INTEGRATED ANNUAL REPORT 2016

WERELDHAVE

CONTENTS

OUR REPORTING FRAMEWORK

This is the integrated annual report 2016 of Wereldhave N.V. It will be published in digital form on the Company's website www.wereldhave.com

This report focuses on the operational, financial and sustainability performance for the financial year 2016 of Wereldhave N.V. and its subsidiaries.

The report covers our portfolio of shopping centres in the Netherlands, Belgium, Finland and France and offices in Belgium, owned and managed by the group.

About Wereldhave

Wereldhave invests in dominant convenience shopping centres in larger regional cities in the Netherlands, Belgium, France and Finland.
The area surrounding our centres will include at least 100,000 inhabitants within 10 minutes' travel time from the shopping centre.

We focus on shopping centres that strike a balance between convenience and shopping experience. With easy accessibility, products that cover all the daily shopping needs, a successful mix of international and local retail products and strong food anchor stores, our centres are internet resilient and provide convenience shopping to accommodate a busy urban lifestyle as well as an ageing population.

We aim for an experience that goes beyond shopping, with restaurants, kids' playgrounds and high quality amenities in order to attract families – and keep them with us for longer visits. For more information: www.wereldhave.com

Feedback

We welcome any feedback from our stakeholders.

Please contact us for feedback or any questions you might have at: investor.relations@wereldhave.com and / or sustainability@wereldhave.com

WERELDHAVE

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Wereldhave is a member of the following organisations:

EPRA European Public Real Estate Association

Dutch Green Building Council

IVBN

MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

GRESB 2016

OUR REPORTING FRAMEWORK

Five reporting topics

STRATEGY

Owner and operator of shopping centres with long-term societal and financial returns.

OPERATIONS

How our shopping centres performed in 2016.

SUSTAINABILITY

Our Sustainability framework is fully integrated in our business strategy and operations.

RESULTS

Our financial, environmental and societal results in 2016.

GOVERNANCE & RISK

Our Governance & Risk framework is designed for our business strategy and operations.

BRINGING PEOPLE **TOGETHER**

Wereldhave believes in shopping centres that bring people together.

Shopping centres that are strongly intertwined with local society. Where people love to come, not just to shop, but also to meet people and visit events.

Shopping centres that meet different needs and provide a rich, inspiring experience, this way strengthening the economic position of the region and enriching the range of entertainment and relaxation being offered.

Bringing people together leverages shopping as a social activity, a combination of need-to-do with recreation and entertainment. This will drive footfall, rent roll and ultimately the value of our shopping centres, with long-term societal and financial returns for all stakeholders.

MESSAGE FROM THE CEO

Focus on operations

Dear stakeholder,

The year 2016 has been an active year, in which we delivered on our financial and operational objectives. EPS went up 7% from €3.23 in 2015 to €3.45 in 2016. Dividend increased from €3.01 to €3.08, backed by solid underlying cash flows.

Our two recent portfolio acquisitions in France and the Netherlands have been successfully integrated. Occupancy went up in all countries. This can be attributed to our robust platform of assets and people, fully focused on convenience centres.

We finalised the strategic review of our Finnish portfolio in 2016 and contracted a nine-screen cinema to replace Anttila. We are confident to increase our Finnish net rental income in 2017 and onwards, mainly on the back of an appealing leisure offer and the associated boost for the food and beverage mix.

In the Netherlands, we proved our resilience in the past three years. In spite of frequent bankruptcies, we managed to keep occupancy high with a strong leasing performance. The Dutch retail market is clearly recovering and the balance in negotiating power between landlord and tenant is gradually returning. In order to drive our leasing excellence even further and to improve our response time to the market, we have reorganised our Dutch organisation.

In Belgium we saw our operating profit increase steadily. In our pursuit of an increase of occupancy, we reviewed our leasing team and we are now up to speed to meet our objectives, particularly in Genk and Kortrijk.

‘Occupancy went up in all countries. This can be attributed to our robust platform of assets and people, fully focused on convenience centres.’

In France the team clearly delivered on our ambitious targets. I am proud of the energetic team we have built up to improve occupancy and to continue creating value in the French retail market.

Our fundamentals are strong; Wereldhave is well positioned to manage uncertainties whilst having

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MESSAGE FROM THE CEO

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integrated sustainability in our daily working life. Our role in building stronger local communities is of eminent importance for regional cities, but often underestimated by local stakeholders. For example, in the Netherlands we invested some € 120m during the past four years to improve, refurbish and extend our convenience centres, with another € 100m to come over the next three years.

We spent almost 1% of net rental income on local activities and events; we organised series of events for both the young and the ageing population, ranging from a kids playground in each centre to a longest dining table for the ageing visitors and a Happy Tosti restaurant with a staff of youngsters who face a distance to the labour market. Social wellbeing is the cornerstone for our inner city environments and it is our obligation to contribute to the catchment areas we live in, whilst driving financial returns at the same time.

Our financial strength is represented by the quality of our assets, the LTV at 39%, the diversity of our funding and our Baa1 rating at Moody's with a stable outlook.

All in all, our employees did a remarkable job. They are our most important asset and with their true commitment they showed our resilience in 2016 in a difficult retail climate. I really want to thank them all for their dedication and professionalism, also in times of Wereldhave's changes to the organisation in 2016/2017. They really make the difference.

With Wereldhave, I am fully committed to further improve our convenience shopping centres, by investing in our assets, the communities and our people to deliver long term sustainable cash flows and steady or increasing dividends over the years 2017-2019.

Improving the financial metrics go hand in hand with making a positive environmental and social contribution to the communities in which we operate. It is my strong conviction that in times of geopolitical uncertainty, we need to drive sustainable growth and social cohesion bottom up.

Let me thank our shareholders, employees, suppliers, tenants and visitors of our shopping centres for their continued interest in our group. We at Wereldhave are committed every day to embrace passion, pride and deliver on performance.

Dirk Anbeek
CEO

HIGHLIGHTS 2016

- **Succesful integration French and Dutch portfolios**
- **Finnkino to Itis**
- **Occupancy increase in all countries**
- **Commited and dedicated professionalism of staff**

KEY PERFORMANCE INDICATORS

OPERATIONS

	2016	2015
Net rental income (x € 1m)	201.5	184.7
Like-for-like SC rental growth (%)	1.0	1.8
Occupancy SC portfolio (%)	95.5	93.8
Visitors, like-for-like (x 1m)	154.6	153.7
Leasing activities (#leases)	493	489

RESULTS & FINANCE

	2016	2015
Total result (x € 1m)	120.8	103.8
Direct result (x € 1m)	151.0	133.7
Indirect result (x € 1m)	-30.2	-29.9
Direct result per share (in €)	3.45	3.23
NAV per share (EPRA) (in €)	51.47	52.10
Dividend proposal per share (in €)	3.08	3.01
Property investment portfolio* (x € 1m)	3,701.3	3,659.3
Shareholders' equity (x € 1m)	1,978.8	2,015.1
Nominal interest bearing debt (in € 1m)	1,569.6	1,514.7
LTV (Loan-To-Value) (%)	39.0	37.5

* Including lease incentives.

OUTLOOK

Compounded Average Growth of EPS 2018-2019	2%
Pay-out ratio 2016	89%

KEY FIGURES 2012-2016

RESULTS (x € 1m)

	2012	2013	2014	2015	2016
Net rental income	107.7	99.9	114.8	184.7	201.5
Result	-98.4	50.0	26.9	103.8	120.8
Direct result	84.9	81.3	85.7	133.7	151.0
Indirect result	-183.3	-31.2	-58.8	-29.9	-30.2

BALANCE SHEET (x € 1m)

	2012	2013	2014	2015	2016
Investments property in operation*	2,087.8	1,745.2	3,238.3	3,659.3	3,701.3
Development projects	240.0	413.2	43.9	66.2	101.2
Shareholders' equity	1,378.8	1,349.4	1,823.4	2,015.1	1,978.8
Interest bearing debt	1,288.8	680.7	1,251.0	1,510.0	1,566.0

* Including lease incentives.

NUMBER OF SHARES

	2012	2013	2014	2015	2016
At 31 December	21,679,608	21,679,608	35,020,921	40,270,921	40,270,921
Average during the year	21,678,608	21,679,608	25,384,336	37,690,510	40,257,762*

* Excluding remuneration shares, number used to calculate EPS.

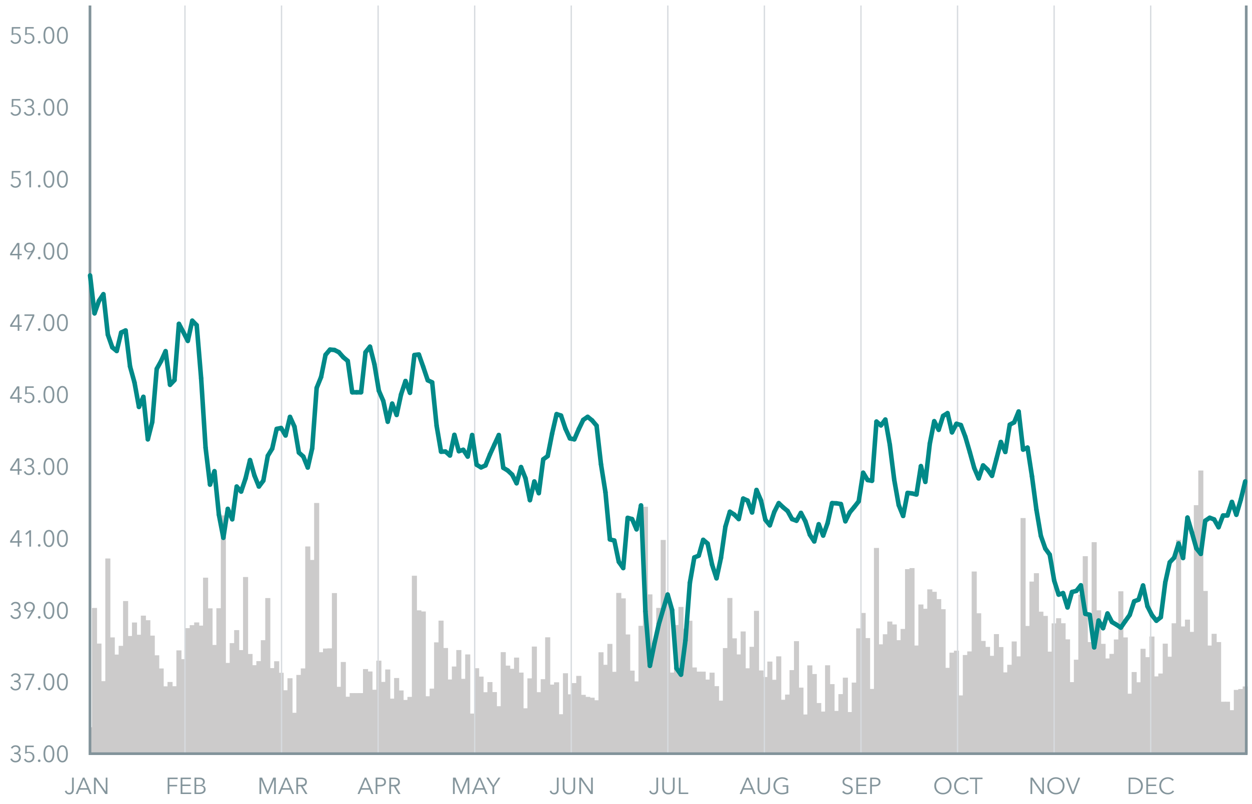
SHARE DATA (in €)

	2012	2013	2014	2015	2016
NAV	55.20	54.02	52.07	50.05	49.16
EPRA NAV	57.57	56.41	54.35	52.10	51.47
Direct result per share	3.39	2.86	2.97	3.23	3.45
Indirect result per share	-7.33	-1.28	-2.38	-0.88	-0.95
Dividend	2.87	2.87	2.87	3.01	3.08
Pay-out	85%	100%	97%	93%	89%
Total result per share	-3.94	1.58	0.59	2.35	2.50

THE SHARE

WERELDHAVE SHARE PRICE & TRADING VOLUME 2016

Corrected for dividend



Share price (in €)

Trading volume (x 1,000)

FINANCIAL CALENDAR

2017

March

10 Convocation Annual General Meeting of Shareholders 2017
24 Record date Annual General Meeting of Shareholders 2017

April

21 Trading update Q1 2017
21 Annual General Meeting of Shareholders 2017
25 Ex-dividend date final dividend 2016
26 Record date final dividend 2016
27 Payment date final dividend 2016

July

25 Press Release Q2 2017
25 Ex-dividend date interim dividend Q1 2017
26 Record date interim dividend Q1 2017
27 Payment date interim dividend Q1 2017

October

20 Trading update Q3 2017
24 Ex-dividend date interim dividend Q2 2017
25 Record date interim dividend Q2 2017
26 Payment date interim dividend Q2 2017

2018

January

23 Ex-dividend date interim dividend Q3 2017
24 Record date interim dividend Q3 2017
25 Payment date interim dividend Q3 2017

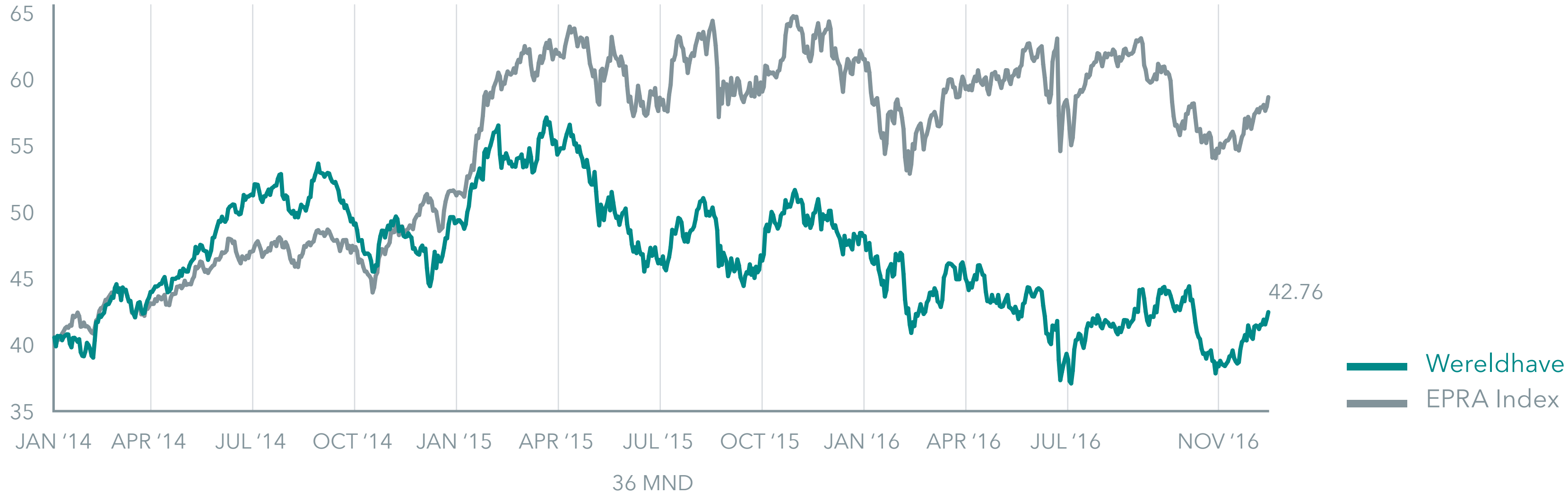
April

20 Annual General Meeting of Shareholders 2018

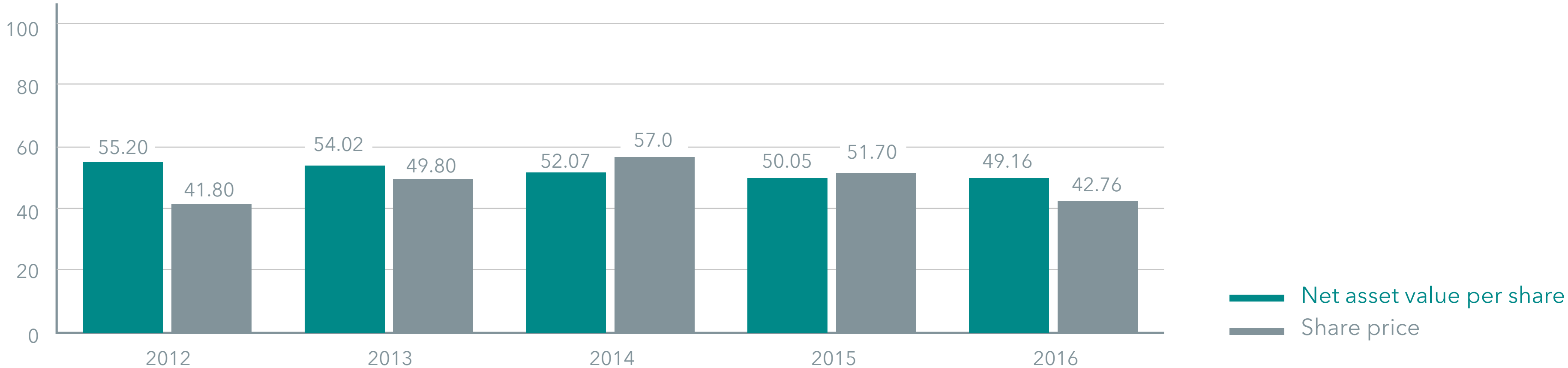
THE SHARE

3 YEAR WERELDHAVE SHARE PRICE DEVELOPMENT VS EPRA INDEX

Corrected for dividend



NET ASSET VALUE AND SHARE PRICE (at December 31 in €)



HIGHLIGHTS 2016

2016

FEBRUARY
Wereldhave obtains Moody's Baa1 rating

MARCH
Opening Tournai Retail Park; start extension of adjacent Les Bastions shopping centre

APRIL
Annual General Meeting of Shareholders

APRIL
Payment of final dividend 2015

MAY
Acquisition of department store in Tilburg for Hudson Bay

JULY
Kasper Deforche CEO Wereldhave Belgium

JULY
Completion of Eggert renovation

JULY
Payment of first quarterly dividend

SEPTEMBER
Wereldhave rated GRESB green star and inclusion in DJSI Europe

OCTOBER
Start construction extension of Maassluis shopping centre

OCTOBER
Payment of dividend second quarter

NOVEMBER
Completion of sealing works Docks Vauban

NOVEMBER
Pieter Polman appointed MD Wereldhave Netherlands

DECEMBER
Cinema signed for Itis

DECEMBER
8 BREEAM in use certificates obtained in France and Belgium

2017

STRATEGIC ROUTE MAP

VISION MISION PROFILE

TRENDS

MARKET ENVIRONMENT SOCIAL

STRATEGY 2017-2020 EXPLAINED

INTEGRATED STRATEGIC BUSINESS MODEL

STRATEGIC MANAGEMENT AGENDA 2017 - 2019

OUTLOOK

OUR ROUTE MAP FOR FORMULATING **OUR STRATEGY 2017 - 2019**

For defining our strategy and objectives Wereldhave follows the following route map.

VISION, MISSION AND PROFILE

VISION

Shopping behaviour has undergone rapid changes over the past ten years. Internet has increased price transparency and product lifecycles have shortened. This has put a pressure on retailer margins, resulting in a need for a higher turnover. The retail offer and landscape is changing continuously and dominance and convenience of shopping locations are key issues.

The ageing population, ongoing urbanisation and a busy lifestyle add to the importance of connectivity to the micro-environment. Shopping is evolving into a combination of need to do with recreation and entertainment, a social experience.

As the business environment has changed, so has the role of a shopping centre owner. From providing real estate as a traditional landlord, a shopping centre owner has to become a retail specialist, with a thorough understanding of marketing and operations of the centre and its tenants. Where it traditionally was the retailer's job to attract visitors to the centre, this responsibility has partly shifted to the landlord.

Operational excellence is what drives the footfall, the rent roll and ultimately the value of a shopping centre. Operational excellence is not only about financial parameters, but also about societal and sustainable parameters.

MISSION

Wereldhave's mission is to bring people together in a convenient, positive and energising urban retail environment.

We invest in our centres to make them more attractive and sustainable, providing an appealing retail and leisure offer and offering events and retail formats that are targeted at the local community. We embrace an integrated approach, covering financial, societal and sustainable parameters. This integrated approach makes it possible to improve the customer journey.

As a retail operator, we measure our success by the increasing footfall in our centres, the sales of our retailers and the net rental income, which is the fundament for the return to our shareholders. Wereldhave's mission is to own and operate shopping centres to realise solid long-term societal and financial returns for all stakeholders.

VISION, MISSION AND PROFILE

PROFILE

Wereldhave – established in 1930 – is a Dutch property investment company, which invests in convenience shopping centres that are dominant in their micro-environment in larger regional cities in the Netherlands, Belgium, France and Finland. We focus on shopping centres that strike a balance between convenience and shopping experience.

During the years 2012 up to 2016, Wereldhave has evolved from a diversified property investor into a pure retail platform. In the Derisk phase (2012/2013) the US and UK portfolios were sold, followed by the disposals of the Spanish property portfolio and the French offices.
The Regroup phase (2013/2014) was used to build a strong retail platform. During the Growth phase (2014/2015) Wereldhave acquired 6 shopping centres in France and 9 in the Netherlands.

The years 2015 and 2016 were used to integrate the new portfolios into the organisation.

From 2017 and onwards, our focus will be on the optimisation of the portfolio and the rotation of assets. We anticipate internal growth and limited external growth and will dispose of assets disciplined and selectively, using the proceeds to further enhance the overall quality of the portfolio.

Wereldhave invests in dominant convenience shopping centres in larger regional cities in the Netherlands, Belgium, France and Finland. The area surrounding our centres should include at least 100,000 inhabitants within 10 minutes' travel time from the shopping centre.

We focus on shopping centres that strike a balance between convenience and shopping experience. With easy accessibility, products that cover all daily shopping needs, a successful mix of international and local retail products and strong food anchor stores, our centres are internet resilient and provide convenience shopping to accommodate a busy urban lifestyle as well as an ageing population.

We aim for an experience that goes beyond shopping, with restaurants, kids' playgrounds and high quality amenities in order to attract families - and keep them with us for longer visits.

We operate our shopping centres with the aim to maintain solid long-term financial, societal and sustainable returns for all our stakeholders. We invest time, effort and money in our assets and employees, in order to strengthen the relationship with stakeholders, including the tenants and visitors of our shopping centres. This will lead to more sustainable and profitable returns on capital in the short and long term. Wereldhave wants to combine sustainability and commercial business. To underpin our ambitions, we have integrated sustainability into our overall strategy and operations.

Shares in Wereldhave are listed on the Euronext Amsterdam (AMX) Stock Exchange. The company has the fiscal status of an investment institution; therefore it pays no corporation tax in the Netherlands (other than for development activities in the Netherlands). Wereldhave's Belgian investments consist of a 69.57% interest in O.G.V.V. Wereldhave Belgium Comm. V.A., a tax exempt investment company listed on the Euronext Brussels Stock Exchange. The investments in France are subject to the SIIC (Sociétés d'Investissements Immobilières Cotées) regime.

MARKET, ENVIRONMENTAL AND SOCIETAL TRENDS

Our strategy responds to the market, environmental and societal trends and developments below.

Ageing population and ongoing urbanisation

Fertility rates in North Western Europe are low and the population is ageing. Urban environments are still growing, as the population is leaving the rural areas.

Our response
Wereldhave focuses on shopping centres on prime locations in the larger regional cities, with strong underlying demographic and economic fundamentals.

We aim to improve this focus with selective asset rotation.

Proximity and time efficiency

Driven by time pressure, nowadays customers value quick-and-easy shopping excursions.

Our response
We focus on convenience shopping, with strong food anchors to ensure a high and stable footfall. Our centres cover all the daily shopping needs. They are dominant in their catchment area and in size range between 20,000m² and 50,000m². Being located in larger regional cities, travel time is limited. With excellent parking facilities and good public transport connections, we provide quick and easy shopping.

We aim to finalise the look & feel upgrade of the entire portfolio (excluding the development pipeline) by year-end 2018.

Shopping experience

Customers want a social shopping experience with new and exciting retail formats, leisure and entertainment, with food and beverage becoming an increasingly important component.

Our response
We tailor the choice of tenants, events and marketing to the local environment. Our shopping centres must play a meaningful role for the community they are serving. We aim to allocate 1% of NRI annually to create local events and position our centres to really become the centre where people go to shop, meet and enjoy themselves. Committed and loyal customers and their stable or increasing footfall will drive value for our tenants and – ultimately – our rental income.

We aim to enhance the customer journey of our centres. Our convenience shopping criteria have been implemented in all centres.

Mobile world

With mobile hi-speed Internet availability, prices have become transparent. This puts a pressure on retailer margins.

Our response
Our centres are food anchored, preferably with one hypermarket or two to three supermarkets. This not only adds to the convenience, but food sales have also shown to be most economic robust and internet resilient as online impact on groceries is very limited. In addition, supermarkets ensure two-thirds of the visitor base.

We aim to maintain our leasing excellence and to increase our internet resilience to 85% or higher in 2019. Since 2012, the share of resilient retail formats in our centres increased from 76% to 81% in 2016.

STRATEGY EXPLAINED

Wereldhave's strategy is designed to respond to the market, environmental and societal trends and developments, described on page 15.

Wereldhave wants to be the specialist owner and operator of dominant urban convenience shopping centres in larger regional cities in the Netherlands, Belgium, France and Finland.

Our centres are generally considered to be the dominant centre in their respective trade areas. Being the dominant centre creates natural footfall and competition is controllable.

We focus on shopping centres that cover all day to day shopping needs. In order to accommodate this, they generally have a size of between 20,000 m² and 50,000 m², with a catchment area of at least 100,000 people within 10 minutes' driving time. This makes our centres conveniently close, with ease of access and limited travel time.

Our centres must be food anchored, preferably with one hypermarket or two to three supermarkets. This not only adds to the convenience, but food sales have also shown to be most economic robust and internet resilient as online impact on groceries is very limited.

Shopping is a social experience. Our tenants mix, events and marketing are tailored to the characteristics of the local environment. Our shopping centres must play a meaningful role for the community they are serving. We aim to allocate 1% of NRI annually to create meaningful local events and position our centres to really become the centre where people go to shop, enjoy and meet. Committed and loyal customers and their stable or increasing footfall will drive value for our tenants and – ultimately – our rental income.

As a rule of thumb, 0.5 % of the asset value is needed as annual maintenance capex to keep a shopping centre up to date. We are convinced that by continuously investing in our shopping centres, the retailers will adapt their retail formula to the latest standard. This drives footfall, retail sales, occupancy and rental income.

For Wereldhave sustainability means investing time, effort and money in our assets and employees, in order to strengthen the relationship with all stakeholders, including the tenants, visitors of our shopping centres and local communities in the micro-environments in which we operate.

Specialist owner and operator of dominant urban convenience shopping centres in larger regional cities in continental Western Europe.

This will lead to more sustainable and profitable returns on capital in the short and long term. Wereldhave wants to combine sustainability and commercial business in an integrated approach, investing in (sustainable) bricks, but at the same time in our employees, partners, and society. This means that our in sustainability framework consists of four pillars: Bricks, People, Partners, and Society.

All this in the right timing and balance makes it possible for Wereldhave to bring people together!

INTEGRATED STRATEGIC BUSINESS MODEL

Strategic focus

BENEFITS OF CONVENIENCE SHOPPING

DRIVES FOOTFALL

Focus on supermarkets that attract similar footfall to premium shops

RESILIENT THROUGH THE CYCLE

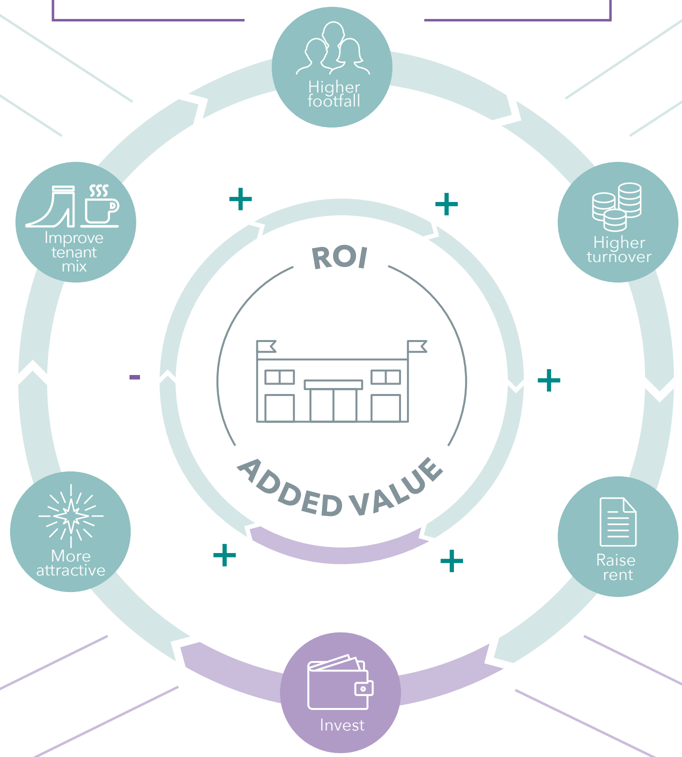
Non discretionary spending is resilient through the cycle, which benefits food anchored retail formats

COUNTERING E-COMMERCE

Internet resilient shops (food anchors, F&B and services) > 30% of tenant categories

BRINGING PEOPLE TOGETHER

More customers ... ... who stay longer... ... and spend more



Bricks | Employees | Partners | Society

RISK MANAGEMENT | GOVERNANCE

GAIN MARKET SHARE IN THE MICRO-ENVIRONMENT

BETWEEN 20,000 m² AND 50,000 m²

- Minimum size
- Retail mix

FOOD ANCHORED

- Supermarket presence
- Internet resilient

DOMINANT IN ITS CATCHMENT AREA

- The dominant centre
- Natural footfall

TAILORED TO THE MICRO-ENVIRONMENT

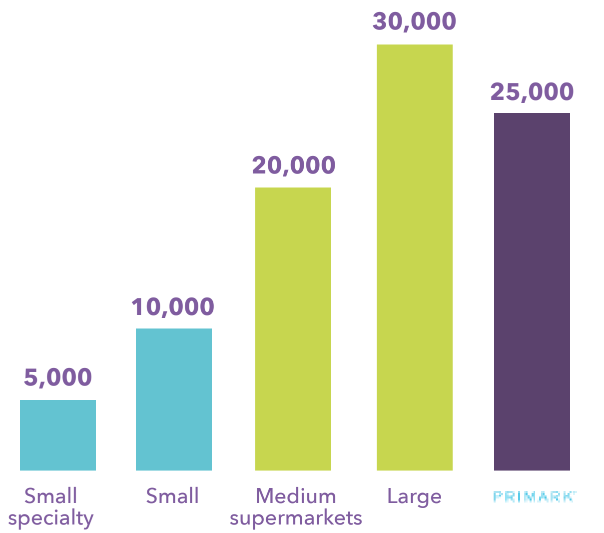
- Leasing strategy
- Catchment area's demographics

BENEFITS OF CONVENIENCE SHOPPING

Strategic focus

DRIVES FOOTFALL

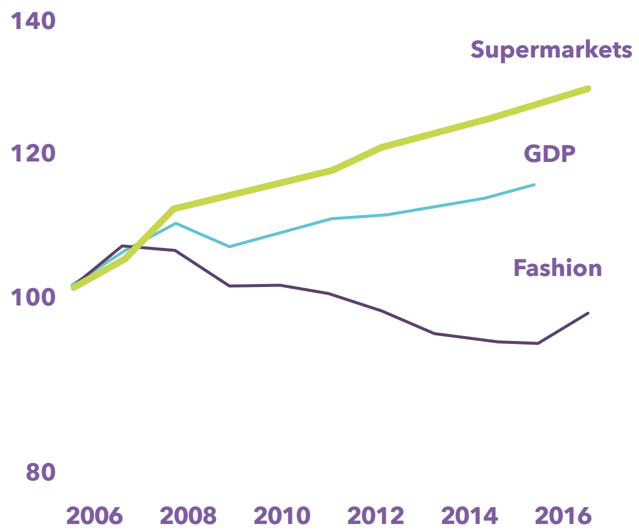
Footfall # per week[1]



Supermarket anchors ensure strong footfall (2/3 of visitor base)

RESILIENT THROUGH THE CYCLE

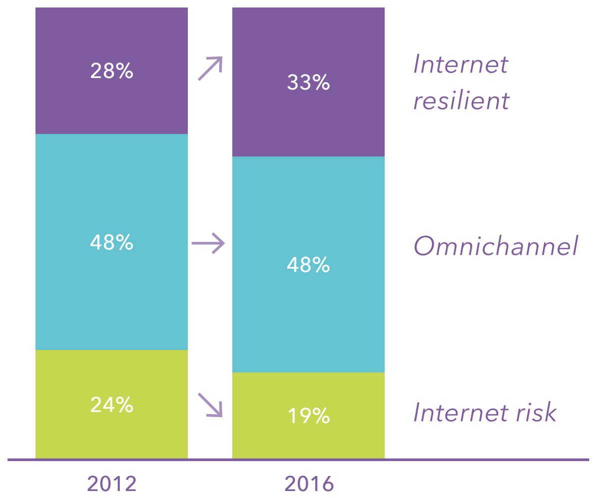
The Netherlands



Food spending in supermarkets steadily increased since 2006

EFFECT FROM E-COMMERCE

Wereldhave categories in portfolio[2]



Resilience increased from 76% in 2012 to 81% in 2016

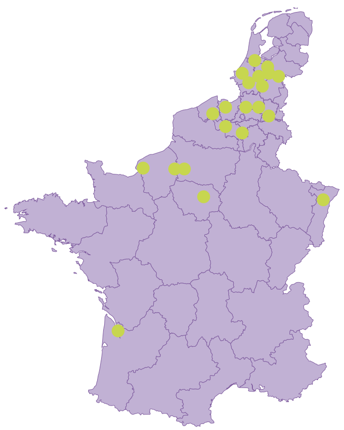
Note 1: Based on footfall figures for the Netherlands.
Note 2: 'Internet resilient': F&B / Leisure, food, services , 'Omnichannel': Fashion & accessories, health & beauty, homeware & household, sport, 'Internet risk': Department & variety, multimedia & electronics, shoes & leatherwear.
Sources: CBS, Company analyses, Eurostat

FULLY FOCUSED ON CONVENIENCE SHOPPING CENTRES

Strategic focus

GAIN MARKET SHARE IN THE MICRO-ENVIRONMENT

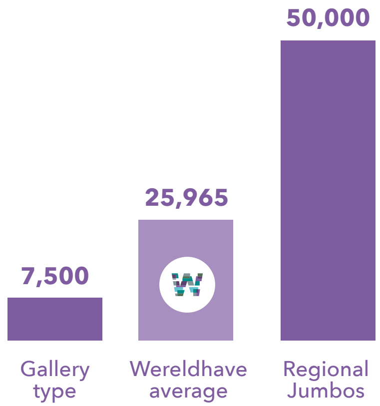
PRIME LOCATIONS IN REGIONAL CITIES



Located in cities with strong underlying demographic and economic fundamentals

BETWEEN 20,000 m² AND 50,000 m²

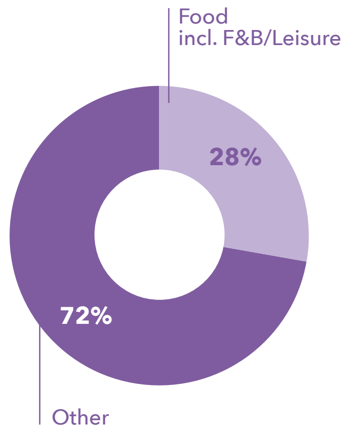
m² GLA per shopping centre



Offering all daily shopping needs and social experience

FOOD ANCHORED

Average GLA split



Containing 1 hypermarket or 2-3 supermarkets (31 of the 32 shopping centres)

DOMINANT IN THEIR CATCHMENT AREAS

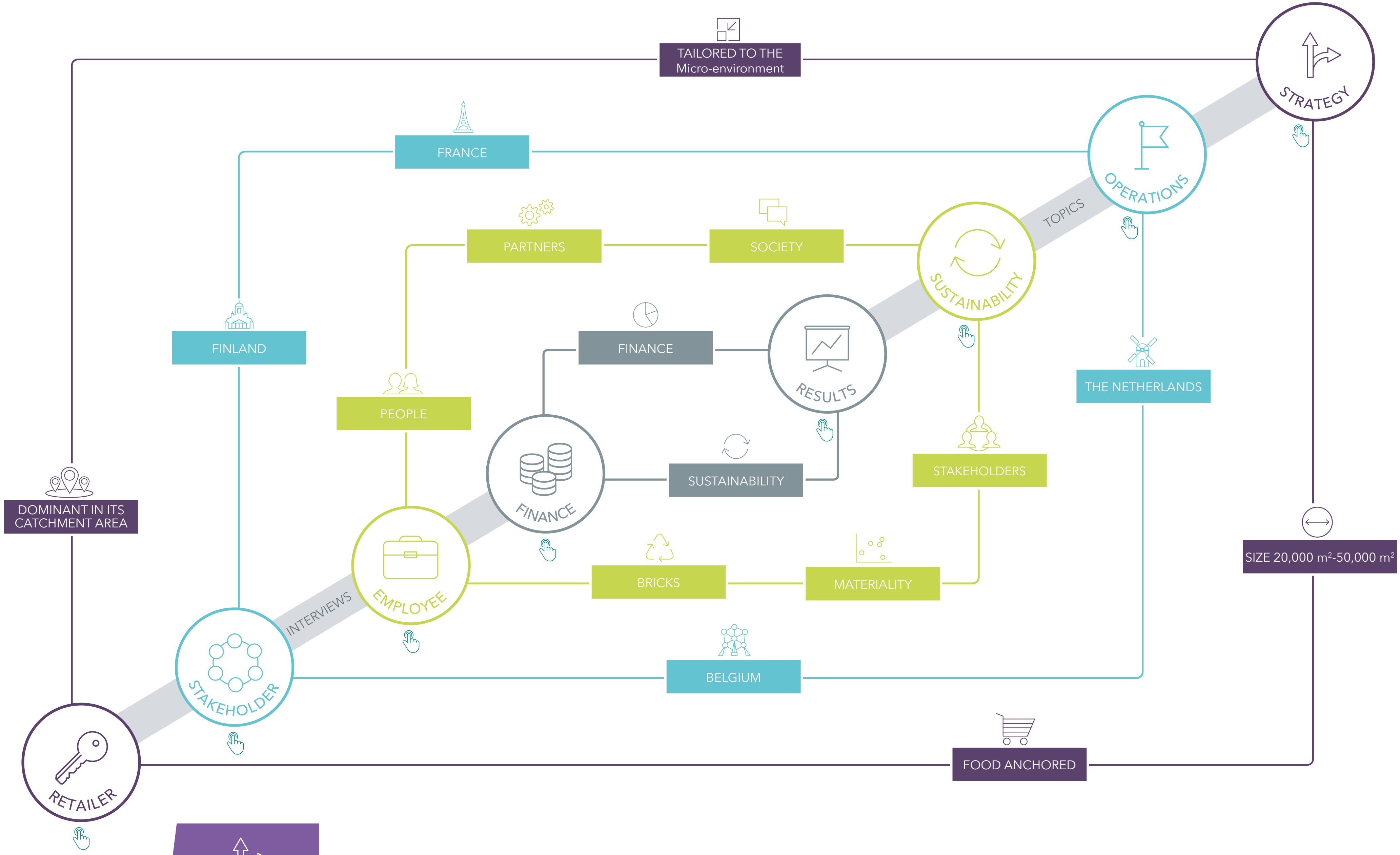
Catchment area

>100,000 inhabitants

within 10 minutes drive time

Visitor number growth above market

BRINGING PEOPLE **TOGETHER**



STRATEGIC MANAGEMENT AGENDA 2017-2018

Our main target for the years 2017 – 2019 is to increase the market share in the micro-environment of our shopping centres.

