76,788	Income capitalisation	* GHW (euros/m²)[1]	34-55 euros/m² (40 euros/ m²)
				* Required yield	7.3%-8% (7.8%)
				* Remaining lease term (until first break)	8 months-4,5 years (2.8 years)
				* Remaining lease term (until final expiry)	2,3-10,4 years (6.3 years)
				* Occupancy rate	45%-100% (87.2%)
3	Romania	45,809	Income capitalisation	* GHW (euros/m²)[1]	33-48 euros/m² (43 euros/ m²)
				* Required yield	8.9%-9.3% (9.0%)
				* Remaining lease term (until final expiry)	7-12 years (9.5 years)
			Comparable market transactions	* Remaining lease term (until final expiry)	7-15 years (11.1 years)
				* Occupancy rate	100%-100% (100%)

1 For the ERV only rents for available spaces are taken into account. The large range (min/max) is explained by the various types of storage space (from external storage to cold stores).

Sensitivity of valuations

The sensitivity of the fair value based on changes to the significant non-observable inputs used to determine the fair value of the properties classified in level 3 in accordance with the IFRS fair value hierarchy is as follows (ceteris paribus):

Non-observable input	Impact on fair value by: decrease	Impact on fair value by: increase
ERV (in EUR/m²)	negative	positive
Discount rate	positive	negative
Required yield	positive	negative
Remaining lease term (until first break)	negative	positive
Remaining lease term (until final expiry)	negative	positive
Occupancy rate (EPRA)	negative	positive
Inflation	negative	positive

In addition, it is generally so that a rise (fall) in the remaining term of the lease results in a fall (rise) in the discount rate (and required yield). A rise (fall) in the occupancy rate can result in a rise (fall) in the discount rate (and required yield).

In addition, the sensitivity of the fair value of the portfolio can be estimated as follows (based on a ceteris paribus approach): the effect of a rise (fall) of 1% in rental income results in a rise (fall) in the fair value of the portfolio of approximately 18 million euros (ceteris paribus). The effect of a rise (fall) in the required yield of 25 base points results in a fall (rise) in the fair value of the portfolio of approximately 56 million euros (ceteris paribus).

Valuation process

The valuation process within WDP follows a centralised approach in which the policy and procedures for property estimates are determined by the CEO and the CFO, after approval by the audit committee. Each year, after approval by the audit committee, the CEO and CFO decide which independent property expert will be appointed for the respective parts of the property portfolio. Contracts are typically entered into for a renewable term of three years, for which a double rotation obligation applies in accordance with the Law of 12 May 2014 regarding the GVV/SIR (see also *11.6. Permanent document – Property expert* on page 251). The selection criteria include local market knowledge, reputation, independence and assurance of the highest professional standards. The fees of the property experts are fixed for the term of their appointment and are not related to the value of the properties for which an estimate is made. Independent property experts are contracted in each country to ensure that the specific characteristics of each geographical region and so the diversified pan-European character of the property portfolio are properly reflected. The property portfolio is measured by independent property experts on a quarterly basis. The valuation methods are determined by the external experts and are based on a multi-criteria approach. The independent expert determines the fair market value on the basis of a discounted cash flow model and/or an income capitalisation methodology. The estimates made in this way are also compared with the initial yield and available points of comparison through recent market transactions for comparable properties (including properties acquired by WDP during that year). The valuation cycle within the financial year comprises a visit to the site, after which a detailed evaluation report is drawn up for each individual property as well as three desktop reviews reflecting the new data provided by WDP with regard to the rental situation and rationalising the key assumptions with regard to the significant non-observable inputs.

Property expert	Location	Fair value (in euros x 1,000)	Share of the total portfolio (in %)
Stadim	Belgium[1]	507,864	28%
Cushman & Wakefield	Belgium, Romania	383,409	21%
DTZ Zadelhoff	Netherlands	875,102	47%
BNP Paribas Real Estate	France	76,788	4%
Total		**1,843,162**	**100%**

1 Including the proportional portfolio share in I Love Hungaria.

The property experts have full access to all quantitative and qualitative information with regard to the property portfolio. The group controller is responsible for the permanent contact with and information provision to the respective property experts (such as all rental contracts, information with regard to occupancy rate, expiry dates, investments, maintenance and repair costs and so on). At the same time, the CEO and the country manager discuss the asset management plans for each object in detail with the property expert two times a year. When delivering the valuation reports on a quarterly basis, the group controller and the CFO compare and analyse all material differences (positive and negative) in absolute and relative terms over the past four quarters. Based on this, the CEO and CFO hold a detailed discussion with the respective property experts to ensure that all data relating to the sites is accurately and fully reflected in the valuations, giving special attention to the property development projects. The property experts draw up an independent estimate of the future cash flow profile and reflect the risk through a combination of the cash flow projections (such as rental growth, vacancy rate, incentives and investments) and the applied required yields or discount rates. The final property estimates are then presented to the audit committee.

XIII. Other tangible fixed assets

Movements during the financial year

in euros (x 1,000)	31 DEC. 15				31 DEC. 14			
	Solar panels	Other[1]	Total	Ro mania	Solar panels	Other*	Total	Ro mania
Level (IFRS)	3	N/R		3	3	N/R		3
AT THE END OF THE PREVIOUS FINANCIAL YEAR	**63,052**	**647**	**63,699**	**12,289**	**66,141**	**673**	**66,814**	**10,791**
Investments	5,342	554	5,896	581	-394	0	-394	562
New acquisitions	0	0	0	0	0	103	103	0
Acquisitions via share transactions	8,188	0	8,188	0	0	0	0	0
Disposals	0	-4	-4	0	0	-18	-18	0
Variations in the fair value	-2,770	-301	-3,071	-217	-2,695	-111	-2,806	936
Gains	240	0	240	208	0	0	0	943
Depreciation and write-downs	-3,010	-301	-3,311	-425	-2,695	-111	-2,806	-7
AT THE END OF THE YEAR	**73,812**	**896**	**74,708**	**12,653**	**63,052**	**647**	**63,699**	**12,289**
Acquisition price	55,955	2,839	58,794	10,732	50,613	2,289	52,902	10,151

1 *Other* includes Installations, machinery and equipment, Furniture and rolling stock and Other tangible fixed assets.

Valuation method – Solar panels

	Valuation method		
Classification according to geographic spilt	Belgium	Netherlands	Romania
Level (IFRS)	3	3	3
Fair value 31 DEC. 15 (in euros x 1,000)	**69,950**	**3,862**	**12,194**
Income 2015[1] (in euros x 1,000)	**8,137**	**64**	**1,258**
of which green energy certificates	7,410	0	990
of which green energy (minus the associated costs)	727	64	268

VALUATION TECHNIQUE	DISCOUNTED CASH FLOW	DISCOUNTED CASH FLOW	DISCOUNTED CASH FLOW
Implicit number of sun hours	In the model an implicit number of sun hours is assumed of 950 hours per year. This is based on the meteorological statistics and the data available at year-end. At 31 December 2015 there were solar panels at 33 sites.	In the model an implicit number of sun hours is assumed of 900 hours per year. This is based on the meteorological statistics and the data available at year-end. At 31 December 2015 there were solar panels at 1 site.	In the model an implicit number of sun hours is assumed of 1, 250 hours per year. This is based on the meteorological statistics and the data available at year-end. At 31 December 2015 there were solar panels at 4 sites.
Green energy certificates	Green energy certificates are awarded by the Flemish Regulator for the Electricity and Gas Market (VREG) for each project based on a minimum price per certificate for a fixed period of twenty years. Price levels of the certificates for the operational sites range from 270 euros to 450 per MWh.	The subsidy is granted by RVO (Rijksdienst voor Ondernemend Nederland) for all projects for a 15-year period. The maximum subsidy granted per MWh produced is dependent on when the request is submitted. It is stipulated that the maximum revenue including the subsidy is 148 euros/MWh.	Green energy certificates are awarded by the Romanian Energy Regulatory Authority (ANRE) for each project for a fixed period of fifteen years. WDP's PV projects in Romania receive 6 green energy certificates per MWh of green energy produced (two deferred in accordance with the regulatory framework). The certificates can then be sold on a regulated market at a legal min/max price of between 27 euros and 55 per certificate. For the solar farms, WDP has a ten-year purchase contract with Enel (an international leader on the energy market).
Energy price	The energy price increases in real terms by 1.5% per year. This increase is applied to the Endex basis. As a starting point, the average Endex price (see www.apxendex.com) (BE-power) Cal t + 1, 2, 3 is selected. The valuation at the end of 2015 is based on the Cal 16, 17 and 18 published on 31 December 2015.	The energy price increases in real terms by 1.5% per year. This increase is applied to the Endex basis. As a starting point, the average Endex price (see www.apxendex.com) (NL-power) Cal t + 1, 2, 3 is selected. The valuation at the end of 2015 is based on the Cal 16, 17 and 18 published on 31 December 2015.	The energy price increases in real terms by 1.5% per year. This rise is applied to the actually received prices for the green energy sold.
Discount rate	The return requirement is calculated as a weighted average cost of the capital based on the long-term interest, the market risk premium and the country-specific risk.	The return requirement is calculated as a weighted average cost of the capital based on the long-term interest, the market risk premium and the country-specific risk.	The return requirement is calculated as a weighted average cost of the capital based on the long-term interest, the market risk premium and the country-specific risk.

Fall in return	The PV system has a fall in return of 0.6% per annum and is decommissioned after thirty years. No account is taken of any residual value of the system or the costs for dismantling the system.	The PV system has a fall in return of 0.6% per annum and is decommissioned after thirty years. No account is taken of any residual value of the system or the costs for dismantling the system.	The PV system has a fall in return of 0.6% per annum and is decommissioned after thirty years. No account is taken of any residual value of the system or the costs for dismantling the system.
Maintenance and capex	Account is taken of the various operating costs related to the operation and a ten-year maintenance cost to maintain the expected development of the leasing condition.	Account is taken of the various operating costs related to the operation and a ten-year maintenance cost to maintain the expected development of the leasing condition.	Account is taken of the various operating costs related to the operation and a ten-year maintenance cost to maintain the expected development of the leasing condition.

1 The income comes from the sale of green energy certificates (approx. 90.4% of the revenues coming from solar energy) and the sale of green energy to the tenant (approx. 7.9%) and/or the energy supplier (approx. 2.3%), less the costs of maintaining the solar panels (approx. 0.6%).

Sensitivity of valuations

The sensitivity of the fair value based on changes to the significant non-observable inputs used to determine the fair value of the properties classified in level 3 in accordance with the IFRS fair value hierarchy is as follows (ceteris paribus):

	Impact on fair value: in case of	
Non-observable input	decrease	increase
Implicit number of sun hours	negative	positive
Green energy certificates	negative	positive
Energy price	negative	positive
Discount rate	positive	negative
Fall in return	negative	positive
Maintenance and capex	positive	negative

In addition, the sensitivity of the fair value of the solar panels can be estimated as follows (based on a ceteris paribus approach): the effect of a rise (fall) in required return of 25 base points results in a fall (rise) in the fair value of the fair value of the solar panels of approximately 2.8 million euros.

Valuation process

There is no standardised valuation model for investments in solar panels. The fair value of these assets is calculated by WDP using a discounted cash flow model based on future income and costs.

The valuation cycle within a financial year comprises a fully detailed update as of year-end of all assumptions and the expected cash flows and the three desktop reviews involving rolling forward the model and rationalising the key assumptions with regard to the significant non-observable inputs.

The data and inputs with regard to the expected future cash flows are verified on a continual basis using the available statistics for all PV systems, while a consistent comparable analysis is conducted of the financial return requirements of investors. The final fair value measurements are approved by the audit committee on a quarterly basis

XIV. Financial instruments

Financial instruments at amortised cost price

Fair value of financial instruments that are recognised in the balance sheet at amortised cost price:

(in euros x 1,000)	IFRS BALANCE SHEET ITEM	31 DEC. 15 Level (IFRS)	Amortised cost price	Fair value
FINANCIAL FIXED ASSETS				
Loans and receivables	I. - E.	2	13,929	13,929
Non-current receivables	I. - G.	2	4,088	4,088
Trade receivables	II. - D.	2	5,792	5,792
Cash and cash equivalents	II. - F.	2	551	551
TOTAL			**24,360**	**24,360**
FINANCIAL LIABILITIES				
Commercial paper	II. B.	2	114,200	114,200
Bond loan	I. B.	2	266,040	276,022
Bank debt	I. B. en II. B.	2	649,243	649,243
Financial lease	I. B. en II. B.	2	12,840	12,840
Other financial debts	II. D.	2	17,456	17,456
Trade payables and other current liabilities			**1,059,779**	**1,069,761**

The entirety of the financial instruments of the Group corresponds to levels 1 and 2 in the hierarchy of the fair values. The measurement at fair value occurs regularly.

In the event of the failure of one of the contract parties, the net position of the derivatives will be considered for the other party.

Level 1 in the hierarchy of the fair value retains the cash investments, cash and cash equivalents the fair value of which is based on the share price.

Level 2 in the hierarchy of the fair values concerns the other financial assets and liabilities the fair value of which is based on observable inputs and other data that can be directly or indirectly determined for the assets or liabilities in question. The valuation techniques regarding the fair value of the level 2 financial instruments are as follows: the fair value of the above financial assets and liabilities is measured at the accounting value, except for the bond loan, the fair value of which is determined by a discounted cash flow model based on market interest rates at year-end, given that this is not traded frequently (level 2). Given that the other financial debts are entered into at a floating interest rate, the fair value is close to the accounting value.

Level 3 in the hierarchy of the fair values concerns the property portfolio the fair value of which is determined using non-observable inputs.

Liquidity obligation on maturity dates linked to non-current loans (contractual cash flows and non-capitalised interest)

(in euros x 1,000)	31 DEC. 15
Between one and two years	127,011
Between two and five years	396,187
More than five years	447,059
TOTAL	**970,257**

Financial instruments at fair value (IAS 39)

The group uses derivative financial instruments in order to hedge interest rate risks on its financial debt with the purpose of reducing volatility of the net current result (which forms the basis of the dividend) while at the same time keeping cost of debt as low as possible. WDP manages its interest rate exposure centrally through a macro hedging policy. The group does not engage in any derivative contracts for speculative purposes nor does it hold any derivative financial products for trading purposes. The derivatives currently used by WDP do not qualify as hedges. Consequently, changes to fair value are immediately recognised through profit and loss.