	STRATEGIC DIRECTION	TARGETS 2017-2019	2016
RESPOND TO CONSUMER TRENDS	• Optimise the customer journey • Continue tenant intimacy	• Drive footfall above market	• FI: + • NL: + • BE: +/- • FR: +/-
DRIVE EPS	• Improve resilience of tenant base[1] • Increase occupancy • Maintain low cost of debt	• >85% resilient • >97% occupancy • <2% at longer maturities	• 81% • 95% • 1.9%
OPTIMISE PORTFOLIO	• Realise asset rotation • Complete development pipeline • Sustainability • Limited external growth	• € 200m disposals • € 187m pipeline • Keep front position • Selective acquisitions	• n.a. • n.a. • Green star GRESB, DJSI Europe
TAILOR ORGANISATION	• Assertive entrepreneurship • Behaviour driven and P&L responsibility • Innovation	• € 15m - € 16m overhead p.a.	• € 17.6m

Note 1: Tenants characterised as fashion & accessories, F&B / Leisure, food, health & beauty, homeware & household, services or sport.

INTERVIEW STAKEHOLDER

Mayor Peter Noordanus about complete renovation city centre Tilburg

'This is a textbook example of a public-private partnership.'

In Tilburg, a large-scale renovation of the city centre is in full swing. A fruitful public-private partnership, according to Mayor Peter Noordanus, in which Wereldhave is also closely involved.

Why was the revision of Tilburg's city centre necessary?
'Like many cities in the Netherlands, Tilburg has a centre structure that no longer fits the trends in consumer behaviour and retail. Shopping has changed profoundly, especially due to the explosive growth of online shopping. People come to the city centre for the atmosphere, in combination with a pleasant shopping experience. A centre structure that is too widely drawn-out is no longer satisfactory. It should be compact, that's what people expect: convenience and experience, in addition to a balanced variety of shops. This requires a redevelopment of city centres. Because if you miss out on this, the effect will be more vacant shops and a shopping public that goes elsewhere. In Tilburg, we have been working hard to find an appropriate answer for this development. One of our key focuses is the revitalisation of our city centre, to make it fit for the next decades.'

How did you take on this challenge?
'We first looked closely at a number of modern retail anchors: main traffic generators at a central location in the centre. For example, we managed to get Primark to our city centre. It will open its doors in Tilburg in the beginning of 2018. Then V&D went bankrupt. A threat to the centre, but also an opportunity, because this formula was faltering. In 2015, Wereldhave had already purchased two major shopping centres: the Emmapassage and Pieter Vreedeplein, both in the centre area. After the bankruptcy of V&D, we immediately got together to see how we could bring the centre to a higher level, each from our own expertise and goals.'

Wereldhave bought V&D and Hema. What do you think of that?
'Our goal is to create a stronger and more compact shopping district in the centre. With a structure that is apt for present and future demands. But we cannot do this on our own. With Wereldhave on board, we have more investment power, and Wereldhave can fill in gaps that we can't, such as reshuffle the tenant mix. Wereldhave has already invested a lot in our city centre, and in addition it has bought V&D and HEMA to strengthen its position. HEMA will be renovated thoroughly; Hudson's Bay will come to the former V&D building. We as municipality are investing significantly as well, especially in the construction of new connections between Pieter Vreedeplein and Heuvelstraat and between Heuvelstraat and Emmapassage. The new city hall will open here, with shops on the centre side. Together with Wereldhave we will be working on that project as well.'

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INTERVIEW STAKEHOLDER

Mayor Peter Noordanus about complete renovation city centre Tilburg

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'City centre redesign of this size and impact is a difficult challenge. The strength and expertise of Wereldhave gives an enormous boost to this project. Wereldhave is a stable investor who understands this market. They make well-informed choices, come up with solid plans and provide continuity. We both see the urgency. But above all, it is about trust. For me this is a textbook example of a fruitful public-private partnership, which is also beneficial to investors, tenants and the shopping public.'

What is special about this project?

'A lot of cities talk about city centre redevelopment. In Tilburg we do it! I follow these trends (I originally come from the field of regional development) and I think we are one of the first cities in the Netherlands who are tackling this challenge this way. Proactively, pragmatically and high-speed. Planning and realisation take place simultaneously: contracts will be signed in March, but at Primark, HEMA and Hudson's Bay renovations are already in full swing.'

'A lot of cities talk about redesigning their city centre. In Tilburg we do it.'

Do you already see effects of this major project?

'Apart from the fact that the building renovations itself are visible and the connecting routes between Pieter Vreedeplein and Emmapassage are now being improved, we notice that the current activity leads to new investment plans of other parties. For the Pieter Vreedeplein for example, we see new appetite of large tenants. It has a snowball effect. It underlines that we have made the right choice with this radical innovation, to revitalise the heart of our beautiful city.'

Hudson's Bay renovations are already in full swing.

OPERATIONS

Wereldhave delivered on the 2014 and 2015 acquisitions with a strong operational performance in 2016. Gross rental income for 2016 amounted to € 230.2m, an increase of 11% compared to 2015. The increase is mainly due to the acquisition of nine shopping centres in the Netherlands in 2015, partly offset by the disposals of the French offices portfolio.

Overall occupancy of the shopping centres at the end of 2016 rose 170 bps to 95.5% (2015: 93.8%). Occupancy improved in all countries, with an overall positive like-for-like rental growth of 1.0%, which is 40 bps above indexation. Leasing activity was very high, with approximately 500 leases, rotations and renewals signed. In France, occupancy of the portfolio that came in at an average occupancy of 91% at acquisition (end 2014) improved to 94.4%. In the Netherlands, the occupancy of the portfolio that was acquired in 2015 at 91.4% rose to 94.8% at year-end 2016, in spite of frequent bankruptcies in the retail sector in this 15 months timeframe.

Composition of the portfolio

There were no major changes to the portfolio in 2016.

In Belgium, the Tournai retail park was completed during the first quarter of 2016 and transferred to the investment portfolio. The Madou office building in Brussels was sold on December 29, 2016 for € 16.4m, with the condition that operational risk and reward until February 2018 will remain for Wereldhave Belgium. In the Netherlands, Wereldhave acquired the former V&D department store in Tilburg, which is now leased to Hudson's Bay Company, and scheduled for opening in August 2017. Together with other property owners but in a leading role, Wereldhave reached agreement with the city of Tilburg to revitalise the city centre, also by changing the lay-out of the main shopping streets and creating a covered passage between the Pieter Vreedeplein, the Hudson's Bay and the Emmapassage, leading towards a new Primark shop near the Emmapassage.

Overall occupancy of the shopping centres at the end of 2016 rose 170 bps to 95.5% (2015: 93.8%).

The cinema at the Pieter Vreedeplein was sold to the tenant Pathé in September 2016. The proceeds of € 12m were reinvested in Tilburg with the acquisition of a Hema store. Hema will open one of the three pilot flagship stores with their new format in the Netherlands. A shopping centre in Geldrop was sold, slightly below book-value, with closing early in December 2016. The total net proceeds of the disposals amounted to approx. € 24m.

In December 2016, Wereldhave purchased the leasehold of a plot of land for the extension of the Sterrenburg shopping centre in Dordrecht for a consideration of € 2.6m. This will facilitate the extension of the food grocery offer by Jumbo and Lidl.

Development pipeline

For any new development Wereldhave requires a 70% preletting and a short lead time to become yielding. The committed development pipeline currently consists of four projects in the Netherlands, one in Belgium, one in Finland and one in France. The total value of the development pipeline as at December 31, 2016, amounted to € 187m.

>>>

OPERATIONS

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In the Netherlands, works for the renovation of the middle part of the shopping centre in De Koperwiek in Capelle aan den IJssel started in December 2016. In Tilburg, the construction of the Hudson's Bay started in October 2016 and the department store is planned to open its doors in Q3 2017. In Maassluis, the zoning plan for the expansion of the Koningshoek shopping centre with 5,000m² was approved. Works started in November 2016. In Arnhem, plans for the redevelopment of the Presikhaaf shopping centre are in the final design stage. Among others, Aldi signed as a new food grocery anchor tenant. Plans for the extension of the Leiderdorp shopping centre Winkelhof have been put on hold; current prospected yields of the extension plans are below requirements. The extension of the Sterrenburg shopping centre in Dordrecht is still in the preparatory stages of development and not yet committed. We identified at least € 10m land banking positions in the Dutch portfolio to be sold, where other use will generate higher returns than retail.

In Belgium, works for the construction of a parking garage as the kick-off for the renovation of the Les Bastions shopping centre are proceeding as planned. The development in Waterloo is still in discussion with the municipality and no permit request has been filed yet. In Liege, a permit was obtained for the extension of the Belle-Ile shopping centre with 9,000m². Works will commence when a preletting of at least 70% has been achieved. This development project is not yet committed.

The committed development pipeline currently consists of four projects in the Netherlands, one in Belgium, one in Finland and one in France.

In France, the committed development pipeline consists of the Primark for Docks Vauban in Le Havre. The improvement of the inner climate in Docks Vauban by creating sliding doors and tourniquets was completed in 2016 and the first reactions are very positive.

In Finland, the former Anttila department store will be demolished for the construction of a Finnkino 9-screen cinema in the heart of the Itis shopping centre. This € 20m development project kicked off in January, with start of construction scheduled for April 2017 and completion in Q4 2018. The yield on costs of this project is still under review and will be announced later this year.

As at December 31, 2016, the value of the total investment portfolio in operation amounted to € 3,701m, of which 97% was shopping centres and 3% related to office properties in Belgium. The geographical distribution of the portfolio as a percentage of the total portfolio is: Finland: 15%, the Netherlands: 40%, France: 24% and Belgium: 21%.

OCCUPANCY (AS A %)

	Occupancy*				
	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Belgium	94.9	94.9	95.1	95.3	95.9
Finland	92.5	94.1	95.3	95.8	95.7
France	91.1	90.8	93.2	93.6	94.4
Netherlands	95.3	95.5	95.2	95.5	95.8
Shopping centres	**93.8**	**94.1**	**94.8**	**95.1**	**95.5**
Offices (Belgium)	93.4	91.9	91.9	89.1	90.9
Total portfolio	**93.8**	**94.0**	**94.6**	**94.8**	**95.3**

* Investment properties excluding investment properties under construction.

INVESTMENT PORTFOLIO IN OPERATIONS DISTRIBUTION (AS A %)

	2012	2013	2014	2015	2016
Shopping Centres	79	78	86	97	**97**
Offices	18	21	14	3	**3**
Other	3	1	-	-	**-**
Total	**100**	**100**	**100**	**100**	**100**

INVESTMENT PORTFOLIO IN OPERATIONS GEOGRAPHICAL DISTRIBUTION (AS A %)

	2012	2013	2014	2015	2016
Belgium	24	29	22	20	**21**
Finland	22	28	19	17	**15**
France	8	10	37	23	**24**
Netherlands	26	28	22	40	**40**
Spain	5	5	-	-	**-**
United Kingdom	15	-	-	-	**-**
Total	**100**	**100**	**100**	**100**	**100**

NET RENTAL INCOME PER COUNTRY (AS A %)

	2012	2013	2014	2015	2016
Belgium	29.5	32.5	31.8	23.9	23.1
Finland	21.9	22.7	24.3	15.5	13.6
France	9.7	9.4	9.8	30.9	22.8
Netherlands	32.5	30.7	34.1	29.7	40.5
Spain	6.4	4.7	-	-	-
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

DISPOSAL OF INVESTMENT PROPERTIES (x € 1M)

	2012	2013	2014	2015	2016
Belgium	11.7	-	14.1	-	-
France	17.0	-	90.3	401.0	-
Netherlands	0.7	34.0	-	-	24.2
Spain	15.4	-	95.2	-	-
United Kingdom	80.0	250.9	-	-	-
United States	206.7	514.0	-	-	-
Total	**331.5**	**798.9**	**199.6**	**401.0**	**24.2**

ACQUISITION OF INVESTMENT PROPERTIES (x € 1M)

	2012	2013	2014	2015	2016
Belgium	74.0	-	113.2	-	-
Finland	-	-	-	11.2	-
France	-	-	858.8	1.7	-
Netherlands	3.0	-	237.6	778.0	54.8
Total	**77.0**	**-**	**1,209.6**	**790.9**	**54.8**

OPERATIONS

THE NETHERLANDS

18

SHOPPING CENTRES

Tilburg

BELGIUM

7

SHOPPING CENTRES


Nivelles

FINLAND

1

SHOPPING CENTRE


Helsinki

FRANCE

6

SHOPPING CENTRES


Le Havre

KEY FIGURES

Shopping Centre Operations

	TOTAL GROUP		THE NETHERLANDS		BELGIUM		FINLAND		FRANCE	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Like-for-like rental growth (as a %)	1.0	1.8	0.4	1.3	4.9	1.8	-2.7	2.3	1.4	n.a.
Occupancy (as a %)	95.5	93.8	95.8	95.3	95.9	94.9	95.7	92.5	94.4	91.1
Visitors, like-for-like (x € 1m)	154.6	153.7	82.7	81.5	14.0	14.3	17.3	16.9	40.7	41.0
Acquisitions (x € 1m)	54.8	790.9	54.8	778.0	-	-	-	11.2	-	1.7

The refurbishment of the Eggert shopping centre in Purmerend was completed in April 2016.

PROPERTY PORTFOLIO

Netherlands

	Emiclaer Amersfoort	Presikhaaf Arnhem	Kronenburg Arnhem	De Koperwiek Capelle aan den IJssel	Sterrenburg Dordrecht
Lettable area	19,300 m²	34,300 m²	37,900 m²	24,300 m²	13,200 m²
Parking spaces	675	1,244	1,300	900	450
Year of acquisition	2015	2015	1988	2010-2014	2015
Year of construction/ renovation	1993	1987	2015	1995	1993
Annual theoretical rent (x € 1m)	4.7	4.2	10.1	5.8	2.9
Visitors million/year	4.2	4.3	5.8	5.6	3.6

PROPERTY PORTFOLIO

Netherlands

	WoensXL Eindhoven	Etten-Leur Etten-Leur	Midden-waard Heerhugowaard	Vier Meren Hoofddorp	Winkelhof Leiderdorp
Lettable area	10,300 m²	22,800 m²	35,100 m²	38,900 m²	17,800 m²
Parking spaces	925	1,100	1,850	1,000	830
Year of acquisition	2010	1991	2015	2014	1993
Year of construction/ renovation	2006	2015	2011	2013	1999
Annual theoretical rent (x € 1m)	3.0	3.7	9.4	8.2	4.5
Visitors million/year	1.9	3.2	5.6	7.7	4.0

PROPERTY PORTFOLIO

Netherlands

	Koningshoek Maassluis	Cityplaza Nieuwegein	Eggert Purmerend	Roselaar Roosendaal	In de Bogaard Rijswijk
Lettable area	14,400 m²	53,600 m²	20,000 m²	18,000 m²	19,400 m²
Parking spaces	1,000	720	390	415	2,680
Year of acquisition	2010	2015	2010	2010-2014	2015
Year of construction/ renovation	2016	2012	2015	2015	2002
Annual theoretical rent (x € 1m)	2.7	13.8	4.9	4.4	4.8
Visitors million/year	3.8	6.8	3.6	5.4	2.6

PROPERTY PORTFOLIO

Netherlands

	Emma-passage Tilburg	Pieter Vreedeplein Tilburg	Manfield Tilburg	Hema Tilburg	Hudson Tilburg
Lettable area	5,700 m^2	23,000 m^2	214 m^2	5,000 m^2	n.a.
Parking spaces	300	780	n.a.	n.a.	n.a.
Year of acquisition	2015	2015	2015	2016	2016
Year of construction/ renovation	1992	2008	-	-	2016
Annual theoretical rent (x € 1m)	1.2	3.9	0.1	0.7	n.a.
Visitors million/year	3.0	5.5	n.a.	n.a.	n.a.

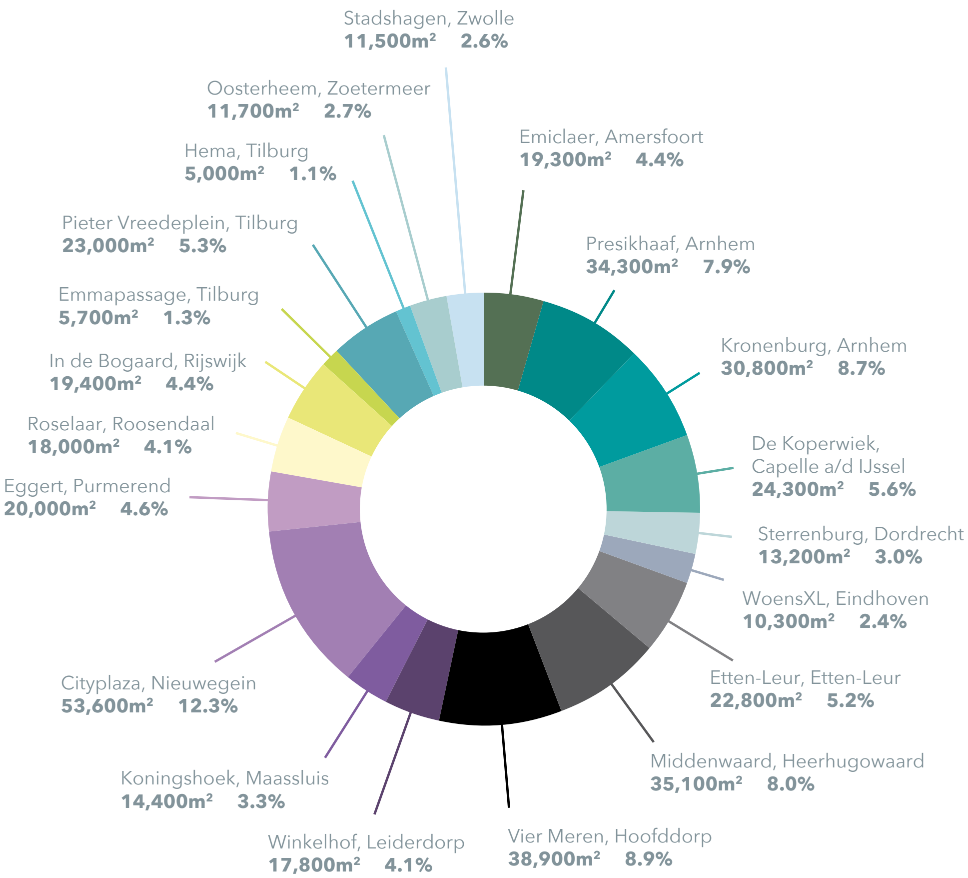
PROPERTY PORTFOLIO

Netherlands

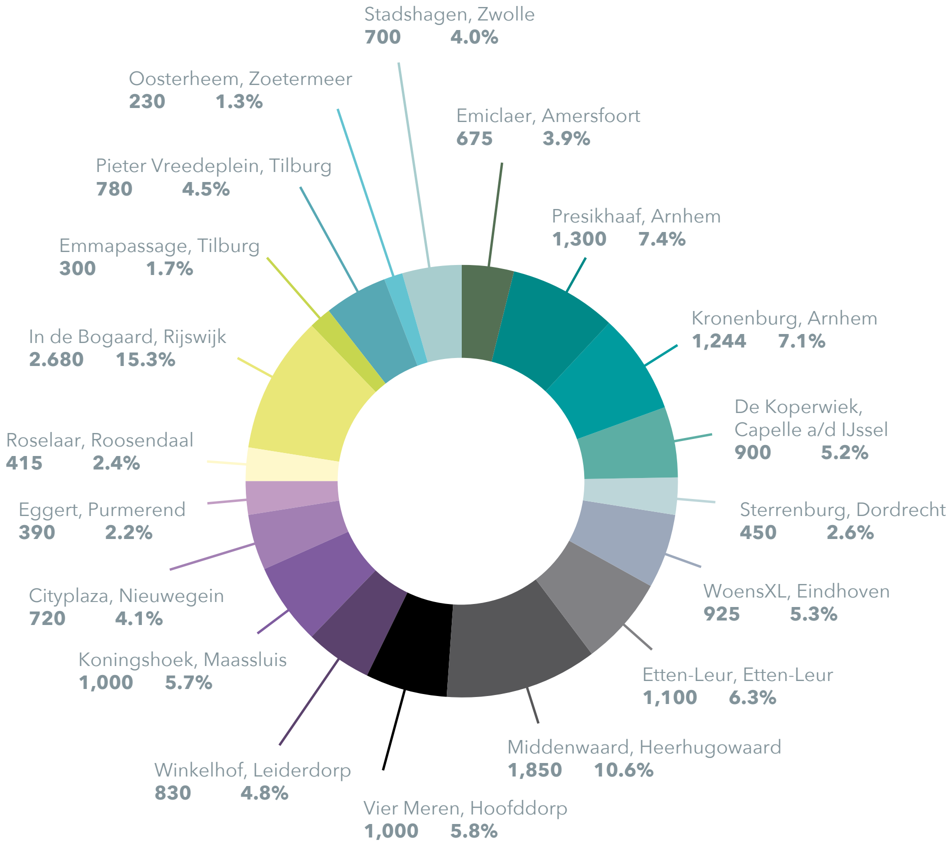
	Oosterheem Zoetermeer	Stadshagen Zwolle
Lettable area	11,700 m^2	11,500 m^2
Parking spaces	230	700
Year of acquisition	2015	2015
Year of construction/ renovation	2012	2004
Annual theoretical rent (x € 1m)	2.9	2.4
Visitors million/year	2.8	3.4

THE NETHERLANDS PROPERTY PORTFOLIO
as at December 31, 2016

LETTABLE AREA



PARKING SPACES



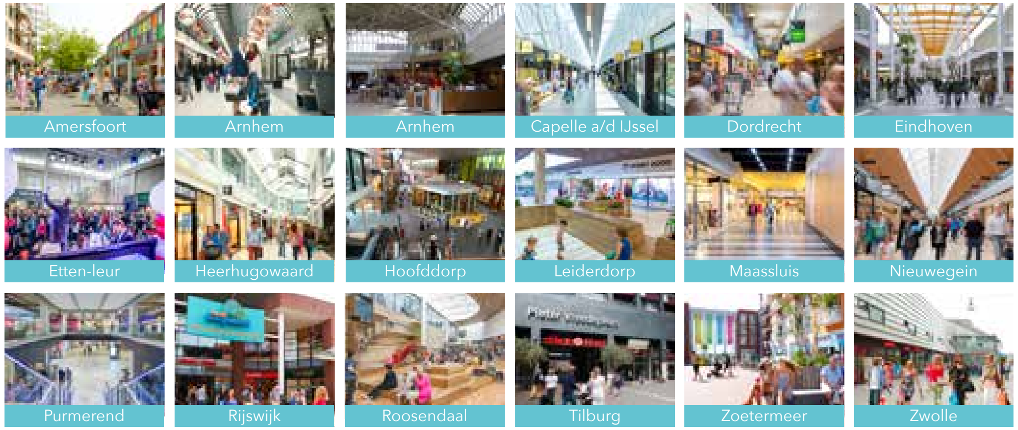
THE NETHERLANDS PROPERTY PORTFOLIO

Shopping Centre Operations

KEY ECONOMIC PARAMETERS

(European Economic Forecast, autumn 2016)

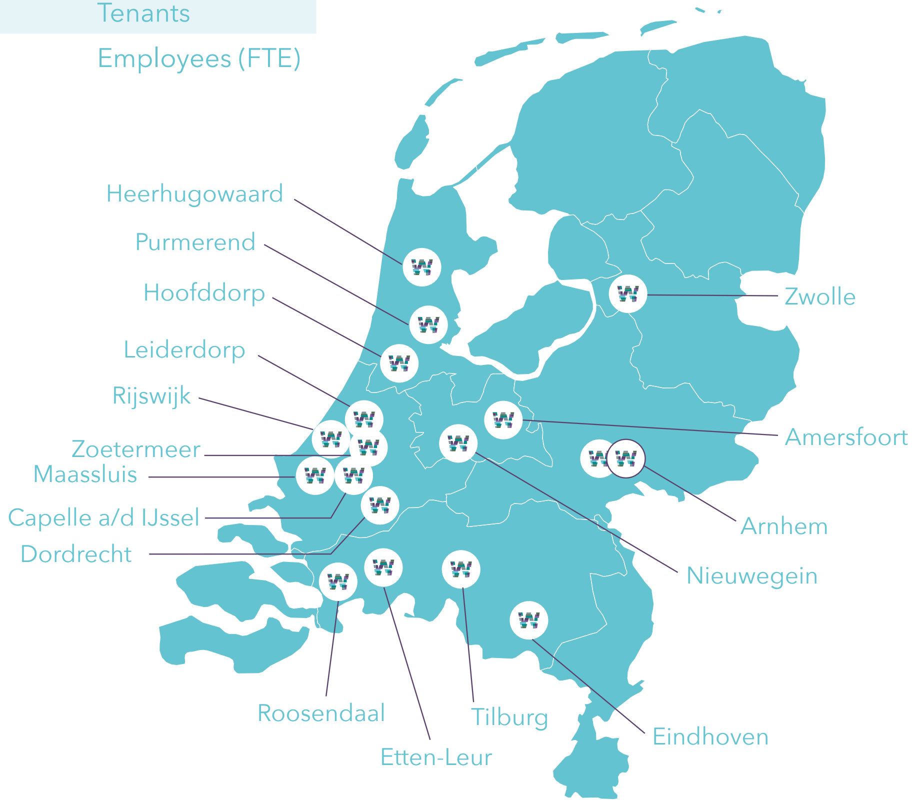
	2015	2016	2017	2018
GDP growth, %, yoy	2.0	1.7	1.7	1.8
Inflation, %, yoy	0.2	0.1	1.0	1.1
Unemployment, %	6.9	6.1	5.8	5.4
Private consumption, %, yoy	1.8	1.3	1.9	1.8



Amersfoort, Arnhem, Arnhem, Capelle a/d IJssel, Dordrecht, Eindhoven, Etten-leur, Heerhugowaard, Hoofddorp, Leiderdorp, Maassluis, Nieuwegein, Purmerend, Rijswijk, Roosendaal, Tilburg, Zoetermeer, Zwolle

LOCATIONS

436,472	m² shops
1,310	Retail units
1,187	Tenants
59.5	Employees (FTE)



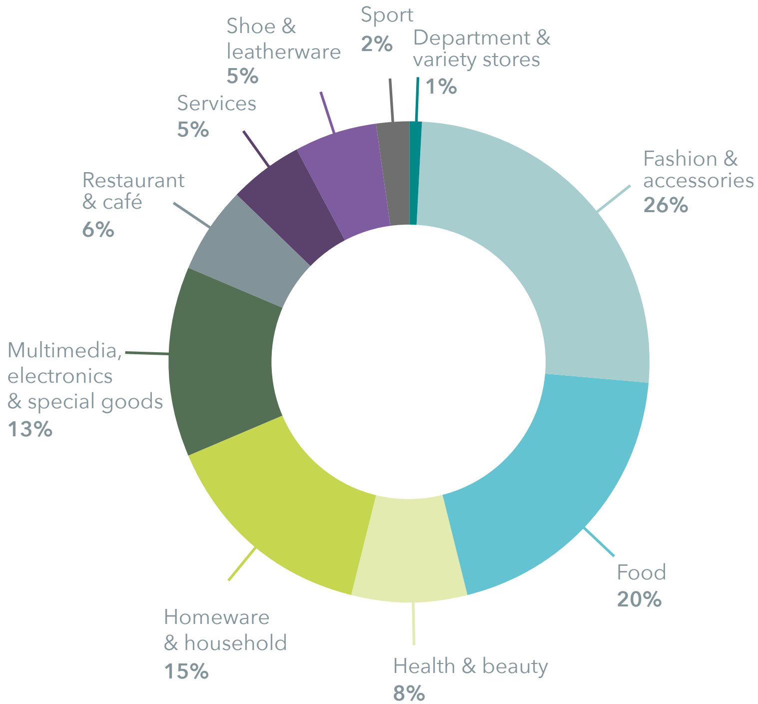
THE NETHERLANDS PROPERTY PORTFOLIO

Shopping Centre Operations

KEY DATA

	2016	2015
Net rental income (x € 1m)	81.6	54.7
Occupancy (as a %)	95.8%	95.3%
Investments properties market value (x € 1m)	1,451.5	1,457.7
Investment properties under construction (x € 1m)	65.9	25.7
Acquisitions (x € 1m)	54.8	778.0
NIY (as a %)	5.5	5.8
EPRA NIY (as a %)	5.2	5.6

TENANT MIX



TOP 10 TENANTS

1. Ahold-Delhaize
2. Blokker
3. A.S. Watson Group
4. Jumbo
5. Hema
6. Metro (Media Markt)
7. C&A
8. Hennes & Mauritz
9. Excellent Retail Brands
10. Van Haren Schoenen

THE NETHERLANDS

The Netherlands is forecast to see solid growth of around 1,75% per year between 2016 and 2018 (source: Eurostat European Economic Forecast, autumn 2016). Domestic demand is set to continue expanding, driven by private consumption. In particular increased labour income, reflecting strong wage and employment growth, is expected to fuel household consumption. Inflation is forecast to gradually increase to 1%, partly driven by wage growth.

Small and medium-sized enterprises have a positive outlook for 2017, with increases in turnover and employment. According to CBRE, financially stronger retailers have expanded their store portfolio, picking up prime retail space that was vacated by competitors that went bankrupt. Less sought-after locations saw vacancy rates increasing. Yields of prime shopping centres continued to compress and the spread between prime and secondary yields remained large. Prime yields for shopping centres are now around 5.25%.

The Dutch retail sector is clearly on the way up. Retail sales increased by more than 2%; consumer confidence is increasing, as unemployment is low and house prices are soaring. Occupancy of the portfolio improved during the year from 95.3% to 95.8% and footfall in our Dutch centres went up by 1.4%, whereas the market average was a 0.4% decline. Leasing activity was high, with a total of 309 leases, rotations and renewals. Bankruptcies totalled to around 7% of annualised rental income over the year, but the impact on occupancy was almost fully absorbed by our strong leasing performance.

Like-for-like rental growth came out at 0.4%, equal to the index. Without the impact from bankruptcies, like-for-like rental growth would have been 1.4%. Large package deals contributed to the leasing success. Notable deals were signed with Grandvision (11 shops), Jumbo (4 La Place restaurants and 3 supermarkets) and the re-start of the Adam and Mc Gregor stores (11 units) and MS Mode (8 stores). In Tilburg, a lease was signed with Hudson's Bay for 20 years, the store to be opened among the first five HBC stores in the Netherlands in Q3 2017.

New leases (excluding turn-over leases) are generally at or above the estimated rental value and annual renewals at or slightly below. However, after a bankruptcy tenants often demand lower rents to facilitate the re-start. In such cases, turnover clauses were added. This provides Wereldhave with valuable insight in the turnover of the tenant, but also works as a long-term compensation mechanism for temporary landlord support. It perfectly fits with Wereldhave's tenant approach as a mutually beneficial partnership to develop the success of the shopping centre.

Portfolio

The largest change in the investment portfolio was in Tilburg, in size the 6th largest city of the Netherlands. Wereldhave reached agreement with the city to co-operate in a major revitalisation scheme for the city centre. The inner city redevelopment scheme entails the creation of a new passageway to connect the Pieter Vreedeplein with the Emmapassage, along the former V&D department store and the Hema. In May 2016 Wereldhave acquired the former V&D store, which has been leased to Hudson's Bay Company. The cinema at the Pieter Vreedeplein was sold to the tenant Pathé in September 2016. The proceeds were reinvested in Tilburg with the acquisition of a Hema store. Wereldhave's total net investment in the Tilburg city centre scheme amounts to approximately € 50m, with a blended net initial yield between 5% - 6%. Hema will open one of the three pilot flagship stores with their new format in the Netherlands. A shopping centre in Geldrop was sold slightly below book-value, with closing early in December 2016. The total net proceeds of the disposals amounted to approx. € 24m.

THE NETHERLANDS

In December 2016, Wereldhave purchased a plot of land for the extension of the Sterrenburg shopping centre in Dordrecht for a consideration of € 2.6m. This will facilitate the extension of the food grocery offer by Jumbo and Lidl.

At December 31, 2016, occupancy in the Netherlands stood at 95.8%, which is 50 bps above the 2015 level of 95.3% (June 30, 2016: 95.2%).

Development portfolio

The Eggert shopping centre in Purmerend was completed in April 2016. The shopping centre (including the former V&D department store) is fully let, which demonstrates the success of our refurbishment program.

At December 31, 2016, the committed development portfolio consisted of the refurbishments of the shopping centres Koningshoek in Maassluis, De Koperwiek in Capelle aan den IJssel, Presikhaaf in Arnhem and the city centre plans for Tilburg.

The redevelopment of the Koningshoek shopping centre in Maassluis made good progress. In 2016, two new passageways were completed, together with an event square and a kids playground. In October construction started for the extension with 5,000m², to accommodate an additional supermarket for the shopping centre. Action also signed a lease for a 1,200m² shop in the extension of Maassluis. Works, which also entails the creation of a third passage and a food court, are expected to be completed mid 2017. The final phase of the redevelopment is scheduled for the period between Q4 2017 and Q3 2018.

In Capelle aan den IJssel, the second phase of the refurbishment of the Koperwiek shopping centre started in January 2017. This phase entails the construction of a parking garage for 280 cars and a change in lay out of the centre, to create a food court and connect current passageways for an improved routing. This requires an investment of € 28m. Completion is scheduled for Q3 2018. The city of Capelle will also invest € 25m to enhance the overall quality of the public areas and the infrastructure of the city centre.

In Arnhem, good progress is made to refurbish the Presikhaaf shopping centre. Construction started in December 2016 for the first phase of a total of five phases, spread over the years 2017-2019. The refurbishment consists of the relocation of tenants to improve the lay-out, the addition of a second supermarket, the creation of a food court and improved access to the centre, with new entrances. The total investment will amount to € 19m.

In Tilburg, the city centre revitalisation scheme is making good progress. Wereldhave teamed up with the city of Tilburg, other property owners and a construction and development company. The city of Tilburg will invest to improve the overall quality of the city centre infrastructure. Wereldhave will refurbish its current properties. The plan entails the creation of new residential apartments and shops. Wereldhave will become the owner of the shops. The residential facilities will be developed by third parties, to whom Wereldhave will transfer ownership rights before construction starts. The city will become the owner of all public areas, such as a new passageway.

THE NETHERLANDS

The extension and refurbishment of the Sterrenburg shopping centre in Dordrecht is still in the design stage. Works are expected to commence in Q3 2017, with completion in Q4 2018.

Three shopping centres already had BREEAM in use "very good" certificate and in 2017, another six shopping centres were approved. In 2016, Wereldhave installed 5,373 solar panels on the roofs of its shopping centres. The energy generated is used for the common areas of the shopping centres, for lighting, heating and cooling.

In September 2016, in the parking garage of the Winkelhof shopping centre in Leiderdorp several cars were set on fire. Thanks to a very good co-operation with tenants and the city this caused an initial disruption of only one day to clean the entire centre. However, extra cleaning was needed for several months as soot continued to come down. The damages were covered by Wereldhave's portfolio umbrella insurance.

Organisation

In October 2016, Pieter Polman was appointed managing director for Wereldhave's Dutch management organisation. Eric Schmit stepped down. Following consultations of Wereldhave's works council, in January 2017 a reorganisation was announced. Four business units will be created, each containing clusters of shopping centres, managed by small teams in which operations, leasing and some staff functions are combined. All jobs were reviewed and new job descriptions were written. Each team will have full P&L responsibility over its own portfolio. Performance will be monitored on a monthly basis. The aim is to increase entrepreneurship and focus on tenant skills, tenant intimacy and tenant data.

As a result of this reorganisation, headcount of Wereldhave's Dutch management organisation will decrease by 25 in 2017.

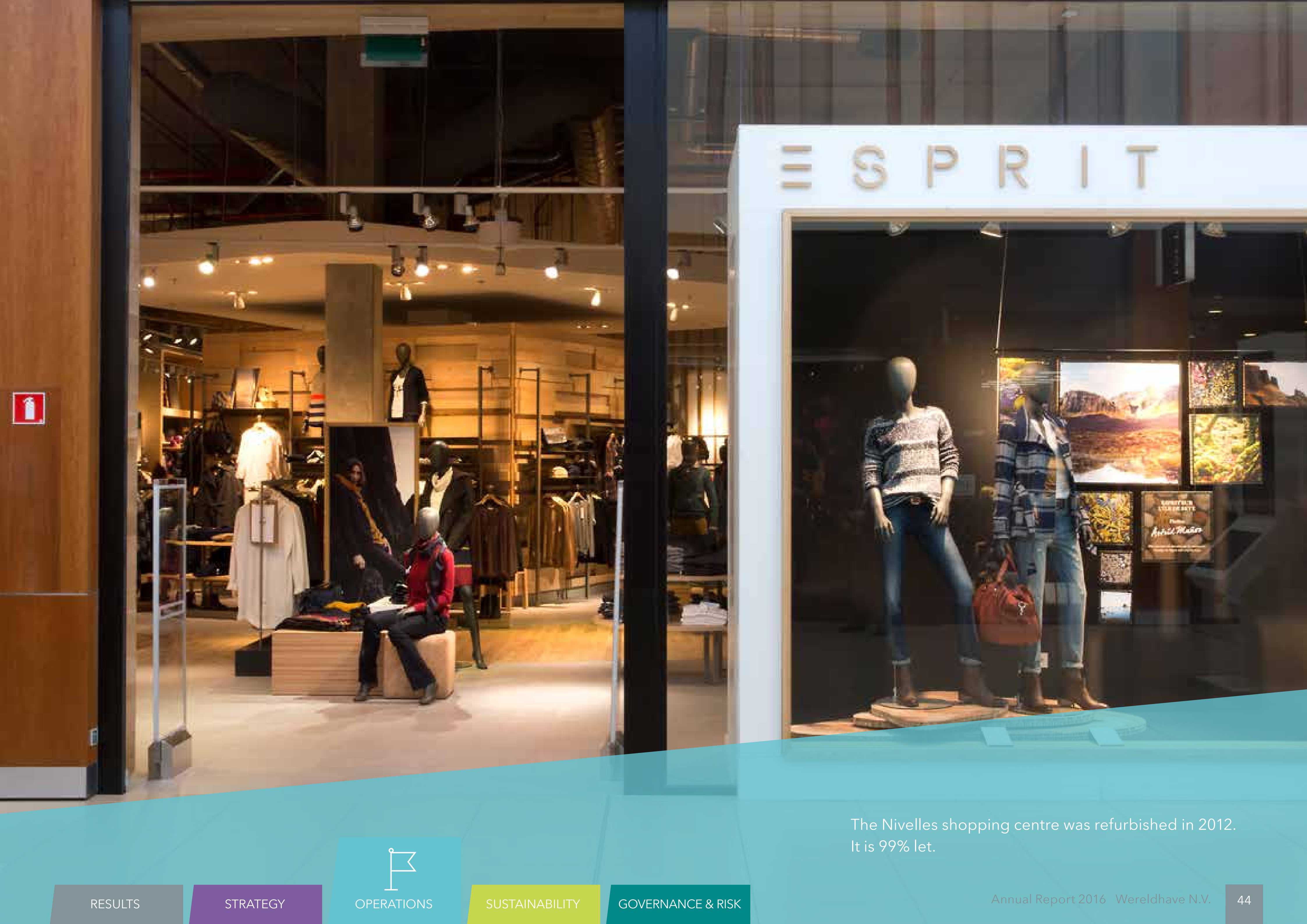
The high employee participation rate in events in our shopping centres was continued in 2016. Proven concepts such as the "longest dining table", the charity fundraising for the Linda foundation and the co-operation with Festival Classique were continued. Wereldhave also became sponsor of Carré, a neo renaissance theatre in Amsterdam. Wereldhave's support is more than a financial support: three employees of the Dutch development department actively supported Carré with the refurbishment of the Amstel Foyer in the rafters of the building.

Results and valuation

Overall occupancy of the Dutch portfolio improved from 95.3% at year-end 2015 to 95.8% a year later. The occupancy rate of the portfolio that was acquired in 2015 improved significantly. It came in at an average of 91.4% in August 2015 and at year-end 2016, this figure had improved to 94.8%. It shows that with active leasing and shopping centre management, good results can be achieved. Especially Wereldhave's key account management with the largest tenants contributed to the success. The portfolio was valued at € 1,451.5m on December 31, 2016 (2015: € 1,457.7m). The decrease is mainly due to the acquisitions in Tilburg and a negative property valuation adjustment of € 23m. The value of the development portfolio stood at € 65.9m at year-end 2016.

Outlook

For the year 2017, focus will be on the committed development projects and on leasing and operations. The impact of the reorganisation to strengthen the Dutch management organisation will be closely monitored, with monthly performance reviews. Wereldhave Netherlands aims for a further increase in occupancy in 2017.



The Nivelles shopping centre was refurbished in 2012.
It is 99% let.

PROPERTY PORTFOLIO

Belgium

	Ring Shopping Courtrai	Shopping 1 Genk	Stadsplein Genk	Overpoort Gent	Belle-Ile Liège
Lettable area	32,000 m²	27,100 m²	15,700 m²	3,700 m²	30,300 m²
Parking spaces	2,000	1,250	44	n.a.	2,400
Year of acquisition	2014	2010	2012	2012	1994
Year of construction/ renovation	2005	2014	2008	2014	1994
Annual theoretical rent (x € 1m)	6.6	4.4	3.3	0.9	11.3
Visitors million/year	3.1	3.7	n.a.	n.a.	3.8

PROPERTY PORTFOLIO

Belgium

	Shopping Nivelles Nivelles	Les Bastions Tournai	Retail Park Tournai	Waterloo Waterloo
Lettable area	28,600 m^2	15,600 m^2	10,300 m^2	3,300 m^2
Parking spaces	1,500	2,000	-	95
Year of acquisition	1984	1988	2016	2010
Year of construction/ renovation	2012	1996	2016	1967
Annual theoretical rent (x € 1m)	8.5	3.6	0.8	0.8
Visitors million/year	3.6	2.9	1.2	n.a.

PROPERTY PORTFOLIO

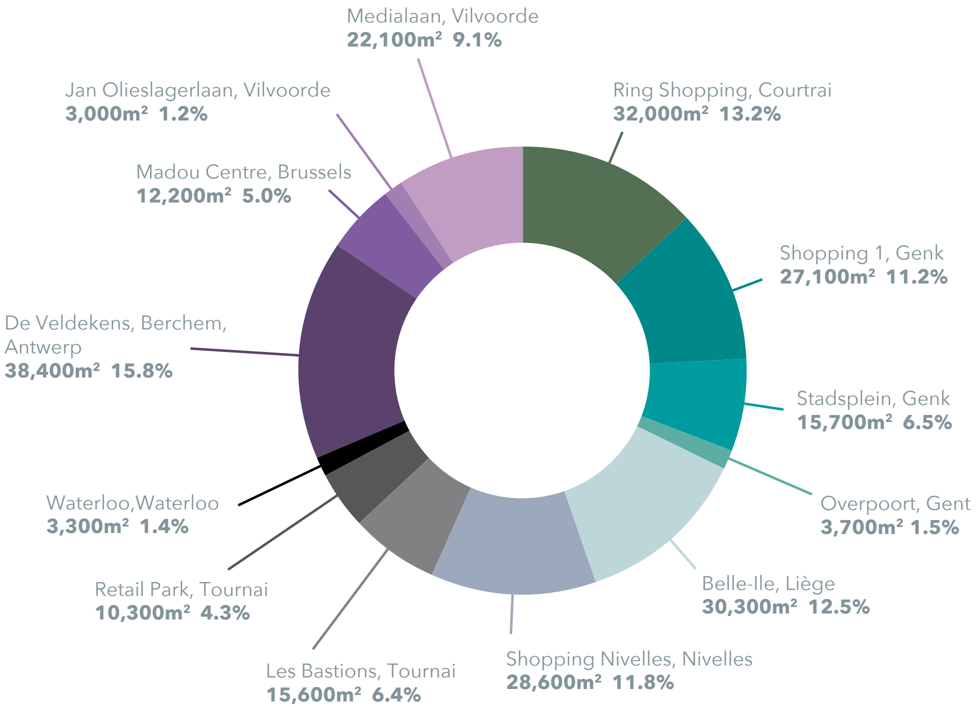
Belgium offices

	De Veldekens, Berchem Antwerp	Madou Centre Brussels	Jan Olieslager-laan Vilvoorde	Medialaan Vilvoorde
Lettable area	38,400 m²	12,200 m²	3,000 m²	22,100 m²
Parking spaces	771	150	81	606
Year of acquisition	1999	1988	1999	1998
Year of construction/ renovation	2002	2002	1999	2002
Annual theoretical rent (x € 1m)	4.9	2.6	0.3	2.9

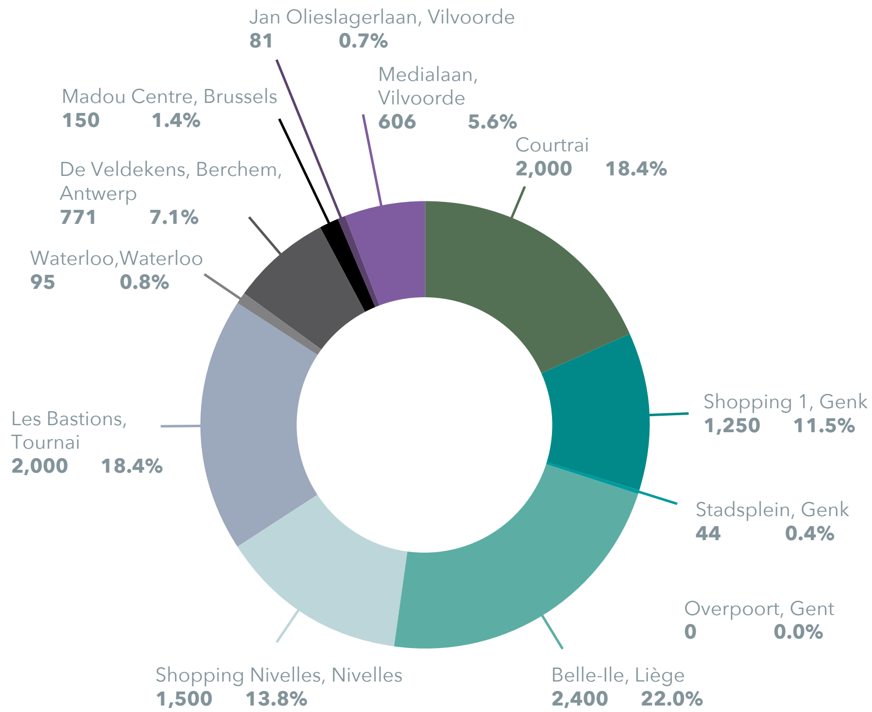
BELGIUM PROPERTY PORTFOLIO

as at December 31, 2016

LETTABLE AREA



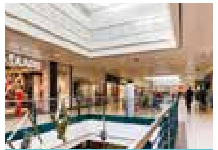
PARKING SPACES



BELGIUM
Shopping Centre Operations

KEY ECONOMIC PARAMETERS
(European Economic Forecast autumn 2016)

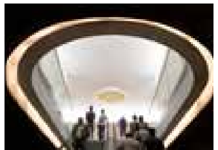
	2015	2016	2017	2018
GDP growth, %, yoy	1.5	1.2	1.3	1.5
Inflation, %, yoy	0.6	1.7	1.7	1.8
Unemployment, %	8.5	8.0	7.8	7.6
Private consumption, %, yoy	1.1	0.7	1.3	1.4


Kortrijk

Genk


Gent


Liège

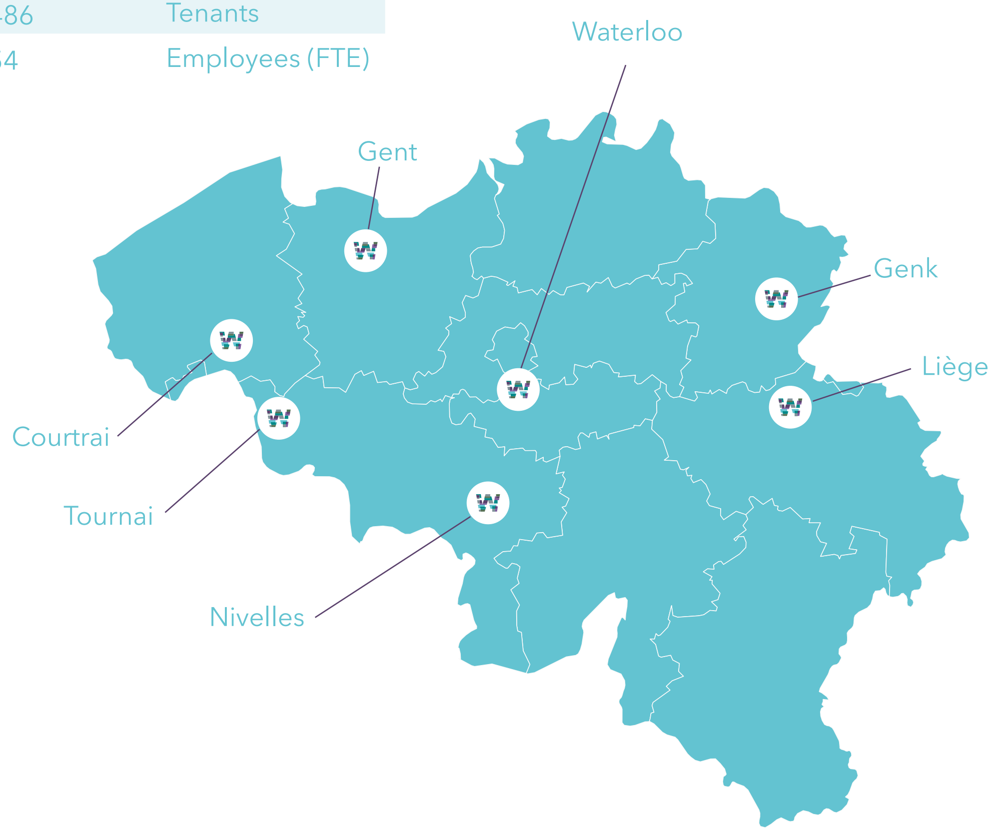

Nivelles


Tournai


Waterloo

LOCATIONS

166,507	m² shops
538	Retail units
486	Tenants
54	Employees (FTE)

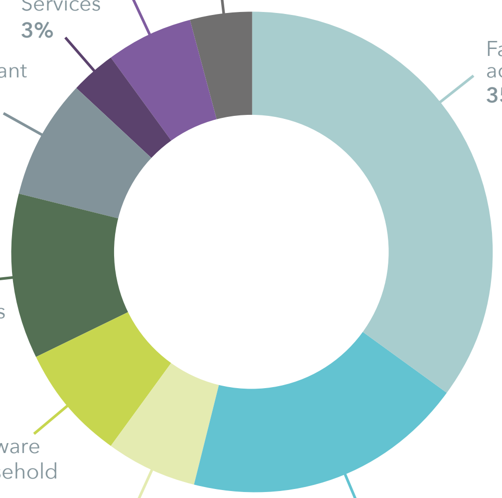


BELGIUM PERFORMANCE
Shopping Centre Operations

KEY DATA

	2016	2015
Net rental income (x € 1m)	37.6	35.7
Occupancy (as a %)	95.9	94.9
Investments properties market value (x € 1m)	660.5	607.7
Investment properties under construction (x € 1m)	35.3	40.6
Acquisitions (x € 1m)	-	-
NIY (as a %)	5.7	5.9
EPRA NIY (as a %)	5.6	5.6

TENANT MIX



TOP 10 TENANTS

1. Carrefour
2. Hennes & Mauritz
3. C&A
4. Ahold-Delhaize
5. A.S. Watson Group
6. Sportsdirect.com
7. Redisco
8. Blokker
9. Excellent Retail Brands
10. Hema

BELGIUM

The Belgian economy lost some steam in the first nine months of 2016, with economic growth at 1.2% in 2016 (source: Eurostat European Economic Forecast, autumn 2016). Economic growth is expected to remain fairly stable at 1.3% in 2017. Domestic demand has been the prime growth driver in recent quarters and this is expected to remain the case in 2017. Overall, household consumption is expected to rise from 0.7% in 2016 to 1.3% in 2017 and 1.4% in 2018, as wages are again being adjusted for the cost of living, some real wage increases have been negotiated and income tax cuts are being enacted.

The positive outlook for private consumption is underpinned by the good performance of the labour market, with comprehensive job creation in the private sector. The unemployment rate is expected to drop from a peak of 8.5% in 2015 to 7.6% in 2018.

According to CBRE (Belgium retailers survey 2017, 3 out of 4 retailers look at expansion opportunities, on par with previous years. In comparison to previous years, more retailers seem willing to look at medium-size cities. More retailers expect the rent to stabilise or drop in 2017. Yields for prime shopping centres are now around 4.5%.

In 2016, there were 36 leases renewed or rotated and these were continued at terms which are generally equal or slightly above the previous rent. In addition, 13 new leases were signed. The like-for-like rental growth of the Belgian shopping centre portfolio for the year 2016 amounted to 4.9%, but footfall decreased by 2.4% (market average -3.3%). The renegotiation of the terms of the lease for the parking garage in Genk had a one off positive impact on rental income in 2016.

The retail park in Tournai, which was taken to the investment portfolio in February 2016, is now 97% let. Occupancy of the shopping centre portfolio improved in 2016 from 94.9% at the beginning of the year to 95.9% at December 31, 2016. The shopping centres in Nivelles, Tournai and Liege are nearly fully let. Occupancy in Courtrai and Genk Shopping 1 improved to 93.4% and 81.9% respectively at year-end 2016. Important new leases were the New Yorker in Genk, an Action, ZEB and Alain Afflelou for Tournai and AlterSmoke in three centres. In Courtrai a Bel&Bo was signed.

The Belgian portfolio also includes offices in Brussels, Vilvoorde and Antwerp. During the year, the occupancy of the offices portfolio slightly decreased from 93.4% to 90.9%.

Portfolio

Wereldhave Belgium sold the Madou office building in Brussels on December 29, 2016, with the condition that operational risk and reward until February 2018 will remain for Wereldhave Belgium. In compliance with IFRS, the property will be classified as asset held for sale as from the first quarter 2017 (transfer within 12 months).

The retail park in Tournai was transferred to the investment portfolio in February 2016. Immediately after, a start was made with the extension and refurbishment of the adjacent Les Bastions shopping centre. The centre will nearly double in size as a result of the 15,000m² extension. The entire project will be completed in Q1 2018. The investment amounts to approx. € 55m, with an anticipated yield when fully let between 6.5%-7.0%.

The development in Waterloo is still in discussion with the municipality and no permit request was filed yet. In Liege, in October 2016 the permit was obtained for the extension of the Belle-Ile shopping centre with 9,000m². Works will commence when a preletting has of 70% been achieved.

BELGIUM

In 2016, smart metering was installed in all Belgian shopping centres. BREEAM in-use certificates were obtained for the shopping centres in Courtrai and Nivelles, with a "Very Good" score on asset level and an "excellent" score for operational management.

In 2016, beacons were installed at each entrance of Wereldhave's Belgian shopping centres. Visitors that have installed the loyalty app can collect points by visiting the centre. 150 fidelity points are rewarded with a € 15 gift card for the centre. Our Belgian shopping centres were the first to use this technology in Belgium.

Organisation

On July 1, 2016, Luc Plasman retired. He was succeeded as CEO by Kasper Deforche, who was COO of Wereldhave Belgium since 2014. In October 2016, the Belgian leasing team was strengthened with the appointment of Nicolas Beausillon, Commercial Director. He has more than 10 years of experience in the retail real estate sector and previously worked for Cushman&Wakefield Belgium. In the last quarter of 2016, two new staff members were added to the leasing team.

The participation rate of staff in events in our centres was high. Noteworthy events were building bee-hives and insect hotels on the shopping centre rooftops and an Immorun, to raise funds for local charity. In this event, employees from the Wereldhave office in the Netherlands also participated.

The like-for-like rental growth of the Belgian shopping centre portfolio for the year 2016 amounted to 4.9%, but footfall decreased by 2.4% (market average -3.3%).

In Ring Shopping in Courtrai, Wereldhave joined the "supported employment" initiative from De Branding by creating a part time job for disabled people. A new pop-up restaurant concept of De Branding opened in autumn in Ring Shopping.

Results and valuation

Occupancy of the Belgian shopping centre portfolio stood at 95.9% at December 31, 2016. The value of the development portfolio stood at € 35.3m at year-end 2016. The investment portfolio was valued at € 784.5m on December 31, 2016 against € 733.4m a year earlier. The increase is primarily due to a change in the transfer tax rate that is applied for the valuation. Until 2015, fair values of the assets in Belgium were reduced with the nominal transfer tax (10% / 12.5% depending on the region). In 2016 a 5 yearly review by the Belgian Assets Manager Association (BEAMA) confirmed that the effective weighted average transfer tax rate in Belgium is 2.5%. The Belgian Financial Market Authority FSMA approved the change and starting from the financial year 2016, Wereldhave will apply this market practice transfer tax rate of 2.5%.

Outlook

In 2017, focus will be on leasing of Genk and Courtrai to improve occupancy and the letting in Tournai. We will continue to streamline our management organisation and focus on improving the shopping experience in all our centres.

Itis shopping centre offers more than 100,000m^2 of retail space, with nearly 200 retail units and a footfall of 17m visitors per year.

PROPERTY PORTFOLIO

Finland

	Itis Helsinki
Lettable area	103,700 m²
Parking spaces	1,600
Year of acquisition	2002
Year of construction/ renovation	2014
Annual theoretical rent (x € 1m)	33.7
Visitors m/year	17.3

FINLAND
Shopping Centre Operations

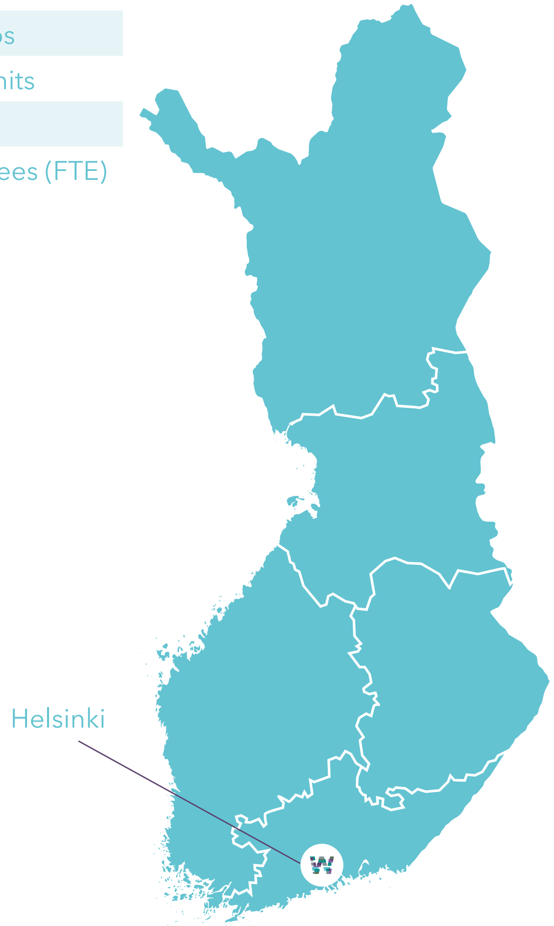
KEY ECONOMIC PARAMETERS
(European Economic Forecast autumn 2016)

	2015	2016	2017	2018
GDP growth, %, yoy	0.2	0.8	0.8	1.1
Inflation, %, yoy	-0.2	0.3	1.1	1.2
Unemployment, %	9.4	9.0	8.8	8.7
Private consumption, %, yoy	1.5	1.4	0.8	0.8


Helsinki

LOCATIONS

103,700	m^2 shops
174	Retail units
160	Tenants
17.8	Employees (FTE)

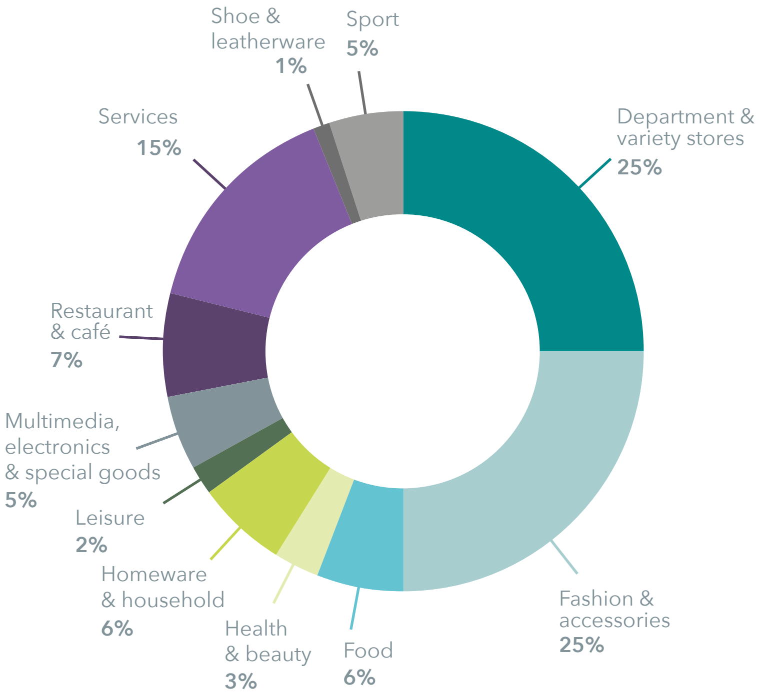


FINLAND
Shopping Centre Operations

KEY DATA

	2016	2015
Net rental income (x € 1m)	27.5	28.6
Occupancy (as a %)	95.7	92.5
Investments properties market value (x € 1m)	565.6	616.0
Investment properties under construction (x € 1m)	-	-
Acquisitions (x € 1m)	-	11.2
NIY (as a %)	4.9	4.7
EPRA NIY (as a %)	4.8	4.7

TENANT MIX



TOP 10 TENANTS

1. Stockmann
2. Anttila
3. Hennes & Mauritz
4. Gigantti
5. Nordea Bank
6. Bestseller
7. Tokmanni
8. Veljekset Halonen
9. Suomalainen Kirjakauppa
10. Sats

FINLAND

Finnish GDP is forecast to grow by 0.8% in 2016-2017 (source: Eurostat Autumn 2016 European Economic Forecast, autumn 2016). In 2018, however, growth is expected to pick up and by 1.1% as improved cost-competitiveness boosts exports. In late summer 2016 a social pact was signed, covering more than 90% of salary earners in the public and private sectors. The pact includes a 12-month wage freeze in 2017, an increase in annual working time by 24 hours and higher social security contributions. To compensate, personal income tax will be cut starting in 2017. Over the longer run, the pact is expected to have a positive impact on cost-competitiveness, exports and employment.

Due to low inflation and gradually improving employment, private consumption increased at a fairly brisk rate of about 2% (y-o-y) in the first half of 2016, but consumption growth is expected to weaken next year. In 2017, export is expected to pick up and employment is expected to start growing again gradually, albeit slowly. As inflation is expected to pick up, real disposable income is forecast to grow only modestly. Although the household saving rate is projected to fall further in 2017, consumption growth is expected to drop to 0.8%.

2016 was a year with limited activity on the investment market. Yields remained flat, with an average yield of approx. 4.75% for prime shopping centres. On the investment market there were two large transactions, for an estimated total consideration of € 875m.

In 2016, Wereldhave's Itis shopping centre saw a continued increase in footfall of 2.3% (market average 1%) and a growth in sales of 2.4% (market 0.7%).

Wereldhave Finland signed 88 leases, rotations and renewals, raising occupancy over the year from 92.5% to 95.7% at year-end. Like-for-like rental growth for 2016 amounted to -2.7%. Halonen, one of our major retailers, signed a new 10 year lease and this also involved a full refurbishment of their multi floor store. Brand new leases included Espresso House, Volt (fashion) who are new to the Finnish market, Lucky Bastard, a new restaurant format which is proving to be successful, and Pasta Box, a new concept by a leading and well known restaurateur in Finland.

Anttila unfortunately announced its bankruptcy in 2016. The administrators have partially continued the lease until the end of 2016 to sell all remaining goods from Anttila's other stores. The freed up space thus gave Wereldhave Finland the opportunity to reach an agreement with Finnkino to open a 9 screen cinema in Itis. The cinema will open its doors in Q4 2018. This is an important change to the shopping centre, as it will drive footfall, dwell time and average visitor spending. It also paves the way for a further improvement of the food & beverage offer in terms of quality, quantity and rent levels. The development costs amount to € 20m, excluding additional studies and plans to improve the food court, relocating tenants and drive the rent roll.

Portfolio

The cinema development is due to commence in earnest at the start of April 2017, subject to permits having been approved, with the demolishing of the existing Anttila unit in its entirety, which also involves some retailer relocations in advance from -1 Level to agreed new location. The total area impacted on is circa 6,500m^2 of current retail space and impacts over four floors and additionally involves demolishing an office block situated on the roof level and relocation of those tenants.

The new 9 screen cinema is due to open towards the end of 2018. It will occupy almost 5,000m^2 with an entrance on the main floor and the exit on the first floor of the shopping centre and the overall project will also create new retail opportunities on the ground floor and additional restaurant and café opportunities on the first floor adjacent to the cinema. This is a major and complex development but presents the centre with an offering which will see Itis reconfirm its dominant position in the east part of Helsinki and continue to grow in popularity , footfall and sales.

A Retailer Open Day was held in August 2016 with an agenda focusing on sustainability. Statistics on areas such as energy consumption were highlighted and examples were shown how the Centre has dealt with reducing costs in areas such as lighting and energy in general. BREEAM was explained and the work Wereldhave had undertaken to achieve a "Very Good" rating.

The main purpose of the day however was to help to focus on areas that the retailers could involve themselves to work alongside Wereldhave to achieve sustainability goals. It was a good starting point to further enhance Itis as a responsible Centre and will certainly be repeated.

Organisation

In July 2016, Jaakko Ristola stepped down from the Finnish board and Anne-Maria Hautala and Richard Belt were appointed as directors of Wereldhave Finland. Wereldhave's strategic review for Finland was finalised in the third quarter, with the decision that this is not the right timing for a disposal. The organisation handled the uncertainty of the strategic review very professionally and remained fully focussed and committed, not only with strong operational results, but also with a 100% participation rate of the employee survey, with a very high commitment score.

In 2016, Wereldhave's Itis shopping centre saw a continued increase in footfall of 2.3% (market average 1%) and a growth in sales of 2.4% (market 0.7%).

The participation was equally high in support of the fundraising for the Hope Foundation in Finland. As last year, a charity event was organised in Itis to provide children of families in need with a Christmas present. This year's target, to provide at least 1,000 children in the catchment area with a gift of their choice, was certainly achieved. Some 1,500 children benefited from the charity event.

Results and valuation

Occupancy of Itis stood at 95.7% at December 31, 2016. The Finnish portfolio was valued at € 565.6m on December 31, 2016 against € 616m a year earlier. The decrease in value relates to the bankruptcy of Anttila and the required investments to create a cinema in Itis. This will on the medium term add to footfall, dwelling time and sales of the centre.