These contracts are valued at fair value at the balance sheet date, in compliance with IAS 39. This information is received from the various financial institutions and is verified by WDP by discounting future contractual cash flows based on matching yield curves.

Fair value is determined based on observable inputs; consequently, the IFRS contracts are part of level 2 of the fair value hierarchy, as provided for in IFRS. The fair value measurement occurs on the basis of a discounted cash flow model based on the relevant market interest rates as reflected in the forward interest curve on the balance sheet date.

There were no shifts in the level of the fair value hierarchy during 2015. During this period no hedging instruments were redeemed before the final maturity date. A number of hedging instruments were extended by offsetting them over time in a cash-neutral way. The details and valuation at fair value of the hedging instruments on the balance sheet date are as follows:

	31 DEC. 15			
CLASSIFICATION UNDER IFRS	Level (IFRS)	Notional amount (in euros)	Interest rate (in %)	Matures in
Interest rate swap	2	20,000,000	3.59	2019
Interest rate swap	2	20,000,000	1.19	2019
Interest rate swap	2	20,000,000	1.19	2019
Interest rate swap	2	10,000,000	4,64	2019
Interest rate swap	2	10,000,000	3.00	2019
Interest rate swap	2	15,000,000	3.62	2020
Interest rate swap	2	10,000,000	3.99	2020
Interest rate swap	2	4,041,000	3.48	2020
Interest rate swap	2	2,694,000	3.48	2020
Interest rate swap	2	4,041,000	3.48	2020
Interest rate swap	2	15,000,000	3.39	2021
Interest rate swap	2	25,000,000	3.61	2021
Interest rate swap	2	10,000,000	3.24	2021
Interest rate swap	2	25,000,000	1.89	2021
Interest rate swap	2	25,000,000	0.49	2022
Interest Rate Swap (forward start)	2	25,000,000	0.86	2022
Interest rate swap	2	15,000,000	3.08	2022
Interest rate swap	2	20,000,000	1.77	2022
Interest Rate Swap (forward start)	2	25,000,000	0.83	2022
Interest Rate Swap (forward start)	2	25,000,000	0.96	2022
Interest Rate Swap (forward start)	2	20,000,000	0.74	2023
Interest rate swap (blend & extend)	2	25,000,000	1.89	2023
Interest rate swap (blend & extend)	2	25,000,000	1.59	2023
Interest rate swap (blend & extend)	2	25,000,000	1.90	2024
Interest rate swap (blend & extend)	2	25,000,000	1.90	2024
Interest rate swap (blend & extend)	2	25,000,000	2.01	2024
Interest rate swap (blend & extend)	2	25,000,000	1.73	2024
Interest rate swap	2	25,000,000	0.67	2024
Interest rate swap (blend & extend)	2	25,000,000	2.69	2025
Interest rate swap (blend & extend)	2	30,000,000	2.41	2025
Interest rate swap	2	30,000,000	2.31	2027

	31 DEC. 15					
	Level (IFRS)	Notional amount (in euros x 1,000)	Interest rate (in %)	Term (in years)	Assets	Liabilities
CLASSIFICATION UNDER IFRS						
Interest rate swap	2	305,776	2.38	5.9	155	33,884
Interest rate swap (forward start)	2	95,000	0.85	6.9	-	2,205
Interest rate swap (blend & extend)	2	205,000	2.02	8.6	-	25,231
TOTAL		**605,776**	**2.12**	**7.0**	**155**	**61,321**

The table below shows the movements in fair value and valuations at fair value of the hedging instruments on the balance sheet date.

(in euros x 1,000)	31 DEC. 15	31 DEC. 14
FAIR VALUE AT THE BALANCE SHEET DATE	**-61,166**	**-69,004**
Financial fixed assets	155	0
Financial instruments at fair value through profit and loss	155	0
Other non-current financial liabilities	61,321	68,354
Permitted hedging instruments	61,321	68,354
Current liabilities	0	650
Other current liabilities	0	650
MOVEMENTS IN THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	**7,839**	**-19,375**
Revenues	20,276	17,161
Costs	-12,438	-36,536

The table below shows the impact of the fair value of the IRSs if the interest rate were to increase or decline by a maximum of 0.50%:

INTEREST RATE MOVEMENTS	
Interest rate movements	Impact on the fair value movement of the IRSs at 31 DEC. 15 (in million euros)
-0,50%	-21.6
-0,25%	-10.7
0,00%	0.0
+0,25%	10.4
+0,50%	20.7

Liquidity obligation on maturity dates linked to the derivatives

in euros (x 1,000)	31 DEC. 15
Between one and two years	24,838
Between two and five years	31,056
More than five years	15,048
TOTAL	**70,942**

For a detailed overview of financial and other risks, their mitigating factors and control, please see Section *1. Risk Factors* on page 4. For a review of the financial risks (including credit risk, liquidity risk, interest risk, counterparty risk), see Section *5.4. Management report - Management of the financial resources* on page 54. Readers are also referred to the sensitivity analysis in Section *5.6. Management report - Outlook* on page 72 and note *XX. Status of liabilities* on page 220.

XV. Assets held for sale

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
Belgium		
Assets held for sale at year-end 2014	0	1,346
Assets held for sale at year-end 2015	823	0
TOTAL	**823**	**1,346**

At the moment, an amount of 0.8 million euros is recognised in *Assets held for sale* in the balance sheet, i.e. plots of land in Wieze and Nivelles respectively.

XVI. Trade receivables and doubtful debtors

TRADE RECEIVABLES

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
Customers	7,013	6,955
Write-downs booked on doubtful debtors	-2,503	-1,690
Invoices to be prepared/credit notes to be received	1,282	860
TRADE RECEIVABLES	**5,792**	**6,125**

Trade receivables are mostly payable in cash. The table below shows the past due trade receivables.

in euros (x 1,000)	31 DEC. 15		31 DEC. 14	
Not past due and < than 30 days past due	3,291		3,943	
of which provisioned for as doubtful debtors		*89*		*1*
30-60 days past due	531		157	
of which provisioned for as doubtful debtors		*86*		*0*
60-90 days past due	0		0	
of which provisioned for as doubtful debtors		*0*		*0*
> 90 days past due	3,191		2,855	
of which provisioned for as doubtful debtors		*2,328*		*1,689*
TOTAL CUSTOMERS	**7,013**		**6,955**	
of which provisioned for as doubtful debtors		***2,503***		***1,690***

DOUBTFUL DEBTORS - STATEMENT OF CHANGES

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
AT THE END OF THE PREVIOUS FINANCIAL YEAR	**1,690**	**1,161**
Additions	708	970
Reversals	-358	-636
Other	464	195
AT THE END OF THE YEAR	**2,503**	**1,690**

Compared to the previous financial year, the bad-debt provision increased from 1.690 million euros to 2.503 million euros.

A clear procedure is employed to determine the bad-debt provisions in which management estimates on a quarterly basis the receivables that probably will no longer be collected. In that way, the book value approaches the fair value of the trade receivables. For the debtors policy, WDP checks the creditworthiness of its tenants. In addition, the outstanding customer balances are reported internally to all commercial and technical personnel on a monthly basis. They ensures adequate supervision of rent arrears via their direct contacts with the customer.

Credit risk is more generally also limited because WDP ensures an adequate spread among its tenants. In addition to the legal limit of 20%, the internal limit applied stipulates that a maximum of 10% of rental income (including income from solar energy) may be derived from a single customer. For a list of main tenants, please see *7.1. Property report - Review of the consolidated property portfolio* on page 122. The credit risk is also limited by the maximum risk per site of 5%.

XVII. Tax receivables and other current assets

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
Taxes	1,441	9,460
Other	3,954	4,462
TOTAL	**5,395**	**13,922**

XVIII. Capital

		EVOLUTION OF SUBSCRIBED CAPITAL 31 DEC. 15 (in euros X 1,000)	NUMBER OF SHARES
	Creation of Rederij De Pauw	50	
	Capital increase through incorporation of reserves	12	
	Capital increase by public issue (incl. issue premium)	69,558	
	Capital increase through merger and demerger transactions	53	
	Capital increase through incorporation of reserves with a view to rounding up in euros	327	
	Capital increase to defray losses	-20,575	
1999	**SUBSCRIBED CAPITAL AND NUMBER OF SHARES AT THE TIME OF THE IPO (JUNE 1999)**	**49,425**	**6,640,000**
2001	Capital increase resulting from the acquisition of Caresta	2,429	259,593
2001	Capital increase through incorporation of reserves with a view to rounding up in euros	46	0
2003	Capital increase by public issue (incl. issue premium)	27,598	985,656
2006	Capital increase on the occasion of the partial split of Partners in Lighting International	29,415	707,472
2006	Reduction in capital upon the creation of available reserves	-40,000	0
2009	Capital increase for DHL transaction	6,478	807,733
2009	Capital increase	25,130	3,133,484
2011	Capital increase through the payment of a debt in relation to the optional dividend	5,216	650,437
2011	Capital increase following Betafence transaction	3,642	454,146
2012	Capital increase through the payment of a debt in relation to the optional dividend	4,988	622,013
2012	Capital increase for the partial demerger of Immo Weversstraat	675	84,226
2012	Capital increase Lake Side bis transaction	5,910	736,932
2013	Capital increase through the payment of a debt in relation to the optional dividend	4,600	573,596
2013	Capital increase resulting from the direct merger with three companies in Geel	3,400	423,959
2014	Capital increase through the payment of a debt in relation to the optional dividend	3,693	460,317
2014	Capital increase Tiel transaction	7,213	899,080
2015	Capital Increase as a result of the MLB transaction	5,468	681,828
2015	Capital increase through the payment of a debt in relation to the optional dividend	3,102	386,788
TOTAL		**148,427**	**18,507,260**

	31 DEC. 15	31 DEC. 14
NUMBER OF SHARES ENTITLED TO DIVIDEND	**17,438,644**	**16,079,247**
Capital increase through the payment of a debt in relation to the optional dividend		460,317
Capital increase Tiel transaction		899,080
Capital Increase as a result of the MLB transaction	681,828	
Capital increase through the payment of a debt in relation to the optional dividend	386,788	
Number of shares entitled to dividend at the end of the financial year	**18,507,260**	**17,438,644**
Net result of the financial year (in euros x 1,000)	142,698	64,750
Net result per share (in euros)[1]	7.85	3.94

1 Calculation based on the weighted average number of shares.

WDP only has one category of shares, namely ordinary shares. Holders have a right to receive the declared dividend and are entitled to one vote per share at the Annual General Meeting of Shareholders.

All shares are paid up in full and are registered or dematerialised shares. On 20 July 2015 3,603 bearer shares in WDP (i.e. the old bearer shares registered since 1 January 2014 under the name of WDP - cf. the Law abolishing registered shares) were sold. The proceeds from the sale (258,683.51 euros) were paid into the Deposito- en Consignatiekas. WDP bore the costs of the sale (491.50 euros). The amounts can still be claimed by the rightful shareholders (who must in principle be able to present their paper bearer certificates), subject to payment of a fine of 10% per year as of 1 January 2016. They have until 31 December 2025 to do this. On 1 January 2026, all unclaimed amounts revert to the Belgian State by escheat.

In the context of this sale, the statutory auditor made a report pursuant to Article 11.5 of the Law of 14 December 2005 abolishing bearer securities, confirming that the requirements of Article 11 §1, 2 and 4 of the Law had been met.

The statutory manager is authorised to increase the authorised capital on one or more occasions, on the dates and under the conditions it establishes, by 100,521,811.63 euros. This authorisation is valid for five years as from 16 May 2011. WDP is calling on its shareholders to renew this authorisation.

XIX. Provisions

Nature of the liabilities	31 DEC. 15	
in euros (x 1,000)	BELGIUM REMEDIATION	TOTAL
OPENING BALANCE	**1,046**	**1,046**
Amounts used	0	0
Additions	0	0
CLOSING BALANCE	**1,046**	**1,046**
Expected payment date for use of provisions	< 5 years	

During the course of the 2015 financial year the current studies, monitoring activities and remediation were continued, thereby to comply with all local legislation regarding soil remediation. Provisions outstanding at the end of 2015 were still 1.0 million euros.

The provisions were primarily established for the possible remediation of the sites in Anderlecht (Avenue Frans Van Kalken 9, Biestebroeckkaai 300 and rue Walcourt), Beersel (Stationstraat 230) and Molenbeek-Saint-Jean (rue Delaunoy 35-36 + 58-60).

Nature of the liabilities	31 DEC. 14	
in euros (x 1,000)	BELGIUM REMEDIATION	TOTAL
OPENING BALANCE	**1,065**	**1,065**
Amounts used	-19	-19
Additions	0	0
CLOSING BALANCE	**1,046**	**1,046**
Expected payment date for use of provisions	< 5 years	

XX. Financial indebtedness

in euros (x 1,000)	Included as of 31 DEC. 15	Included as of 31 DEC. 14	< 1 year 31 DEC. 15	< 1 year 31 DEC. 14	1-5 year 31 DEC. 15	1-5 year 31 DEC. 14	> 5 year 31 DEC. 15	> 5 year 31 DEC. 14
Commercial paper	114,200	147,411	114,200	147,411				
Straight loans	9,275	30,366	9,275	30,366				
Roll-over loans	353	18,078	353	18,078				
Lease debts	2,485	2,826	2,485	2,826				
Other	0	205	0	205				
Current financial liabilities	**126,313**	**198,886**	**126,313**	**198,886**	**0**	**0**	**0**	**0**
Roll over loans	639,615	477,392			426,079	407,435	213,536	69,957
Bond loan	266,040	174,472			49,737	0	216,303	174,472
Lease debts	10,355	13,064			9,142	9,562	1,213	3,502
Non-current financial liabilities	**916,010**	**664,928**	**0**	**0**	**484,958**	**416,997**	**431,052**	**247,931**
TOTAL	**1,042,323**	**863,814**	**126,313**	**198,886**	**484,958**	**416,997**	**431,052**	**247,931**

For more background information on the financial debts, see chapter *5.4. Management report - Management of the financial resources* on page 54.