Outlook

The year 2017 will be a year of transition. Prime focus will be on the refurbishment of the middle of the shopping centre, to accommodate Finnkino. Preparations have already started. The building permit is anticipated to be issued in April 2017, with the Finnkino opening its doors in November 2018. Meanwhile, Wereldhave targets a further increase in footfall, even during the refurbishment period, with targeted marketing initiatives and a further improving quality offer of food & beverage, on the back of the cinema that will open doors in 2018.

The construction for a Primark in Docks Vauban started in January 2017, with the shop opening scheduled for the third quarter of 2017.

PROPERTY PORTFOLIO

France

	Côté Seine	Mériadeck	Docks Vauban	Docks76
	Argenteuil	Bordeaux	Le Havre	Rouen
Lettable area	17,800 m²	32,200 m²	58,400 m²	37,200 m²
Parking spaces	1,350	1,670	2,000	1,000
Year of acquisition	2014	2014	2014	2014
Year of construction/ renovation	2010	2008	2009	2009
Annual theoretical rent (x € 1m)	6.1	9.0	6.9	10.4
Visitors million/year	5.5	10.3	5.6	4.1

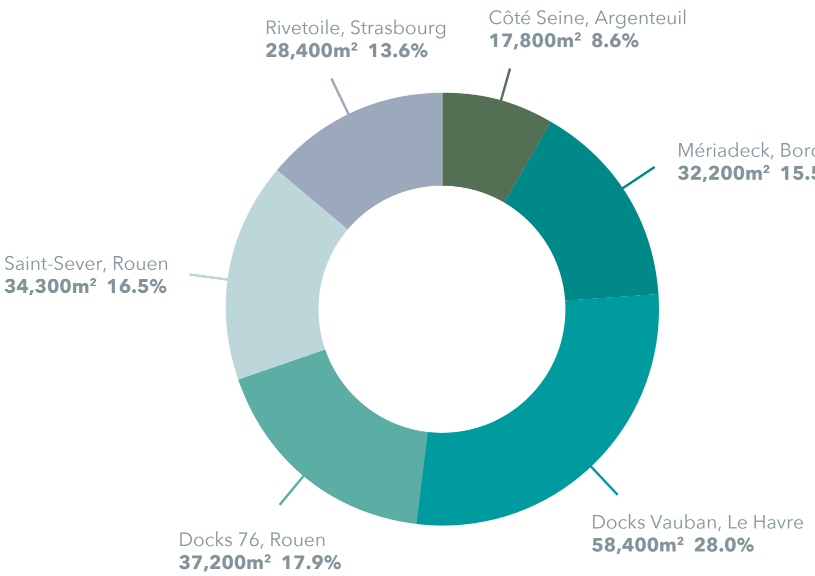
PROPERTY PORTFOLIO

France

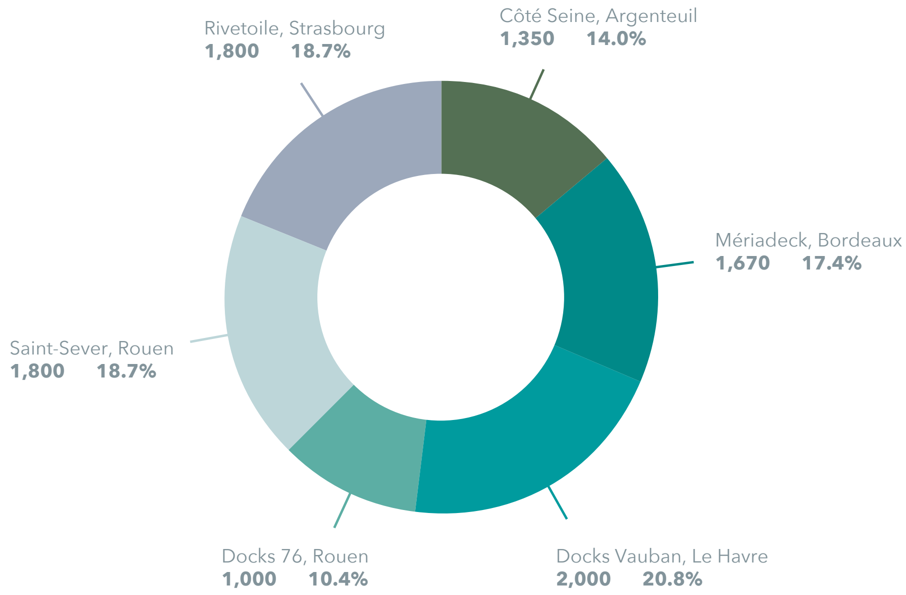
	Saint-Sever Rouen	Rivetoile Strasbourg
Lettable area	34,300 m²	28,400 m²
Parking spaces	1,800	1,800
Year of acquisition	2014	2014
Year of construction/ renovation	2012	2008
Annual theoretical rent (x € 1m)	9.0	10.5
Visitors m/year	9.2	6.0

FRANCE PROPERTY PORTFOLIO
as at December 31, 2016

LETTABLE AREA



PARKING SPACES



FRANCE
Shopping Centre Operations

KEY ECONOMIC PARAMETERS
(European Economic Forecast autumn 2016)

	2015	2016	2017	2018
GDP growth, %, yoy	1.3	1.3	1.4	1.7
Inflation, %, yoy	0.1	0.3	1.3	1.4
Unemployment, %	10.4	10.0	9.9	9.6
Private consumption	1.5	1.5	1.3	1.6

Argenteuil


Bordeaux


Le Havre

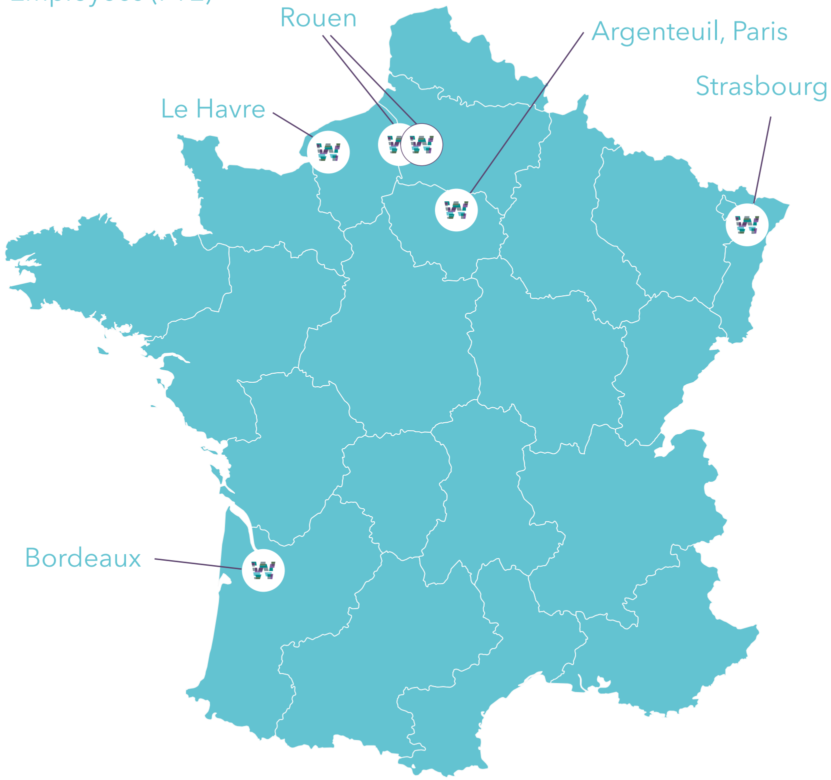

Rouen


Rouen


Strasbourg

LOCATIONS

208,300	m² shops
550	Retail units
435	Tenants
53.0	Employees (FTE)

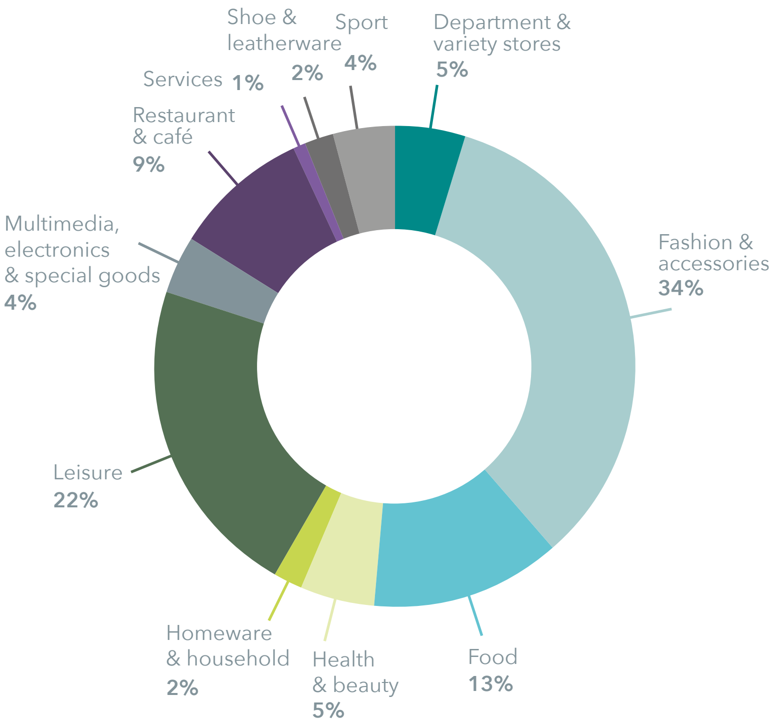


FRANCE PERFORMANCE
Shopping Centre Operations

KEY DATA

	2016	2015
Net rental income (x € 1m)	45.9	45.7
Occupancy (as a %)	94.4	91.1
Investments properties market value (x € 1m)	899.7	852.1
Investment properties under construction (x € 1m)	-	-
Acquisitions (x € 1m)	-	1.7
NIY (as a %)	5.1	5.4
EPRA NIY (as a %)	4.7	5.0

TENANT MIX



TOP 10 TENANTS

1. Hennes & Mauritz
2. E.Leclerc
3. Pathé
4. Auchan
5. Mango
6. Sephora
7. Camaieu
8. Jules
9. Promod
10. New Yorker

FRANCE

French GDP growth is forecast to continue at a moderate pace of 1.3% in 2016 and 1.4% in 2017 (source: Eurostat European Economic Forecast, autumn 2016). Private consumption is set to remain sustained over the forecast horizon. Supported by policy measures to encourage job creation, the unemployment rate is forecast to slowly decline from 10.0% in 2016 and 9.9% in 2017 before dropping to 9.6% in 2018.

Inflation has started to pick up in recent months and is expected to average 0.3% in 2016. With oil prices set to increase, inflation is forecast to rise substantially to 1.3% in 2017 and to 1.4% in 2018 as the effect of rising oil prices gives way to pressures from rising wages.

According to CBRE (France Retail, shopping centres, Q3 2016), footfall in shopping centres did not improve, while retail parks outperformed, underpinning a shift to convenience. Given the shortage of prime assets and low interest rates, the yields for retail property have continued to compress in 2016, with high street retail seeing 3.0% yields. Retail parks stand at 4.75% and shopping centres at 4.0-4.25%.

The positive trends in the investment market were not supported by the leasing market, where rental values were under pressure. Retailers often demand rental discounts and higher fit-out contributions and negotiations tend to be tough, particularly with the larger prime fashion chains.

In 2016, 47 leases, rotations and renewals were signed in 2016, 9% of the portfolio, generally above the estimated rental value. Particularly in the first half of the year, take-up was strong. Bankruptcies represented an annualised impact of € 1.2m, but due to the strong letting results, occupancy increased during the year from 91.1% to 94.4%. Like-for-like rental growth amounted to 1.4%, which is 130 bps above the indexation. Footfall decreased by 0.7% (market average -1.2%).

Wereldhave managed to attract large retailers to open their first shops outside Paris. Rituals signed for Docks 76 in Rouen, their first shop outside Paris and Leroy Merlin opened their first urban concept store in France in Rivetoile, Strasbourg. Leasing activity was strongest in Docks Vauban, following the signing of a Primark. Several food concepts were added to the centre, to increase the food & beverage offer and increase dwell time.

Portfolio

There were no changes to the investment portfolio in 2016. The project to improve the inner climate of Docks Vauban was completed in November 2016. The open entrances were replaced by doors, which had a significant impact on footfall, which went up by 14%. Also, five new kiosks were signed.

The development portfolio consists of the works to accommodate a Primark in Docks Vauban. Construction of the € 8m project started in January 2017 and the Primark is expected to open its doors in Q3 2017. In Saint Sever, Rouen, the Verrerie project to create a food hall in front of the entrance of the Kinepolis cinema is expected to start in February 2017. It requires an investment of approx. € 14m. Nearly 55% of the estimated rental income for the new units has already been secured.

In January 2017, a start was made with the installation of smart metering in the shopping centres. This will enable Wereldhave to perform a more in-depth analysis of energy and water use in the centres. Also in January 2017, a health and safety initiative was launched. The intake audit of the current situation was performed in February. Following the feedback from the audit, action plans will be implemented per shopping centre.

FRANCE

Organisation
The year 2016 was the first full year of operations with the entire team in place. No major changes were made to the organisation. Focus was on improving business processes and a swift execution. The organisation succeeded in its goals. Wereldhave France has successfully integrated within the group.

Like-for-like rental growth amounted to 1.4%, which is 130 bps above the indexation. Footfall decreased by 0.7% (market average -1.2%).

A lot of effort was put in the BREEAM recertification of the shopping centre portfolio. All six centres received a BREEAM in-use "Very Good" rating or higher, mainly due to the high quality of the operational shopping centre management procedures.

The participation rate of the staff involvement in events in the centres improved significantly against the previous year. The most notable event was the Amazone sponsor run at le Havre, on Sunday 6 June. The run, with more than 17,000 participants, was organised by the municipality in close cooperation with the Docks team. By running 6 km through the city, money was collected for breast cancer research. Both men and women could participate, on one condition: men should dress like women.
Another big success was the eighth annual World Autism Awareness Day that took place on April 2nd, 2016. "Autisme Aujourd'hui" which is an association of families and relatives of autistics living in Alsace, organised a full day of events, an information desk, entertaining events like Zumba sessions, improvisation shows, percussion concerts and a film in the adjacent cinema.

Results and valuation
Occupancy of the French shopping centre portfolio stood at 94.4% at December 31, 2016. The portfolio was valued at € 899.7m on December 31, 2016 against € 852.1m a year earlier. The increase is caused by higher property valuations.

Outlook
The year 2017 will be a transitional year for Wereldhave France, with focus primarily of the new shop openings in Docks Vauban for Primark. The positive impact on net rental income of these leases will become clear as from the final quarter of 2017. Focus will also be on the further increase of occupancy, with the target of a 95% occupancy at year-end 2017.

The participation rate of the staff involvement in events in the centres improved significantly against the previous year. The most noteable event was the Amazone sponsor run at le Havre.

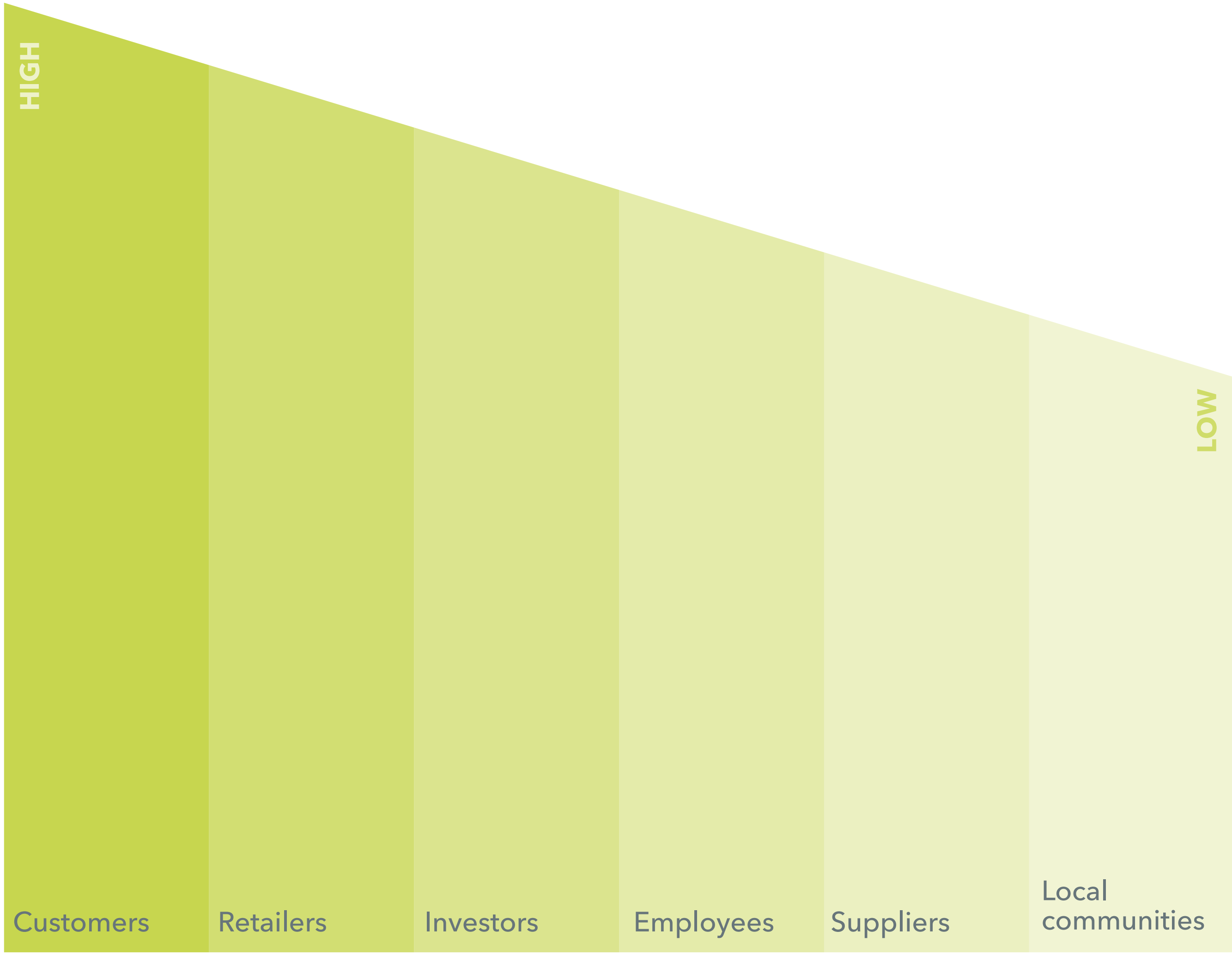
STAKEHOLDER IDENTIFICATION

OUR STAKEHOLDERS

Stakeholder engagement is fundamental to our business. The operational performance of our real estate portfolio is closely linked to how we engage with our stakeholders.

We are successful in making our portfolio more attractive because our employees work closely together with our key stakeholders: visitors, local communities, tenants, investors and suppliers.

STAKEHOLDERS INFLUENCE



IMPACT LEVEL OF STAKEHOLDERS

WERELDHAVE AND ITS STAKEHOLDERS

'We will continue to engage with our stakeholders in 2017,' says Marijn Reijners, Manager Sustainability at Wereldhave. 'Our 2017 materiality assessment will be a combined result from engagement with these different stakeholder groups. Our key stakeholders will play a vital role in how Wereldhave's integrated sustainability and business strategy will develop in the coming years.'

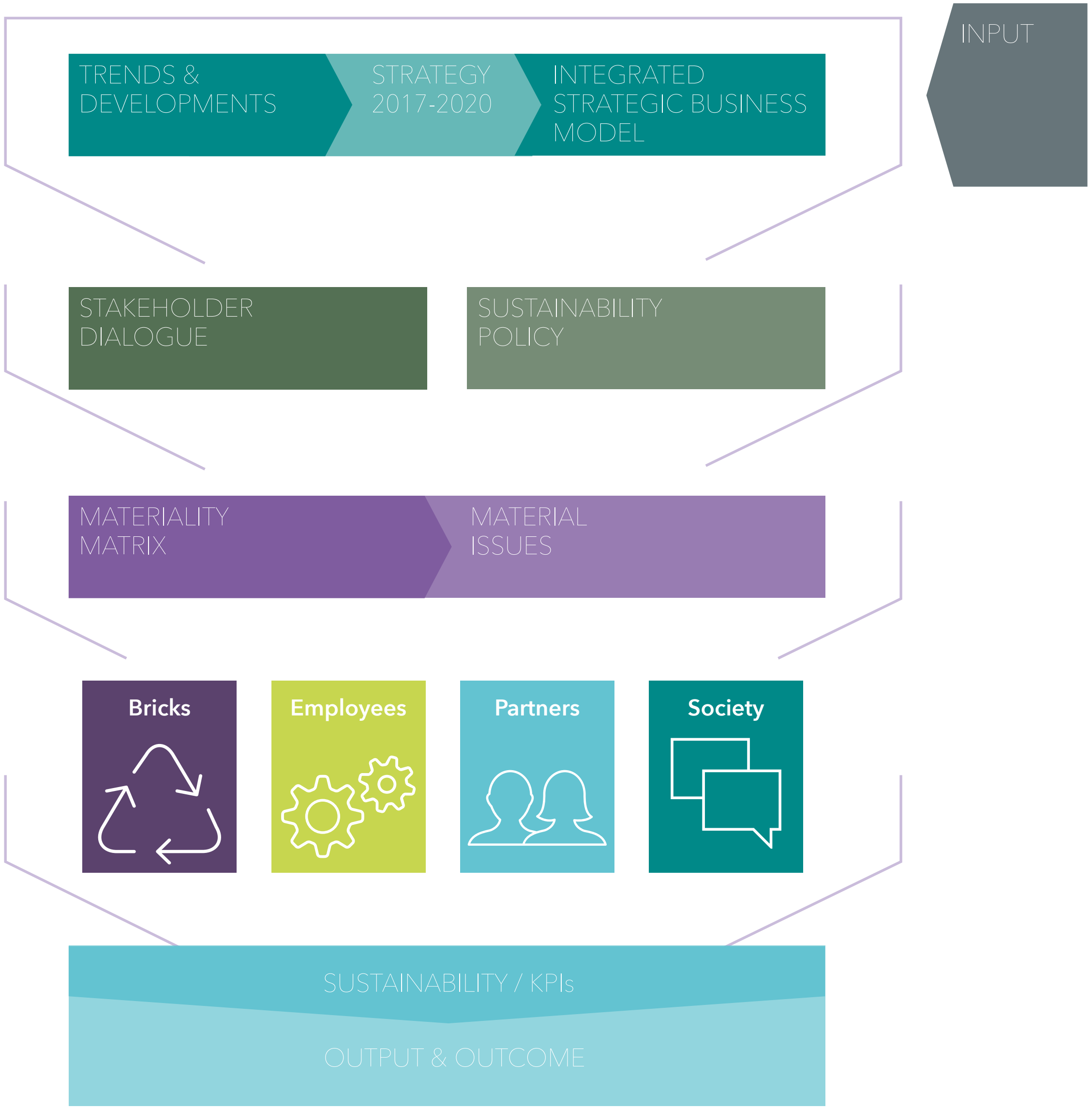
STAKEHOLDER DIALOGUE OVERVIEW

STAKEHOLDER	WHO?	COMMUNICATION MEDIA AND CHANNELS	SUSTAINABILITY TOPICS DISCUSSED	IMPORTANCE OF SUSTAINABILITY POLICY TO WERELDHAVE
Customers	All visitors	Events Social media Shopping centre websites Satisfaction surveys	Customer journey Communication Health & safety	Footfall Keep in touch with customer base Input for improvement Input for events
Retailers	All tenants	(Key) account management Tenant associations Sustainability committees Tenant satisfaction surveys Retailer seminars	Energy, water & waste Health & safety Green leases BREEAM in-use Customer satisfaction Footfall	Mutual partnership Turnover Sustainability goals
Investors	Equity & debt providers Advisors Assurance firms	AGM Annual report Interim statements and trading updates One-to-one meetings EPRA Real estate seminars	Strategy Financing requirements Loans Governance Remuneration Reporting	Stability Transparency Guidance

STAKEHOLDER DIALOGUE OVERVIEW

STAKEHOLDER	WHO?	COMMUNICATION MEDIA AND CHANNELS	SUSTAINABILITY TOPICS DISCUSSED	IMPORTANCE OF SUSTAINABILITY POLICY TO WERELDHAVE
Employees	All employees New recruits Representative bodies	Works council meetings News letters Result presentations Onboarding Assessments and career development Intranet	Culture Remuneration Ethics and compliance Role clarity Health & safety	Inspired employees Committed and engaged Think retail 100% of staff assessed
Suppliers	All suppliers	Procurement Supplier dialogue Charter Review of policy	Health & safety BREEAM in-use Ethics and integrity Sustainable value chain management	Partnerships Reliability Transparency Quality-cost control
Local communities	Catchment area	Events Environment City competitiveness Licenses and permits	Attractive social environment Health & safety Planning and regulations Job creation	Attractive sustainable environment Stronger community networks Long term relationship

SUSTAINABILITY STRATEGY AND ORGANISATION



OUR ROUTE MAP FOR FORMULATING **OUR SUSTAINABILITY STRATEGY 2017-2020**

For defining our strategy and objectives Wereldhave follows the following route map. For Wereldhave sustainability means investing time, effort and money in our assets and employees, in order to strengthen the relationship with all stakeholders, including the tenants, visitors of our shopping centres and local communities in the micro-environments in which we operate. This will lead to more sustainable and profitable returns on capital in the short and long term. Wereldhave wants to combine sustainability and commercial business in an integrated approach, investing not only in (sustainable) bricks, but at the same time in our employees, partners, and society.

SUSTAINABILITY STRATEGY AND ORGANISATION

SUSTAINABILITY FRAMEWORK

INTRODUCING FOUR SUSTAINABILITY PILLARS

As stated in our strategy our Sustainability Framework consists of four pillars:
These pillars are created to support our business operations by guiding investment decisions that benefit the communities our properties serve. Social contact is a major driver for people to visit our shopping centres. That is why we allocate 1% of our net rental income annually to projects that strengthen our connection with the community. While generating higher footfall, increasing the length of customer visits and improving turnover for our tenants, we also strive to lower service costs, strengthening portfolio occupancy rates and increasing rental value.

SUSTAINABILITY FRAMEWORK INTRODUCING FOUR SUSTAINABILITY PILLARS

BRICKS

Wereldhave is dedicated to reducing the environmental impact of our real estate assets. Through the optimisation of energy efficiency, the use of sustainable materials and the promotion of public transportation, we aim to minimise our portfolios environmental impact.

PEOPLE

We are inspired by people who want to invest in themselves, their work and our company. In return we aim to be a good employer on all fronts by offering competitive financial rewards, providing a pleasant working environment, and stimulating and motivating our employees to reach their full potential. The focus of our People Pillar lies in developing Wereldhave's human capital.

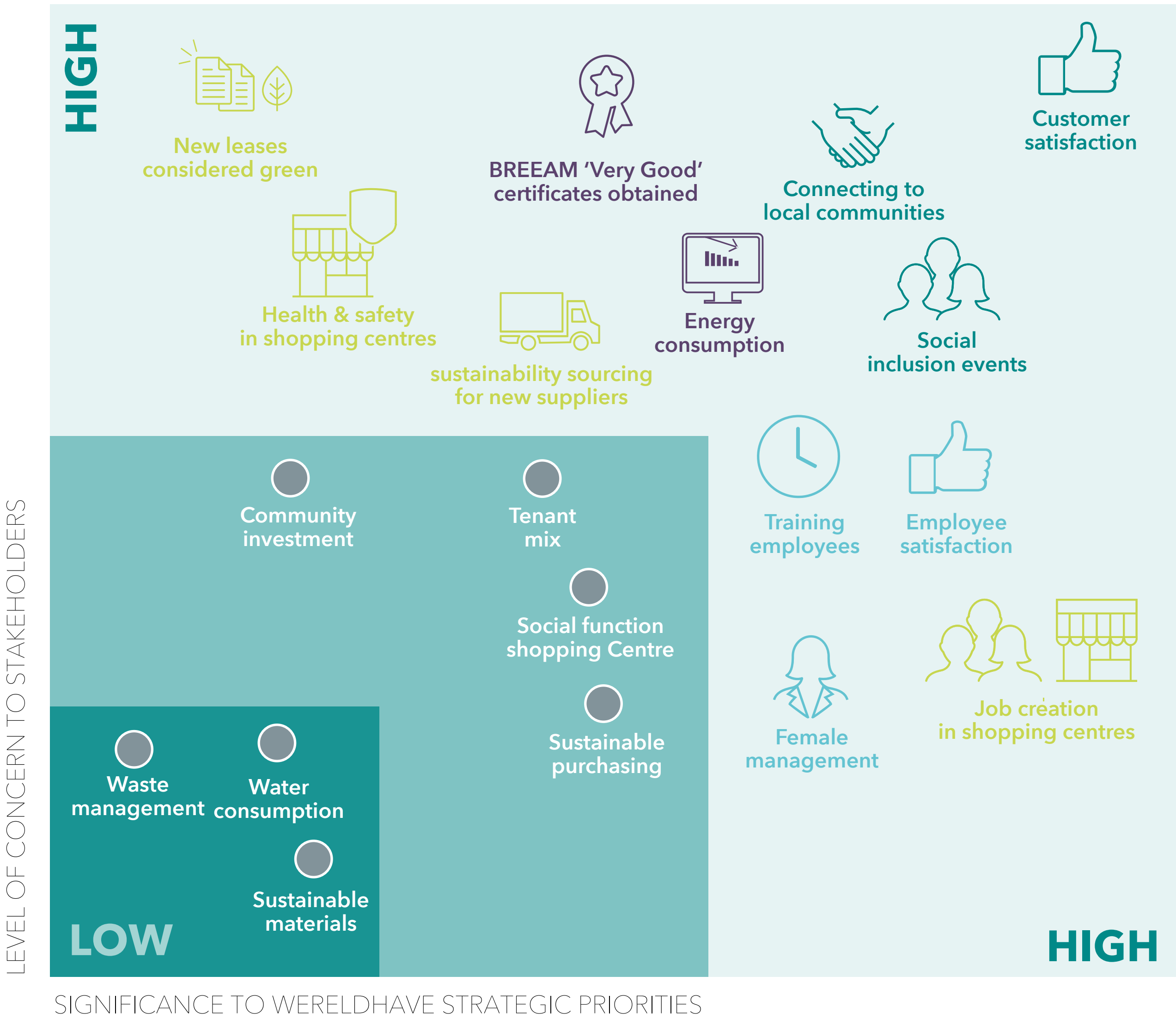
PARTNERS

Strengthening sustainable partnerships with our key stakeholders is necessary in order to achieve our sustainability objectives. For our continued success we depend largely on our partners such as tenants and suppliers, particularly when it comes to our sustainability performance.

SOCIETY

We want to connect our shopping centres with the communities they serve. Our shopping centres should play a social role for society and make it easy for people to both shop and meet. The events we organise in our centres are aimed at drawing people in from the designated catchment area. Direct contact with the local communities also provides valuable input as to consumer expectations. This enables us to implement targeted initiatives and improve the customer journey over time. A tailored approach creates value for both society and Wereldhave.

SUSTAINABILITY STRATEGY AND ORGANISATION



MATERIALITY MATRIX AND MATERIAL ISSUES

In 2016, the materiality matrix was reviewed after stakeholder consultations. Some minor changes were made in view of progress that was already made and to align the targets with our business operations.

The targets per pillar are directly related to the matrix and substantial progress has been made. It is however too early to change the targets, as we notice that awareness of the different approach per pillar and the synergy between the pillars is still increasing within the organisation. We did however sharpen some targets for 2017. Especially the BREEAM in use certification of our shopping centres is key, since it requires an integrated management approach which covers all aspects of the framework. We aim to further strengthen the connection between the materiality matrix and our operational performance in 2017.

STRENGTHENING STAKEHOLDER COOPERATION

A structural and group-wide approach for stakeholder engagement was already introduced in 2013. The most critical stakeholders were identified after meetings with senior management and independent external advisors. The stakeholders mentioned in the chart on page 67 have the most significant influence on the financial and operational performance of Wereldhave and vice versa. We have adopted structured approaches to measure and improve our relationships with these stakeholders. For example, we monitor, report and improve on customer, tenant and employee satisfaction over time through independent surveys every two years.

Wereldhave has committed itself to the reduction of the environmental impact of our real estate operations by setting ambitious targets. We need the support of our stakeholders to reduce our combined environmental impact and therefore a positive collaboration is essential. In 2016, we have continued the roll out of green leases for our tenants: 99% of new leases qualify as green lease. Sustainable partnerships with our tenants and suppliers, performance contracts for instance, will remain a focus point for 2017.

A supportive framework

Our Sustainability Framework consists of four pillars: Bricks, People, Partners and Society. With a strong focus on social inclusion it is designed to support our business operations by guiding investment decisions that benefit the communities our properties serve. Social contact is a major driver for people to visit our shopping centres. That is why we aim to allocate 1% of our net rental income annually to projects that connect to the community. While generating higher footfall, increasing dwell-time and improving turnover for our tenants, we also strive to lower service costs, strengthening portfolio occupancy rates, and increasing rental value.

Management

The pillars of the framework were managed by working groups, with representatives of each country management organisation in each pillar. The chairpersons of these working groups are a member of the Group Sustainability Committee (GSC) and they report to the committee. In 2016, the GSC was chaired by the CEO; the other members are the CFO, the pillar leads, the Group Sustainability Manager and the Company Secretary. During 2016, quarterly meetings were held and the meetings were well attended.

Genk Shopping 1 in Belgium promoted bike usage for both tenants and customers.

STRENGTHENING STAKEHOLDER COOPERATION

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In December 2016, we decided to simplify our sustainability governance. The role of the Group Sustainability Committee is to act as a gatekeeper on the execution of our sustainable strategy and budget. Members of the GSC are now the CEO, CFO, HR Director, Managing Directors of the countries and the Manager Sustainability.

The Manager Sustainability is responsible for defining our sustainability strategy and targets, supports the country organisations and our corporate reporting. This strategy and targets are validated by the GSC.

Local Sustainability coordinators are responsible for our local sustainability activities and local reporting, whereas the leasing, operations, development and marketing managers implement such activities, within their budget responsibility.

Budget responsibility with respect to sustainability is driven down the business line to the local operations per shopping centre. Internal sustainability reporting has become an integrated part of the Wereldhave Business Review reporting cycle.

Milestones and objectives

In all countries, sustainability is now fully embedded in the shopping centre budgets and business plans. Progress is monitored on a quarterly basis as an integrated part of operations. The data quality has improved significantly with smart metering; monitoring sustainability progress is fully integrated in our reporting cycle. We aim to implement external verification within the next few years, leveraging on this solid basis we already have in place.

For the third year in a row, Wereldhave was rated GRESB Green Star. Wereldhave was also included in the DJSI Europe and we are proud of the progress we made against our peers.

For the third year in a row, Wereldhave was rated GRESB Green Star. Wereldhave was also included in the DJSI Europe.

BRICKS: KPIs

The first pillar of Wereldhave's sustainability framework is dedicated to reducing the environmental impact of our real estate assets. Through the optimisation of energy efficiency, the use of sustainable materials and the promotion of public transportation, we aim to minimise our portfolios environmental impact.

The three key targets of this pillar are:

KPI: IMPROVE ENERGY EFFICIENCY BY 30% BETWEEN 2013 – 2020

With smart metering in all assets and an Energy Profiling System, Wereldhave is able to monitor energy and water consumption in its assets on a 24/7 basis. Smart metering was installed in the newly acquired nine shopping centres in the Netherlands in 2016. The last French shopping centres were linked to the data management system in January 2017, providing Wereldhave a European online platform to monitor the energy and water consumptions for all its shopping centres. The system generates detailed analyses per asset, which are a recurring topic on the Bricks Days and local management meetings. The energy performance is shared with tenants during tenant association meetings and through newsletters. These analyses provide valuable insight and if necessary, specific action can be taken.