For more information on the applicable bank covenants, see Note *XXV. Rights and obligations not included in the balance sheet* page 225.

For a complete overview of sensitivity, see the relevant table in *5.6. Management report – Outlook* on page 72.

XXI. Calculation of the gearing and notes regarding changes in gearing

in euros (x 1,000)			31 DEC. 15	31 DEC. 14
Non-current and current liabilities			1,139,008	956,837
To be excluded:				
I.	Non-current liabilities - A. Provisions		-1,046	-1,046
I.	Non-current liabilities – C. Other non-current financial liabilities - Permitted hedging instruments		-61,321	-68,354
I.	Non-current liabilities – F. Deferred tax – Liabilities		0	0
II.	Current liabilities – C. Other current liabilities – Other: Hedging instruments		0	-650
II.	Current liabilities - F. Accruals and deferred income		-13,777	-9,968
TOTAL DEBT		**A**	**1,062,864**	**876,818**
Total assets of the balance sheet			1,907,281	1,570,331
To be excluded:				
E.	Financial fixed assets - Financial instruments at fair value through profit and loss - Permitted hedging instruments		-155	0
TOTAL ASSETS INCLUDED IN THE CALCULATION OF THE GEARING		**B**	**1,907,125**	**1,570,331**
DEBT RATIO		**A/B**	**55.7%**	**55.8%**

Further notes to changes in gearing

Pursuant to Article 54 of the GVV/SIR legislation, specifically article 24 of the GVV/SIR Royal Decree, if the consolidated gearing is over 50%, GVVs/SIRs are required to draw up a financial plan with implementation schedule describing the measures to be taken to prevent the gearing from rising above 65% of consolidated assets. The statutory auditor writes a special report on this financial plan stating that he or she has checked how the plan was drawn up, especially in terms of its economic principles, and that the figures contained in this plan correspond to the figures in the accounts of the GVV/SIR. It must be stated in the interim and annual financial reports how the financial plan was implemented in the period under review and how the GVV/SIR will implement the plan in the future.

1. Changes in gearing

In 2015, the company's consolidated gearing basically remained the same (55.7% at 31 December 2015 versus 55.8% at 31 December 2014). This takes account of a total investment volume of approximately 300 million euros net. In other words, given the virtually constant gearing, the capital structure was not changed by the investments. This was facilitated by the fact that the new investments were funded with a combination of equity and debt. That is because shareholders' equity increased by approximately 100 million euros due to the capital increases resulting from the optional dividend, the contribution in kind from MLB NV and the retained earnings. In addition the value of the property portfolio as estimated by the independent experts increased.

Based on the current gearing of 55,7% at 31 December 2015, WDP has additional investment potential of approximately 500 million euros, without exceeding the maximum gearing of 65%. There is room for 200 million euros in additional investments before 60% gearing is exceeded.

Portfolio valuations also affect gearing. Based on the current capital base, the maximum gearing of 65% would only be exceeded if the value of investment property were to decline by approximately 275 million euros (15% compared to the 1,844 million euros property portfolio). WDP believes that the current gearing is at an acceptable level and provides sufficient margin to offset any decreases in the value of the property. Furthermore, in 2011-14 the experts' appraisal showed that the fair value of the portfolio had stabilised, after which a slight rising trend was observed in 2015.

The new GVV/SIR Law stipulates that, if the unconsolidated or consolidated gearing exceeds 65% of the GVV's/SIR's unconsolidated or consolidated assets, depending on the case, it will be unable to distribute dividend to the shareholders until the gearing has dropped below 65% again. In that case, the reserves thus accumulated may only be used for repayments necessary to reduce the consolidated or unconsolidated gearing below 65% of the consolidated or unconsolidated assets, depending on the case.

A detailed financial model incorporating forecasts relating to the profit and loss account and the balance sheet is updated every quarter for a period of 3 years, or more if for example specific planned investments extend beyond this horizon. This takes into account all the company's current commitments and other parameters, both internal, such as lease renewals, and external, such as interest rates. This also incorporates an analysis of the expected changes in gearing and the sensitivity of the gearing (at unconsolidated and consolidated level) relating to investments and any reductions in value within the portfolio. This is submitted to the Board of Directors based on the same frequency, unless the circumstances require earlier submission, which helps ensure that the gearing does not exceed 65%.

2. Expected changes in gearing in 2016

The aim is to maintain the gearing at a level between 55% and 60% and in this context the targets set by WDP are based on a capital structure maintained at the same level.

In the course of 2016 WDP's gearing will most likely increase slightly from 55.7% at 31 December 2015 to approximately 56% at 31 December 2016. This forecast takes account of the following:

- The implementation of the ongoing investment programme and the planned divestments[1];

1 See also *5.3 Management Report – Transactions and realisations* on page 44 and *Balance sheet – Assets* on page 171.

- Retained profits, taking into account expected profit for 2016 of approximately 98 million euros and dividend distribution for the 2015 financial year;
- An optional dividend in which the investment potential released as a result (through equity and borrowed capital) is used for new investments, based on a constant capital structure.

3. Conclusion

WDP therefore believes that the gearing will not exceed 65% and that no additional measures need to be taken at the moment, based on the prevailing economic and property trends, the planned investments and expected changes in the company's equity.

WDP considers the capital structure to be adequate given the nature of the property in which WDP invests with a consistent average return of 8%, generating a sufficient margin to pay the interest charges on the debts. Additionally, WDP has a solid track record when it comes to attracting financing. On the one hand, the company has good relationships with its partner banks, which should make it possible to refinance the debts on the maturity date or secure new credits for any additional acquisitions. On the other hand, the success of the recent capital increases (including the optional dividend) has shown that WDP has the confidence of investors and access to the capital market to part-finance new projects with equity, ensuring the gearing remains within the desired range.

If the company's policies need to be adjusted in response to specific events, this will be done immediately and the shareholders will be informed through the periodic reports.

XXII. Other current liabilities

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
Deposits and rental guarantees received	462	422
Outstanding dividends	103	95
Other	15	15
TOTAL	**579**	**531**

XXIII. Average workforce and breakdown of employee costs

	31 DEC. 15	31 DEC. 14
In fully consolidated companies		
Average workforce (FTE[1])	**32.6**	**29.8**
a) Blue collar	5.9	5.6
b) White collar	26.7	24.2
Administrative white collar	20.1	17.1
Technical white collar	6.6	7.1
Geographical location of workforce (FTE[1])	**32.6**	**29.8**
Western Europe	32.6	29.8
Central and Eastern Europe	0.0	0.0
Employee costs (in euros x 1,000)	**3,363**	**2,560**
a) Remuneration and direct fringe benefits	2,429	1,764
b) Employer's social security contributions	554	488
c) Employer's supplementary insurance premiums	147	121
d) Other employee costs	233	187

1 FTE: Full-time equivalent.

WDP has entered into a group insurance contract of the promised contribution type (defined contribution plan) with an external insurance company for its staff. The company contributes to this fund, which is independent of the company. In a defined contribution plan, the company has no legally enforceable or de facto obligation to pay further contributions if the fund does not have sufficient assets. The contributions of the insurance plan are funded by the company.

This group insurance contract follows the Vandenbroucke Pension Law. On 31 December 2015 the insurance company acknowledged that the shortfall to guarantee the minimum statutory yield is not material.

XXIV. Transactions between affiliates

The management fee for 2015 charged to WDP Comm VA was set at 1,300,000 euros by the manager De Pauw NV. This amount corresponds to the total cost for the Board of Directors in 2015, which was in line with market rates, including the bonus scheme for the executive management and the management of GVV (see also *5.7. Management report – Corporate governance* on page 82.

There were other transactions in 2015 between WDP and its joint ventures WDP Development RO and I Love Hungaria in addition to the management fee. The table below shows the outstanding receivables of WDP Development RO and I Love Hungaria payable by the WDP group, as well as the management fee and the financial income recognised in WDP and received by WDP Development RO and I Love Hungaria.

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
Receivables	**16,911**	**16,088**
More than one year	13,929	13,573
Within one year (interest and outstanding customer balance)	2,982	2,515
Operational result (before the result on the portfolio)	**495**	**100**
Management fee and other	495	100
Financial results	**543**	**648**
Revenue from current assets	543	648

XXV. Rights and obligations not included in the balance sheet

On 31 December 2015, WDP Comm. VA and its subsidiaries provided a total amount of 2,238,993 euros in bank guarantees. The beneficiaries can be classified in the categories stated below, along with the appropriate amounts:

in euros	31 DEC. 15
Environmental	1.023.580
Rent and concession	224.573
Legal	750.000
Services	7.979
Works contracts	232.861

WDP has undertaken to take over building plots located at Schiphol and earmarked for the construction of buildings at a pre-agreed price partly by 31 December 2017 and partly by 2 January 2020.

The parent company, WDP Comm. VA, has provided the following securities for its respective subsidiaries:

- Security for the agreements of WDP Development RO SRL of 75 million euros provided to EIB.
- Security for the agreements of WDP Development RO SRL of 50 million euros provided to BNP Paribas Fortis.

WDP has entered into the following commitments to financiers[1]:

- Commitment for the credit institutions with which WDP typically conducts business in order not to burden the fixed assets with mortgages or power of attorney to mortgage (i.e. negative pledge). WDP confirms that it has no outstanding mortgages in its property portfolio at 31 December 2015.
- WDP has entered into a commitment with the various financiers in order to remain eligible as a GVV/SIR. The conditions are laid down in the Law of 12 May 2014 and the Royal Decree of 13 July 2014. See *General information regarding the GVV/SIR, the FBI and the SIIC* on page 257.
- To fund operations in the Netherlands through WDP Nederland NV, WDP has entered into a commitment to remain qualified as a Fiscale Beleggingsinstelling (FBI).
- For some financial institutions, WDP undertakes to maintain a minimum Interest Coverage Ratio[2]. For WDP, this is usually at least 1.5x[3]. For 2015, the rate was 4.2x.
- For some financiers WDP undertakes to repay the credit if a change in control occurs and the financier asks for repayment as a result.
- For some financiers, WDP undertakes to limit properties that have not yet been pre-let (i.e. speculative developments) to 15% of the book value of the portfolio (excluding land reserves). At 31 December 2015 this ratio was 0%.

At 31 December 2015 all covenants with regard to credit institutions and bondholders entered into by WDP had been complied with.

1 *Financiers* means the credit institutions as well as moneylenders through debt capital markets.

2 Defined as operating result (before the result on portfolio) divided by interest charges less interest and dividends collec-ted, less fee for financial leasing and other.

3 Except for two loans for which the minimum interest coverage ratio is 2.0x.

XXVI. Increase decrease in working capital requirements

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
Increase (-) decrease (+) in assets	**24,299**	**-9,263**
Trade receivables and other fixed assets	15,382	-2,213
Tax receivables	8,527	-8,458
Costs to be carried forward and revenues acquired	108	922
Other current assets	282	486
Increase (-)/decrease (+) in liabilities	**-19,651**	**3,359**
Trade payables and other liabilities	-24,470	-217
Taxes, social insurance costs and liabilities relating to remuneration	2,237	279
Other current liabilities	48	-196
Costs to be allocated and revenues to be carried forward	2,534	3,493
Other	**-23**	**-769**
TOTAL	**4,625**	**-6,673**

XXVII. Working capital requirement

in euros (x 1,000)		31 DEC. 15	31 DEC. 14
Current assets - working capital components	**A**	**12,769**	**21,738**
Trade receivables		5,792	6,125
Tax receivables		1,441	9,460
Other current assets		3,954	4,462
Costs to be carried forward and revenues acquired		1,582	1,691
Current liabilities - working capital components	**B**	**31,789**	**22,972**
Exit tax		2,967	0
Trade payables		11,739	9,190
Taxes, social insurance costs and liabilities relating to remuneration		2,750	3,282
Other current liabilities		579	531
Costs to be allocated and revenues to be carried forward		13,754	9,968
Working capital at end of financial year	**A-B**	**-19,020**	**-1,234**

XXVIII. Significant events after the balance sheet date

For significant events after the reporting period, see *5.3.9 Management Report - Transactions and realisations - Significant events after the balance sheet date.*

3. Auditor's report

Report of the company auditor 2015

Statutory auditor's report to the shareholders' meeting on the consolidated financial statements for the year ended 31 December 2015

To the shareholders

As required by law, we report to you in the context of our appointment as the company's statutory auditor. This report includes our report on the consolidated financial statements together with our report on other legal and regulatory requirements. These consolidated financial statements comprise the consolidated balance sheet as at 31 December 2015, the consolidated profit and loss account, the consolidated statement of overall result, the consolidated statement of changes of the equity capital 2015 and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes.

Report on the consolidated financial statements – Unqualified opinion

We have audited the consolidated financial statements of Warehouses De Pauw Comm. VA (the company) and its subsidiaries (jointly the group), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

The consolidated balance sheet shows total assets of 1.907.281 (000) euros and the consolidated income statement shows a consolidated profit (group share) for the year then ended of 142.698 (000) euros.

Board of directors' responsibility for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Unqualified opinion

In our opinion, the consolidated financial statements of Warehouses De Pauw Comm. VA give a true and fair view of the group's net equity and financial position as of 31 December 2015, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Report on other legal and regulatory requirements

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements.

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statement, which does not modify the scope of our opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law, is consistent with the consolidated financial statements and is free from material inconsistencies with the information that we became aware of during the performance of our mandate.

Antwerp, 23 March 2016

DELOITTE Bedrijfsrevisoren/
Reviseurs d'Entreprises
BV o.v.v.e. CVBA/SC s.f.d. SCRL
Represented by
Kathleen De Brabander

Report of the company auditor 2014

Statutory auditor's report on the consolidated financial statements for the year ended 31 December 2014 to the General Meeting

To the shareholders

As required by law, we report to you on the statutory audit mandate which you have entrusted to us. This report includes our report on the consolidated financial statements as defined below together with our report on other legal and regulatory requirements. These consolidated financial statements comprise the consolidated balance sheet as at 31 December 2014, the consolidated profit and loss account, the consolidated statement of overall result, the consolidated statement of changes of the equity capital and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes.

Report on the consolidated financial statements - Unqualified audit opinion

We have audited the accompanying consolidated financial statements of WDP Comm. VA (the company) and its subsidiaries (jointly the group), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. The consolidated balance sheet shows total assets of 1,570,331 euros (000) and the consolidated profit/loss (group share) for the financial year of 64,750 euros (000).

Responsibility of the Board of Directors for the preparation of the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstate-ment.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We have obtained from the company's officials and the Board of Directors the explanations and information necessary for performing our audit.

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

Unqualified opinion

In our opinion, the consolidated financial statements of WDP Comm. VA give a true and fair view of the group's net equity and financial position as of 31 December 2013, and of its results and its cash flows for the year then ended, in accordance with International Finan-cial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Report on other legal and regulatory requirements

The Board of Directors is responsible for the preparation and the content of the directors' report on the consolidated financial state-ments.

In the framework of our mandate and in accordance with the supplementary Belgian standard to the international auditing standards applicable in Belgium, our responsibility is to verify, for all significant aspects, the compliance with some legal and regulatory require-ments. On this basis, we provide the following additional comment which does not modify the scope of our audit opinion on the con-solidated financial statements:

The annual report on the consolidated financial statements includes the information required by law, is, for all significant aspects, in agreement with the consolidated financial statements and is not in obvious contradiction with any information obtained in the con-text of our mandate.

Antwerp, 26 March 2015

DELOITTE Bedrijfsrevisoren/
Reviseurs d'Entreprises
BV o.v.v.e. CVBA/SC s.f.d. SCRL
Represented by
Kathleen De Brabander

4. 2015 non-consolidated annual statutory financial statements

Profit and loss account

in euros (x 1,000)		31 DEC. 15	31 DEC. 14
I.	**Rental income**	**57,495**	**48,037**
	Rents	53,745	48,037
	Indemnification for early termination of lease	3,750	0
III.	**Rental charges**	**-798**	**-503**
	Rent to be paid for leased premises	-642	-664
	Provisions for trade receivables (additions)	-373	-277
	Provisions for trade recievables (reversals)	217	438
NET RENTAL RESULT		**56,697**	**47,534**
IV.	**Recovery of property costs**	**770**	**0**
V.	**Recovery of rental charges normally paid by the tenant on let properties**	**5,954**	**5,402**
	Re-invoicing rental charges paid out by the owner	1,880	1,859
	Re-invoicing advance property levy and taxes on let properties	4,075	3,543
VI.	**Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease**	**-1,318**	**0**
VII.	**Rental charges and taxes normally paid the tenant on let properties**	**-6,600**	**-5,738**
	Rental charges invoiced to the owner	-1,989	-1,940
	Levies and taxes on let properties	-4,611	-3,798
VIII.	**Other income and charges related to leases**	**9,500**	**8,832**
	Property management fees	608	682
	Other operating income/costs	1,709	1,331
	Income from solar energy	7,183	6,819
PROPERTY RESULT		**65,003**	**56,030**
IX.	**Technical costs**	**-1,740**	**-1,152**
	Recurrent technical costs	-1,705	-1,161
	Repairs	-1,382	-908
	Insurance premiums	-323	-253
	Non-recurrent technical costs	-35	9
	Accidents	-35	9
X.	**Commercial costs**	**-465**	**-301**
	Agency commissions	-84	-72
	Advertising	-202	-137
	Lawyers' fees and legal charges	-180	-92
XII.	**Property management costs**	**-843**	**-853**
	(Internal) property management costs	-843	-853
PROPERTY CHARGES		**-3,047**	**-2,306**
PROPERTY OPERATING RESULTS		**61,956**	**53,725**
XIV.	**General company expenses**	**10,939**	**7,959**
XV.	**Other operating income and charges (depreciatin and write-down on solar panels)**	**-2,533**	**-2,556**

OPERATING RESULT (BEFORE RESULT ON THE PORTFOLIO)		**70,361**	**59,127**
XVI.	**Result on disposals of investmet property**	**-66**	**13**
	Net property sales (sales price - transaction costs)	3,346	1,125
	Book value of properties sold	-3,412	-1,112
XVIII.	**Variations in the fair value op investment property**	**21,489**	**1,514**
	Positive variations in the fair value of investment property[1]	28,683	11,044
	Negative variations in the fair value of investment property	-7,225	-8,831
	Variations in the fair value of assets under development (recognised and reversed)	31	-699
OPERATING RESULT		**91,785**	**60,655**
XX.	**Financial income**	**21,267**	**16,425**
	Interests and dividends received	21,135	16,050
	Income from financial leases and similar	0	0
	Other financial income	132	375
XXI.	**Net interest charges**	**-28,199**	**-26,777**
	Interest on loans	-15,243	-11,748
	Interest capitalised during construction	395	791
	Cost of permitted hedging instruments	-13,235	-15,703
	Income from permitted hedging instruments	0	0
	Other interest charges	-117	-118
XXII.	**Other financial charges**	**-470**	**-329**
	Bank charges and other commissions	-57	-45
	Other financial charges	-413	-284
XXIII.	**Movements in the fair value of financial assets and liabilities**	**62,625**	**16,783**
	Permitted hedging instruments	7,839	-19,375
	Permitted hedging instruments not subject to hedging accounting as defined in IFRS	7,839	-19,375
Other[2]		54,787	36,158
FINANCIAL RESULT		**55,222**	**6,103**
PRE-TAX RESULT		**147,007**	**66,757**
XXIV.	**Corporate tax**	**-1,141**	**-533**
XXV.	**Exit taks**	**0**	**0**
TAXES		**-1,141**	**-533**
NET RESULT		**145,866**	**66,224**

1 This relates only to the movements in the fair value of investment property. The revaluation surpluses of solar panels are recognised directly in the equity capital under Reserves in accordance with IAS 16.

2 This relates to movements in the holdings in affiliated companies and companies with a shareholding.

Statement of overall result

in euros (x 1,000)		31 DEC. 15	31 DEC. 14
I.	**NET RESULT**	**145,866**	**66,224**
II.	**OTHER ELEMENTS OF THE OVERALL RESULT (RECOVERABLE THROUGH PROFIT AND LOSS)**	**-2,954**	**-139**
	H. Other elements of the overall result after tax	-2,954	-139
	Revaluation of the solar panels in Belgium	-2,954	-139
OVERALL RESULT		**142,912**	**66,085**

Other components of comprehensive income

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
NET CURRENT RESULT		
Net current result (including share in the result of joint ventures) (EPRA)	64,351	50,470
Result on the portfolio (including share in the result of joint ventures) (IAS 40)[1]	21,424	1,527
Movements in the fair value of participations	54,787	36,158
Revaluation of financial instruments (IAS 39)	7,839	-19,375
Depreciation and write-down on solar panels (including share in the result of joint ventures) (IAS 16)	-2,533	-2,556
NET RESULT (IFRS)	**145,866**	**66,224**

in euros (per share)[2]	31 DEC. 15	31 DEC. 14
NET CURRENT RESULT/SHARE		
Net current result (including share in the result of joint ventures) (EPRA)	3.54	3.07
Result on the portfolio (including share in the result of joint ventures) (IAS 40)[1]	1.18	0.09
Movements in the fair value of participations	3.01	2.20
Revaluation of financial instruments (IAS 39)	0.43	-1.18
Depreciation and write-down on solar panels (including share in the result of joint ventures) (IAS 16)	-0.14	-0.18
NET RESULT (IFRS)	**8.02**	**4.03**

in euros (per share) (diluted)	31 DEC. 15	31 DEC. 14
NET CURRENT RESULT/SHARE		
Net current result (including share in the result of joint ventures) (EPRA)	3.54	3.07
Result on the portfolio (including share in the result of joint ventures) (IAS 40)[1]	1.18	0.09
Movements in the fair value of participations	3.01	2.20
Revaluation of financial instruments (IAS 39)	0.43	-1.18
Depreciation and write-down on solar panels (including share in the result of joint ventures) (IAS 16)	-0.14	-0.18
NET RESULT (IFRS)	**8.02**	**4.03**

1 Including deferred tax on the portfolio result
2 Calculated based on the weighted average number of shares.

Balance sheet - Assets

in euros (x 1,000)		31 DEC. 15	31 DEC. 14
FIXED ASSETS		**1,818,637**	**1,514,426**
B.	**Intangible fixed assets**	**96**	**93**
C.	**Investment property**	**779,965**	**728,251**
	Property available for leasing	742,740	674,912
	Property developments	21,728	36,345
	Other: land reserves	15,498	16,994
D.	**Other tangible fixed assets**	**60,305**	**63,606**
	Tangible fixed assets for own use	801	554
	Solar panels	59,505	63,052
E.	**Non-current financial assets**	**977,214**	**722,307**
	Assets at fair value through result	155	0
	Permitted hedging instruments	155	0
	Loans and receivables	467,327	387,896
	Other	467,327	387,896
	Other	509,731	334,411
	Holdings in affiliated companies and companies with a shareholding	509,731	334,411
H.	**Trade receivables and other non-current assets**	**1,056**	**169**
CURRENT ASSETS		**67,606**	**47,853**
A.	**Assets held for sale**	**823**	**1,346**
	Investment property	823	1,346
D.	**Trade receivables**	**52,462**	**36,765**
E.	**Trade benefits and other current assets**	**12,773**	**8,622**
	Taxes	7	0
	Other	12,766	8,622
F.	**Cash and cash equivalents**	**454**	**163**
G.	**Other current liabilities**	**1,093**	**958**
	Completed, property returns not due	7	0
	Property costs paid in advance	77	117
	Interest and other financial costs paid in advance	89	203
	Other	920	638
TOTAL ASSETS		**1,886,242**	**1,562,279**

Balance sheet – Liabilities

in euros (x 1,000)		31 DEC. 15	31 DEC. 14
EQUITY		**767,745**	**613,115**
I.	**Shareholders' equity attributable to the parent company's shareholders**	**767,745**	**613,115**
A.	Capital	143,633	135,325
	Subscribed capital	148,427	139,857
	Costs of capital increase	-4,794	-4,532
B.	Issue premiums	304,426	239,399
C.	Reserves	173,820	172,167
D.	Net result for the financial year	145,866	66,224
LIABILITIES		**1,118,497**	**949,163**
I.	**Non-current liabilities**	**973,073**	**734,420**
A.	Provisions	1,046	1,046
	Other	1,046	1,046
B.	Non-current financial liabilities	910,706	665,020
	Credit institutions	634,311	477,484
	Financial leasing	10,355	13,064
	Other	266,040	174,472
C	Other non-current financial liabilities	61,321	68,354
	Hedging instruments	61,321	68,354
II.	**Current liabilities**	**145,424**	**214,743**
B.	Current financial liabilities	124,715	198,376
	Credit institutions	122,229	196,068
	Financial leasing	2,485	2,308
C.	Other current financial liabilities	0	650
	Permitted hedging instruments	0	650
D.	D. Trade payables and other current liabilities	9,267	7,820
	Suppliers	6,572	5,453
	Tax, salary and social security	2,695	2,367
E.	E. Other current liabilities	312	232
	Other	312	232
F.	F. Other current liabilities	11,130	7,664
	Property returns received in advance	2,913	1,837
	Completed, not due interests and other costs	6,025	4,802
	Other	2,192	1,025
TOTAL LIABILITIES		**1,886,242**	**1,562,279**

Statutory appropriation of results

in euros (x 1,000)		31 DEC. 15	31 DEC. 14
A.	**Net result**	**145,866**	**66,224**
B.	**Addition to/withdrawal from reserves**	**58,597**	**412**
1.	Addition to / withdrawal from reserves for the (positive or negative) balance in movements in the fair value of property[1]	21,897	2,861
	Financial year	21,897	2,653
	Construction of property	0	208
2.	Addition to / withdrawal from the reserve of the estimated transaction duties and fees for the hypothetical sale of investment property	-474	-1,126
	Financial year	-474	-1,126
3.	Addition to the reserve for the balance of the movements in fair value of permitted hedging instruments that are subject to hedging accounting as defined in IFRS	0	0
	Financial year	0	0
4.	Withdrawal from the reserve for the balance of the movements in fair value of permitted hedging instruments that are subject to hedging accounting as defined in IFRS	0	0
	Financial year	0	0
5.	Addition to the reserve for the balance of the movements in fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS	7,839	-19,375
	Financial year	7,839	-19,375
6.	Withdrawal from the reserve for the balance of the movements in fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS	0	0
	Financial year	0	0
7.	Addition to / withdrawal from the reserve for the balance of the translation differences	0	0
8.	Addition to / withdrawal from the deferred taxes reserve in relation to the property	0	0
9.	Addition to / withdrawal from the reserve for the dividends received designated	0	0
10.	Addition to / withdrawal from other reserves[2]	29,335	18,052
	Financial year	29,335	18,052
11.	Addition to / withdrawal from results carried forward from previous financial years	0	0
C.	**Compensation for the capital in accordance with article 13, §1, (1)**	**51,880**	**40,539**
D.	**Compensation for capital, other than C**	**22,149**	**18,752**
E.	**Result to be carried forward**	**13,240**	**6,521**

1 On the basis of the Investment value of the property.
2 This concerns the variations in the fair value of solar panels and the variations in the fair value of participations with regard to property.