The benefits of these analyses are clear, but we can still improve by monitoring and improving energy and water consumption online weekly instead of quarterly. We need to raise awareness at the property managers level to make this part of their routine operations.

Another initiative to meet our 2020 target is organising regular "night walks" in our shopping centres. Night walks are organised and attended by the shopping centre manager, technical manager and local Sustainability coordinator after operating hours to identify unnecessary energy consumptions. The first night walk was held in 2015 in Itis, Helsinki. We aim to organise a night walk in every shopping centre twice a year. A detailed report with photos and energy saving tips is written and used to take energy reduction actions and monitor the energy reduction progress being made.

Before the year 2020, long term energy efficiency plans will be drawn up per country. We have added specific targets for water, waste and renewable energy to the overall key target. In 2017, waste management plans must be implemented in all our assets, together with a water efficiency program. In 2016, nearly 5,400 solar panels were installed on the rooftops of our Dutch shopping centres. We aim to produce 2,000 MWh of renewable energy before the year 2020.

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BRICKS: KPIs

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KPI: HEALTH, SAFETY AND RISK ASSESSMENTS FOR SHOPPING CENTRES IN 2018

In November 2015 the Group Sustainability Committee decided to make health, safety and risk assessments for our shopping centres a new sustainability target, as they connect with all the pillars in our framework.

In 2016 a Health & Safety Dashboard was developed by the Bricks working group. This dashboard monitors presence and expiration dates of certificates and reports related to asbestos, legionella, HVAC installations, elevators, emergency plans, etc and is divided into the following categories: health & well being, energy management, building & technical installations. The target for 2017 is to produce a quarterly H&S dashboard. A detailed planning was made in 2016 and the first assessments are expected to be completed in Q1 2017.

KPI: ACHIEVE BREEAM 'VERY GOOD' FOR SHOPPING CENTRES IN 2020

BREEAM certification provides a full assessment of the common areas of each asset to improve our environmental impact over time.

We achieved BREEAM In-Use certification for eight shopping centres in 2016: Nivelles and Courtrai in Belgium and all 6 shopping centres in France. All certificates resulted in a minimum score of Very Good – Excellent. The certification process for 6 shopping centres in the Netherlands will be completed in Q1 2017. Currently, 14 shopping centres meet the requirements BREEAM 'Very Good' or higher. We reiterate the target to have a 'Very Good' certification for all shopping centres in 2020, with a BREEAM certification scheme according to which we aim to maintain and improve our shopping centre ratings from 2020 onwards.

For 2017, we aim to complete the BREEAM in use certification process for seven shopping centres.

In 2016, Wereldhave analysed fifteen assets using the BREEAM International In Use assessment scheme. The purpose of the studies was twofold: to determine the existing ecological value of the assets, and to identify possible methods for improving the ecological value of the assets. To this end, Wereldhave commissioned ecological assessments for a number of our assets in the Netherlands, Belgium and France. These assessments utilised the BREEAM In Use assessment system, and analyzed the assets with regard to the category for Land Use and Ecology.

There have been risks and opportunities identified following this ecological assessment. One of the risks is that the majority of assets have little or no green space, thus offering limited ecological value to the area. And the maintenance program for existing green spaces is limited, which is leading to a decline of the existing plant material. Where plant material is present, the use of a few standard plant types exposes these plantings to risk of disease and drought. Finally, the mixed-use nature of many assets may make improvements to the sites challenging, due to possible difficulty to work with residential neighbors.

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BRICKS: KPIs

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Opportunities following the ecological assessment included that there is enhancement of ecological value possible during redevelopment projects in the Netherlands. The upgrades could include green roofs, green walls, replacement of hard surfaces with planted zones and the installation of bird and bad boxes, insect hotels and wooden walls. Other opportunities could be found in a stronger cooperation with the local community and municipality and gain more knowledge and expertise from professionals and organisations during the early phases of any redevelopment.

Sharing best practices

Particularly the Bricks Days create a useful platform for sharing knowledge. The working group convenes two times per year to discuss our sustainability progress and to identify quick proven wins. The BREEAM certification process of our shopping centres has already provided valuable insights in room for improvement and we are working on best practices for Wereldhave shopping centres to improve our performance. This standardisation is part of the uniform portfolio approach for BREEAM certification started in 2016.

Our aim is to improve energy efficiency by 30%, for instance by installing solar panels.
In 2016, 5,373 solar panels were installed on the rooftops of our Dutch shopping centres.

PEOPLE: KPIs

The second pillar of the framework aims to attract and retain people, develop our human capital and grow employee talent potential. Wereldhave aims to be a good employer for people who invest in themselves, their work and our Company.

The three targets of this pillar are:

ACHIEVE EMPLOYEE SATISFACTION SCORES OF 7.5 OR HIGHER IN 2017

In 2016, a second employee satisfaction survey was held by a third party. Although the overall satisfaction score of 7.6 was high (response rate 89.5%), there were some items for improvement with respect to career development opportunities, role clarity/ efficiency, leadership and communication.

It was good to see that the follow-up on the earlier survey in 2014 paid off. After the publication of the results of the 2014 employee survey a bi-monthly internal newsletter was launched in 2015 and internal webcasts were held for all employees to present and discuss results. In Finland, all jobs have been reviewed and described and following the appointment of interim shopping centre director Richard Belt, operational focus has improved significantly. Especially these actions taken in Finland were reflected in the results; Role Clarity improved from 5.1 to 7.9.

The target of 2017 is to implement an action plan per country to address the outcome of the 2016 survey.

INCREASE AVERAGE TRAINING TIME PER EMPLOYEE TO 25 HOURS

During 2016, an average of 16 training hours was spent per employee. Introduction events for new employees were the largest contributors to this score in the Netherlands and France.

During 2016, we concluded that the target of an average number of training hours per employee was too broad. We have decided to replace the target with four specific new targets:

1. Invest 2% of total employee budget (base pay) in training & development
2. Improve efficiency of performance management process, with two appraisals for all employees per year
3. Succession planning for all key positions

These new targets will sharpen our focus, whilst also addressing the outcome of the employee satisfaction surveys.

In 2016, an on-boarding training was developed for new employees in the Netherlands and France. We intend to provide such training programs quarterly for any new employees that joined the Company. In Belgium, a quarterly Asset Management Day to discuss operational procedures was the largest training event.

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PEOPLE: KPIs

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INCREASE PERCENTAGE OF FEMALE SENIOR MANAGERS TO 33% IN 2016

During 2016, we decided to add an extra target. We not only aim to reach 33% of senior management roles taken by women, we also want to increase diversity by providing job experience positions in our shopping centres for people with disabilities.
Staff turnover was high in 2016 with 51 new entrants and 57 people leaving the Company. We have defined senior management positions as members of our local management teams for leasing, finance, development and operations and heads of staff at group level. This accounts for a total of 23 positions and at year-end 2016, the gender composition of senior management was 30% female and 70% male.
We are actively seeking partnerships to provide job experience positions for people with disabilities. We endorse the Happy Tosti concept, a fast food restaurant offering job opportunities to people who have a distance to the labour market, and would like to introduce such formats in more of our shopping centres. Another example can be found in Belgium, where we joined the initiative of De Branding in Courtrai, also offering such job opportunities.

Charters and covenants

Wereldhave supports the principles laid down in the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. We believe that human rights, as defined by the United Nations in its Universal Declaration of Human Rights, are a common standard that all employers should uphold, and we encourage our employees (and our contractors / suppliers) to respect these rights by committing to our Code of Ethics and business integrity principles.

Integrity and compliance

There were no major integrity issues in 2016. A data privacy protocol was set up for all shopping centres and in January 2017, integrity awareness trainings were held in Belgium, Finland and France. In November 2016, integrity and compliance was an important topic for the onboarding trainings were held for new employees in the Netherlands.

Works Council

Wereldhave's Works Council in the Netherlands consists of five persons and is chaired by Jan van Straaten (Head Accounting/Consolidation Controller). The Works Council has quarterly meetings with the CEO and the Managing Director for the Netherlands. The Chairman of the Supervisory Board attended one of these meetings. A preparatory meeting is held for each meeting.

Each year, the Works Council selects the topic for its permanent education program, which consists of a two-days training outside the Company's offices. The 2016 training was focused on teambuilding.

The topic that took much debate in 2016 was the request for advice in reorganisation of the Dutch management organisation and the Group's management team, resulting in more than 25 persons leaving the Company. The Works Council discussed the need for change, the lay-out of the management organisation, the impact of the change and the related social plan. After multiple meetings with Management, the council advised positively.

PARTNERS: KPIs

The third pillar of Wereldhave's sustainability framework is dedicated to strengthening sustainable partnerships with our key stakeholders to achieve our sustainability objectives. For our continued success we largely depend on our partners such as tenants and suppliers, particularly when it comes to our sustainability performance.

The three key targets of this pillar are:

CREATE 1,000 RETAIL JOBS BY INVESTING € 200M IN SHOPPING CENTRES

With the expansion and refurbishments of our centres, new permanent retail jobs are created. Wereldhave uses a standardised methodology to calculate job creation, expressing the square metres added as the equivalent of the number of new retail jobs. In 2015, a measurement was made for the new shopping centres in France and the Netherlands to determine the average number of jobs per 1,000 m². When an expansion project is completed, the number of jobs is measured again. The outcome of these measurements is perfectly in line with the average of 55 jobs per 1,000 m² of the existing portfolio that was measured in 2014.

In 2016, 144 permanent retail jobs were created, which together with the jobs that were created in 2015 brings the total number to 897. We are therefore still on track in achieving this target.

75% OF NEW LEASES CONSIDERED TO BE 'GREEN' IN 2016

When the Green Lease format was launched in November 2014, we took off with a flying start. In 2015, green lease addendums were also inserted in proposals for lease renewals. This considerably shortened the time needed to make the entire lease portfolio green. The Green Lease contains clauses on labour conditions, materials to be used for fitting out, energy consumption and water use. A Green Lease also stipulates which data need to be disclosed between parties and describes their mutual efforts in communication, to raise awareness to reduce the environmental footprint of our properties. In 2016, well over 99% of all new leases qualified as a Green Lease. In France, green leases were also implemented in 2016 and in Q4 2016 already 100% of new leases were green.

The target has now been reached, and will from 2017 onwards be replaced by two new targets:

1. Tenant engagement: introduce sustainability committees in all shopping centres;
2. Tenant engagement: hold tenant satisfaction surveys in all shopping centres.

In 2017, focus will continue to be on making sustainability a recurring topic of the meetings with tenants associations and setting up a

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PARTNERS: KPIs

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communication strategy towards consumers and visitors of our centres. This is an ambitious target, since the majority of our tenants still is under the regime of old leases and therefore not yet officially committed to sustainability. Putting it on the agenda will however help us in quickly increasing the number of green leases.

In 2015 we started interviews with tenants in Belgium, the Netherlands and Finland and asked for their feedback and recommendations. Several tenants shared their ideas and this resulted in several improvements in the documentation.

Another initiative to promote sustainability awareness of the local teams is an annual contest for the best sustainability initiative for a shopping centre. The contestants were four projects in the Netherlands, two in Finland and four in Belgium. Initiatives range from separation of sewer water to use rainwater for cleaning, separate textiles as a sixth waste stream, creating sustainable toilets to installing solar panels. The winning shopping centre received a budget of € 5,000 to launch a new initiative. Genk Shopping 1 promoted bike usage for both tenants as customers and will use the budget to install more battery charging points for electrical bikes.

REDEFINE AND IMPLEMENT SUSTAINABLE SOURCING FOR ALL NEW SUPPLIERS IN 2016

A sustainable sourcing charter was drafted and before the introduction, interviews were held with the four main categories of suppliers (maintenance, waste, cleaning and security) in each country. Based on their feedback we adjusted the final document. As from 2016, these interviews are repeated annually in order to get feedback on the charter after one year in practice. This will help us improve and raise ambition.

Many of the items in the charter were already common practice, but not yet recorded or documented. Some of our suppliers had already integrated sustainability in their operations, particularly in the field of waste disposal. In 2016, Wereldhave installed a "waste barometer" as a pilot project in Nivelles shopping, expressing the progress on waste separation and recycling on a weekly basis. This will contribute to consumer and tenant awareness in the centre. In 2017 a waste management plan will be created and implemented for every shopping centre. We have decided to change the target to supplier engagement. We aim to assess suppliers' compliance with the charter at each shopping centre (target relates to security, cleaning and maintenance contracts).

Stakeholder engagement

In addition to the stakeholder consultation as set out above, Wereldhave's Investor Relations and the Board of Management have engaged with institutional share- and debtholders through some 158 meetings (one-to-one and group meetings) across 13 countries in Europe, North-America, Asia and South-Africa. Frequently discussed topics in these meetings, besides the latest financial results, included a.o. the integration and performance of the acquired shopping centre portfolios in France and the Netherlands, the evaluation of Itis, the debt-profile of the Company (sources of debt, maturities, costs, hedges, etc.), the strategy and focus on dominant convenience centres, the sustainability strategy, the investment criteria of major funds and the retail climate/tenant bankruptcies in the Netherlands. In addition to these meetings, multiple conference calls and 'property visits' were organised.

SOCIETY: KPIs

The fourth pillar of Wereldhave's sustainability framework focuses on our social responsibility towards the society in the catchment areas of our shopping centres. We aim to foster social inclusion and to play a meaningful role in the local community.

Three key targets were set, to be achieved by the year 2016:

IMPROVE RETAIL CUSTOMER SATISFACTION TO GOOD

The aim is to achieve a score of 7.5 (good) or higher. A positive customer experience drives footfall and dwell-time, resulting in higher spending and an increased turnover for our tenants.

Wereldhave measures footfall in all of its shopping centres and monitors trends and developments continuously. In addition, customer satisfaction surveys are held every other year. These surveys follow a uniform but condensed questionnaire. In 2016 surveys took place again in shopping centres in the Netherlands, France and Finland. Since all Belgian centres were reviewed in 2015, these centres will be surveyed again in 2017.

We decided to spread the surveys evenly over the years. In 2016, customer surveys were held in 8 shopping centres in the Netherlands. In Finland, interviews in Itis were held in 2016. Standardised customer satisfaction reviews were held for the first time in all 6 shopping centres in France. In Belgium reviews were held in 2015 in 6 shopping centres. The coverage of the assets where a tenant satisfaction survey was done in the last three years is 100% based on GAV.

The average score in 2016 amounted to 7.7. The questionnaires are analysed per shopping centre and the analysis is discussed in the management team meetings. Specific actions for improvement are then decided for each shopping centre, and laid down in the shopping centre business plans. These plans are monitored on a quarterly basis.

The average score in 2015 amounted to 7.8. The questionnaires are analysed per shopping centre and the analysis is discussed in the management team meetings. Specific actions for improvement are then decided for each shopping centre, and laid down in the shopping centre business plans. These plans are monitored on a quarterly basis.

INVEST 1% OF NRI TO STRENGTHEN OUR CONNECTION TO LOCAL COMMUNITY

We have set the target for community servicing investments at 1% of the Net Rental Income (NRI). A group average of 0.9% NRI was invested in local communities in 2016. In 2014 we spent 0.6% of NRI, in 2015 0.8% and in 2016 0.9% of NRI.

Our investments include contributions in kind and cash contributions to facilitate the organising of meaningful events. To keep our operational costs low, the majority of contributions is made up of providing space for free.

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SOCIETY: KPIs

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Well over 200 events were organised in our shopping centres, ranging from "the longest dining table" for elderly to fundraising for local charity, such as the Linda Foundation in the Netherlands and the Hope foundation in Finland. These foundations aim to support families in financial difficulties during the festive season. The charity stands were largely manned by Wereldhave staff, but even one of our Supervisory Board members volunteered to raise funds in one of our shopping centres for several hours. The prices were provided by our tenants, and ranged from substantial discounts to gifts. The participants to the charity event could be recognised by special signs at their entrance door and most tenants gladly participated. A total of € 50,000 was raised for the Linda Foundation and 1,500 gifts for the Hope Foundation.

The "longest dining table" was an event that initially was organised in one of our Belgian shopping centres. As it was a great success, it was repeated in three Dutch shopping centres in 2015 and seven in 2016. This is a good example of sharing best practices within the organisation and we aim to further standardise events. It will not only reduce costs, but also lower the impact of organising such events on the organisation. Administrative measures were set up last year to record space that has been provided for free. The contribution is measured at the centre's estimated rental value per m² for the period, without any further charges. Contributions in cash are measured at cost.

95% OF WERELDHAVE STAFF INVOLVED IN SOCIAL INCLUSION EVENTS IN 2016

We encourage an active participation of our staff in organising social events in the shopping centres. This works two-ways. Our employees not only act as ambassadors and engage our stakeholders, but it is also instrumental in embedding our key focus and cultural values within our own organisation. Employees in typical staff functions like accountants or administrative assistants get to visit our assets, engage to stakeholders and gain a thorough understanding of our day-to-day operations.

89% of our employees were involved in several events during the year. The event with the highest participation rate in the Netherlands was a two weeks period of fundraising for the Linda Foundation with a 98% participation rate. In Finland, a 100% staff involvement was reached, in France 86% and in Belgium, we reached a 72% staff involvement.

From 2017 onwards, we have raised the target, that 100% of staff engages in at least one social inclusion activity per year.

Corporate sponsorship and philanthropy

In 2016 Wereldhave spent over € 170,000 on corporate sponsorships and philanthropy. Employees organised several fundraising events, such as participating in charity runs and the Amsterdam City Swim for ALS.

Wereldhave has been a proud sponsor of Macheo in Kenya for the past 4 years. Macheo, meaning sunrise in Swahili, symbolises a new beginning for many Kenyan children. They provide fulltime family-oriented care at their Childrens' Home, nutritional meals at schools to increase attendance, healthcare information and medical care to families in need and educational seminars to empower families and their communities. On a daily base 20.000 children in Thika, Kenya benefit from Macheo.

In 2016 Wereldhave became the boat sponsor of A.S.R. Nereus, the most successful student rowing club in the Netherlands. It allows Wereldhave to have a close connection to students. Nereus members won 1 gold and 4 bronze medals in the Rio Olympics.

In 2016, Wereldhave agreed to support the Amsterdam Carré Theatre in making its renowned and prestigious 19th century circus theatre more sustainable. We are very proud we could contribute to the completely refurbished and refreshed Amstel Foyer. This shows that our social involvement goes beyond our own shopping centres. We also sponsor the Festival Classique in The Hague and young artists perform their arts in several of our shopping centres.

MESSAGE FROM THE CFO

In 2017 we will continue to improve our occupancy and optimise the portfolio.

2016 has been a turbulent year and that will no doubt be the focus of many annual reviews. With terrorist attacks, Brexit, the election of Trump, and an Italian referendum there have been enough reasons for volatile equity and debt markets. Debt issuance has continued throughout the year, although the focus has been more on refinancing debt than new debt; companies using the low interest rate environment to get the average cost for debt down. Timing has been very important; one day an issue would fly off the shelf, the next day the market would be nervous and a similar credit risk would struggle to find investors.

We had only a USPP that matured and we refinanced that through Belgium banks with €230m of which €160m was refinancing and €70m was new debt. In February we received our initial rating of Baa1 by Moody's, which will enlarge our funding options.
The operational result of our shopping centres was relatively unaffected by the political issues. We were affected by the bankruptcies in the Netherlands, France and Finland, that clearly put pressure on our leasing teams. The total impact was 2.5% of our total rent role, but due to signing of good leases this was for a part already compensated in 2016.

The Netherlands was heavily impacted with a tsunami of bankruptcies that hit us at the end of December 2015 and the beginning of 2016. The banks in the Netherlands have been more restrictive in providing finance to retail players.

The economy in the Netherlands is picking up with GDP growth, increasing house prices and low unemployment. This had its effect on the retail sector, especially in the fourth quarter with strong sales. In Belgium the market has been very good over the years, but tenants are becoming more demanding. The market in France is still tough and retailers take a long time to decide to sign a lease contract. In Finland the economy is weak, but sales in our centre have developed positively.

During the year we have completed a strategic review on our shopping centre in Helsinki. There are some uncertainties around the centre, mainly due to the Finnish economy, some competing centres will open in 2018 and the bankruptcy of Anttila. Brexit also ensured that a number of potential investors put their plans on hold. We think the Finnish economy will improve, the competition will not be of influence to Itis and the bankruptcy has given us the

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MESSAGE FROM THE CFO

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possibility to build a much needed cinema in Itis. It is therefore in our view of more benefit to keep filling up the occupancy in the centre and to increase the attractiveness by improving the leisure and the restaurant offer.

The share development has been of a disappointment in 2016 and has been below NAV for the most part of the year, underperforming our peers significantly. The operational performance has been solid, despite bankruptcies, and we have done a strategy update to reinforce the benefits of convenient shopping centres and of the resilient cash flow that comes from our centres. This is a solid basis for a stable or increasing dividend and on top of that we have enough funds left to pay for maintenance capex.

In 2017 we will continue to improve our occupancy and optimise the portfolio in order to have the best convenience shopping centres, where local people like to come on a regular basis.

'In February we received our initial rating of Baa1 by Moody's, which will enlarge our funding options.'

I would like to thank all our stakeholders for their cooperation over the year.

Robert Bolier
CFO

Rituals opened a shop in Ring Shopping Courtrai.

DIRECT RESULT

Results

(x € 1m)	2016	2015
Net rental income	201.5	184.7
General costs	-17.6	-16.3
Other income and expense	-	0.6
Net interest	-31.6	-32.0
Taxes on result	-1.3	-0.6
Result from continuing operations	151.0	136.4
Result from discontinued operations	-	-2.7
Total direct results	**151.0**	**133.7**

TOTAL RESULT

The total result for 2016 amounts to € 120.8m, against € 103.8m for 2015. The direct result increased by 13% to € 151.0m, or € 3.45 per share (FY 2015: € 3.23). The indirect result 2016 (€ -30.2m) was nearly equal to the 2015 indirect result (€ -29.9m).

DIRECT RESULT

The direct result increased from € 133.7m to € 151.0m, mainly due to the acquisition of nine shopping centres in the Netherlands in 2015, of which the full-year impact became visible in 2016.

Net rental income improved by 9% from € 184.7m to € 201.5m, primarily driven by the expansion of the portfolio.

General costs for 2016 increased by € 1.3m to € 17.6m (2015: € 16.3m) at year-end.

The average interest rate at year end dropped from 2.2% to 1.9%, but due to the increased size of the property portfolio, interest charges remained flat at € 31.6m.

(x € 1m)	2016	2015
Valuation result	-29.6	-4.6
Results on disposal	-0.9	-0.3
Taxes	0.7	-2.2
Other	-0.4	-8.7
Net interest	-	-1.3
Result from continuing operations	-30.2	-17.1
Ordinary result from discontinued operations (UK/US/Spain)	-	0.1
Recycling exchange rate differences (no NAV impact)	-	-12.9
Result from discontinued operations (UK/US/Spain)	-	-12.8
Total indirect results	**-30.2**	**-29.9**

The indirect result improved significantly during the second half of the year. The indirect result for the first half was € 68.1m negative, but the full year indirect result stood at € 30.2m negative. The indirect result for the second half of 2016 was € 37.9m positive, mainly in Belgium and France. In the Netherlands, property values remained stable in the second half of the year. In Finland, Itis underwent a € 19m negative revaluation in connection with the bankruptcy of Anttila, in line with our earlier publications.

The valuation result for the full year 2016 amounts to € -29.6m. In the Netherlands, the value of the portfolio decreased by € 24.6m, mainly from a decrease in market rents in relation to the bankruptcies in the first half of the year and transfer tax on the 2016 acquisitions in Tilburg. In France, the value of the portfolio increased by € 27.1m, mainly driven by a further compression of yields and the successful letting of the Docks Vauban shopping centre. The value of the Itis shopping centre in Helsinki decreased by € 58.5m, due to lower market rents.

In Belgium, the overall value of the portfolio increased by € 26.4m mainly due to the use of a lower percentage of transfer tax. The impact of the change in transfer tax was € 54.9m, but there was also a negative revaluation of the portfolio in connection with lower market rents of € 19.9m. Until 2015, fair values of the assets in Belgium were reduced with the nominal transfer tax (10% / 12.5% depending on the region). In 2016 a 5 yearly review by the Belgian Assets Manager Association (BEAMA) confirmed that the effective weighted average transfer tax rate in Belgium is 2.5%, as already applied by peers. As Wereldhave intends to structure property transactions in line with market practice, starting from the financial year 2016, Wereldhave applies the recommended transfer tax rate of 2.5%.

EQUITY AND DEBT
Results

EQUITY

On December 31, 2016, total equity amounted to € 2,161.2m (December 31, 2015: € 2,187.8m). The number of shares in issue did not change during the year, at 40,270,921 ordinary shares. The net asset value per share (EPRA) including current profit stood at € 51.47 at December 31, 2016 (December 31, 2015: € 52.10).

DEBT FINANCING

On February 2, 2016, Moody's Investors Service assigned an inaugural Baa1 credit rating to Wereldhave N.V., with a stable outlook. This credit rating remained the same during 2016.

During the first half of 2016, Wereldhave refinanced € 160m of maturing revolving credit facilities by new five year bank debt whilst increasing one of the refinanced facilities by € 10m. Further a new € 60m five year revolving credit facility was signed.

The LTV at year-end 2016 is 39.0% (year-end 2015 37.5%), within the targeted range of 35-40%. As at December 31, 2016, 79% of Wereldhave's debt portfolio was at fixed interest rates. Nominal interest bearing debt was € 1,569.6m at 31 December 2016, which together with a cash balance of € 40.7m resulted in net debt of € 1,528.9m. The maturity of the debt portfolio decreased from 5.5 years to 5.1 years in Q4 2016. The average cost of debt and ICR at year-end were 1.9% and 6.6x respectively.

DIVIDEND

In respect of the year 2016, a final dividend will be proposed of € 0.77 per share. This implies a full year 2016 dividend of € 3.08 and an increase of 2% against 2015. The ex-dividend date is April 25, 2017. The dividend will be payable as from April 27, 2017.

OUTLOOK

The recurring direct result for the year 2017 is on a positive track, anticipated to grow slightly further. It will however be impacted by one-off reorganisation costs in 2017, which will amount to approximately € 1.5m.

The 2017 outlook also takes into account intended disposals of at least € 50m in H1 2017.

Combining these two factors and development projects that will become yielding in the second half of the year will bring the direct result per share to between € 3.40 and € 3.50 per share.

The impact from the cost efficiencies resulting from the reorganisation is expected to contribute to the direct result in 2018 and onwards.

Dividend is to remain stable in 2017 at the current level of € 3.08, payable in four interim dividends of € 0.77 per quarter.

Opening of Hema store in Strassbourg.

INTERVIEW STAKEHOLDER

Wouter Kromkamp of Jumbo Supermarkets about the co-operation with Wereldhave

'Together, we expand our market opportunities.'

Wouter Kromkamp, manager Acquisition and Development at Jumbo Supermarkets, is responsible for the acquisition and development of store locations. With success: Jumbo has been growing faster than the market.

How Jumbo has developed over the years?

'Jumbo started out as a family grocery store. The family-run business has grown into one of the big supermarket chains in the Netherlands. With the acquisition of Super de Boer in 2009 and C1000 in 2012 we significantly expanded our footprint. Within five years, the old Super de Boer and C1000 supermarkets have been completely redesigned into brand new Jumbo stores. We now have 3 large Food Markets, nearly 600 grocery stores and our online store with over 300 pick-up points and home delivery. Jumbo distinguishes itself with the Seven Certainties formula, of which the main guarantee is that our clients never pay too much: our everyday low pricing principle. In addition, we have long-term sale deals like our year-long offers. Last year we also acquired restaurant chain La Place.'

What do the results look like and what are the plans for the future?

'In 2016 we have achieved excellent results. Our turnover has increased, as well as the number of stores.

'Wereldhave has really surprised me with their profound and innovative way of upgrading and innovating.'

We managed to grow faster than the market, autonomously. Our plan is to open approximately 15 new supermarkets in 2017, including one Food Market. Furthermore, we will start opening new convenience stores, especially in urban locations. So Jumbo will keep an unabated focus on innovation and growth.'

What is Jumbo's strategy?

'We aim to make healthy and delicious food easily accessible to everyone. In the place and at the time that the consumer chooses. Now that we have added La Place to our company, we will be looking more closely at the cross-over between restaurant and supermarket. For example, we will be expanding our product range with successful products from La Place, such as the famous coffee and cakes.'

Your stores are in a number of Wereldhave shopping centres. How do you experience this partnership?

'Our presence is beneficial to both Wereldhave and Jumbo. For a shopping centre, it is important to have a large supermarket on

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INTERVIEW STAKEHOLDER

Wouter Kromkamp of Jumbo Supermarkets about the co-operation with Wereldhave

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board, as it generates traffic. At the same time, we benefit from the specialty shops that are next to us in the shopping centre. For example Wereldhave's recent concept of the "fresh street". Baker, fishmonger, butcher and other specialty shops extend our range. Customers will be driving the extra mile for these shops, and when they are here, they will do their weekly shopping at Jumbo.

To be honest, I did not have very high expectations of a few of Wereldhave's centres. But they have really surprised me with their profound and innovative way of upgrading and innovating. Furthermore, I think that Wereldhave has its key account management in place. On portfolio level, we discuss our plans together and we synchronise activities wherever possible. This way, we expand our market opportunities.

Basic facilities in and around the centres are neatly organised. For us it is necessary that large supply trucks can access our stores, and that customers can park their car or bicycle in a safe place and reach our stores safely.

Important details that Jumbo and Wereldhave are addressing are: routing, quality and quantity of parking lots, lighting, cleanliness and safety, modern and transparent elevation points with an optimal connection to the entrance area of the supermarket, a good shop front of our stores, climate control, interaction with other shops and the tenant mix. Pleasant shopping is a combination of many different aspects. Wereldhave is aware of that. They understand that the success of a supermarket is key for a shopping centre.'

What do you see as the biggest challenge in the partnership with Wereldhave?

'Maintaining the commitment of the consumer. He or she only comes back when everything is right: from parking to atmosphere, from product range to safety. In this respect, continuous innovation is very important. Especially in medium-sized cities, as these locations often experience competition from a larger city nearby. Grocery shopping is still largely "physical", but clothing, books, electronics and toys are increasingly being bought online. Those sectors are experiencing difficult challenges. This puts extra pressure on the tenant mix and profitability of shopping centres. Together, we will have to keep a sharp focus on an optimal, distinctive positioning.'

Jumbo and Wereldhave are addressing: routing, quality and quantity of parking lots, lighting, cleanliness, safety and more.

STAFF & ORGANISATION

On January 13, 2017, Wereldhave announced a reorganisation in the group office and the Dutch management organisation, to make the Company more agile and to increase entrepreneurship. Our organisation must increasingly think and act retail, as the overall retail environment requires decisiveness and flexibility.

Our strategic direction is towards increasing tenant skills and tenant intimacy. We will drive entrepreneurship within our organisation, selecting assertive employees. Leasing and asset management are the key tasks for our organisation. In the Dutch management organisation, we will increase the accountability of our staff and push P&L responsibility downwards within the business reporting line. The managing director Pieter Polman, who was appointed in November 2016, will be supported by four business units with clusters of shopping centres, in which leasing, operations and direct support functions are combined, each of the four business units with full P&L responsibility.

With this reorganisation Wereldhave will not only become more agile, it also realises economies of scale. Our Dutch portfolio doubled in size in 2015, as did the organisation. With the new organisation, headcount of Wereldhave's Dutch management organisation will decrease by 25 in 2017. The new organisational structure will be effective from March 1, 2017. The associated costs for 2017 are € 1.5m, with annual savings on general costs kicking in within the year.

Changes on group level mainly relate to the management team. With the completion of the strategic Growth phase and the decision to keep Itis, the task of the Chief Investment Officer became less relevant with asset rotation going forward at a much smaller scale. Riemer Smink decided to step down as per December 1, 2016. He will not be replaced.

After four years at Wereldhave, Belinde Bakker will step down from the management team. With the successful completion of the integration of the acquisitions,

Facts and figures per December 31, 2016

Number of employees
209.6 FTE

Women
125 (57.6%)

Men
90 (42.4%)

Average age
41.1 years

Average length of service
5.0 years

Absence due to illness
2.0%

STAFF & ORGANISATION

the local managing directors are fully equipped to run the operations, directly reporting to the CEO.

Cross border practices have been identified and are embedded in the organisation with the country MD's. As a result, it was mutually decided that she will step down per April 1, 2017. Until then, she will focus on the improvement of cross border practices, and two important projects (a.o. Tilburg).

Some further changes to the group head office were made, to combine areas of expertise with the Dutch management organisation, such as HR, Sustainability and Legal.

The Board wishes to express its gratitude towards all dedicated and committed employees for their contribution and hard work. For those who will leave the Company it has not been an easy time and their professionalism under these difficult circumstances has been remarkable.

Internal Communications
In 2016, an employee satisfaction survey was held.

The overall satisfaction score of 7.6 was high (response rate 89.5%), internal communications showed to be an item of improvement. We combined sustainability, internal communications and organisational development and launched a new internal newsletter, called WE-R. In addition, internal audio casts are held twice per year to present our results to employees. The introduction events in France and the Netherlands were also important tools to foster internal communications.

The "longest dining table" in shopping centre De Koperwiek in Capelle aan den IJssel.

EPRA TABLES – AS PER DECEMBER 31, 2016

INVESTMENT PROPERTY – RENTAL DATA

(x € 1,000)	Gross rental income	Net rental income	Lettable space (m^2)	Annual theoretical rent*	Estimated* rental value	EPRA vacancy rate
Belgium	49,891	46,490	242,232	50,890	50,049	5.2%
Finland	29,326	27,463	103,717	33,720	32,497	4.3%
France	52,990	45,911	208,300	51,884	52,859	5.6%
Netherlands	97,977	81,605	436,472	98,327	99,303	4.2%
Total portfolio	**230,184**	**201,469**	**990,721**	**234,821**	**234,707**	**4.7%**

The EPRA vacancy rate is determined on a unit by unit basis. Vacancy due to redevelopment has been excluded from the vacancy rate. The total reversionary potential is currently estimated at approximately -0.05%.

INVESTMENT PROPERTY – LEASE DATA

(x € 1,000)	Average lease length in years*		Annual rent of leases expiring in		
	to break	to expiry	Year 1	Year 2	Year 3-5
Belgium	2.6	6.2	2,977	3,867	17,653
Finland	4.2	4.6	5,936	4,906	8,027
France	1.7	4.5	3,301	6,991	16,629
Netherlands	3.4	4.4	6,813	11,296	38,232
Total portfolio	**2.9**	**4.9**	**19,027**	**27,059**	**80,540**

* Excluding indefinite contracts

INVESTMENT PROPERTY – LIKE-FOR-LIKE NET RENTAL INCOME

NET RENTAL INCOME 2016

(x € 1,000)

	Properties owned throughout 2 years	Acquisitions	Disposals	Develop-ment	Other	Total net rental income
Belgium	40,105	5,825	-	680	-119	46,491
Finland	27,696	-	-	-	-232	27,464
France	45,910	-	-	-	-	45,910
Netherlands	38,266	42,254	807	277	-	81,604
Total portfolio	**151,978**	**48,078**	**807**	**957**	**-351**	**201,469**

Like-for-like net rental growth 1.2% total portfolio.

NET RENTAL INCOME 2015

(x € 1,000)

	Properties owned throughout 2 years	Acquisitions	Disposals	Develop-ment	Other	Total net rental income
Belgium	38,374	5,700	-	-	127	44,200
Finland	28,463	-	-	-	169	28,631
France	45,260	-	11,299	473	-	57,032
Netherlands	38,123	14,521	1,096	1,052	-	54,793
Total portfolio	**150,219**	**20,221**	**12,395**	**1,525**	**296**	**184,656**

Like-for-like net rental growth is determined on a unit by unit basis. Units in redevelopment are excluded from the like-for-like analysis.