Distribution obligation in accordance with the GVV Royal Decree of 13 July 2014

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
NET RESULT	**145,866**	**66,224**
Depreciation and amortisation (+)	2,878	2,921
Write-downs (+)	373	277
Reversals of write-downs (-)	-217	-438
Reversals of carried forward and incorporated rents (-)	0	0
Other non-monetary components (+/-)	-62,625	-16,783
Result from property sales (+/-)	66	-13
Movements in the fair value of property (+/-)	-21,489	-1,514
ADJUSTED RESULT (A)	**64,850**	**50,674**
Gains and losses from property realised during the financial year (+/-)	0	-208
Gains realised during the financial year exempt from mandatory distribution, subject to their reinvestment within a period of 4 years (-)	0	208
Gains realised on property previously exempt from mandatory distribution that were not reinvested within a period of 4 years (+)	0	0
NET GAINS FROM PROPERTIES COMPLETED NOT EXEMPT FROM MANDATORY DISTRIBUTION (B)	**0**	**0**
TOTAL (A+B) x 80%	**51,880**	**40,539**
REDUCTION IN LIABILITIES (-)	**0**	**0**
DISTRIBUTION OBLIGATION	**51,880**	**40,539**

Non-distributable shareholders' equity in accordance with Section 617 of the Companies Code

in euros (x 1,000)	31 DEC. 15	31 DEC. 14
Paid-up capital, or, if this is higher, called-up capital	143,633	135,325
Issue premiums unavailable under the articles of association	304,426	239,399
Reserve for the positive balance of the movements in the fair value of the property [1]	214,403	181,362
Reserve for the impact on the fair value of estimated transfer duties and costs for the hypothetical sale of investment property	-19,148	-18,674
Reserves for the balance of movements in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS	-61,165	-69,004
Other reserves declared unavailable by the Annual General Meeting	11,645	14,599
NON-DISTRIBUTABLE SHAREHOLDERS' EQUITY IN ACCORDANCE WITH SECTION 617 OF THE COMPANIES CODE	**593,794**	**483,007**
Net assets	767,745	613,115
Proposed dividend payment	-74,029	-59,291
NET ASSETS AFTER DISTRIBUTION	**693,716**	**553,824**
REMAINING MARGIN AFTER DISTRIBUTION	**99,922**	**70,817**

1 Based on the investment value of the property, including the variations in the fair value of the subsidiaries with regard to the property (see also note *V. Segmented information – result* on page 194, given that the latter is a non-distributable reserve. That is because this concerns a non-cash item. The other variations in the fair value of subsidiaries are relevant, on the other hand.

Changes in the statutory equity capital 2015

in euros x (1,000)	01 JAN. 15	ALLOCATION OF RESULT DURING 2014 FINANCIAL YEAR		
		profit for the previous year	Transfer of result to portfolio	Transfer of IAS 39
A. Capital	**135,325**	**0**	**0**	**0**
Subscribed capital	139,857			
Costs of capital increase	-4,532			
B. Issue premiums	**239,399**	**0**	**0**	**0**
C. Reserves	**172,167**	**66,224**	**0**	**0**
Reserves for the balance of movements in the fair value of the property (+/-)				
Reserves for the balance of movements in the investment value of the property (+/-)	160,310		2,861	
Reserves for the impact on the fair value of estimated transfer duties and transfer fees for the hypothetical sale of investment property (-)	-17,548		-1,126	
Reserves for the balance of movements in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS (+/-)	-49,629			-19,375
Other reserves	14,599			
Result brought forward from previous financial years	64,433	66,224	-1,735	19,375
D. Net result for the financial year	**66,224**	**-66,224**	**0**	**0**
TOTAL SHAREHOLDERS' EQUITY	**613,115**	**0**	**0**	**0**

ELEMENTS OF THE OVERALL RESULT		OTHER			31 DEC. 15
Net result for the current financial year	Movements in the fair value of solar panels	Capital increases	Dividends distributed	Other[1]	
0	**0**	**8,308**	**0**	**0**	**143,633**
		8,570			148,427
		-262			-4,794
0	**0**	**65,027**	**0**	**0**	**304,426**
0	**-2,954**	**0**	**-61,610**	**-5**	**173,820**
				18,191	181,362
					-18,674
					-69,004
	-2,954				11,645
			-61,610	-18,196	68,491
145,866					**145,866**
145,866	**-2,954**	**73,335**	**-61,610**	**-5**	**767,745**

1 This concerns the changes in fair value of investments related to real estate, since it is a non-distributable reserve.

Changes in the statutory equity capital 2014

in euros x (1,000)	01 JAN. 14	ALLOCATION OF RESULT DURING 2013 FINANCIAL YEAR		
		profit for the previous year	Transfer of result to portfolio	transfer of IAS 39
A. Capital	**124,894**	**0**	**0**	**0**
Subscribed capital	128,955			
Costs of capital increase	-4,061			
B. Issue premiums	**177,058**	**0**	**0**	**0**
C. Reserves	**143,368**	**81,239**	**0**	**0**
Reserves for the balance of movements in the fair value of the property (+/-)				
Reserves for the balance of movements in the investment value of the property (+/-)	163,501		-3,191	
Reserves for the impact on the fair value of estimated transfer duties and transfer fees for the hypothetical sale of investment property (-)	-15,012		-2,536	
Reserves for the balance of movements in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS (+/-)	-70,466			20,837
Other reserves	14,738			
Result brought forward from previous financial years	50,607	81,239	5,727	-20,837
D. Net result for the financial year	**81,239**	**-81,239**		
TOTAL SHAREHOLDERS' EQUITY	**526,559**	**0**	**0**	**0**

ELEMENTS OF THE OVERALL RESULT		OTHER			31 DEC. 14
Net result for the current financial year	Movements in the fair value of solar panels	Capital increases	Dividends distributed	Other	
0	**0**	**10,431**	**0**	**-1**	**135,325**
		10,902			139,857
		-471		0	-4,532
0	**0**	**62,342**	**0**	**-1**	**239,399**
0	**-139**	**0**	**-52,311**	**10**	**172,167**
					160,310
					-17,548
					-49,629
	-139				14,599
			-52,311	8	64,433
66,224					**66,224**
66,224	**-139**	**72,773**	**-52,311**	**8**	**613,115**

11 Permanent document

1. Basic information

1.1. Company name (Article 1 of the articles of association)

Warehouses De Pauw, abbreviated WDP.

1.2. Legal form, establishment[1]

The company was established as a Naamloze Vennootschap, a type of public limited company, under the name Rederij De Pauw by deed executed before Paul De Ruyver, civil-law notary in Liedekerke, Belgium, on 27 May 1977, published in the Appendices to the Belgian Official Gazette of 21 June 1977 under number 2249-1. This public limited company served as a holding company in which the property assets of nine companies were combined by means of a general merger and demerger transaction. At the same time, the name of the company was changed to Warehousing & Distribution De Pauw and it was converted into a Commanditaire Vennootschap op Aandelen, a type of limited partnership with share capital. The corresponding amendments to the articles of association were made conditionally, by deed executed by Siegfried Defrancq, civil-law notary in Asse-Zellik, Belgium, on 20 May 1999, standing in for Jean-Jacques Boel, civil-law notary in Asse, Belgium, legally impeded, on 20 May 1999, as published in the Appendices to the Belgian Official Gazette on 16 June under number 990616-21, and ratified by two deeds dated 28 June 1999, executed before the aforementioned civil-law notary and published in the Appendices to the Belgian Official Gazette on 20 July 1999 under numbers 990720-757 and 758.

The company name was changed to Warehouses De Pauw at the Extraordinary General Meeting of 25 April 2001, as set down by deed executed before the aforementioned civil-law notary Siegfried Defrancq, standing in for the aforementioned civil-law notary Jean-Jacques Boel, legally impeded, and published in the Appendices to the Belgian Official Gazette of 18 May 2001 under number 20010518-652.

WDP's Articles of Association have since been amended repeatedly, most recently on 29 May 2015 pursuant to a capital increase within the framework of the authorised capital by means of a contribution in kind in the context of the optional dividend. This deed was executed before the civil-law notary Yves De Ruyver, substituting for civil-law notary Jean-Jacques Boel, legally impeded, and announced in the Appendices to the Belgian Official Gazette on 11 June 2015 under number 15082481.

Since 28 June 1999 WDP Comm. VA has been registered with the Financial Services and Markets Authority (FSMA) as a vastgoedbeleggingsvennootschap met vast kapitaal naar Belgisch recht, a type of closed end fund under Belgian law, commonly referred to as a vastgoedbevak under Belgian law. To align better with the economic reality and due to the adjusted legal framework relating to the capacity of WDP as an operational and commercial property company, on 16 October 2014 WDP changed its legal status to a public Regulated Real Estate

1 See in this connection also *2. History and milestones* on page 14 of this financial annual report.

Company (public GVV/SIR). The accompanying amendments to the articles of association were executed before the aforementioned civil-law notary Yves De Ruyver, substituting for civil-law notary Jean-Jacques Boel, as announced in the Appendices to the Belgian Official Gazette on 31 October 2014 under number 14199666. WDP is consequently subject to the legal system as laid down in the Law of 12 May 2014 on Regulated Real Estate Companies, as well as the Royal Decree of 13 July 2014 relating to Regulated Property Companies.

1.3. Registered office of the company (Article 3 of the articles of association)

The company has its registered office at Blakebergen 15, 1861 Meise/Wolvertem, Belgium. The registered office can be transferred within Belgium by decision of the manager without amending the articles of association, provided the language laws are duly respected.

1.4. Company number

The company is registered with the Crossroads Bank for Enterprises, Brussels district, under the company registration number 0417.199.869.

1.5. Duration (Article 2 of the articles of association)

The duration of the company is unlimited.

1.6. Corporate object (article 4 of the articles of association)

Article 4 of the articles of association stipulates that the sole object of the company is (a) to make property available to users either directly or through a company in which it has a shareholding in accordance with the provisions of the GVV/SIR Law and its implementing decisions and regulations; and (b) to own property within the limits set by the GVV/SIR Law.

Property means:

- immovable property as defined in Articles 517 and seq. of the Belgian Civil Code and rights in rem on said property;
- voting shares issued by property companies that are exclusively or jointly supervised by the company;
- options on property;
- shares in public or institutional GVVs/SIRs, on condition in the latter case that joint or exclusive control is exercised;
- rights ensuing from contracts by which the GVV/SIR is given the lease of property or granted other analogous user rights;
- shares of public GVVs/SIRs;
- participation rights in foreign collective property investment institutions on the list drawn up by the FSMA;
- participation rights in collective property investment institutions registered in another Member State of the European Economic Area and not on the list drawn up by the FSMA, insofar as they are subject to comparable supervision to the supervision imposed on public GVVs/SIRs;

- shares issued by companies (i) with legal personality; (ii) that are subject to the law of another member state of the European Economic Area; (iii) whose shares can be traded on a regulated market and/or are subject to a prudential supervision regime; (iv) whose main activity consists of the acquisition or the founding of immovable property in the prospect of making them available to users or the direct or indirect possession of participations in companies with a similar activity; and (v) that are exempt from tax on income from the profit ensuing from the activity referred to above in the stipulation under (vi), subject to fulfilment of certain legal obligations and that at least have an obligation to distribute part of their income among their shareholders (known as Real Estate Investment Trusts, abbreviated as REITs);
- property certificates as described in the applicable financial legislation;
- as well as all other property, shares or rights that are defined as property by the applicable regulations pertaining to GVVs/SIRs.

Within the framework of making immovable property available, the company may perform all activities relating to the formation, construction (without prejudice to the prohibition on acting as a property developer, except on an occasional basis), renovation, fitting out, development, acquisition, disposal, letting, sub-letting, exchange, contribution, transfer, allotment, inclusion of properties as described above into a system of co-ownership or indivisibility, granting or obtaining of rights of superficies, usufruct, long leases or other corporate or private rights to property as described above, the management and operation of immovable property.

In accordance with the applicable GVV/SIR regulations, the company may also:

- take on leases of immovable properties with or without an option to buy;
- lease immovable properties with or without an option to buy, on the understanding that the leasing of immovable property with an option to buy may only be exercised as secondary activity;
- invest in securities, other than property within the meaning of the legislation applicable to Regulated Real Estate Companies, on an incidental or provisional basis. These investments will be made in accordance with the risk management policy adopted by the company and will be diversified, so that they guarantee a fitting risk diversification. The company may also own non-allocated liquid assets. The liquid assets may be held in any currency in the form of deposits on demand or term deposits or any money-market instrument whose funds are readily available;
- grant mortgages or other securities or guarantees to finance the company or its group, within the limits stipulated in the applicable regulation pertaining to shares of public vastgoedbevaks/sicafis;
- grant credit within the limits stipulated in the legislation applicable to Regulated Property Companies;

- conduct transactions in authorised hedging instruments (as defined in the *GVV/SIR legislation*), insofar as such transactions are part of a policy established by the company to hedge financial risks, not including speculative transactions.

The company may acquire, rent or lease, transfer or exchange all movable or immovable property, materials and accessories and generally conduct all commercial or financial transactions directly or indirectly related to its corporate object and the use of all related intellectual rights and commercial properties.

With due consideration for the applicable regulations pertaining to GVVs/SIRs, the company can take a share in all existing or future companies and undertakings in Belgium or abroad with a corporate object identical to its own or of such a nature that it pursues or facilitates its own object, by means of cash contribution or contribution in kind, merger, demerger or other corporate restructuring, subscription, participation, financial intervention or any other method.

Any amendment to the company's articles of association requires the prior approval of the FSMA.

1.7. Locations where documents can be consulted by the public

In accordance with statutory provisions, the company's separate and consolidated financial statements are filed with the National Bank of Belgium.

The company's Articles of Association can be consulted at the Commercial Court clerk's office in Brussels.

The company's annual financial reports and articles of association are also available at the head offices and can be consulted for informational purposes online at www.wdp.eu. However, the printed Dutch version is the only legally valid version of the annual financial report. Other information found at the company's website or any other website is not part of the annual financial report. The electronic version of the annual financial report may not be reproduced or made available to anyone in whatever location, nor may the text be printed for further circulation. Registered shareholders and any other person who so requests receive a copy of the annual financial report every year.

The financial reporting and the convocation of shareholders to the General Meetings are published in the financial press insofar as legally required. They may also be consulted online at www.wdp.eu. WDP follows the statutory provisions and guidelines of the FSMA in this regard. Resolutions relating to the appointment and discharge of members of the Board of Directors are published in the Appendices to the Belgian Official Gazette. The most recent version of the Corporate Governance report is also available online at www.wdp.eu. Any interested party can consult the press releases and statutory financial information on this website.

2. Share capital

2.1. Subscribed capital (Article 6 of the articles of association)

The subscribed capital of WDP Comm. VA amounts to 148,427,695.51 euros and is represented by 18,507,260 ordinary shares, each representing 1/18,507,260 of the capital. None of these shares entitles the holder to any special voting right or other right.

2.2. Authorised capital (Article 7 of the articles of association)

The manager is authorised to increase the authorised capital on one or several occasions, on the dates and under the conditions it will determine, by 100,521,811.63 euros. This authorisation is valid for five years effective 16 May 2011 and can be renewed. The manager has already used this authorisation granted to him to increase the capital on seven occasions, as a consequence of which the available balance of the authorised capital is 65,550,293.33 euros.

These increases in capital can be achieved through cash contribution, contribution in kind or through the conversion of reserves, including any retained profits and issue premiums, as well as all components of shareholders' equity under the company's separate IFRS financial statements (drawn up on the basis of the applicable regulations for GVVs/SIRs) that are eligible for conversion in capital, and creation of new securities, in accordance with the rules stipulated in the Companies Code, applicable regulations relating to GVVs/SIRs and the current articles of association.

In such cases, in the event of an increase in capital decided on by the manager, the manager must place the issue premiums into a blocked account, which will constitute the guarantee for third parties on the same basis as the capital, and cannot be reduced or closed without a decision of the General Meeting deciding as regarding amendment of the articles of association, with due regard for the procedure for the reduction of the authorised capital, except in the event of a capital conversion as provided for above.

Notwithstanding the application of sections 592 to 598 and 606 of the Companies Code, the manager is authorised to restrict or cancel the pre-emptive right, including when this occurs for the benefit of one or more individuals specified other than employees of the company or any of its subsidiaries, to the extent that the current shareholders are granted a priority allocation right for the allocation of new shares. Notwithstanding the application of sections 595 to 599 of the Companies Code, the aforementioned limitations within the framework of the cancellation or restriction of the pre-emptive right do not apply to cash contribution with a restriction or cancellation of the pre-emptive right, in addition to non-cash contribution relating to the distribution of an optional dividend, insofar as this is made payable to all shareholders.

The issue of shares based on cash subscription is subject to compliance with the special conditions relating to cash subscription (see *2.4. Modification of the capital*), including the option to deduct an amount matching the portion of the non-distributed gross dividend. However, these special rules regarding capital increases in kind do not apply to the contribution of the right to dividend as part of the distribution of an optional dividend, insofar as this is made payable to all shareholders.

2.3. Buyback of shares (Article 10 of the articles of association)

The company may acquire and hold in pledge its own fully paid up shares by virtue of the decision of the General Meeting in accordance with the stipulations of the Companies Code. The same meeting may establish the disposal conditions.

In addition, the manager may, for a period of five years from 27 April 2011, acquire, accept as security and redispose of (even outside the stock exchange) shares of the company at a share price that may not be less than 0.01 euro per share (acquisition and acceptance as security) or 75% of the closing price on the trading day preceding the date of the transaction (disposal) and that may not exceed 70.00 euros per share (acquisition and acceptance as security) or 125% of the closing price on the trading day preceding the date of the transaction (disposal) without the company being authorised to hold over 20% of the total number of shares issued.

On 31 December 2015, WDP Comm. VA did not own any shares.

2.4. Change to the capital (Article 11 of the articles of association)

Except for the option to use the authorised capital by a decision of the manager, the capital increase or capital reduction can only be decided on by an Extraordinary General Meeting and with the manager's consent, and in due compliance with the regulations applicable to GVVs/SIRs.

In accordance with the GVV/SIR legislation, in the event of a share issue in exchange for a contribution in kind, notwithstanding Sections 601 and 602 of the Companies Code the following conditions must be fulfilled:

- the identity of the party making the contribution must be stated in the report of the manager provided for by Section 602 of the Companies Code, as well as the notifications of General Meetings in which a resolution is to be made about the contribution in kind;
- the issue price cannot be less than the lowest value of (a) the net value per share dating from no earlier than four months prior to the date of the contribution agreement, or, at the discretion of the public GVV/SIR, prior to the date of the deed of capital increase and (b) the average closing price over the thirty days prior to this same date;
- unless the issue price and the relevant terms are determined no later than on the first working day following the date on which the contribution agreement was entered into and are announced to the general public, stating the term within which the capital increase will come into

effect, the deed of capital increase will be executed within a maximum term of four months;
- the manager's report stipulated in Article 602 of the Companies Code must also state the impact of the proposed contribution on the situation of former shareholders and, specifically, on their share in the profit, the net value per share, and the capital, as well as the impact on voting rights.

These rules regarding contributions in kind apply with the necessary modifications to mergers, demergers and similar transactions.

In compliance with the GVV/SIR legislation, in the event of a capital increase by means of cash contribution and without prejudice to Sections 592 to 598 of the Companies Code, the preemptive right may be limited or cancelled if the current shareholders are granted a priority allocation right for the allocation of new securities.

3. Controlling interest in the company (Article 14 of the articles of association)

The statutory manager De Pauw NV, represented by its permanent representative, has the controlling interest in WDP Comm. VA. Since 1 September 2002 this permanent representative is Tony De Pauw, in accordance with Section 61, §2 of the Companies Code. The shares of De Pauw NV are entirely held by the RTKA partnership, represented by Tony De Pauw on the Board of Directors of De Pauw NV.

For an explanation of the notion of control, see *2. Some background information: the Commanditaire Vennootschap and its statutory manager* under *5.7. Management report - Corporate governance* on page 85.

4. Statutory auditor (Article 20 of the articles of association)

Deloitte Bedrijfsrevisoren, a Burgerlijke Vennootschap, a type of private limited liability partnership in the form of a CVBA, a type of limited liability cooperative, and a member of the Instituut der Bedrijfsrevisoren, established at Berkenlaan 8b, 1831 Diegem, was appointed statutory auditor of WDP Comm. VA on 25 April 2007. On 24 April 2013 the statutory auditor, represented by its permanent representative Kathleen De Brabander, was reappointed until the General Meeting of 2016. WDP is calling on its shareholders to renew this term.

The statutory auditor's is responsible for auditing the consolidated financial statements of the WDP group and the separate financial statements of WDP Comm. VA.

In France, Deloitte & Associés, represented by Pierre-Marie Martin, with offices at 56, rue de Luxembourg, 59777 Lille, was appointed statutory auditor for the subsidiary WDP France SARL.

In the Netherlands, Deloitte Accountants BV, represented by Jef Holland, and having its registered office at Orlyplein 1, NL-1040 HC Amsterdam, was appointed statutory auditor of the subsidiaries WDP Nederland NV and WDP Development NL NV.

The remuneration of the statutory auditor is determined on the basis of market rates and independently of WDP in accordance with the code and the standards of the Instituut van de Bedrijfsrevisoren and in accordance with the applicable stipulations with regard to the independence of the statutory auditor described in the Companies Code.

The total remuneration for the mandate of the statutory auditor of WDP Comm. VA and its subsidiaries for the 2015 financial year amounted to 115,170 euros (excluding VAT). During the financial year 2015, total fees paid for other statutory audits and other consultancy work (including due diligence) amounted to 189,612 euros (excluding VAT).

In compliance with article 133 §6 of the Companies Code, the one-to-one rule must be judged at WDP Comm. VA level. It was not exceeded. The 189,612 euros include statutory duties for 10,000 euros and due diligence duties for 82,958 euros.

5. Financial service (paying agent)

ING Belgium NV
Legal Financial Markets
Marc Sanders
Marnixlaan 24
1000 Brussels
+ 32 2 547 31 40
marc.sanders@ing.be

The fees for the financial services (excluding those for the statutory auditor) are determined based on market rates, as a percentage on the volume of the transactions concerned (such as distribution of dividends and optional dividend) and are independent of the company.

The total fees paid for the financial services in the financial year 2015 were 146,543 euros (excluding VAT).

6. Property expert

Under the applicable regulations pertaining to GVVs/SIRs, the expert appraises all the buildings operated by the GVV/SIR and its subsidiaries at the end of every financial year. The book value of the buildings listed on the balance sheet is adjusted to these values.

Furthermore, at the end of each of the first three quarters of the financial year, the expert updates the total valuation prepared at the end of the previous year based on market trends and the specific features of the property in question. The expert also appraises the property of the GVV/SIR and its subsidiaries if the GVV/SIR wishes to perform a transaction such as the issue of shares or a merger.

Each property to be acquired or to be transferred by the GVV/SIR or any of its subsidiaries is appraised by the expert prior to the transaction. The expert's appraisal will serve as a minimum price (in the event of disposal) or a maximum price (in the event of acquisition) for the GVV/SIR if the other party is a person closely involved in the GVV/SIR (as provided for by the applicable regulations for GVVs/SIRs) or if the proposed transaction would benefit such persons in any way.

The GVV/SIR legislation contains legal obligations regarding the method to be used by property experts to guarantee their necessary impartiality when appraising the property. There is stronger emphasis on the impartiality requirement for experts, and the Decree specifies that the expert's remuneration may not be based on the property appraised. In addition, the GVV/SIR is required to ensure the replacement of the experts they appoint based on a double rotation requirement. For instance, the GVV/SIR may appoint the expert only for a renewable term of three years.

Furthermore, the expert may be contracted to appraise a given property for no more than three years, followed by a compulsory cooling-off period of three years. This means that experts who have already completed a 3-year period can only be appointed for an additional 3-year period if, during this period, they appraise a different portion of the assets of the GVV/SIR or its subsidiaries. Separate rules apply if the expert is a legal entity.

The experts appointed by WDP Comm. VA are:

Stadim CVBA, Uitbreidingsstraat 10-16 (Antwerp Gate 2), 2600 Antwerp, Belgium, represented by Philippe Janssens;

Cushman & Wakefield VOF, Kunstlaan 58, Box 7, 1000 Brussels, Belgium, represented by Koen Nevens;

DTZ Zadelhoff, Apollolaan 150, 1077 BG Amsterdam, Netherlands, represented by Jacques Boeve;

BNP Paribas Real Estate, 167 quai de la Bataille de Stalingrad, 92867 Issy-Les-Moulineaux Cedex - France, represented by Caroline Hussenot.

These natural persons are legal representatives of the legal entities with which the contracts were signed.

Fees paid to property experts are not based on the value of the property but rather represent fixed fees for each property to be appraised and/or variable remuneration based on the surface area to be appraised. The contracts of the property experts comply with the relevant new regulations.

The fees of property experts in 2015 were 271,748.36 euros (ex. VAT).

7. Insurance cover

WDP and its subsidiaries are required to underwrite appropriate insurance for all their immovable properties.

This insurance must comply with the usual market conditions. WDP has currently insured 100% of its buildings at their new value.

Premiums paid in 2015 totalled 1,522,000 euros (670,000 euros for Belgium, 566,000 euros for the Netherlands, 81,000 euros for France, 97,000 euros for Romania, 53,000 euros for the solar panels in Belgium, 2,000 euros for the ones In the Netherlands and 53,000 euros for the ones in Romania).

The insured value of the property portfolio (including solar panels) was 1,488 million euros (677 million euros for Belgium, 632 million euros for the Netherlands, 67 million euros for France, 40 million euros for Romania, 42 million euros for the solar panels in Belgium, 4 million euros for the ones in the Netherlands and 25 million euros for the ones in Romania).

8. Foreign structures

In order to manage its foreign property assets as effectively as possible, WDP Comm. VA has created subsidiaries in various European countries (these subsidiaries do not have the status of Institutional GVV/SIR).

- The group's companies share the following characteristics.
- The company structure is the local equivalent of a private limited liability company (BVBA), or a Naamloze Vennootschap (NV), a type of public company limited by shares.
- WDP has a 100% holding in all foreign subsidiaries, except for WDP Development RO (51%).

Subsidiaries' results are subject to local corporation tax, except WDP Nederland, which has FBI status (Fiscale Beleggingsinstelling), and WDP France, which has SIIC status (Société d'Investissement Immobilier Cotée) providing transparency with regard to tax matters. For more information on the FBI status and the SIIC status, see this annual financial report, *12. General information regarding the public GVV/SIR, the FBI and the SIIC* on page 255.

- Net profits can be distributed to WDP, with the withholding tax or exemption from withholding tax based on the parent-subsidiary guideline and the relevant double taxation treaties between Belgium and the various countries in which WDP is active. The results of the foreign subsidiaries are included in the consolidation, after elimination of the depreciation on the property and with settlement of deferred taxes on capital gains.

In the choice of financing methods (group loans versus bank loans), account is always taken of the effect of this financing on the consolidated gearing of WDP (the maximal gearing that is to be respected at the consolidated level is 65%, in accordance with the GVV/SIR legislation. This same maximum gearing also applies at the separate level for the GVV/SIR). At the consolidated level, the deferred group loans do not affect the group's gearing, although bank loans do.

In applying this financing strategy (in addition to the gearing), two important tax principles that vary from country to country must be taken into account:

- the rules regarding companies' thin capitalisation[2] obligation;

2 Thin capitalisation refers to excessive use of borrowed capital for a company to maximise the tax interest rate deduction. Limits are usually set in local tax regulations by limiting the tax interest rate deduction on the part of the debt deemed to be excessive.