CALCULATION EPRA 'TRIPLE NAV' PER SHARE

	December 31, 2016	December 31, 2015
Shareholders' equity per share	49.16	50.05
Adjustment for fair value of derivatives	0.40	0.13
Adjustment for deferred taxes	1.91	1.92
EPRA net asset value per share	***51.47***	***52.10***
Adjustment for fair value of derivatives	-0.40	-0.13
Adjustment for fair value of interest bearing debt	-1.60	-0.44
Adjustment for fair value of deferred tax	-1.15	-1.15
EPRA 'triple NAV' per share	**48.32**	**50.38**

EPRA COST RATIO

(x € 1,000)

	December 31, 2016	December 31, 2015
Net service charges	5,732	4,906
Property expenses	22,983	17,751
General Costs	17,625	16,264
Ground rent	(1,134)	(1,086)
Total Costs (EPRA)	***45,206***	***37,835***
Gross rental income	230,184	207,313
Cost ratio (%)	**19.6%**	**18.3%**

EPRA NET INITIAL YIELD AND 'TOPPED-UP' INITIAL YIELD

(x € 1,000)

	Income	Investment properties
Gross investment portfolio valuation excluding assets in development		***3,684,945***
Purchasers costs		(134,025)
Properties in Development (Belgium & Netherlands)		232,964
Sold office Madou (transfer date 1 February 2018)		18,680
Net portfolio valuation as reported in the financial statements		3,802,564
Income and yields		
Net operational income used for calculation of EPRA Net Initial Yield	189,608	5.1%
Rent-free periods (including pre-lets)	(1,368)	0.0%
Rent for 'topped-up' initial yield	188,240	5.1%

SUMMARY OF INVESTMENT PROPERTIES IN OPERATIONS

(in € millions)	Shopping Centres		Offices		Total	
	market value	annual theoretical rent*	market value	annual theoretical rent	market value	annual theoretical rent
Belgium	660	40.1	124	10.8	784	50.9
Finland	566	33.7	-	-	566	33.7
France	900	51.9	-	-	900	51.9
Netherlands	1,451	98.3	-	-	1,451	98.3
Total portfolio	**3,577**	**224.1**	**124**	**10.8**	**3,701**	**234.8**

* excluding parking and residential

SUMMARY OF THE VALUATION ADJUSTMENTS OF THE INVESTMENT PROPERTIES IN OPERATIONS

(in € millions)

	market value	revaluation in 2016	Shopping Centres	Offices	Total
Belgium	784	30	5.2%	-1.5%	4.1%
Finland	566	-58	-9.4%	-	-9.4%
France	900	27	3.1%	-	3.1%
Netherlands*	1,451	-23	-1.6%	-	-1.6%
Total portfolio	**3,701**	**-24**	**-0.6%**	**-1.5%**	**-0.6%**

* Netherlands: calculation of the revaluation % excludes € 0.8m transfer tax 2016 acquisitions

EPRA PERFORMANCE MEASURES

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

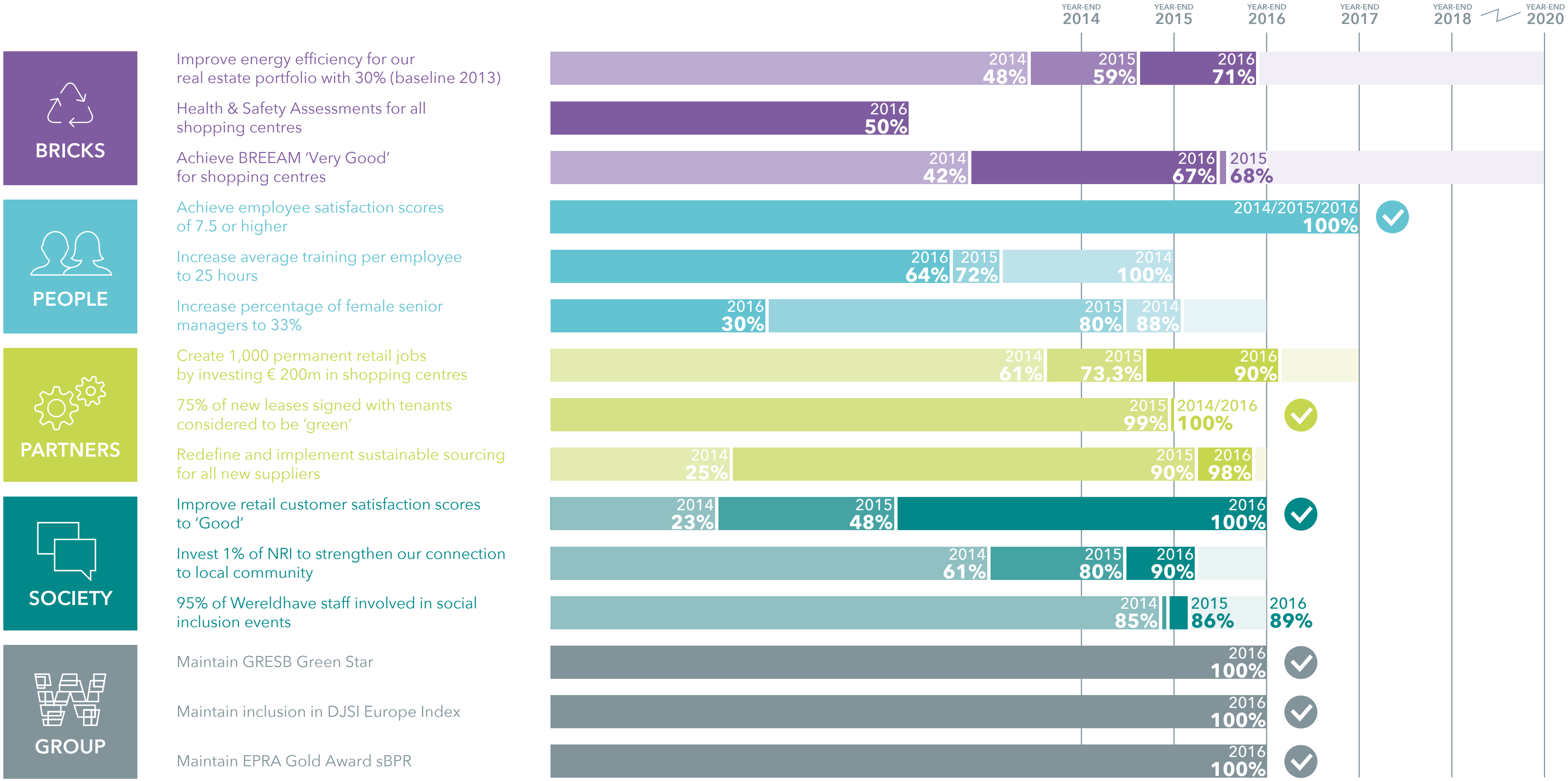
DIRECT & INDIRECT RESULT FOR THE YEAR ENDED DECEMBER 31, 2016

(x € 1,000)	2016		2015	
	direct result	indirect result	direct result	indirect result
Gross rental income	230,184	-	207,313	-
Service costs charged	37,893	-	37,258	-
Total revenues	***268,077***	***-***	***244,571***	***-***
Service costs paid	-43,625	-	-42,164	-
Property expenses	-22,983	-	-17,751	-
Total expenses	-66,608	-	-59,915	-
Net rental income	***201,469***	***-***	***184,656***	***-***
Valuation results	-	-29,584	-	-4,555
Results on disposals	-	-922	-	-279
General costs	-17,625	-	-16,264	-
Other income and expense	33	-6,588	596	-3,081
Operational result	***183,877***	***-37,094***	***168,988***	***-7,915***
Interest charges	-31,616	-	-32,283	-1,300
Interest income	49	-	327	-
Net interest	-31,567	-	-31,956	-1,300
Other financial income and expense	-	6,237	-	-5,716
Result before tax	***152,310***	***-30,857***	***137,032***	***-14,931***
Income tax	-1,357	678	-614	-2,197
Result from continuing operations	***150,953***	***-30,179***	***136,418***	***-17,128***
Result from discontinued operations	***-***	***-***	***-2,730***	***-12,767***
Result	**150,953**	**-30,179**	**133,688**	**-29,895**
Profit attributable to:				
Shareholders	138,760	-38,140	121,798	-33,153
Non-controlling interest	12,193	7,961	11,890	3,258
Result	**150,953**	**-30,179**	**133,688**	**-29,895**
Earnings per share (€)				
Continuing operations	3.45	-0.95	3.30	-0.54
Discontinued operations	-	-	-0.07	-0.34
Total earnings	**3.45**	**-0.95**	**3.23**	**-0.88**

OUR SUSTAINABILITY RESULTS 2016

BRICKS	PEOPLE	PARTNERS	SOCIETY
2.6% energy consumption reduced	**7.6** employee satisfaction	**144** new retail jobs created	**7.7** average customer satisfaction score
health & safety dashboards developed	**16 hrs** average training	**99%** new leases considered green	**0.9%** of NRI invested in local communities
8 BREEAM '(Very) Good' certificates obtained	**30%** female senior managers	**100%** sustainability sourcing for new suppliers	**89%** of employees involved in social events

SUSTAINABILITY DASHBOARD 2016



✓ These targets have been achieved in 2016. Wereldhave is committed to continue to track performance and meet the ambitious targets in the coming years.

INTERVIEW STAKEHOLDER

Pieter Polman, managing director of Wereldhave Netherlands

'Speed and creativity will strengthen our distinctive market position.'

For 2017, Pieter Polman has ambitious plans for the Wereldhave organisation in the Netherlands. Polman works at Wereldhave Netherlands since 2011 and has been appointed as Managing Director as of November 2016.

In 2016, the structure of the Dutch organisation has been redesigned. Why?

'The Company has significantly expanded its portfolio in the Netherlands in 2015. This has also resulted in growth of our organisation. Although we showed good results, it was decided that now is the time to "tilt" our organisation towards the business. With the new structure, we stimulate speed, creativity and entrepreneurship within the teams. In one of my previous roles as a leasing manager. I have found out that especially speed is a distinctive feature in the real estate market. The new structure is designed in such a way that we can improve on that aspect, and that we can work more efficiently and creatively. Alert and on top of things, to exceed our clients' expectations.'

What is the biggest change?

'The biggest change is that we will be working in four business units, each responsible for four shopping centres in the Netherlands. These four teams are responsible for everything that relates to "their" centres: from routing to innovation, from occupancy to financial results. They have the empowerment and flexibility to meet challenges creatively and solve problems immediately. There is more room for entrepreneurship. Of course, we will also ensure cross-pollination and synergy between the business units. We are going to work in self-managing teams, led by a business unit manager who reports to me. This is a new role within our organisation. However, we will not change everything: we keep the things that Wereldhave is good at, for example our highly appreciated key account management.'

What does this mean for the Wereldhave team?

'To be successful in our market it takes perseverance and focus. In 2016, there were many bankruptcies. Nevertheless, we have managed to improve our occupancy rates, thanks to our strong leasing team. In our new business model, we will build on this drive and expand our market-driven approach. The fact that all colleagues are directly responsible for results contributes to this. It makes their job more enjoyable and creates more involvement. Another advantage is that, with our new business unit structure, new positions have been created within Wereldhave, which provide more opportunities for personal development. That is corporate social responsibility too: paying attention to employee development.'

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INTERVIEW STAKEHOLDER

Pieter Polman, director of Wereldhave Netherlands

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What will be the focus for 2017?
'First we will ensure that the new organisation is in place, with a logical workflow, lean processes, clear responsibilities and effective control and communication structures. These basics have to be in order. The next step is that we are going to concentrate on the customer journey: how do consumers behave and what do they expect from a shopping centre? What effect do our actions have on the results of our tenants and visitors? This kind of input we will use to optimise facilities, activities and the tenant mix in our centres.'

'To be successful in our market it takes perseverance and focus. In 2016, there were many bankruptcies. Nevertheless, we have managed to keep up our occupancy rates.'

And what is your personal mission?
'My mission is that tenants see us as their preferred entrepreneurial partner, who thinks outside the box and acts decisively; who comes with ideas and plans that really add value for them and for their clients. Furthermore, I want to strengthen the team spirit within our organisation and see to it that everyone can do their job with more enthusiasm and fun. In other words, I am committed to a strong team of passionate colleagues who are motivated to react quickly and professionally to customer needs and wishes.'

The refurbishment of the Eggert shopping centre in Purmerend was completed in April 2016.

REPORT FROM THE SUPERVISORY BOARD

Wereldhave has a two tier board structure. The members of the Board of Management are responsible for the day-to-day operations of the Company. The role of the Supervisory Board is to supervise the strategy and the business of the Company and its subsidiaries, as well as to support the Board of Management by providing advice.

In 2016, the composition of the Supervisory Board was changed with the appointment of two new members. Mr Gert van de Weerdhof, who has a background in international multichannel retailing, and Mrs Leen Geirnaerdt, a financial specialist, were appointed by the AGM in April 2016 for a four-year term. Femke Weytens and Bert Groenewegen stepped down from the Board.

At the AGM on April 21, 2017, the Chairman of the Supervisory Board Mr Joop van Oosten will retire, having reached the maximum term in office. The Supervisory Board propose the nomination of Mr Adriaan Nühn as a Supervisory Board member. He is to become the Chairman of the Supervisory Board and has attended the meetings of the Supervisory Board in the second half of 2016 as an observor.

Adriaan Nühn (1953) has extensive international executive and non-executive boardroom experience. Since 1990, he held several positions at Sara Lee, where he was member of the Board of Directors of Sara Lee Corporation and CEO of Sara Lee International/DE from 2003 to 2008. Before, he worked for Procter&Gamble. Currently, Mr Nühn is Chairman of the Supervisory Board at Sligro (until March 22, 2017) and non-executive board member of Cloetta AB Sweden.

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REPORT FROM THE SUPERVISORY BOARD

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Mr. Joost Bomhoff, whose term in office also expires in 2017, has indicated that he is not available for re-election, due to personal reasons. The Supervisory Board proposes the nomination of Mr Hein Brand (62), who is the former CEO of ING Real Estate. Hein Brand is a seasoned real estate professional with in-depth knowledge of international real estate and financing markets. He started his career at Royal Dutch Shell in 1980 and joined the ranks of (the predecessors of) ING Bank in 1983, where he held several financial managerial positions. In 2001 he joined ING Real Estate Finance to become CEO and in 2010, he became the CEO of ING Real Estate Development. In 2011, he became the CEO of ING Real Estate, from which position he retired in 2015.

All members of the Supervisory Board are fully independent from the Company and the Board of Management. The Board receives a remuneration in cash only. No shares and/or options or similar rights will be granted to a Supervisory Board member by way of remuneration.

Shares in the Company will only be held by members of the Supervisory Board as a long-term private investment: the Supervisory Board members have committed themselves to hold their Wereldhave shares at least until the end of their board membership. There were no changes in the shareholdings of board members. At year-end 2016, Mr Van Everdingen held 10,000 shares of the Company as a private investment.

The Board has two standing committees, an Audit committee and a Remuneration- and Nomination committee. The Audit committee is chaired by Mrs Leen Geirnaerdt, Mr Herman van Everdingen is the other committee member. The Remuneration- and Nomination Committee is chaired by Mr Gert van de Weerdhof. The chairman of the Supervisory Board is the other committee member.

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The co-operation with Festival Classique was continued.

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Supervisory Board meetings

The Supervisory Board held six regular meetings with the Executive Board, four to discuss the quarterly results, one for the annual report and one to prepare the AGM. In December 2016, a meeting was held to discuss the budget for the year 2017. Three extra meetings were held to discuss the strategy review for Finland. The average attendance during the year stood at 95%, one of the members being unable to attend one meeting and one member two meetings.

One of the meetings was held by phone. The Supervisory Board also held several SB-only meetings and conference calls to prepare, evaluate and discuss. In addition to these scheduled meetings and conference calls, the Chairman of the Supervisory Board had monthly meetings with the CEO and the Chairman of the Audit Committee had frequent contact with the CFO.

Key items of attention of the Supervisory Board in 2016 were the strategic review of Wereldhave's presence in Finland and the operational performance of the group, in light of the recent additions to the portfolio in the Netherlands and France.

In June, an extra meeting was held to discuss the future of retail, following a presentation by an expert lecturer and trendwatcher. The meeting was combined with a visit to several shopping centres of the group in the Netherlands, to get a better understanding of the day-to-day operational issues of shopping centre management and to get to know the Dutch management team.

The strategic review for Finland was concluded in October 2016, when it was decided that the time was not right to dispose of the Finnish asset. Particularly in view of the bankruptcy of a large anchor tenant and the need to reposition the Itis shopping centre with better and new leisure and optimising the food court, the recent signing of a lease for a 9 screen cinema in Itis is an important step, as it will change the entire nature of Itis shopping centre and enhance Itis' already strong footfall. The cinema is scheduled to open its doors in 2018, following a major refurbishment of the former Anttila department store.

There were no major changes to the portfolio in 2016 and focus was on operational performance, particularly of the acquired portfolios in France and the Netherlands. The Board of Management has reported on operational performance of these portfolios separately, which enabled the Supervisory Board to get a clear view on progress made.

Recurring items on the agenda were the operating performance of the property portfolio, the financial performance, investments and disposals, the financing policy, budget for the coming year and the general market environment.

The dividend policy was changed in July 2016, with the introduction of quarterly interim dividends. On July, 28, 2016, the first quarterly interim dividend of € 0.77 per share was paid in respect of the first quarter 2016.

Sustainability was a recurring item for the meetings of the Board. The Supervisory Board is pleased that Wereldhave was again rated GRESB Green Star and remained included in the DJSI index Europe in 2016.

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Audit Committee

The Audit Committee's main role is to oversee financial accounting and reporting, internal control and risk management. In this context, the Audit Committee examines and reports to the Supervisory Board on the following matters:

- Quarterly, semi-annual and annual financial statements and consolidated accounts;
- Business information, asset valuations, off-balance sheet commitments and the group's overall cash position;
- Internal control and risk management;
- The Company's financial policy (accounting methods, etc.), finance and tax planning;
- The evaluation and adoption of the External Auditor's recommendations;
- The relationship between the Company and its Statutory Auditor.

The Audit Committee consist of two Supervisory Board members: Mrs L. Geirnaerdt (Chair) and Mr Van Everdingen. The Audit Committee held four regular meetings in 2016 to discuss the 2015 FY results, the annual report for 2015 and the quarterly results for 2016. All meetings were attended by the Company's CFO and CEO.

In 2016, KPMG started as auditing firm for the Company. PwC attended the two meetings, to discuss the results 2015 and to approve the annual report for the year. The latter meeting was also attended by KPMG, in view of a smooth transition process.

The attendance rate of the meetings was 100%. The agenda, documentation and minutes of the meetings of the Audit Committee were shared with all Supervisory Board members.

Regular items on the agenda were:

- The quarterly results and financial statements;
- The annual accounts;
- The valuation of the portfolio of shopping centres and offices;
- The audit plan by the external auditor and the related audit fees;
- Most important findings of the auditor;
- Board report and auditor's report;
- The quarterly press releases;
- Management of interest rate- and currency risks and hedges;
- Capital structure;
- The annual budget;
- Preparation by the Company for the Corporate Governance and In Control Statement;
- The risk- and control framework and organisation of the group Finance Department;
- Post acquisitions reviews and deviations from the initial investment proposals;
- Legal and tax risk reports
- Review of the tax position and compliance to the fiscal status.
- Transition to the new Auditor (KPMG)
- Valuation of derivatives

In addition to the regular topics, special attention was paid to the following items:

- The external valuations for the standing portfolio were discussed with the auditors twice a year. The Audit Committee decided to invite valuators to attend a committee meeting and to discuss the scope of their work and recent trends and developments.
- The quarterly dividend was discussed in the July meeting of the committee and subsequently approved by the Board.
- In two meetings, earlier acquisition proposals of shopping centres were reviewed, to monitor if assumptions at the time of the acquisition have materialised.
- The audit plan 2016 by KPMG was discussed and approved in the October meeting of the Audit Committee. The committee has asked the auditor to perform a review on the calculations of the like-for-like rental growth, as these are a performance indicator for the remuneration and do not form part of the IFRS annual accounts.
- The materiality for the financial statements as a whole or is set at € 10.1m. For the income statement the materiality threshold is set at € 5.3m in 2016. The Audit Committee ascertained that all audit findings in excess of € 450,000 for the financial statements as a whole and € 240,000 for accounts, impacting profit before tax, adjusted and unadjusted, will be reported by the auditor.

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REPORT FROM THE SUPERVISORY BOARD

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- The internal risk management and control framework was discussed in the October meeting. In view of the limited size of the organisation, the Company does not have an internal audit function. The group Finance Department performs country reviews and reports its findings to the Audit Committee. For the year 2017, this system will be maintained.
- The tax and legal risk reports were a recurring item for the Committee meetings.
- Hedge accounting was also a recurring item on the agenda. Wereldhave uses derivatives to hedge interest rate and currency exposure of underlying debt positions and interest payments.

Remuneration- and Nomination Committee

The Remuneration- and Nomination Committee consists of Mr Van de Weerdhof (Chair) and Mr Van Oosten.

The committee convened two times in 2016, to prepare the remuneration report and to discuss the HR priorities of the Board of Management, particularly management succession and talent retention programs. The attendance rate for the meetings stood at 100%.

The committee prepared and held the evaluation meetings of the members of the Board of Management, prepared the evaluation of the (members of the) Supervisory Board, drafted a skills matrix for members of the Board, held interviews with search firms to select new members to the Supervisory Board, assessed long lists and short lists of suitable candidates against the profile for members of the Board as well as the skill matrix. The Remuneration Committee held interviews with candidates for membership to the Board and reported to the full Board.

In addition, the Committee spent considerable time to discuss the reorganisation of the group holding staff and the Dutch management organisation. The Committee also held exit interviews with members of the group's Management Team that have left the Company. Finally, the committee attended the meeting of the Works Council in which the reorganisation was discussed and approved.

There were no changes to the remuneration policy. The Committee ascertained whether the targets for the STI and LTI for the year 2016 and vesting conditions for earlier incentive schemes were met. The Supervisory Board currently has a composition of at least 20% of either gender, below the targeted 30%. Expertise, experience, background and knowledge skills are evenly spread over its members. When making future appointments, the Company will continue to strive for an improved gender diversity, but it will continue to select members primarily on the basis of expertise, experience, background and skills.

Gender diversity within the Board of Management is clearly below target. Both members are male and given the limited size of the Board, prospects for improvement at the shorter term are limited. In the Company's talent retention scheme and management succession plans, attention is paid to gender diversity, with the aim of a gradual higher percentage of female jobholders in senior management positions (currently at 30%).

Board evaluation

The Supervisory Board continued its practice to regularly evaluate meetings immediately afterwards, without the Board of Management being present. An extensive board evaluation with the help of an external advisor was held in 2015. In 2016, the Supervisory Board discussed its own performance in December, using an online evaluation questionnaire from the external advisor. The results were discussed in a plenary board meeting. Items for improvement were to increase attention to non-financial topics, such as HR, ICT and commerce, as well as allowing more time to discuss the strategy with the Board of management.
The Supervisory Board also updated its skills matrix, in view of the recent changes to the Board, the upcoming retirements and the nomination of new members to the Board. Candidates were recruited with the assistance of a recruitment firm, who presented a long-list and subsequently a short-list of candidates.

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REPORT FROM THE SUPERVISORY BOARD

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An introduction program for the new members of the Supervisory Board was held in September, with presentations from all head office support functions. In addition, the new members of the Supervisory Board will visit the country portfolios and meet local management teams in their first year in office.

No transactions with a potential conflict of interest with Supervisory Board members were reported in 2016.

Management

The Board of Management consists of Mr D.J. Anbeek (CEO) and Mr R.J. Bolier (CFO). The Board is assisted by a Management team, consisting of the Country Directors, the Director HR and Sustainability, the Director Finance and Investments and the Legal Director. In 2017 Mr Anbeek's term will expire. The Supervisory Board proposes his reappointment for a term of four years. The Supervisory Board is pleased with Mr Anbeek's performance over the past four years and is convinced of his commitment for the next term. No transactions with a potential conflict of interest were reported by members of the Board of Management in 2016. No transactions with a potential conflict of interest were reported by members of the Board of Management in 2016.

Recommendation to shareholders

The Supervisory Board respectfully submits the annual accounts 2016 to the shareholders and recommends their adoption. This annual report was prepared by the Board of Management and discussed and approved by the Supervisory Board.

The Supervisory Board also supports the Board of Management's proposal to shareholders of a 2016 dividend in cash of € 3.08 per share, of which € 2.31 per share was already paid out as quarterly interim dividends in July 2016, October 2016 and January 2017.

The accounts have been audited by KPMG, who issued an unqualified auditor's report.

The Supervisory Board would like to thank the Board of Management and all employees for their achievements to improve the occupancy and the attractiveness of the shopping centre portfolio, in spite of setbacks due to tenant bankruptcies. The continued success in leasing not only shows their commitment, but it also proves our strategy. Tenants are willing to invest and bring their latest retail format to the centres where the landlord is also investing.

On behalf of the Supervisory Board,
Joop van Oosten, Chairman

Rivetoile shopping centre, Strassbourg.

COMPOSITION OF THE SUPERVISORY BOARD

J.A.P. VAN OOSTEN
(m 68)

Member of the Supervisory Board since 2009
Chairman since 2011
Member of the Remuneration- and Nomination Committee since 2013
Reappointed in 2015 until 2017

Positions in Supervisory Boards
Chairman Supervisory Board Royal HaskoningDHV B.V.
Chairman Supervisory Board Staedion foundation
Chairman Supervisory Board West-Holland Foreign Investment Agency foundation

Other board positions
none

J.A. BOMHOFF
(m 68)

Member of the Supervisory Board since 2013
Vice Chairman since 2014
Retires by rotation in 2017

Positions in Supervisory Boards
Chairman Supervisory Board Bornet Group Rotterdam B.V.
Member Supervisory Board Huisman Equipment Nederland B.V.

Other board positions
none

L. GEIRNAERDT
(f 42)

Member of the Supervisory Board since 2016
Chairman of the Audit Committee since 2016
Retires by rotation in 2020

Positions in Supervisory Boards
Member Supervisory Board CFE (Belgium) and member Audit Committee

Other board positions
CFO USG People N.V.

COMPOSITION OF THE SUPERVISORY BOARD

G. VAN DE WEERDHOF
(m 51)

Member of the Supervisory Board since 2016
Chairman of the Remuneration- and Nomination Committee since 2016
Retires by rotation in 2020

Positions in Supervisory Boards
none

Other board positions
none

H.J. VAN EVERDINGEN
(m 61)

Member of the Supervisory Board since 2011
Member of the Audit Committee since 2013
Reappointed in 2015 until 2019

Positions in Supervisory Boards
none

Other board positions
Director Catalyst Advisors
Director Berlage Winkelfonds Duitsland
Board Member Karel Doorman Foundation

REMUNERATION REPORT

Remuneration of the Board of Management

Policy

The remuneration policy 2015 and onwards was adopted by the Extraordinary General Meeting of Shareholders on July 23, 2015, with effect from January 1, 2015.

The goals of the remuneration policy for members of the Board of Management are to align individual and company performance, strengthen long-term commitment to the Company, and attract and retain the best executive management talent, whilst creating alignment with stakeholders. The essential qualifications comprise not only knowledge and experience in the field of real estate, but also the prerequisite management competencies. The policy aims to safeguard the Company's performance and value growth, whilst positioning Wereldhave as an attractive employer for highly qualified directors.

The remuneration levels for Board members are based on surveys and analyses by internationally recognised firms specializing in executive compensation. The Supervisory Board regards Wereldhave as an operational company, rather than a financial company, and compares market practice remuneration of European peer companies to individual benchmark remuneration.

The peer group consists of:
Altarea-Cogedim (FR), Atrium (AU), Citycon (FI), Cofinimmo (BE), Deutsche Euroshop (DE), ECP (NL), Gecina (FR), Hamborner (DE), Hufvudstaden (SE), IGD (IT), Klépierre (FR), Leasinvest (BE), Mercialys (FR), NSI (NL), PSP (CH), Retail Estates (BE), Sponda (FI), Unibail-Rodamco (FR), VastNed (NL) and Wereldhave (NL).

This peer group serves both for assessing the remuneration levels as measuring TSR performance.

Fixed income

As from January 1, 2017, fixed income is set at € 515,112 for the CEO and € 383,809 for the CFO. These amounts will be indexed annually.

Variable income: STI and LTI

The maximum variable income amounts to a base variable income of 100% of the fixed annual income, with a maximum of 40% payable as short-term incentive in cash and a maximum of 60% as long-term incentive in shares.

The short-term incentive score is determined by like-for-like rental growth (LFL RG: 30% of fixed income) and sustainability (10% of fixed income).

The STI incentive is calculated as follows:
- LFL RG at or above inflation scores 15% of fixed income;
- LFL RG at or above budget scores 15% of fixed income;
- Remain rated GRESB Green Star scores 10% of fixed income.

The LTI incentive is based on the direct result per share (EPS).

The LTI incentive is calculated as follows:
- EPS growth at inflation 20% bonus;
- at 100 bps over inflation 40% bonus and
- at 200 bps over inflation the maximum of 60% bonus;
- EPS growth scores between 0 and 200 bps over inflation will be calculated at a sliding scale.

If the Loan-to-Value at year-end exceeds 40%, no conditional long-term incentive will be granted in respect of that year.

As from the year 2015, the Company applies a shareholding guideline for members of the Board of Management of 2.5 x base salary, to be gradually built up with performance shares. The vesting period is three years, against the previous two years period. In view of the shareholding guideline and in deviation of the Dutch Corporate Governance Code, no additional two year holding period is applicable. A holding period does not imply a quantity of shares to be held and is therefore a less suitable alignment. Applying a shareholding guideline provides a better alignment, since it is volume and impact driven.

Remuneration of the Board of Management

The shareholding guideline does not apply for the portion of the shares that have vested, to pay the taxes that are due upon vesting.

Conditions variable income

The short-term incentive is payable in cash, the long-term incentive in Wereldhave shares only. The long-term incentive is granted conditionally. When the conditional LTI bonus is awarded, the amount in cash is calculated into a conditional share balance based on the share price at the end of the first day of trading after ex-dividend listing of the Wereldhave share in the year in which the conditional LTI bonus is awarded. If a dividend is paid on Wereldhave shares, the conditional share balance will be increased by a number of conditional shares equal to the amount of the dividend divided by the current share price. These additional conditional shares are subject to the same terms as the conditional shares that were initially awarded.

Wereldhave applies a three years' vesting period. The TSR performance against the peer group is used as a correction mechanism to set the final outcome of the long-term incentive. Depending on the ranking against the TSR performance of the peer group, the conditional share balance (including reinvestment of dividend) can be multiplied by a maximum of 3 if Wereldhave belongs to the top TSR performers or even annulled if the three years' TSR performance ranks with the bottom of the peer group. The LTI in respect of the year 2016 will vest in 2019, based on the TSR performance over the three preceding years.

Depending on the ranking against the TSR performance of the peer group, the conditional share balance (including reinvestment of dividend) will be multiplied, applying the following score table:

TSR ranks	1-3	x 3
TSR ranks	4-5	x 2.5
TSR ranks	6-7	x 2
TSR ranks	8-9	x 1.5
TSR ranks	10-11	x 1
TSR ranks	12-14	x 0.5
TSR ranks	15-20	x 0

Vested shares are transferred to the director, if the terms are satisfied after a performance period of three years, following the year in respect of which these shares were awarded.

If a director is dismissed without further notice in accordance with the law, the conditional share balance reverts to the Company. If the director steps down or is not reappointed at the end of the agreed appointment period, the scheme remains intact with regard to the conditional share balance. Once the conditions have been met, the vested shares will be transferred to the director. Upon vesting, the members of the Board of Management pay income tax and social charges on the long-term variable remuneration.

The share-based remuneration awarded to the members of the Board of Management will be subject to article 2:135 Section 7 of the Dutch Civil Code as applicable from time to time. This provision requires the Company to deduct from the directors' remuneration an amount equal to certain value increases realised by the director through a sale or in connection with the termination of the relationship with the director, after certain corporate events affecting the Company having been announced. Should at such time the payments owed by the Company to the director not be sufficient to cover the relevant amount, the Company will have a claim against the director for the (remaining) amount.

The Supervisory Board is authorised to adjust the amount of an incentive to an appropriate level if payment of the incentive, based on standards of reasonableness and fairness, would be unacceptable. Incentive for this purpose means the unpaid part of the variable remuneration of which the granting is entirely or partially dependent on the achievement of certain targets or the occurrence of certain circumstances. The Supervisory Board is

Remuneration of the Board of Management

also authorised to withdraw conditional long-term benefits in exchange for a cash payment at market value, if circumstances require. The Supervisory Board will motivate a decision to adjust an incentive or to withdraw in exchange for cash appropriately.

The Supervisory Board is authorised to claw back an incentive entirely or partially to the extent that the award paid out was based on incorrect information with respect to the achievement of targets or the occurrence of circumstances on which the incentive was based. The Supervisory Board will motivate the decision to claw back the incentive appropriately.

If one or more companies from the peer group cease to exist or their TSR performance will no longer be reported by EPRA, the Supervisory Board will replace these companies with EPRA members of comparable size and nature.

If GRESB ceases to rate companies Green Star, the Supervisory Board will replace this indicator with an equivalent as published by an independent leading sector specialist, whereby the Company must rank between the top 25% of sustainability performers in the sector.

Pension

No provision facilitating early retirement is in place. Members of the Board of Management are subject to the same pension scheme as all other Wereldhave employees in the Netherlands. Wereldhave has a defined contribution scheme with a retirement age of 67, based on a fiscal maximum ladder of 3% up to € 100,000 per annum (pre indexation). The Company makes an annual gross-up compensation payment of 22.4% of pensionable salaries in excess of the fiscal maximum. The calculation is based on the salaries as at December 31, 2014, indexed with CPI annually (and not taking into account any later changes in fixed remuneration in relation to the new remuneration policy 2015 and onwards).

For Mr Anbeek, the pension compensation in 2016 amounted to € 72,767 and for Mr Bolier to € 53,749. These amounts will be indexed with CPI of 0.4% for 2017.

Other secondary conditions

Wereldhave N.V. offers the members of its Board of Management a competitive package of secondary employment benefits in accordance with those offered to its other employees. This benefit package includes accident insurance, disability insurance, a company car and director liability insurance. The Company does not issue loans, advances or guarantees to the members of its Board of Management.

Conditions of assignment

Directors are appointed for a four-year period with a possibility of early termination. The severance payment is capped at one year's salary with a notification period of two months for the director and four months for the Company. The contract of assignment does not contain a change-of-control clause.

It does contain a clause that requires the Company to compensate the directors for any loss or damage in relation to liability claims based on acts or omissions in the performance of their duties. Damage to reputation is explicitly excluded. The indemnification does not apply to claims related to personal gain, advantage or rewards to which the director was not entitled, or if the claimed loss or damage was caused by gross negligence, intent, deliberate recklessness or serious imputability. It does include the costs of defence, which are advanced by the Company under the condition that these expenses must be repaid if it is determined in a final judgment that the director was not entitled to indemnification.

The Directors and the Company have signed contracts of assignment for a fixed term of four years. Mr Anbeek (CEO) was reappointed in 2013 for a second term until 2017. The Supervisory Board proposes the reappointment of Mr Anbeek at the Annual Meeting of Shareholders in 2017. Mr Bolier was appointed CFO in September 2014.

REMUNERATION REPORT

Execution of the remuneration policy in 2016

Fixed income 2016

Mr Anbeek (CEO) received a fixed salary for 2016 of € 513,060. Mr Bolier (CFO) was paid a remuneration of € 382,280. These salaries were indexed with the Dutch consumer price indexation (CPI) of 0.4% as per January 1, 2017 to € 515,112 and € 383,809 respectively.