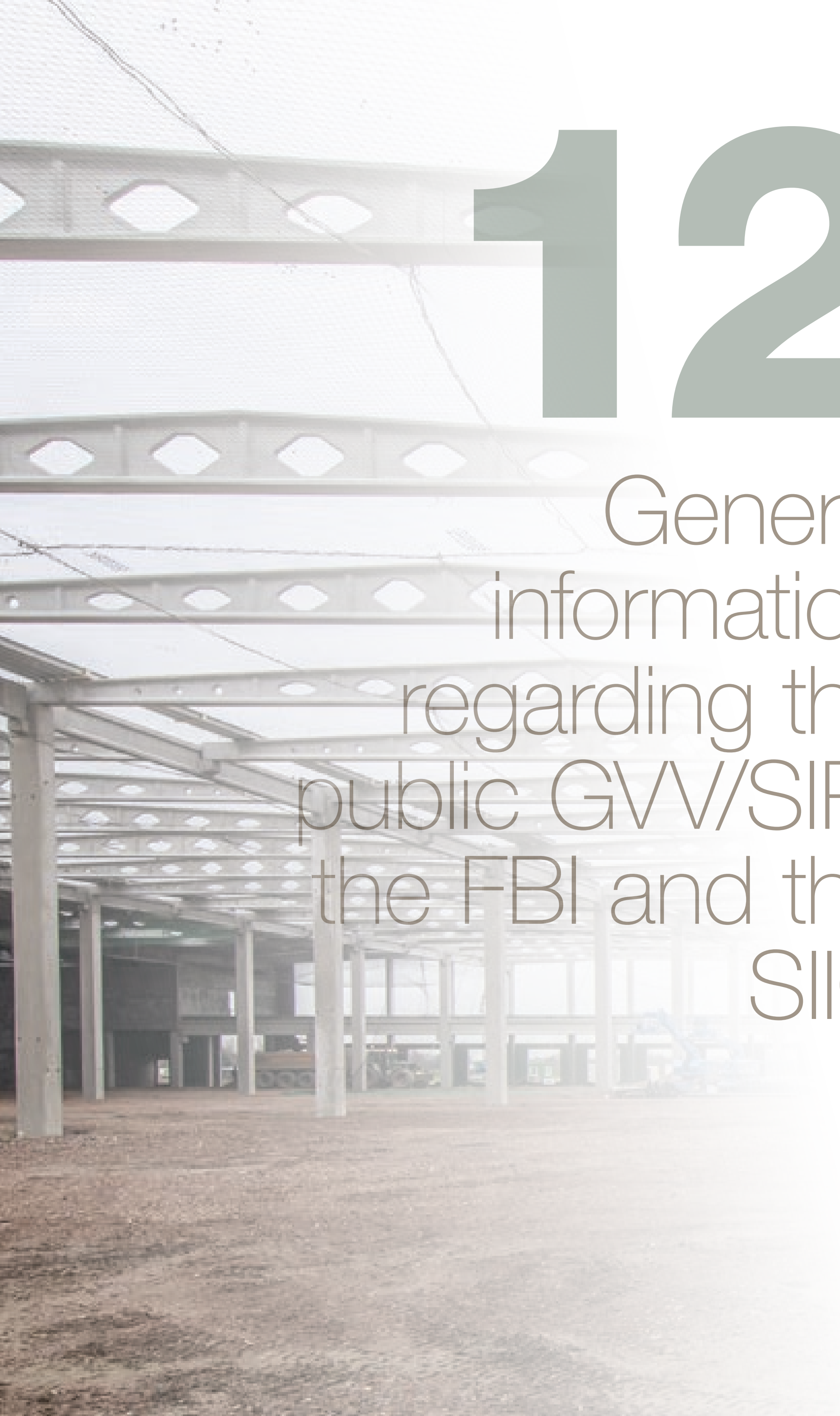
- the withholding tax percentage to be deducted from interest on outstanding group loans paid out in the country of origin.

In France, WDP Comm. VA is represented by its permanent establishment (établissement stable) at rue Cantrelle 28, F-36000, Châteauroux.

WDP Nederland NV maintains another fully owned subsidiary: WDP Development NL NV, Hoge Mosten 2, 4813 DA Breda, Postbus 9770, 4822 NH Breda.

9. Key dates in WDP's history

For an overview of the key events in WDP's history, see the first part of this annual financial report in *2. History and milestones* on page 14.



12 General information regarding the public GVV/SIR, the FBI and the SIIC

1. Public Regulated Real Estate Company

A public Regulated Real Estate Company (public GVV/SIR):

- is a property company that (i) primarily makes immovable property available to users, (ii) may own other types of property within the legal limits (shares in public vastgoedbevaks/sicafis, rights of participation in certain foreign ICBs, shares issued by other REITs and property certificates), and (iii) within the framework of making immovable property available may conduct all activities relating to the formation, renovation, development (for its own portfolio), acquisition, disposal, management and operation of immovable property;
- pursues a strategy aimed at retaining ownership of its property in the long term;
- places active management at the centre of its activities, which particularly means that it is itself responsible for the development and the daily management of the immovable property and that all other activities that it conducts have added value for the same immovable property or its users, such as the offer of services that constitute an addition to making available the immovable property in question;
- is subject to the provisions of the GVV/SIR Law and GVV/SIR Royal Decree;
- must be established as a Naamloze Vennootschap, a type of company limited by shares, or a Commanditaire Vennootschap op Aandelen, a type of partnership limited by shares;
- is listed on the stock market and at least 30% of its shares must be traded in the market;
- is excluded from acting (directly or indirectly) as a property developer (other than on an occasional basis);
- can maintain subsidiaries controlled exclusively or jointly that may or may not assume the status of institutional GVV/SIR;
- must comply with strict rules on conflicts of interest and internal control structures.

Public GVVs/SIRs are regulated by the FSMA.

As well as Section 523 (conflicts of interest involving directors) and Section 524 (conflicts of interest involving associates) of the Companies Code, which apply to all listed companies, there are special rules for GVVs/SIRs regarding functional conflicts of interest (pursuant to Section 37 of the GVV/SIR Law).

For more information on each of these procedures, see *5.7. Management report - Corporate governance* on page 82 of this annual financial report.

2. Special regulations applicable to the public GVV/SIR

Property portfolio

No transaction may have the consequence of more than 20% of the consolidated assets forming a single property in order to adequately spread the risks.

However, the FSMA may permit a departure in certain cases, specifically (a) for a period of no more than two years from the date of permit, (b) if the GVV/SIR demonstrates that such a departure is in the interest of the shareholders or (c) if the GVV/SIR demonstrates that such a departure is justified because of the specific characteristics of the investment and particularly its nature and scale, and always on the condition that the consolidated gearing of the public GVV/SIR and its subsidiaries at the time of the acquisition or transfer does not exceed 33% of the consolidated assets (less the permitted hedging instruments). The departure and the related conditions must be stated in detail in the prospectus and the annual or interim financial reports that are drawn up by the GVV/SIR until the departure no longer has any effect.

WDP has not been granted such a departure until now, because the spread of its portfolio is deemed to be adequate.

Accounts

Under European Union law, like all other listed companies GVVs/SIRs must prepare their consolidated financial statements in accordance with the international IAS/IFRS standards. A public GVV/SIR (like an institutional GVV/SIR) must also prepare its separate financial statements in accordance with IAS/IFRS standards pursuant to the GVV/SIR legislation. Given that property investments make up the largest part of the assets of a GVV/SIR, they must be valued at fair value pursuant to IAS 40.

Measurement

The fair value of certain property is measured at the end of each financial year by an expert. At the end of each of the first three quarters of the financial year, the expert updates this fair value based on market trends and the specific features of the property in question. The public GVV/SIR is bound by these measurements with regard to the preparation of its separate and consolidated accounts.

In addition, the property expert must value the property in question in a number of specific cases. This is for instance the case when shares are issued or in the event of a merger, demerger or equivalent transaction.

The property held by the public GVV/SIR is not depreciated.

Result

By way of compensation for the capital, the company must pay an amount that is equal to at least the positive difference between the following amounts:

- 80% of the amount that is equal to the sum of the adjusted result and of the net gains on the development of property that has not been exempted from mandatory payment;
- the net reduction in the liabilities of the company in the course of the financial year.

Naturally, this obligation applies only if the company has reported a net profit and if it has the flexibility to make payment in accordance with company law.

Liabilities and securities

The consolidated level of indebtedness and the separate level of indebtedness of the GVV/SIR is limited to 65% of consolidated and separate assets respectively (less the permitted hedging instruments). If the consolidated gearing ratio of the public GVV/SIR and its subsidiaries is more than 50% of the consolidated assets (less the permitted financial hedging instruments) the public GVV/SIR draws up a financial plan with an execution schedule, in which it describes the measures that will be taken to prevent the consolidated gearing ratio from exceeding 65% of the consolidated assets.

A public GVV/SIR or its subsidiaries are only permitted to provide mortgages or other securities or guarantees as part of their financing of property-related activities. The total amount covered by these mortgages, securities or guarantees may not exceed 50% of the total fair value of the property owned by the public GVV/SIR and its subsidiaries. Furthermore, the mortgage, security or guarantee provided may relate to no more than 75% of the value of the encumbered property.

Institutional GVV/SIR

Subsidiaries of a public GVV/SIR must always be controlled exclusively or jointly by the public GVV/SIR. As well as the (traditional) property company, the subsidiaries of a public GVV/SIR can take on the status of an institutional GVV/SIR (that attracts its financial resources exclusively from eligible investors and whose securities can be acquired by such investors). This status allows public GVV/SIR to realise specific projects with a third party, for instance.

If the public GVV/SIR has control of an institutional GVV/SIR, as a rule it is not authorised to maintain subsidiaries under Belgian law that assume the form of an ordinary property company. Institutional GVVs/SIRs are partly regulated by the FSMA.

WDP does not have any subsidiaries with the status of an institutional GVV/SIR.

Tax system

The (public and institutional) GVV/SIR is subject to corporate income tax at the standard rate, albeit with a reduced tax base, consisting of the sum of (1) the nonstandard or gratuitous benefits they have received and (2) expenses and costs that cannot be deducted as professional expenses and costs, not including impairments and losses on shares. In addition, they may be subject to the special taxation on commissions of 309% on commissions paid and remuneration not accounted for in individual tax forms and the combined tax return. The advance levy on dividends paid out by a public closed-end property investment company is in principle equal to 27% as of 1 January 2016.

Companies that request to be recognised as GVV/SIR or that merge with, or separate and transfer a portion of their immovable assets to a GVV/SIR are subject to an exit tax of 16.995% (16.5% plus the additional contribution of 3% due to the financial crisis). This exit tax represents the tax price these types of companies are required to pay in order to exit the civil-law tax regime. Under tax law, this transfer is treated as a (partial) distribution of the authorised capital by the company to the GVV/SIR. When distributing its authorised capital, a company must treat the positive difference between the payments in cash, securities or any other form, and the remeasured value of the paid-up capital (i.e. the surplus value available in the company) as a dividend. The Income Tax Code provides that the amount paid must be equal to the actual value of the authorised capital on the date on which this transaction was completed (Section 210, §2 Income Tax Code, 1992). The difference between the actual value of the authorised capital and the remeasured value of the paid-up capital is equated to a paid dividend. The previously taxed reserves may be deducted from this difference. The remainder is generally the taxable base subject to the rate of 16.995%.

3. Fiscale Beleggingsinstelling (FBI)

WDP Nederland NV has been subject to the regulation for Fiscale Beleggingsinstellingen (FBIs) since 1 November 2010, which means it has been subject to a corporate income tax rate of 0% since that date. In order to be eligible for this regime, the company must satisfy the following conditions:

- WDP Nederland NV must be a BV (a type of private company limited by shares), an NV (a type of public company limited by shares) or a fonds voor gemene rekening (a type of mutual fund).
- The corporate object under the Articles of Association and the actual activities of WDP Nederland NV must exclusively be the investment of capital.
- The financing of the assets to be invested may not consist for more than 60% of borrowed capital (of the tax book value) in the case of immovable property. Other investments (not including immovable property) may only be funded with borrowed capital for 20% of their tax book value.
- From the date of application of the FBI regime, the operating profit of WDP Nederland NV must be placed at the disposal of the WDP Nederland shareholder within eight months of the end of the financial year.
- The profits distributed must be spread evenly among all shares.
- At least 75% of the shares in WDP Nederland NV must be held by an entity that is not subject to tax on profit.
- It is not permitted for 5% or more of shares to be held, either directly or indirectly, by natural persons.
- It is not permitted for 25% or more of shares to be held by individuals residing in the Netherlands or legal entities established in the Netherlands through funds located outside the Netherlands.

4. Société d’Investissement Immobilier Cotée (SIIC)

Since 2005, WDP has been subject to the SIIC (Société d’Investissement Immobilier Cotée) regime through its permanent establishment in France and its subsidiary WDP France SARL. This means it has also been subject to the 0% corporate tax rate since that date. In order to be eligible for this regime, the company must satisfy the following conditions:

- The parent company must have the structure of an NV or any other form of company limited by shares that is eligible to be listed on the stock exchange. This parent company must be listed on an exchange under EU law.
- The SIIC's main activity must be restricted to the leasing of property. Property developments must not exceed 20% of the gross book value of the portfolio.
- Shares in WDP must not be held for more than 60% by a single investor or group of investors acting by mutual agreement.
- Profit generated from the leasing of buildings, the gains realised from the sale of buildings, the gains realised from the sale of securities in the partnerships or subsidiaries that are subject to corporate income tax and have opted for SIIC status, proceeds paid out by subsidiaries that have opted for SIIC status, and the shares in the profit in partnerships are exempt from corporate income tax.
- The distribution obligation for the result is 95% of the exempt profit from rental income, 60% of exempt profit from the sale of buildings and from securities of partnerships and subsidiaries subject to SIIC status, and 100% of the dividends distributed to them by their subsidiaries that are subject to corporate income tax and that have opted for SIIC status.
- Payment of a 19% exit tax on the latent gain on buildings owned by the SIIC or its subsidiaries that are subject to corporate income tax and that have opted for SIIC status, and on the securities held by partnerships not subject to corporate income tax.

13

Glossary

Acquisition price
This means the value of the property at the time of acquisition. Any transfer costs paid are included in the acquisition price.
See also *Transfer costs.*

Advance levy on income from securities
Tax deducted by a bank or financial intermediary on the payment of a dividend. From 1 January 2016 the standard rate of the advance levy on dividends distributed by WDP is set at 27%.

AIFMD (Alternative Investment Fund Managers Directive)
The Alternative Investment Fund Managers Directive is a proposed European Union law that will put hedge funds, private equity funds and real estate funds under the supervision of an EU regulatory body.

BREEAM (Building Research Establishment Environmental Assessment Method)
Sustainability certificate covering building performance over its entire life. The leading and most widely used sustainability certificate for buildings in Europe, BREEAM, unlike other standards, is based on a multi-criteria approach. During the certification process, a building's energy consumption is considered, along with land usage, environmental aspects, the construction process, water consumption, waste, pollution, transport, equipment and materials, health, and comfort. As a total score, buildings receive a rating of Acceptable[1], *Pass, Good, Very Good, Excellent or Outstanding.*

1 This rating applies solely to BREEAM In-Use.

Bullet loan
A debt instrument with the designation *bullet* means that interest charges are payable for the principal drawn down during the term of the loan and that capital must be repaid on the final maturity date.

Contractual rent
The gross rent as contractually agreed in the lease on the date of signing.

Corporate Governance Code 2009
Belgian Code drafted by the Corporate Governance Committee, including procedures and provisions relating to corporate governance, which must be complied with by companies under Belgian law whose shares are traded in a regulated market. The Belgian Corporate Governance Code is available online at www.corporategovernance-committee.be.

Compliance Officer
The compliance officer is responsible for monitoring compliance with the code of conduct for financial transactions in the Corporate Governance Charter (the dealing code).

Contribution in kind
The non-cash assets contributed to a company at the time of formation or when the capital is increased.

Dealing Code
Code of Conduct containing rules that must be complied with by the members of the Board of Directors, the members of executive management, and all employees of WDP Comm. VA and De Pauw NV who, by virtue of their position, pos-

sess information they know or should know is insider information.

Derivatives
As a lender, WDP wishes to protect itself from any rise in interest rates. This interest rate risk can be partially hedged by the use of derivatives (such as IRS contracts).

Discounted cash flow
This is a valuation method based on a detailed projected revenue flow that is discounted to a net current value at a given discount rate based on the risk of the assets to be valued.

Distribution rate
Percentage of the net current result distributed as dividend over a given financial year.

Dividend yield
Gross dividend divided by the share price.

Due diligence
A comprehensive appraisal of the property-related, financial, tax, legal, accounting and administrative aspects of any acquisition and/or financing transaction, sometimes together with specialised external consultants.

E-level
A measure of the energy performance of a building and its permanent systems in standard conditions. The lower the E-level, the more energy-efficient the building.

EMIR (European Market Infrastructure Regulation)
The Regulation ensures that information on all European derivative transactions will be reported to trade repositories and be accessible to supervisory authorities, including the *European Securities and Markets Authority (ESMA)*, to give policy makers and supervisors a clear overview of what is going on in the markets. The Regulation also requires standard derivative contracts to be cleared through Central Counterparties (CCPs) as well as margins for uncleared trades and establishes stringent organisational, business conduct and prudential requirements for these CCPs.

EPB
Flemish regulations relating to energy performance and air conditioning. The EPB index shows the energy performance of a building expressing the quantity of energy needed to fulfil the needs of normal use. Various factors that influence energy consumption are taken into account, such as insulation, heating system, ventilation and alternative energy sources.

EPRA (European Public Real Estate Association)
A pan-European association of listed property companies dedicated to promoting the industry, implementing best practices for accounting, reporting and corporate governance, delivering qualitative data to investors and a think tank dedicated to key issues facing the industry (www.epra.com).

ERP (Enterprise Resource Planning)
An integrated control software package for businesses.

Estimated rental value

Estimated rental value is the rental value determined by independent property experts.

Ex-Date

First date on which shares are traded on the stock exchange without entitlement to dividend, i.e. the day the coupon is redeemed.

Exit tax

Companies that apply for recognition as a GVV/SIR or that merge with a GVV/SIR are subject to the exit tax. This tax is equated to a liquidation tax on latent capital gains and tax-free reserves and is charged at 16.995% (i.e. the basic rate of 16.5% plus the supplementary 3.0% crisis tax).

Facility Management

Day-to-day management of the property portfolio, specifically the definition of the management policy for existing properties (maintenance, alteration and improvement work). WDP employs an internal team of facility managers who work exclusively for the company.

Fair value

The fair value is defined in IAS 40 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. In addition, market value must reflect current rental agreements, the reasonable assumptions in respect of potential rental income and expected costs.

FBI (Fiscale Beleggingsinstelling)

A special tax status in the Netherlands.
Eligibility for this status is based on compliance with all the requirements. See also *12. General information regarding the public GVV/SIR, the FBI and the SIIC* on page 255.

Free float

Percentage of the shares held by the general public. According to the EPRA and Euronext definition, this is all shareholders who individually own less than 5% of the total number of shares.

FSMA (Financial Services and Markets Authority)

The FSMA succeeded the *Banking, Finance and Insurance Commission (CBFA)* on 1 April 2011. The FSMA supervises Belgium's financial industry alongside the National Bank of Belgium (NBB). According to the new supervision model implemented in 2011, the FSMA has powers in the following six areas: supervising financial markets and listed companies, overseeing compliance, overseeing products, supervising financial service providers and agents, overseeing supplementary pensions, and promoting better financial education.

Gearing ratio

Statutory ratio calculated on the basis of the GVV/SIR regulations by dividing the financial and other liabilities by the total assets. See the GVV/SIR Royal Decree of 13 July 2014 for the gearing ratio calculation method.

Regulated Real Estate Company (GVV/SIR)

A Regulated Real Estate Company is a listed operational property company specialised in making available immovable property to users and fulfilling the statutory characteristics as laid down in the GVV/SIR legislation. It positions itself

in an international context as REIT, characterised by a regime of tax transparency.
The GVV/SIR is under the prudential supervision of the Belgian regulator. (See also GVV/SIR Legislation)

Gross dividend
Gross dividend per share is the dividend before deduction of advance levy on income from securities. See also *Advance levy on income from securities*.

GSC
These are green electricity certificates for alternative energy projects, including solar energy, granted by VREG (see also *VREG*) with a minimum certificate price for a period of 20 years, expressed in euros/MWh.

GVV/SIR Royal Decree
The Royal Decree of 13 July 2014 on Regulated Real Estate Companies. Together with the GVV/SIR Law, this makes up the so-called GVV/SIR legislation. See also the GVV/SIR Law and GVV/SIR legislation.

GVV/SIR Law
The Law of 12 May 2014 on Regulated Real Estate Companies. Together with the GVV/SIR Royal Decree, this makes up the so-called GVV/SIR legislation. See also GVV/SIR Royal Decree and GVV/SIR legislation.

GVV/SIR legislation
The Law of 12 May 2014 (GVV/SIR Law) and the Royal Decree of 13 July 2014 (GVV/SIR Royal Decree).

GVV/SIR Royal Decree
The Royal Decree of 13 July 2014 on Regulated Real Estate Companies. Together with the GVV/SIR Law, this makes up the so-called GVV/SIR legislation. See also the GVV/SIR Law and GVV/SIR legislation.

Hedge ratio
Percentage of the debt at fixed rate or hedged against interest rate fluctuations by means of derivative financial instruments.

IAS/IFRS
International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) are meant for the development of the annual accounts and drawn up by the International Accounting Standards Board (IASB).

IAS 16 Tangible fixed assets
IAS 16 is an IAS/IFRS that applies the administrative recognition of property, plant and equipment unless another standard requires or permits another recognition. The main issues that occur in the administrative recognition of property, plant and equipment are the inclusion of assets, the determination of their carrying value and the depreciation costs and special write-downs that must be included in connection with the assets.

IAS 39 Financial instruments: recognition and measurement
IAS 39 is an IAS/IFRS for how a company should classify and value financial instruments on its balance sheet. Under IAS 39 a company must recognise all derivatives at fair value on the balance sheet.

IAS 40 Investment property
IAS 40 is an IAS/IFRS that applies to the recognition and measurement of and information provision of property investments. This standard therefore provides for the recognition method for property investments and the corresponding information requirements.

Income capitalisation
This is a valuation technique used to determine the value of property by which the revenue flow is discounted in perpetuity at a given required return. Certain adjustments are then made to reflect the differences from full occupancy at market rates (sub- or over-letting, incentives and vacancies).

Indexation
The rent is contractually adjusted annually on the anniversary of the contract effective date on the basis of the inflation rate according to a benchmark index in each specific country.

Initial yield
The ratio of (initial) contractual rent of a purchased property to the acquisition price. See also *Acquisition price.*

Insider information
Any information not publicly disclosed that is accurate and directly or indirectly relates to one or more issuers of financial instruments or one or more financial instruments and that, if it were publicly disclosed, could significantly affect the price of those financial instruments (or financial instruments derived from them).

Interest hedging
The use of derived financial instruments to protect debt positions against interest rate rises.

Investment value
The value of the portfolio, including transaction costs, as appraised by independent property experts. The fair value (see also Fair value) within the meaning of the IAS/IFRS reference schedule can be calculated by deducting an adjusted percentage of the registration fees and/or deducting the VAT.

IRS (callable)
These instruments represent a combination of a traditional interest rate swap, whereby the company pays a fixed interest rate and receives a floating interest rate, and an option sold by WDP to the financial counterparty that allows to cancel this interest rate swap from a specific date. The sale of this option enables the fixed interest rate component of the interest rate swap to decrease during the term of the contract.

IRS (Interest Rate Swap)
A transaction in which the parties swap interest rate payments for a given duration. WDP uses interest rate swaps to hedge against interest rate increases by converting current interest payments into fixed interest payments.

IVSC (International Valuation Standards Council)
An independent body that develops global valuation standards that investors and other third parties or stakeholders must be able to trust.

Law of 12 May 2014
Law on the Regulated Real Estate Companies or the GVV/SIR Law and together with the Royal Decree of 13 July 2014 the GVV/SIR Legislation. See also *Royal Decree of 13 July 2014* and *GVV/SIR Legislation*.

Lease expiry date
The date on which a lease can be cancelled.

LED lights
LED lights consist of a group of LEDS (light-emitting diodes). They provide several advantages over traditional light bulbs, low-energy bulbs and fluorescent lights.

Liquidity
The average number of shares traded per trading day, measured over a specific period.

Market capitalisation
Closing price on the stock market, multiplied by the number of shares outstanding on that date.

Net Asset Value (NAV)
Net Asset Value before profit distribution for the current financial year.

Net current result
Net result excluding the portfolio result and the IAS 39 result.

Net dividend
This is equivalent to the gross dividend after deduction of 25% advance levy on income from securities. See also *Advance levy on income from securities*.

Operating margin
The operating margin is calculated by dividing net operating result (before the result on the portfolio) by the property result.

Operating margin
See Operating margin.

Occupancy rate
Calculation based on the rental values of leased properties and non-leased surfaces, including income from solar panels. Ongoing projects and/or renovations are not considered.

Optional dividend
In an optional dividend, the dividend receivable linked to a specific number of existing shares entitles the owner to a single new share at an issue price per share that may entail a discount on the list price (based on an average share price for a specific period or otherwise). The issue of shares as part of the optional dividend is subject to the general company law regarding capital increases. If a cash contribution is made in addition to a contribution in kind as part of the payment of an optional dividend, the special provisions of Section 26, §1 of the Law of 12 May 2014 on capital increases in cash are declared not applicable under law if this optional dividend is made payable for all shareholders. The special rules regarding contributions in kind in a GVV/SIR, as provided for in Article 26, §2 of the Law of 12 May 2014 do not apply either, provided specific conditions are satisfied.

Partial demerger
The partial demerger is the legal act by which part of a company's capital, both the assets and liabilities, is transferred to an existing or new

company without dissolution by transferring the shares of the transferee to the partners of the transferer (article 677 of the Companies Code).

Portfolio value
Portfolio value consists of investment property, self-financed investment property in development for lease, assets held for sale and the fair value of the solar panels.

Project management
Management of building and renovation projects. WDP employs an internal team of project managers who work exclusively for the company.

Property expert
Independent property expert responsible for appraising the property portfolio.

Property portfolio
The property investments, including property for lease, property investments in development for lease and assets held for sale.

PV system
Photovoltaic or solar panel system.

Quality ratings of portfolio properties
The properties in the property portfolio are quality-rated in accordance with Class A BREEAM warehouse, Class A warehouse, Class B warehouse, Class C warehouse and Cross-dock warehouse.

Record date
Date on which the positions are closed to identify shareholders entitled to dividend not long after the *Ex-Date*.

REIT (Real Estate Investment Trust)
International name for a listed property investment fund with a special tax status in the United States and other countries.

Result on the portfolio
Realised and non-realised changes in value compared to the most recent valuation of the expert, including the effective or latent capital gain tax payable in the countries where WDP enjoys a special tax status (as in Belgium, the Netherlands and France as a GVV/SIR, FBI and SIIC respectively).

Risk management
Identification of the main risks facing the company, including their potential impact and the development of a strategy to reduce this potential impact.

Royal Decree of 13 July 2014
Royal Decree on Regulated Real Estate Companies (GVVs/SIRs) or GVV Royal Decree and together with the Law of 12 May 2014 the GVV/SIR Legislation. (See also *GVV/SIR Law and GVV/SIR Legislation*)

Sale value
The fair value at which a given property was sold.

SIIC (Société d'Investissement Immobiliers Cotée)
A special tax status in France for listed companies. Eligibility is based on compliance with specific requirements.

Sustainable business
Environmentally friendly sustainable warehouses policy designed to reduce carbon emissions of storage spaces in the portfolio and significantly reduce the energy bills of tenants.

Take-up
Total take-up of surface area by users in the rental market during a specific period.

TAPA (Technology Asset Protection Association)
The TAPA certificate is a recognised standard for freight protection that gives an organisation peace of mind that fixed requirements are fulfilled to ensure a secure network and secure storage of valuable goods.

Thin capitalisation
Refers to excessive use of borrowed capital for a company to maximise the tax interest rate deduction. Limits are usually set in local tax regulations by limiting the tax interest rate deduction on the part of the debt deemed to be excessive.

Transfer costs
The transfer of title of a property is normally subject to the collection by the state of transfer duty, which makes up most of the transfer costs. The size of this duty depends on the transfer method, the status of the purchaser and the geographical location of the property.

Velocity
The number of shares traded annually divided by the total number of shares at the end of the year.

VREG (Vlaamse Regulator van de Elektriciteits- en Gasmarkt)
The regulator responsible for the Flemish liberalised electricity and gas market.

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This annual financial report is a registration document within the meaning of article 28 of the Act of 16 June 2006 on the public offering of investment instruments and the authorisation to trade investment instruments on a regulated market. It was approved by the FSMA on 22 March 2016 in accordance with article 23 of the aforementioned law.

WDP
WAREHOUSES WITH BRAINS

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