STI 2016

The STI incentive is calculated as follows:

- LFL RG at or above inflation scores 15% of fixed income;
- LFL RG at or above budget scores 15% of fixed income;
- Remain rated GRESB Green Star scores 10% of fixed income.

Net like-for-like rental growth (which is the net score after indexation) for the year 2016 amounted to 2.8% in Belgium (index 2.1%), -2.8% in Finland (index 0.1%), 1.3% in France (index 0.1%) and 0% in the Netherlands (index 0.4%). This results in a score of 11.25% (Belgium, France and the Netherlands at or above inflation).

The net like-for-like rental growth was below budget in Belgium and Finland, above budget in France and at budget in the Netherlands. This results in a score of 7.5%.

The Company remained rated GRESB Green Star, which scores 10%.

This implies that in respect of the year 2016, a short-term incentive of 28.75% of fixed salary is payable in cash. For Mr Anbeek this amounts to an STI of € 147,505 and for Mr Bolier € 109.906.

LTI 2016

The LTI incentive is calculated as follows:

- EPS growth at inflation 20% bonus;
- at 100 bps over inflation 40% bonus;
- at 200 bps over inflation the maximum of 60% bonus;
- EPS growth scores between 0 and 200 bps over inflation will be calculated at a sliding scale.

If the Loan-to-Value at year-end exceeds 40%, no conditional long-term incentive will be granted in respect of that year.

At December 31, 2016, the Loan-to-Value stood at 39.0%. Compared to the previous year, EPS for 2016 increased by 7%, which is well over 200 bps above inflation. This implies that in respect of the year 2016, a long-term incentive of 60% of fixed salary is granted conditionally in shares. For Mr Anbeek this amounts to an LTI of € 307,836 and for Mr Bolier € 229,368.

These LTI amounts will be calculated into a conditional share balance, which will accrue with the reinvestment of dividends during the three years' vesting period. Depending on the ranking against the TSR performance of the peer group, the conditional share balance can be multiplied by a maximum of 3 if Wereldhave belongs to the top TSR performers or even annulled if the three years' TSR performance ranks with the bottom of the peer group.

The LTI in respect of the year 2016 will vest in 2019, based on the TSR performance over the three preceding years. Further details on the remuneration of the Board of Management can be found in note 30 to the Annual Accounts 2016.

Share ownership Board of Management

Balance at 31/12/2016

	Performance shares				
	2014	2015	Total	Private	Shareholding
D.J. Anbeek	2,761	6,917	9,678	10,481	20,159
R.J. Bolier	1,595	5,152	6,747	5,063	11,810

Remuneration of the Board of Management

Shares vesting in 2016

The performance shares 2014 (reference period 2014-2016) partially vested in 2016 (see below). Due to the changes in the remuneration policy 2015 and onwards and the introduction of a three year vesting period, no shares will vest in 2017.

Vesting conditions for these years were:

- For the like-for-like rental growth component the condition is that the average like-for-like net rental growth over the immediately following years will be positive (weight: 25.2/36.4 of the conditional share balance);
- The TSR variable component of the conditional grant is granted under the long-term condition that the average place over the next two years would be higher than the 6th place (weight: 11.2/36.4 of the conditional share balance).

In respect of the year 2014, a conditional share balance was awarded to Mr Anbeek of 2,544 shares. Following the reinvestment of the 3rd interim dividend 2016 in January 2017, this number of conditional performance shares has accrued to 2,806 due to the reinvestment of dividends and of claim rights in connection with the 2014 rights issue.

In respect of the year 2014, a conditional share balance was awarded to Mr Bolier of 1,469 shares. Following the reinvestment of the 3rd interim dividend 2016 in January 2017, this number of conditional performance shares has accrued to 1,621 due to the reinvestment of dividends and of claim rights in connection with the 2014 rights issue.
The like-for-like rental growth for 2015 and 2016 is positive (2015 : 1.4%, 2016 0.4%), which implies that the first component of the LTI becomes unconditional. This implies that 25.2/36.4 of the shares have vested, for Mr Anbeek 1,943 shares and for Mr Bolier 1,122 shares.

The TSR peer group that was set for the 2014 variable remuneration was composed of Unibail-Rodamco; Klépierre; Corio, NSI, VastNed, ECP and Wereldhave. Corio was taken out, following the takeover by Klépierre in 2015.

For the year 2015 and 2016, Wereldhave ranked sixth, an average position of 6. This implies that 11.2/36.4% of the shares, for Mr Anbeek 863 shares and for Mr Bolier 499 shares, have not vested.

Mr Anbeek has announced that he will sell approximately 50% of the 1,943 shares that vested to pay taxes due upon vesting.

In respect of the year 2013, in 2014 an unconditional bonus of € 50,000 gross was paid to Mr Anbeek, to be invested in Wereldhave shares which would be blocked for three years, ending on December 31, 2016. The net proceeds of the bonus payment were invested in 454 shares, which have become automatically unblocked as per that date.

Other

No transactions with a potential conflict of interest were reported by members of the Supervisory Board or the Board of Management in 2016. No loans were issued to members of the Board of Management.

Further details of the terms and conditions for the members of the Boards can be found in the remuneration report from the Supervisory Board, as published on the Company's website.

Remuneration of the Supervisory Board

The remuneration of the Supervisory Board amounts to € 47,785 for the Chairman, € 39,737 for the Vice Chairman and € 32,192 for members. Committee chairs receive a fixed remuneration of € 7,545 and committee members € 5,030 per annum. These amounts are indexed annually.

The Company has not awarded any options or shares to members of the Supervisory Board. The remuneration of the Supervisory Board members is not affected by the Company's results, or by any change of control at the Company. No loans were issued to members of the Supervisory Board.

CORPORATE GOVERNANCE

Wereldhave is committed to a high standard of Corporate Governance. We adhere to strict principles of business ethics and the adequate provision of forward-looking information. Transparency is a key cultural value to us. The Company's business ethics are embedded in the Business Integrity Policy and the Code of Ethics for employees, which is published on our website www.wereldhave.com.

1. Legal structure

Wereldhave N.V. is a real estate investment company, listed at Euronext Amsterdam (AMX). The Company was founded in 1930 and is listed since 1947. Wereldhave has the fiscal status of an investment institution, so it is subject to a 0% corporation tax rate in the Netherlands (with the exception of income from certain permitted development activities in the Netherlands). Its Belgian investments consist of a 69.57% interest in O.G.V.V. Wereldhave Belgium CVA, a tax exempt investment company with variable capital listed on the Euronext Brussels Stock Exchange. The investments in France are subject to the SIIC (Sociétés d'Investissements Immobilières Cotées) regime.

Dutch Corporate Governance Code

Wereldhave complies with all principles and best practice provisions of the Dutch Corporate Governance Code (the Code), unless set out otherwise below. The full text of the Code can be found at the Company's website. The Board of Management and the Supervisory Board intend to fully embrace and implement the new Dutch governance code in 2017. In the annual report for the year 2017, a detailed description of Wereldhave's position under the code will be presented.

2. Board of Management

Wereldhave has a two tier board structure. The Board of Management is responsible for achieving the Company's targets, the strategy and associated risk profile, the development of results and social responsibility issues that are relevant to the Company.

Composition and division of responsibilities

The Board of Management of Wereldhave consists of Mr D.J. Anbeek (CEO) and Mr R.J. Bolier (CFO). The members of the Board of Management are jointly responsible for the management and running of Wereldhave N.V. and its subsidiaries, with due respect for their roles and tasks. The CEO takes the lead in this, and is the main point of liaison for the Supervisory Board. The Board of Management is accountable to the Supervisory Board and to the General Meeting of Shareholders.

Additional regulation regarding the Board of Management is set out in the Governance Charter of Wereldhave which can be consulted at www.wereldhave.com.

Appointment and remuneration

The Board of Management is appointed and dismissed by the General Meeting of Shareholders, from a nomination to be drawn up by the Supervisory Board. The members of the Board of Management have been appointed for a period of four years. The agreements contain a break option with a four months' notice and a maximum severance payment of one year's salary.

The Board of Management's remuneration is determined by the Supervisory Board, based on advice from the Remuneration- and Nomination Committee. In line with the Dutch Corporate Governance Code, the remuneration policy was adopted and approved by the Extraordinary General Meeting of Shareholders in 2015, with effect from January 1, 2015.

The remuneration policy 2015 and onwards aligns the long-term remuneration with the long-term interests of the Company, applying a shareholding guideline of 2.5x base salary for performance shares. Targets are fully disclosed and interim changes to fixed remuneration (other than indexation) are subject to shareholders approval. The use of levered metrics is fully subordinated to an overall three years TSR correction mechanism, which is intended to further improve alignment.

In deviation of article II.2.5 of the Dutch Corporate Governance Code, no additional two year holding period is applicable. A holding period does not imply a quantity of shares to be held and is therefore a less suitable alignment. Applying a shareholding guideline provides a better alignment, since it is volume and impact driven. The guideline does not apply for the portion of the shares that have vested, to pay the taxes that are due upon vesting.

More details can be found in the remuneration report 2016, included in this report.

Related party transactions

In the year under review there have been no business transactions with members of the Board of Management in which conflicts of interest may have played a role. All business transactions between the Company and members of the Board are published in the Annual Report.

COMPOSITION BOARD OF MANAGEMENT

D.J. ANBEEK
(m 53)

Appointed in 2009, reappointed in 2013

Previous experience:

2006-2009	Albert Heijn EVP Franchise & Real Estate
1996-2005	Ahold several international management positions
1994-1995	PwC Senior Consultant
1988-1994	DSM several financial positions

Education:

1991	University of Limburg - RC, Controlling
1988	Vrije Universiteit Amsterdam - Drs, Business Economics

Other board positions:

member Supervisory Board Ordina NV
member Supervisory Board Detailresult Groep N.V.

R.J. BOLIER
(m 55)

Appointed in 2014

Previous experience:

Dec 2011-Jun 2013	Warburg Pincus
Jan 2009-Mar 2012	Atrium European Real Estate
Mar-Dec 2008	several consultancy
Jan 2007-Feb 2008	Meretec Ltd.
Mar 1998-Dec 2006	Assa Abloy AB
May 1995-Mar 1998	Thermopanel Group
Aug 1994-Apr 1995	Blue Circle Home Products

Education:

2013	International Directors Program INSEAD
2007	Chartered Accountant ACA, member of the ICAEW
1996	Fellow Chartered Institute of Management Accountants
1994	Chartered Management Accountant, CIMA
1987	University of Amsterdam, Drs Business Administration

Other board positions:

none

3. Supervisory Board

The role of the Supervisory Board is to supervise the strategy (including corporate social responsibility) of the Board of Management and the business of the Company and its subsidiaries, as well as to assist the Board of Management by providing advice. In discharging its role, the Supervisory Board shall be guided by the interests of the Company, and to that end, shall weigh the relevant interests of the Company's stakeholders, including the shareholders. The Supervisory Board shall act as a body having joint responsibility, without a mandate and independent of any particular interests associated with the Company.

Composition and committees

The Supervisory Board consists of at least three members. The members are appointed by the General Meeting of Shareholders. The Supervisory Board of Wereldhave N.V. currently consists of five members, who are all independent from the Company as defined in article III.2.2 of the Corporate Governance Code. The Supervisory Board has two standing Committees, an Audit Committee and a Remuneration- and Nomination Committee. At least one of the members of the Audit Committee will be a financial expert. At present, both members of the Audit Committee qualify as such. The Chairman of the Supervisory Board cannot be the Chairman of the Remuneration- and Nomination Committee.

The duties of the Committees are laid down in Wereldhave's Governance Charter, which can be found at the Company's website.

At present, the Company does not fully comply with the Dutch Act on Management and Supervision, which – among others – aims at a representation of at least 30% of either gender in both boards. The Supervisory Board continues to strive to achieve a balanced composition of the Boards in terms of gender, but it will continue to select members primarily on the basis of expertise, experience, background and skills. The Supervisory Board now has a composition of at least 20% of either gender.

The members of the Supervisory Board and its Committees are:
Messrs J.A.P. van Oosten (Chair and member of the Remuneration- and Nomination Committee), J.A. Bomhoff (Vice Chair), L. Geirnaerdt (Chair Audit Committee), H.J. van Everdingen (member Audit Committee) and Mr G. van de Weerdhof (Chair Remuneration- and Nomination committee).
The profile for members of the Board can be found at the Company's website.

Appointment and remuneration

The Supervisory Board members are appointed by the General Meeting of Shareholders for a maximum of three consecutive periods of 2, 3 or 4 years. In principle, Wereldhave applies a maximum term in office for Supervisory Board members of 8 years. The schedule for rotation can be found at the Company's website.

The remuneration of the Supervisory Board in 2016 amounted to € 47,785 for the Chairman, € 39,737 for the Vice Chairman and € 32,192 for members. Committee chairs received a fixed remuneration of € 7,545 and committee members € 5,030 per annum. These amounts will be indexed annually.

The Company has not awarded any options or shares to members of the Supervisory Board. The remuneration of the Supervisory Board members is not affected by the Company's results, or by any change of control at the Company. No loans were issued to members of the Supervisory Board.

Meetings of the Board

The Supervisory Board convenes according to a fixed schedule, at least six times per year. During one of these meetings, without the Board of Management being present, The Supervisory Board discusses its own functioning, the relationship with the Board of Management, the composition and assessment of the Board of Management, including matters of remuneration.

In 2016, the Supervisory Board made preparations for the succession of the Chairman and the Vice-chairman in 2017. The nomination of Mr Adriaan Nühn is proposed to shareholders. When nominated, he will succeed Mr Van Oosten as Chairman of the Board. Mr Nühn participated in the 2016 introduction program for new members of the Supervisory Board and attended Supervisory Board meetings in the second half of the year as an observer.

Related party transactions

In the year under review there have been no business transactions with members of the Supervisory Board in which conflicts of interest may have played a role. All business transactions between the Company and members of the Board are be published in the Annual Report.

4. General Meeting of Shareholders

At least once a year, a General Meeting of Shareholders will be held. The agenda of the Annual General Meeting of Shareholders shall in each case contain the report of the Board of Management, the dividend policy, the adoption of the financial statements, the report of the Supervisory Board, and the proposal to distribute dividends or other distributions. Resolutions to release the members of the Board of Management and Supervisory Boards from liability for their respective duties shall be voted on separately.

Requests of investors who solely or jointly represent 1% of the issued capital to place items on the agenda of the General Meeting of Shareholders shall be honoured if such requests are submitted to the Board of Management or the Supervisory Board at least 60 days before the scheduled date of the Meeting, unless, in the opinion of the Supervisory Board and the Board of Management, there are vital interests of the Company opposing the inclusion of such item or items in the agenda. The resulting discussion in the General Meeting should not affect the orderly course of the Meeting.

The secretary of the Company will take minutes of the proceedings at the meeting. The minutes will be signed by the Chairman of the Meeting and the Company Secretary. In principle, the minutes will be published on the Wereldhave website within one month after the Meeting and copies of such minutes are available free of charge on request.

Voting at shareholders meetings

Wereldhave pursues increased shareholder participation at its general meetings, by making proxy forms and voting instructions available online, by enabling voting via internet prior to the meeting and by contacting the known larger shareholders to question them to attend or vote. The attendance rate at the AGM on April 22, 2016 stood at 53.54%.

Issuance of shares

In accordance with Article 7 of the Articles of Association, the General Meeting of Shareholders, by virtue of the resolution adopted on April 22, 2016, has granted the authority to the Board of Management to issue shares and to limit or exclude the pre-emptive rights when issuing ordinary shares. The authorisation is limited to 10% of the issued capital of Wereldhave N.V. per April 22, 2016 plus an additional 10% of the issued capital of Wereldhave N.V. per that moment in case of a merger or acquisition for a period of 18 months, starting April 22, 2016. No shares were issued in 2016.

Acquisition of own shares

The Annual General Meeting of Shareholders that was held on April 22, 2016 authorised the Board of Management to repurchase own paid-up shares, whether on the stock exchange or otherwise, to a maximum of 10% of the issued capital of Wereldhave N.V. per April 22, 2016, whereby the acquisition price must be between the nominal value per share and 10% above the average price for these shares on the Euronext Amsterdam on the five (5) trading days preceding the acquisition by Wereldhave, for a period of 18 months, starting April 22, 2016. During the year 2016, no shares were repurchased.

5. Policy on communications between the Company and its shareholders

The Company adopts a passive attitude with regard to entering into dialogues with shareholders outside the framework of the shareholders' meeting. This means that, in principle, discussions will only take place following an invitation from shareholders.

Wereldhave reserves the discretionary right to decide whether Wereldhave will accept invitations from shareholders or parties representing shareholders to enter into a dialogue. Wereldhave can ask for further clarification of such a shareholder's vision, intentions and long-term objectives before accepting or rejecting an invitation to a dialogue.

Discussions with one or more shareholders or parties representing shareholders will be held by the Board of Management, together with other company representatives if necessary. Any requests from shareholders for the Chairman of the Supervisory Board to attend or participate in these discussions will be presented to the Chairman, who will decide whether or not to accept the invitation.

After prior consultation with the Supervisory Board, the Board of Management decides on requests for a meeting with the Chairman of the Supervisory Board without the Board of Management being present. Meetings with individual shareholders without the Board of Management being present will only be conducted by the Supervisory Board with shareholders representing a stake of more than 5% of the outstanding share capital and furthermore on the basis of written preliminary questions presented in advance, allowing Wereldhave to make a prior assessment as to whether answering these questions individually or jointly is desirable or even necessary.

At any given time, both before and after accepting the invitation from shareholders for face-to-face consultations outside the formal context of the shareholders' meeting, Wereldhave reserves the right to ask the shareholders in question for a statement of the stake they directly or indirectly represent, as well as details of the purchasing conditions, purchasing date and previous owner of the stake.

Further details can be found in the policy as published on the Company's website.

6. Protective devices

The protective devices consist of the possibility to issue preference shares up to 50% of the issued share capital (less one share), calculated after issue.

The contract between the Company and the Foundation in relation to the preference shares Wereldhave entails the granting to the Foundation of the right to, on a continuous basis, take, if necessary in tranches, preference shares up to a maximum of, after exercise, 50% of the issued capital (less one share). Both parties have the interim right to cancel the agreement. Following the issue and subsequent repurchase or withdrawal of the preference shares, the Company intends to discuss the protective devices with the General Meeting of Shareholders. The objective of the Foundation, in accordance with article 2 paragraph 1 of its articles of association, is to promote the interests of Wereldhave, of the companies affiliated to Wereldhave and all stakeholders, whereby the foundation also takes into account maintaining the independence, continuity and identity of the Company. The Board of the Foundation is comprised of Messrs P. Bouw (Chairman), M.W. den Boogert and R. de Jong. The Foundation is independent from the Company within the meaning of section 5:71 paragraph 1 under c of the Financial Supervision Act. The foundation does not hold any shares in Wereldhave at present.

The Foundation intends to take preference shares if, amongst others, a threatening situation occurs where a significant interest might come in the possession of legal entities or persons who possibly aim to acquire control over the Company without the involvement of the Board, without guarantees with respect to the independency and continuity of Wereldhave and its affiliates and without the possibility to safeguard the interests of employees, other shareholders and other parties related to Wereldhave or, affiliated companies, or without the real value of the Wereldhave shares being reflected in a take-over bid, or if power is, or may be exercised with the intention to amend the strategic policy which is determined by the Board and Supervisory Board.

Wereldhave and the Foundation have agreed that the Foundation can request the Company to withdraw or buy back the shares six months after issuance of the preference shares. In addition, Wereldhave is obliged to convene a general meeting of shareholders within eighteen months after the issuance date of the preference shares, where the withdrawal or buy back of the preference shares will be put on the agenda. These contractual clauses imply that the issue of any preference shares is intended as a temporary protective device.

7. Audit

The Board of Management is responsible for the quality and completeness of publicly disclosed financial reports. The Supervisory Board shall see to it that this responsibility is fulfilled.

As part of its responsibilities, the Audit Committee focuses on the operation of internal risk management and control systems. For the year 2017, the system of annual country reviews by the group Finance Department will be maintained, instead of installing an internal audit department.

The external auditor may be questioned by the General Meeting of Shareholders in relation to his auditor's opinion on the financial statements. The external auditor shall attend and be entitled to address the General Meeting of Shareholders for this purpose.

The Annual General Meeting of Shareholders approved the appointment of KPMG accountants B.V. as the external auditor for the years 2016 up to and including 2018.

8. Risk appetite and risk management

RISK APPETITE

Strategic and business risks
Wereldhave has a clear strategy and wants to pursue growth within a well-defined asset class, clear acquisition criteria and geography. Within the framework Wereldhave is prepared to take risks in a responsible and sustainable way that is in line with the interest of its stakeholders.

Operational risks
Wereldhave's key values are passion, pride and performance and by embedding this into our culture on a day to day basis ensures that we are able to connect people and create a good environment to shop and work. Wereldhave also sets a clear management agenda including sustainability that gives clear focus. Risk related with our efforts to create this environment will be balanced by the related rewards.

Compliance risks
One of our key values is transparency and this means that Wereldhave and its employees are responsible to act with honesty, integrity and respect to others. Wereldhave strives to comply with laws and regulations wherever we are active.

Financial risks
In respect of financial risks, Wereldhave has a conservative financial policy which includes commercial insurance coverage. It is important to be attractive for debt investors and Wereldhave is therefore committed to maintain a strong financial profile.

RISK MANAGEMENT

The Board of Management is responsible for the organisation, implementation and functioning of the internal risk management and control systems that are geared towards Wereldhave's business activities. The Board of Management is aware that there is no risk management and control system that can provide absolute guarantees in terms of achieving the business objectives and preventing significant errors, losses, fraud or the violation of laws or regulations.

The instruments for internal control and risk management consist of the tailored administrative organisation, the annual budget prepared by the Board of Management and approved by the Supervisory Board, and the Business Integrity Policy and Code of Ethics. Wereldhave has rules in place for reporting irregularities. All integrity sensitive positions have been identified, and special procedures are in place for hiring employees for these positions.

Wereldhave has set up an administrative organisation in which effective internal controls are embedded. The administrative organisation / internal control system is based on a division of functions. This system includes a computerised information system with role based access. Both contracting and payment take place based on the 'four-eyes' principle. The Managing Directors of Wereldhave N.V. are also the directors of the local property holding companies. This implies that the local directors do not have a general power of attorney to represent the property owner. It ensures that no property acquisitions, disposals and developments can be concluded locally unless they have been explicitly approved by the Board of Management of Wereldhave N.V.

CORPORATE GOVERNANCE & RISK

Wereldhave has strict procedures in place for the periodic preparation of quarterly and annual figures based on approved accounting principles. The internal management reports are designed to immediately identify developments in the value of investments and the result per share. Electronic data processing is used in a computerised, integrated central information system to which all foreign and domestic business units are directly connected. Wereldhave aims to guarantee the reliability and continuity of its ICT organisation and automated data processing by employing a system of preventative and repressive measures. This system is designed to safeguard the integrity, exclusiveness, availability and verifiability of the automated data processing and data storage. Daily backups are made of the data files, a data recovery plan is in place and is tested regularly.

The Board of Management assesses the organisation continuously and the functioning of the internal risk management and control systems that support that organisation. The outcome of these assessments and any significant appropriate actions are discussed with the Audit Committee and the Supervisory Board together with the strategy and risks. In 2016, the internal control framework was reviewed and adjusted whereby a mid-year country assessment was introduced, to be completed by the countries themselves. There was also a bottom up risk assessment introduced where all departments in a country defined the main risks. The top down risk management outcome was aligned with the bottom-up risks and with incidents as reported by the individual countries / processes, as well with the findings of external audits.

Subsequently, the control framework was tested in each country and the outcome of the tests were discussed with local management and improvements were implemented where necessary. The results of the tests and the proposed improvements were reported to the Audit Committee. Due to the organisational size Wereldhave does not have a separate Internal Audit department.

The Wereldhave 2016 main risks are described in a more condense way, but these are comparable to the main risks included in the 2015 Annual Report. Most important additions are the main risks 'financial strength tenants' and 'project execution'. The risk level increased in 2016 compared to the previous year due to several retail bankruptcies, especially in The Netherlands.

MAIN RISKS

Strategic and business risks

	RISK[1]	MITIGATING MEASURES
Economic environment	Wereldhave operates convenience shopping centres and is dependent on consumers buying from our tenants. Consumer confidence and consumer spending is affected by changes in the macro-economic environment. This will have an effect on the income of our tenants and ultimately on rent levels. Changes in macro-economic environments could also have an impact on the market value of our properties.	We make our shopping centres attractive places to go and one or more large food anchor(s) are important for us has they have been proven to ensure footfall even when economic times are adverse.
Financial strength tenants	The financial strength of tenants will have an impact on their ability to investment in expansion plans and new retail formulas which could lead to lower sales and the risk of late payment of outstanding balances. In an extreme case tenants could end up in bankruptcy.	We ensure that our centres are the best retail location in the local area, where it is possible for tenants to have a profitable business. We monitor tenant performance closely, including payment of outstanding balances, in order to be proactive if any tenant has difficulties. We have a pro-active leasing strategy, whereby at an early stage tenants in financial difficulty are monitored and alternatives are considered in order to move quickly if a bankruptcy occurs.
Internet shopping	Internet shopping has increased substantially over recent years. Existing retailers have started with web shops next to their physical presence and dedicated online retailers have started with various degrees of success. If online shopping will replace shopping in brick and mortar shops, it could be a risk that retailers need less space in our shopping centres. There is a trend in online retailing that click and collect is increasing in popularity and this ensures that shoppers rely on physical shops (omni-channel retailing). Even pure internet retailers start to rent shops for displaying their products and adding value to their brand.	Wereldhave aims to keep its shopping centres interesting with good design, a good tenant mix including a food anchor, central squares with children entertainment, food and beverage offerings and events that draw in visitors. At the same time we use the opportunities through internet by using social media. We follow the online sales developments closely as trends are changing quickly.

[1] For more information on the risks relating to financial assets and liabilities, reference is made to Note 25 of the financial statements.

MAIN RISKS

Strategic and business risks

	RISK	MITIGATING MEASURES
Valuation shopping centres	The market value of our assets is an important metric. These valuations are affected by rent levels, occupancy, the general macro-economic environment (market yields), supply / demand for renting properties but also by local influences. A devaluation of the portfolio could affect the borrowing capacity and the possibilities to raise equity.	Wereldhave operates its shopping centres in a responsible way and keeps them up to date in order to remain an attractive place to shop with visitors naturally coming to our centres. This will ensure that tenants will be interested to remain within the centre and pay market rents. The properties are valued by external independent valuators twice a year and this will ensure the values represent the market value. We use a number of valuators and rotate them frequently to ensure sufficient expertise.
Acquire / extend Shopping Centres	Our strategy is to grow over the long term and become the leading specialist owner and operator of convenience shopping centres in our geographical target area. In order to fulfil this strategy we need to acquire convenience shopping centres. We have strict acquisition and investment criteria. In the current market there is a lot of interest from all types of investors, and there is a risk that we cannot acquire the properties that suit us at the right price. Where possible we also aim to extend existing shopping centres.	Over the years we have built an extensive network of contacts in the real estate industry, in particular with respect to shopping centres. This allows us to be aware of potential acquisitions quickly. We have also build up a reputation of a company that is very reliable and able to do deals in a time efficient way. This will allow us to be considered in any relevant deal. In order to ensure extensions we continue to develop and maintain good relationships with local municipalities and communities.

MAIN RISKS

Operational risks

	RISK	MITIGATING MEASURES
Operational performance	Shopping centres need continuous attention in order to remain attractive and relevant. Operational management of shopping centres therefore includes activities such as cleaning, security, maintenance, daily contacts with tenants, contract management, organisation events etc. Wereldhave operates its own shopping centres and makes use of some external service providers. Risk is that the operational performance is lower than expected by visitors or there is a mismatch between the quality level of the operational performance and the cost level. Dilemma is that some aspects of low operational performance such as maintenance, are only felt over the longer term.	At each shopping centre a local representative is appointed who is responsible for all aspects of the operational performance, whether internally organised or outsourced. This shopping centre manager can make use of several centralised Wereldhave services such as marketing, ICT to fulfil these tasks. Shopping centres are visited by operational and leasing staff on a daily basis and by the Board of Management on a regular basis to ensure compliance with operational excellence standards.
Project execution	Wereldhave currently executes several refurbishment projects in all countries. The total investment portfolio will be significant in 2017 and the years thereafter. The risk is that projects will be more expensive and/or have longer lead times and/or have lower quality levels and/or generate lower cash flows than planned. As a result the business cases could give lower returns than foreseen or do not even add value to the Company.	Project development and realisation is organised within each country. Upfront several CAPEX scenarios are made and these form part of the business case for a shopping centre (refurbishments and extensions). During the realisation phase projects are closely managed by project managers. Once finished, each project will be evaluated to ensure that new knowledge and experiences are incorporated in future projects. The Board of Management reviews all projects from approval to completion to ensure efficient project management.
Safety	In our shopping centres millions of people spend time annually. In case of calamity including fire there is a risk that personal accidents will occur.	Plans in case of emergency are available and actions to be taken are well known by shopping centre management. The group will ensure sufficient insurance coverage.

MAIN RISKS

Operational risks

	RISK	MITIGATING MEASURES
Compliance	Compliance risks are related to the application of existing legislation and the introduction of new legislation. The most significant risks regarding existing legislation relate to taxation laws. In France, the Netherlands and Belgium Wereldhave benefits from special tax regimes that have been introduced in the respective domestic legislations to encourage collective portfolio investment. Under each of these regimes, provided that certain strict conditions are met relating to permissible activities, the level of debt financing and a mandatory dividend policy, qualifying income is exempt or the tax rate is 0%. A common feature among these conditions is that to be eligible to a 0 % tax rate, the Company is obliged to distribute its taxable result all or a minimum portion depending on the jurisdiction. There could be a risk that we do not meet one or more of the qualification requirements, or that the tax authorities take a different view on how the distributable result should be calculated. Wereldhave also runs the risk that the introduction of new legislation will be disadvantageous or even harmful (country and EU legislation / tax and other legislation). A change in legislation can also bring new business opportunities for Wereldhave or our tenants.	An internal Legal advisor and an internal Tax advisor, supported by external advice, monitor on a continuous basis the compliance of existing laws. They also monitor closely the introduction of new laws or initiatives. Action taken can be in cooperation with peers in the industry to ensure that the impact on the real estate industry is clearly understood.

MAIN RISKS

Financial risks

	RISK	MITIGATING MEASURES
Financial risks	Financial risks include several aspects: • Capital structure (efficient combination of debt and equity); • Liquidity risk (refinancing of loans); • Interest rate risk (increase in interest rates); • Counter party risk (settlement of financial instruments). Real estate has been subject to difficult times in the past. We believe it is important to maintain steady cash flows and the ability to pay a stable or growing dividend. It is important that our capital structure allows us to be able to pay dividend even in difficult times. There is a risk that our capital structure weakens significantly due to lower property valuations and that in difficult times we will be breaching our covenants and will not be able to pay dividend or refinance our loans. Our capital structure has some loans with a floating interest rate. If interest rates increase, it could have a material adverse effect on our profitability. Financial instruments are used by Wereldhave to reduce financial risks. The main risk is a counter party risk.	We closely watch our Loan-to-Value, which we want to keep between 35 % and 40%. This is also in respect to a stable credit rating introduced in 2016 (currently Baa1). A closely controlled cash flow forecast is updated regularly to ensure staying within our targets. Wereldhave aims for continuous good access to the money and capital markets by means of the prudent capital structure, the use of diversified funding sources, a well spread maturity profile of issued debt and a continuous dialogue with investors, banks and other financial institutions. It is our policy to fix at least 60% of our interest rate, either because the debt has a fixed rate or is hedged with interest rate swaps. At the end of December 2016 79% of interest rate was fixed. Wereldhave only enters into agreements on financial instruments with recognised market parties, usually with banks in its RCF facility.

9. Financial statements and statement by the Board of Management

Financial Statements

The Board of Management is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU – IFRS) and with Part 9 of Book 2 of the Netherlands Civil Code. The financial statements consist of the consolidated financial statements and the Company's financial statements. The responsibility of the Board of Management includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Board of Management is also responsible for the preparation of the Report of the Board of Management that is included in this Annual Report, which has been prepared in accordance with Part 9 of Book 2 of the Netherlands Civil Code. The Board of Management endeavours to present a fair review of the situation of the business at balance sheet date and of the state of affairs in the year under review. Such an overview contains a selection of some of the main developments in the financial year and can never be complete.

10. Statement by the Board of Management

The Company has identified the main risks it faces, including financial reporting risks. These risks can be found in the chapter Main Risks above. In line with the Dutch Corporate Governance Code and the Dutch Act on Financial Supervision (Wet op het Financieel Toezicht), the Company has not provided an exhaustive list of all possible risks. Furthermore, developments that are currently unknown to the Executive Board or considered to be unlikely may change the future risk profile of the Company.

The design of the Company's internal risk management and control systems has been described in the chapter Risk Management above. The objective of these systems is to manage, rather than eliminate, the risk of failure to achieve business objectives and the risk of material errors to the financial reporting. Accordingly, these systems can only provide reasonable, but not absolute, assurance against material losses or material errors.

The Board of Management reviewed and analysed the main strategic, operational, financial & reporting, and compliance risks to which Wereldhave is exposed, and assessed the design and operating

effectiveness of the Wereldhave risk management & control system. The outcome of this assessment was shared with the audit committee and the Supervisory Board, and was discussed with our external auditor.

As required by provision II.1.5 of the Dutch Corporate Governance Code and section 5:25c(2)(c) of the Dutch Act on financial supervision (Wet op het financieel toezicht) and on the basis of the foregoing and the explanations contained in Risk Management, the Executive Board confirms that to its knowledge:

- during 2016, the internal risk management and control systems of Wereldhave regarding the financial reporting risks worked effectively, and that this provides reasonable assurance that the financial statements 2016 do not contain any material misstatements;

- the financial statements for 2016 provide, in accordance with IFRS as endorsed by the EU, a true and fair view of the consolidated assets, liabilities and financial position as at December 31, 2016, and of the 2016 consolidated income statement of Wereldhave N.V.;

- the Annual Report provides a true and fair view of the situation as at December 31, 2016, and the state of affairs during the financial year 2016, together with a description of the main risks faced by the group.

Schiphol, February 28, 2017

D.J. Anbeek
R.J. Bolier

APM'S

We judge and explain our performance using certain alternative performance measures. These alternative performance measures are not defined under IFRS, but they are consistent with how the real estate sector measures financial performance.

Wereldhave considers the following metrics to constitute Alternative Performance Measures as defined in the European Securities and Markets Authority Guidelines on Alternative Performance Measures.

Direct result	The direct result (or EPRA earnings) consists of net rental income, general costs, other gains and losses (other than exchange rate differences and non-recurring project related costs) minus, financial income and expense (other than the interest addition to the real value of the conversion rights of convertible bonds, premiums paid on interest bearing debt) and tax charges on the direct result. Reference is made to 101.
EPS	Earnings Per Share is calculated by dividing: - Direct result attributable to owners of the Group (excluding minority interest), refer to 'Direct & Indirect' result (refer to page 101) by the - Weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares (refer to page 117) Direct result of € 138.8m divided by the average number of shares of 40.25m = € 3.45 per share.
EPRA Cost Ratio	The calculation of the cost ratio is based on total operating cost divided by gross rental income. Reference is made to the EPRA tables on page 98.

APM'S

EPRA NAV	EPRA NAV is the IFRS Net Asset Value (NAV) excluding certain items not expected to crystallise in a long-term investment property business model. The EPRA NAV excludes the fair value of derivatives and deferred tax liabilities. IFRS NAV € 1,978.8m plus EPRA NAV adjustments of € 93.1m divided by the average number of shares 40.25m = € 51.47 per share.
EPRA NIY	Annualised rental income based on cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, including estimated purchasers' cost (EPRA Net Initial Yield = ((Annualised rent passing + other income + turnover rent -/- property expenses) / Gross Property Value)). Reference is made the EPRA tables on page 99 and to note 5 in the financial statements.
EPRA NNNAV	EPRA NAV adjusted to include the fair values of financial instruments, debt and deferred taxes. Reference is made to the EPRA tables on page 98. IFRS NAV € 1,978.8m plus EPRA NAV adjustments € 93.1m minus EPRA NNNAV adjustments € 126.7m divided by the average number of shares 40.25m = € 48.32 per share.
Indirect result	The indirect result consists out of the fair value movements of investment properties and conversion rights on convertible bonds, the impact of ineffectiveness on hedges, exchange rate differences that are accounted for under other financial income and expense, the interest addition to leasehold obligations, the movement in deferred tax liabilities, non-recurring project related costs and actuarial gains and losses on employee benefit plans. Reference is made to page 101.

APM'S

Interest Coverage Ratio	The interest coverage ratio is the ratio of the interest charge in the direct result and the net rental income. The calculation is as follows: Net Rental Income (€ 201.5m) divided by External interest paid (€ 30.5m) = 6.6x. The external interest paid is the cash part of the net interest costs of € 31.6m as presented in note 32 in the financial statements.
LTV	Loan to value (LTV) is the ratio of net debt to the aggregate value of properties and investments. Net debt amounts to € 1,484.9m divided by € 3,802.5 = 39.0%. Reference is made to note 5 and 18 in the financial statements.
Net Debt	Net debt is the sum of the non-current and current interest bearing liabilities (€ 1,566m) deducted by cash and cash equivalents (€ 40.7m) and the effect of the hedged foreign currency movements of the debt (€ 40.5m) = € 1,484.8m.
Net Initial Yield	Calculated as the annualised contracted rent and other incomes for the next 12 months, net of property expenses, divided by the asset value (net of estimated transfer taxes and transaction costs). Reference is made to note 5 in the financial statements.
(EPRA) Occupancy	The (EPRA) Occupancy rate is the estimated rental value of let units as a percentage of the total estimated rental value of the portfolio, excluding development properties. It includes accommodation, under offer, subject to asset management (where they have been taken back for refurbishment and are not available to let as at the balance sheet date) or occupied by the Group. Reference is made to page 26, the EPRA tables on page 96 and note 5 in the financial statements. EPRA Occupancy = 100% minus EPRA Vacancy rate (EPRA tables).
Solvency	Solvency Ratio means the ratio of: "Shareholders Equity" (less "Intangible Assets" (if any)) and "Provision for Deferred Tax Liabilities"; to "Balance Sheet Total" (less "Intangible Assets"). Reference is made to note 18 in the financial statements. Shareholders Equity (€ 2,161.2m) plus deferred tax liabilities (€ 77.1m) minus Intangible assets (€ 1.5m) divided by balance sheet total € (3,948.1m) minus Intangible assets (€ 1.5m).

FINANCIAL STATEMENTS 2016

WERELDHAVE

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CONTENTS (FINANCIAL STATEMENTS)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2016

(x € 1,000)

Assets	Note	December 31, 2016	December 31, 2015
Non-current assets			
Investment property in operation		3,696,221	3,655,269
Lease incentives		5,110	3,985
Investment property under construction		101,233	66,231
Investment property	5	***3,802,564***	***3,725,485***
Property and equipment	6	2,503	2,900
Intangible assets	7	1,473	1,453
Derivative financial instruments	8, 23	51,665	67,130
Other financial assets	8	251	276
		55,892	***71,759***
		3,858,456	***3,797,244***
Current assets			
Trade and other receivables	9	42,088	46,403
Tax receivables	10	6,876	16,798
Cash and cash equivalents	11	40,666	37,711
Derivative financial instruments	8, 23	-	21,606
		89,630	***122,518***
		3,948,086	3,919,762
Equity and Liabilities			
Equity			
Share capital	12	40,271	40,271
Share premium	13	1,711,031	1,711,031
Reserves	14-17	227,509	263,767
Attributable to shareholders		***1,978,811***	***2,015,069***
Non-controlling interest		182,403	172,747
Total equity		***2,161,214***	***2,187,816***
Non-current liabilities			
Interest bearing liabilities	18	1,520,787	1,279,106
Deferred tax liabilities	19	77,051	77,272
Derivative financial instruments	23	28,645	22,999
Other long term liabilities	20	30,526	13,696
Current liabilities		***1,657,009***	***1,393,073***
Trade payables		6,174	5,906
Tax payable	21	9,793	13,367
Interest bearing liabilities	18	45,200	230,779
Other short term liabilities	22	68,696	88,821
		129,863	***338,873***
		3,948,086	3,919,762

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2016

(x € 1,000)

	Note	2016	2015
Gross rental income	26	230,184	207,313
Service costs charged		37,893	37,258
Total revenue		***268,077***	***244,571***
Service costs paid		-43,625	-42,164
Property expenses	27	-22,983	-17,751
		-66,608	***-59,915***
Net rental income		***201,469***	***184,656***
Valuation results	28	-29,584	-4,555
Results on disposals	29	-922	-279
General costs	30	-17,625	-16,264
Other income and expense	31	-6,555	-2,485
Operating result		***146,783***	***161,073***
Interest charges		-31,616	-33,583
Interest income		49	327
Net interest	***32***	***-31,567***	***-33,256***
Other financial income and expense	33	6,237	-5,716
Result before tax		***121,453***	***122,101***
Income tax	34	-679	-2,811
Result from continuing operations		***120,774***	***119,290***
Result from discontinued operations after tax	***35***	***-***	***-15,497***
Result for the year		**120,774**	**103,793**
Result attributable to:			
Shareholders		100,620	88,645
Non-controlling interest		20,154	15,148
Result for the year		**120,774**	**103,793**
Basic earnings per share from continuing operations (x € 1)	38	2.50	2.76
Basic earnings per share from discontinued operations (x € 1)	38	-	-0.41
Basic earnings per share (x € 1)	38	2.50	2.35
Diluted earnings per share from continuing operations (x € 1)	38	2.16	2.69
Diluted earnings per share from discontinued operations (x € 1)	38	-	-0.37
Diluted earnings per share (x € 1)	38	2.16	2.32

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2016

(x € 1,000)

	Note	2016	2015
Result from continuing operations		120,774	119,290
Result from discontinued operations		-	-15,497
Result		***120,774***	***103,793***
Items that maybe recycled to the income statement subsequently			
Currency translation differences		-	7,631
Changes in fair value of financial assets available for sale		-	-902
Effective portion of change in fair value of cash flow hedges	23	-13,439	8,026
		-13,439	***14,755***
Items that will not be recycled to the income statement subsequently			
Remeasurement of post-employment benefit obligations	20	113	72
Total comprehensive income		***107,448***	***118,620***
Attributable to:			
Shareholders		87,283	103,804
Non-controlling interest		20,165	14,816
		107,448	**118,620**

(x € 1,000)

	2016			**2015**		
	Continued operations	Discon-tinued operations	Total	Continued operations	Discon-tinued operations	Total
Result	120,774		120,774	119,290	-15,497	103,793
Currency translation reserve	-		-	-	7,631	7,631
Revaluation reserve	-		-	-902	-	-902
Hedge reserve	-13,439		-13,439	8,026	-	8,026
Remeasurement of post employment obligations	113		113	72	-	72
Total comprehensive income	***107,448***	***-***	***107,448***	***126,486***	***-7,866***	***118,620***
Non-controlling interest	-20,165		-20,165	-14,816	-	-14,816
Attributable to shareholders	**87,283**	**-**	**87,283**	**111,670**	**-7,866**	**103,804**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2016

(x € 1,000)	Attributable to shareholders								
	Share capital	Share premium	General reserve	Revaluation reserve	Hedge reserve	Currency translation reserve	Total attributable to share-holders	Non-controlling interest	Total equity
Balance at January 1, 2015	**35,021**	**1,467,196**	**337,310**	**620**	**-9,102**	**-7,631**	**1,823,414**	**152,550**	**1,975,964**
Comprehensive income									
Result	-	-	88,645	-	-	-	88,645	15,148	103,793
Currency translation differences	-	-	-	-	-	7,631	7,631	-	7,631
Changes in fair value of financial assets available for sale	-	-	-	-620	-	-	-620	-282	-902
Remeasurement of post employment obligations	-	-	50	-	-	-	50	22	72
Effective portion of change in fair value of cash flow hedges	-	-	-	-	8,098	-	8,098	-72	8,026
Total comprehensive income	***-***	***-***	***88,695***	***-620***	***8,098***	***7,631***	***103,804***	***14,816***	***118,620***
Transactions with shareholders									
Proceeds from share issue	5,250	252,000	-	-	-	-	257,250	15,212	272,462
Costs share issue	-	-8,163	-289	-	-	-	-8,452	-956	-9,408
Shares for remuneration	-	-	-169	-	-	-	-169	-	-169
Share based payments	-	-	134	-	-	-	134	-	134
Dividend	-	-	-160,912	-	-	-	-160,912	-8,875	-169,787
Balance at December 31, 2015	**40,271**	**1,711,033**	**264,769**	**-**	**-1,004**	**-**	**2,015,069**	**172,747**	**2,187,816**
Balance at January 1, 2016	**40,271**	**1,711,033**	**264,769**	**-**	**-1,004**	**-**	**2,015,069**	**172,747**	**2,187,816**
Comprehensive income									
Result	-	-	100,620	-	-	-	100,620	20,154	120,774
Currency translation differences	-	-	-	-	-	-	-	-	-
Changes in fair value of financial assets available for sale	-	-	-	-	-	-	-	-	-
Remeasurement of post employment obligations	-	-	79	-	-	-	79	34	113
Effective portion of change in fair value of cash flow hedges	-	-	-	-	-13,416	-	-13,416	-23	-13,439
Total comprehensive income	***-***	***-***	***100,699***	***-***	***-13,416***	***-***	***87,283***	***20,165***	***107,448***
Transactions with shareholders									
Shares for remuneration	-	-	-397	-	-	-	-397	-	-397
Share based payments	-	-	268	-	-	-	268	-	268
Dividend	-	-	-122,824	-	-	-	-122,824	-10,347	-133,171
Other	-	-	-588	-	-	-	-588	-162	-750
Balance at December 31, 2016	**40,271**	**1,711,033**	**241,927**	**-**	**-14,420**	**-**	**1,978,811**	**182,403**	**2,161,214**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2016

(x € 1,000)

	Note	2016	2015
Operating activities			
Result before tax		***121,453***	***106,604***
Adjustments:			
Valuation results	28	29,584	4,555
Net interest	32	31,567	35,986
Other financial income and expense	33	-6,237	18,600
Results on disposals	29	922	279
Amortisation		1,082	1,037
Movements in working capital		-8,006	1,089
Cash flow generated from operations		***170,365***	***168,150***
Interest paid		-32,776	-33,251
Interest received		59	217
Income tax paid		-1,544	-465
Cash flow from operating activities		***136,104***	***134,651***
Investment activities			
Proceeds from disposals direct investment properties		40,550	402,188
Proceeds from disposals indirect investment properties		-	10,373
Investments in investment property		-129,222	-929,021
Investments in equipment		-459	-947
Divestments in financial assets		25	905
Investments in intangible assets		-246	-81
Investments in other long-term assets		-66	-38
Cash settlement forward transactions		-	-357
Cash flow from investing activities		***-89,418***	***-516,978***
Financing activities			
Proceeds from interest bearing debts		344,106	1,454,572
Repayment interest bearing debts		-254,705	-1,244,780
Proceeds of other long-term liabilities		146	109
Other movements in reserve		-107	-236
Dividend paid		-133,171	-169,787
Proceeds from shares issued		-	263,054
Cash flow from financing activities		***-43,731***	***302,932***
Increase/decrease in cash and cash equivalents		2,955	-79,395
Cash and cash equivalents at January 1	11	37,711	119,205
Foreign exchange differences		-	-2,099
Cash and cash equivalents at December 31	**11**	**40,666**	**37,711**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. REPORTING ENTITY

Wereldhave N.V. ('the Company') is an investment company which invests in real estate (shopping centres and offices). The property portfolio of Wereldhave N.V. and its subsidiaries ('the Group') are located in Belgium, Finland, France and the Netherlands. The Group is principally involved in leasing investment property under operating leases. The property management is performed by Group management companies. The Company is a limited liability company incorporated and domiciled in the Netherlands. The address of the Company's registered office is Schiphol Boulevard 233, 1118 BH Schiphol. The shares of the Company are listed on the Euronext Stock Exchange of Amsterdam. The consolidated financial statements for the year ended December 31, 2016 were authorised for issue by the Supervisory Board on February 28, 2017 and will be presented to the shareholders for approval on April 21, 2017.

2. TAX STATUS

Wereldhave N.V. has the tax status of an investment company (FBI status) in accordance with section 28 of the Dutch 'Wet op de Vennootschapsbelasting 1969'. This status assumes that the Group is (almost) exclusively engaged in portfolio investment activities. As a consequence, corporation tax is due at a rate of 0% in the Netherlands, provided that certain conditions are met. The main conditions concern the requirement to distribute the taxable result as dividend and restrictions with regard to the leverage. The taxable result of Wereldhave N.V. must be distributed as a dividend to its shareholders within eight months after the year during which the result was made. In general terms, the leverage restrictions imply that investments in real estate (including qualifying real estate companies) may only be financed through debt up to a maximum of 60% of their value. For investments in other assets the maximum level of debt allowed is only 20%. There is no requirement to include capital gains, arising on disposal of investments, in the result to be distributed.

The subsidiaries in Belgium (OGVV status) and France (SIIC status) have a similar status. Subsidiaries in Finland are subject to corporation tax. In Belgium the net value of one single asset may not exceed 20% of the total Belgium portfolio. By year-end 2016, the net value of Belle-Ile exceeded 20%. In January 2017, a concession was provided by the FSMA for a period of maximum 2 years.

3. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

3.1 Basis of accounting

Statement of compliance

The consolidated financial statements of Wereldhave N.V. have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

Income and cash flow statement

The Group presents a separate 'statement of profit or loss' and 'other comprehensive income'.

The Group reports cash flows from operating activities using the indirect method. Interest received and interest paid is presented within operating cash flows. The acquisitions of investment properties are disclosed as cash flows from investing activities as this most appropriately reflects the Group's business activities.

Preparation of the consolidated financial statements

The consolidated financial statements have been prepared on a going concern basis, applying a historical cost convention, except for the measurement of investment property and derivative financial instruments that have been measured at fair value.

The preparation of consolidated financial statements in conformity with EU-IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5 and 24.

Change in accounting policy and disclosures

New and amended standards adopted by the Group

Wereldhave has not changed its accounting policies during 2016. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2015.

New standards and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2016, and have not been applied in preparing these consolidated financial statements.

IFRS 9

IFRS 9, released in July 2015, replaces the current accounting standard IAS 39 Financial instruments: Recognition and Measurement. IFRS 9 'Financial Instruments' includes the standards regarding classification and measurement, hedge accounting and impairment.

IFRS 9 introduces a new expected credit loss impairment model and changes to the classification and measurement for financial assets. The impairment model is based on the notion of providing for expected losses at inception of a contract.

IFRS 9 is effective for periods beginning on or after January 1, 2018 and has been endorsed by the EU. Wereldhave is currently in the process of implementing the new Standard. Based on the current assessment of the potential impact of adopting IFRS 9, the following observations can be made:

Classification and Measurement
Wereldhave has assessed there will not be a material impact on its accounting for financial assets and trade and other receivables.

Impairment
IFRS 9 requires Wereldhave to record expected credit losses on all of its debt securities, loans and trade receivables. This should be done on a 12 month or lifetime basis. Depending on the staging of the credit risk, a full and detailed assessment has not yet been undertaken on how the impairment provisions will be affected by the new model, it will result in an earlier recognition of credit losses. However, Wereldhave estimates that this will not have a significant impact

Hedge accounting
Following Wereldhave's current assessment, it is expected that the types of hedge accounting relationships that are currently designated will meet the requirements of IFRS 9. Accordingly, Wereldhave does not expect a significant impact on the accounting for its hedging relationships.

IFRS 15

IFRS 15, 'Revenue from contracts with customers', deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted, subject to EU adoption.

Classification and Measurement
The Group does not expect significant impact on the financial statements.

IFRS 16

IFRS 16, 'Leases', introduces a single, on-balance lease sheet accounting model for lessees. A lessee recognises a right of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. IFRS 16 replaces existing leases guidance including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases—Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted for entities that apply IFRS 15 Revenue from Contracts with Customers at or before the date of initial application of IFRS 16.

Classification and Measurement

The Group has started an initial assessment of the potential impact on its consolidated financial statements. So far, the impact identified is that the Group will recognise new assets and liabilities for its operating leases of offices and cars. In addition, the nature of expenses related to those leases will now change as IFRS 16 replaces the straight-line operating lease expense with a depreciation charge for right-of use assets and interest expense on lease liabilities. Based on a preliminary assessment, the Group has not yet decided whether it will use the optional exemptions. The Group does not expect significant impact on the financial statements.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a significant impact on the Group.

3.2 Discontinued operations

No discontinued operations in 2016. In 2015 discontinued operations relates to the results on the US, UK and Spain (with the exception of one entity in Spain, all entities have been dissolved).

3.3 Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Wereldhave recognises acquisitions if IFRS 3R "Business Combinations" or IAS 40 "Investment Property" applies. Acquisitions are considered a business combination if there is an acquisition of assets, rental activities and such a management organisation, that the acquired entity can operate as an independent company, with the aim of generating economic results. Wereldhave does not necessarily consider acquisitions of properties within a legal company as a business combination, but evaluates these acquisitions individually for the above operational characteristics.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

For acquisitions of subsidiaries not meeting the definition of a business, the Group allocates the cost between the individual identifiable assets and liabilities in the Group based on their relative fair values at the date of acquisition. Such transactions or events do not give rise to goodwill.

Consolidated financial statements are prepared using uniform accounting policies for similar transactions. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined that its chief operating decision-maker is the Chief Executive Officer (CEO) of the Company.

3.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in euros, which is the Company's functional currency and the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss for the year.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented net in the income statement within other financial income and expenses.

The following exchange rates against the euro, were used for these consolidated financial statements:

	average		year-end	
	2016	2015	2016	2015
GBP	*1.22391*	*1.32698*	*1.16798*	*1.36249*
USD	*0.90409*	*0.90187*	*0.94868*	*0.91853*
CAD	*0.68266*	*0.70593*	*0.70482*	*0.66155*

3.5 Comprehensive income

In the statement of comprehensive income no separate line for tax is included as there are no taxable items. This is due to the tax status of the Group and some subsidiaries.

3.6 Derivative financial instruments

The main purpose of the derivative financial instruments contracted by the Group is to hedge exchange rate and interest rate risks arising from financing activities. The Group does not hold any derivatives for trading purposes. Derivative financial instruments are carried at fair value. Transaction expenses related to derivative financial instruments are accounted for in the income statement.

Changes in the fair value of derivatives that do not qualify for hedge accounting are recognised in the income statement as they arise.

3.7 Hedge accounting

In general, Wereldhave is committed to use hedge accounting in order to limit the effects of changes in fair value and cash flows due to currency exchange rates and interest rate differences in the income statement.

The Group uses hedging instruments such as interest and cross currency swaps. Transactions are entered into with a limited number of counterparties with strong credit ratings. Hedging operations are governed by internal policies and rules approved and monitored by the Board of Management.

Wereldhave hedges the interest rate risk and the currency risk related to its long term liabilities and interest payments. If possible, hedge accounting is applied to these positions.

On initial designation of the hedge, Wereldhave formally documents the relationship between the hedging instrument(s) and hedged item(s), together with the methods that will be used to assess the effectiveness of the hedging relationship. Wereldhave makes an assessment, both at inception of the hedge relationship as well as on an ongoing basis, whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items during the period for which the hedge is designated, and whether the actual results of each hedge are within a range of 80-125 percent. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in income statement (net finance expenses).

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect income statement it qualifies as a cash flow hedge.

Changes in the fair value of a derivative hedging instrument designated as a cash flow hedge are recognised in the statement of comprehensive income and recognised directly in equity in the hedge reserve to the extent the hedge is effective. To the extent the hedge is ineffective; changes in fair value are recognised in the income statement.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated, exercised or the designation is revoked, then hedge accounting is discontinued and the cumulative unrealised gains or losses (recognised directly in equity) from the statement of comprehensive income are immediately accounted for in the income statement. When a hedging instrument is terminated but the hedged transaction still is expected to occur, the cumulative gain or loss up to that point will remain part of the statement of comprehensive income. The cumulative gains or losses are presented in accordance with the above policy when the transaction occurs.

Fair value hedges

Changes in the fair value of a derivative hedging instrument designated as a fair value hedge are recognised in the income statement. The hedged item is recognised at fair value with regard to the hedged risk and the profit or loss attributable to the change in fair value is recognised in the income statement and adjusts the carrying amount of the hedged item. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised over the period to maturity.

3.8 Investment property

Property that is held for long-term rental income or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs. After this initial recognition, investment property is carried at fair value.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date and adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow or capitalisation projections. Valuations are performed as of the financial position dates 30 June and 31 December by professional external valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the consolidated financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Changes in fair values are recognised in the income statement. Investment properties are derecognised when they have been disposed.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the income statement within net gain from fair value adjustment on investment property.

If an investment property becomes owner-occupied, it is reclassified as property and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

Properties eligible for disposal are classified as assets held for sale. In the case of sale of properties, the difference between net proceeds and book value is recognised in the income statement under results of disposal.

Lease incentives, rent free periods and other leasing expenses

Rent-free periods and investments made or allowances granted to tenants by Wereldhave ("lease incentives") are allocated on a linear basis over the lease term. The lease term consists of the period until the first break option for the tenants, which period can be extended by management with the expected prolongation of the leases.

In determining the property at fair value capitalised lease incentives are adjusted for the valuation results, to avoid double counting.

Investment property under construction

Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the company expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier.

It may sometimes be difficult to determine reliably the fair value of the investment property under construction. In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

- The provisions of the construction contract
- The stage of completion
- Whether the project/property is standard (typical for the market) or non-standard
- The level of reliability of expected cash inflows after completion
- The development risk specific to the property
- Past experience with similar constructions
- Status of construction permits

Costs include the material and labour for the construction, costs of staff directly related to technical supervision, project management on the basis of time spent and finance costs. The finance cost are capitalised interest that is charged until the date of delivery and is based on the interest to be allocated to development or on the basis of the average effective rate of the Group, where no specific project financing is present. Interest charges include interest and all costs associated with Wereldhave raising funds.

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

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

3.9 Leases

Group company is the lessee

Operating lease

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to income statement on a straight-line basis over the period of the lease.

Finance lease

Leases of assets, where the Group company has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding obligations, net of finance charges, are included in long-term liabilities. The interest element of the finance cost is charged to the income statement over the lease period. Investment properties acquired under finance leases are carried at their fair value. Fair value changes are recognised through income statement.

Group company as the lessor in an operating lease

Properties leased out under operating leases are included in investment property in the consolidated statement of financial position. See Note 26 for the recognition of rental income.

3.10 Property and equipment

Property and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost includes the cost of replacing part of existing plant and equipment at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day- to-day servicing of an item of plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation, is calculated using the straight-line method to allocate the cost over the assets' estimated useful lives, as follows:

Office Furniture:	10 years
Equipment:	3-5 years
Cars:	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at least at each financial year-end. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the income statement.

3.11 Intangible assets

Computer software

Acquired computer software licenses and costs relating to internally developed software are capitalised at cost incurred to acquire, develop and implement the specific software. These costs are amortised over their estimated useful lives (5 to 10 years).

3.12 Impairment of non-financial and financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

3.13 Financial instruments

Wereldhave categorises its financial instruments measured at fair value in three categories. Level 1 valuations are based on quoted market prices, level 2 inputs are inputs other than quoted prices included in level 1 that are observable for the asset or liability, either direct or indirectly. Level 3 inputs are unobservable inputs for the asset or liability.

3.14 Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to- maturity financial assets and available-for-sale financial assets, as appropriate. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Group transfers substantially all risks and rewards of ownership.

The Group's financial assets consist of cash, loans and receivables and (hedging) derivatives.

Financial assets recognised in the consolidated statement of financial position as trade and other receivables are classified as loans and receivables. They are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

Cash and cash equivalents are also classified as loans and receivables.

Derivative financial assets and liabilities are classified as financial assets at fair value through profit or loss. Derivative financial assets and liabilities comprise mainly cross currency and interest rate swaps. The Group does apply hedge accounting in accordance with IAS 39. Recognition of the derivative financial instruments takes place when the economic hedging contracts are entered into. They are measured initially and subsequently at fair value; transaction costs are included directly in finance costs. Gains or losses on derivatives are recognised in the profit or loss in net change in fair value of financial instruments at fair value through profit or loss.

3.15 Financial liabilities

Liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss or other liabilities, as appropriate.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

All loans and borrowings are classified as other liabilities. Initial recognition is at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method see Note 3.22 for the accounting policy on borrowings).

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

An overview of the carrying amounts of the financial assets and liabilities is set out in note 24.

3.16 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and bank overdrafts. Cash and cash equivalents are measured at nominal value.

3.17 Non-current assets held for sale

Non-current assets (or a disposal group) are held for sale in case the carrying amount will be recovered principally by means of a sale rather than by continuing use. This only applies if the asset (or disposal group) is available for immediate sale in its present condition. Furthermore, the sale must be highly probable, management must be committed to a plan to sell the asset and an active program to locate a buyer and complete the plan must have been initiated. The sale should be completed within one year from the date of classification.

Non-current assets (or disposal group) classified as held for sale are measured at the lower of the carrying amount and fair value less cost to sell. No re-measurement takes place if the assets have already been measured at fair value under IAS 40. Non-current assets held for sale or the assets from a disposal group are presented separately from other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from the other liabilities. Assets and liabilities held for sale are not offset against each other.

A disposal group is a group of assets and liabilities that is sold or intended to be sold in one transaction.

3.18 Trade receivables

Trade receivables are recognised initially at fair value and subsequently at amortised cost, less provision for doubtful debts.

A provision for doubtful debts of trade receivables is established when there is evidence that the Company has the risk that it will not be able to collect all amounts due according to the original terms. Indicators for such an event are among others significant financial difficulties of a debtor, non-compliance with payment conditions and bankruptcy. The movement in the provision is recognised as property expenses in the income statement. If trade receivables are uncollectible, they are written off against the provision. Subsequent recoveries of amounts previously written off are credited against property expenses in the income statement.

3.19 Equity

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are deducted from the proceeds. When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in the general reserve in equity. Repurchased shares are classified as treasury shares and deducted from total equity. When treasury shares are reissued the proceeds are credited to the treasury share reserve and any surplus is credited to the share premium reserve. Dividends are recognised as a liability in the period in which they are declared.

3.20 Dividend policy

As an investment company in accordance with Article 28 of the Dutch 'Wet op de Vennootschapsbelasting 1969', the Company is required to distribute at least the taxable result as dividend.

Wereldhave aims for a dividend pay-out ratio of 85 - 90% of its direct result (net rental income, general costs, other gains and losses, financial income and expense (other than the interest addition to the real value of the conversion rights of convertible bonds, premiums paid on repurchased interest bearing debt and actuarial gains and losses on employee benefit plans) and tax charges on direct result.

3.21 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. Any increase in the provision due to passage of time is recognised as interest charges.

3.22 Non-current liabilities

Interest bearing debt

Interest bearing debt is initially recognised at fair value, minus transaction costs. Subsequently interest bearing debt is measured at amortised cost. Any difference between the face value and the carrying amount is recognised in the income statement over the period of the interest bearing liabilities on the basis of the effective interest per loan. The portion of loans outstanding to be repaid within twelve months is shown under current liabilities.

Convertible bonds

The components of a convertible bond are stated separately in accordance with the economic content of the agreement as a financial liability and shareholders' equity. At the time of issue, the fair value of the debt component is determined on the basis of market interest rate applicable to a comparable non-convertible instrument. This amount is carried as a financial liability on the basis of amortised cost of purchase using the effective interest rate method up until the time of fulfilment, i.e. when the instrument is converted or reaches its maturity. The equity option component is calculated by subtracting the value of the debt component from the fair value of the whole instrument. The resultant value, less the income tax impact, is recognised as part of the share premium reserve in shareholders' equity.

Other long-term liabilities

Long-term debts from employee benefit plans are accounted for in accordance with paragraph 3.23.

3.23 Pension plans

Defined contribution plans

Defined contribution plans are pension schemes to which a Group company makes a fixed annual contribution and where the Company does not have a legal or constructive obligation to make further payments if the pension fund of the pension scheme does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense whey they are due.

Defined benefit plans

The liability or asset recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

3.24 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently at amortised cost basis using the effective interest method.

3.25 Revenue

Gross Rental income

Rental income from investment properties leased out under operating leases is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives are recognised as a reduction of the rental income, and are straight-lined over the minimum term of the lease. Rent adjustments due to indexation are recognised as they arise. Rental income does not include value added tax or amounts charged to tenants in respect of service and operating costs.

Variable rental income, such as turnover related rent or income from specialty leasing (i.e. kiosks) is recognised in the income statement in the period to which it relates, if it can be estimated reliably. If a reliable estimate is not possible, recognition takes place at the time of realisation.

Revenue received from tenants for early termination of leases is directly recognised in the income statement in the period to which the revenues relates.

Service costs charged

Where there are service contracts with third parties, service charges are recovered from tenants. Service charges in respect of vacant property are expensed as property expenses. They mainly relate to gas, water, electricity, cleaning and security. Service charges are shown on a gross basis when Wereldhave acts as a principal.

3.26 Expenses

Service costs paid

Service costs are shown on a gross basis when Wereldhave acts as a principal. In case Wereldhave acts as an agent only the non-recoverable amount of the service and operational costs is presented. In the presentation on a gross basis, costs and charges are shown separately.

Property expenses

Property expenses consist of operational cost for the account of Wereldhave attributable to the accounting period, such as:

- Maintenance
- Property tax
- Insurance premiums
- Property management and
- Letting expenses

Letting expenses include the depreciation of capitalised expenditure in connection with a letting, such as fit out contributions paid by Wereldhave. The expenditure is depreciated over the term of the lease. Investment property depreciation charges are not recognised, because investment properties are valued at market value see paragraph 3.8. The market value calculation takes technical and economic obsolescence into account.

General costs

General costs are expenses that are not directly attributable to the operation of properties (including salaries of staff not directly involved with properties, office overheads, advice, valuation and audit fees, listing costs and promotion costs). Direct staff costs relating to property management are included in property expenses. Direct staff costs relating to supervising and monitoring investment and development projects are capitalised as part of the Investment property under Construction on the basis of time spent.

3.27 Results on disposal

The results on disposal are the differences between the realised selling prices, net of selling costs, and the carrying amount, based on the last reported fair value (mostly the latest appraisal).

Results on disposal from the sale of investment property or fixed assets are processed if the following conditions are met:

- The entity has transferred the rights to all major economic benefits and any significant risks to the buyer
- The legal entity does not keep possession of those goods and therefore cannot decide on its use
- The amount of revenue can be reliably determined
- It is probable that the economic benefits associated with the transaction will flow to the new legal owner and
- Costs already incurred and the potential future costs in respect to the transaction can be measured reliably

3.28 Interest charges and interest income

Interest comprises the total of interest attributable to the accounting period on loans, other debts, accounts receivable and cash and bank balances and is split between interest received and interest paid. Interest income & charges is recognised in the income statement as it accrues. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, to the fair value of the financial asset or financial liability as at the recognition of the instrument.

Interest attributable to the acquisition or construction of an asset that takes a substantial period of time to complete, is capitalised as part of the cost of the respective assets, starting from preparation of the plan until completion. Capitalised interest is calculated using the Group's weighted average cost of debt or the borrowing cost of specific project financing.

3.29 Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to the Board of Management is generally recognised as an expense, with a corresponding reserve in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

The fair value of the amount payable to the Board of Management in respect of share-based payments arrangements, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the Board of Management become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share-based payments arrangements. Any changes in the liability are recognised in profit or loss.

3.30 Income tax

Tax charges on the income statement for a year comprise current and deferred tax and are calculated on results before taxes, taking into account any tax-exempt components of result and non-deductible costs. Losses to be offset against probable future results are recognised as deferred tax asset. Current tax is the expected tax payable or receivable on the taxable income or loss for the period. Deferred tax consists of the expected tax payable or receivable on changes in the value of assets or liabilities which will be realised at the time of sale. Tax charges are calculated using tax rates prevailing at the balance sheet date.

Current tax and deferred tax is recognised in income statement except to the items recognised directly in equity or in other comprehensive income in which case, the tax is also recognised in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:
- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income statement

- Temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

The carrying value of the Group's investment property is assumed to be realised by sale at the end of use.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable results will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.31 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- By the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

3.32 Segment reporting

The Wereldhave Board of Management has determined the operating segments based on the information reviewed by the Board of Management for assessing performance and allocating resources. Management considers the business from a geographic perspective and the management assesses performance for Belgium, Netherlands, Finland, France and Head office. A segment consists of assets and activities with specific risks and results, differing from other sectors.

3.33 Rounding of amounts

All amounts as disclosed in the financial statements and notes have been rounded off to the nearest thousand euros unless otherwise stated and may not add up due to rounding.

3.34 Significant estimates in the accounts

Investment property

The assets in the Company and its subsidiaries mainly consists of the property portfolio. The market value of these assets cannot be assessed using official quotations or listings.

A valuation based on fair value is a time- and location based estimate. The estimate is based on the price level on which two well-informed parties under normal market conditions would make a transaction for that specific property on the date of valuation. The fair value of a property in the market can only be determined accurately at the moment of the actual sale of the property.

Twice a year (June 30 and December 31) the properties are valued by external valuers. The valuer appraises at fair value with his own market knowledge and information. The valuation is prepared by the valuer and verified and approved by Wereldhave.

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

Apart from assumptions with respect to yields, costs for future maintenance investments are also taken into account in the valuation. Furthermore, explicit assumptions are made per lettable location and per tenant with regard to (re)letting, the start date of such (re)letting and the costs related thereto. Also, adjustments are made for expected costs of vacancy (present and future) and for differences between the market rent and contractual rent. Sales costs at the expense of the buyer, including transfer tax payable, are deducted from the market value.

General assumptions with regard to the valuation of investment property have been disclosed in paragraph 3.8 and in note 5.

Pensions

With regard to the measurement of defined benefit plans, assumptions have been made with regard to interest rates, expected return on assets, mortality rates and future salary increases. Deviations from the assumptions will impact on assets, liabilities and results on future periods. In order to mitigate risks Wereldhave uses external experts for the measurement of defined benefit plans. Assumptions have been disclosed in note 20 and 30.

4. SEGMENT INFORMATION

Geographical segment information 2016

(x € 1,000)

Result	Belgium	Finland	France	Netherlands	Headoffice	Total
Gross rental income	49,891	29,326	52,990	97,977	-	230,184
Service costs charged	9,262	7,355	12,502	8,774	-	37,893
Total revenue	***59,153***	***36,681***	***65,492***	***106,751***	***-***	***268,077***
Service costs paid	-10,204	-8,597	-14,682	-10,142	-	-43,625
Property expenses	-2,459	-621	-4,899	-15,004	-	-22,983
Net rental income	***46,490***	***27,463***	***45,911***	***81,605***	***-***	***201,469***
Valuation results	26,364	-58,465	27,125	-24,608	-	-29,584
Results on disposals	-	-	-114	-808	-	-922
General costs	-3,947	-1,357	-2,953	-5,404	-3,964	-17,625
Other income and expense	-68	-	-431	-	-6,056	-6,555
Operating result	***68,839***	***-32,359***	***69,538***	***50,785***	***-10,020***	***146,783***
Interest charges	-2,372	-13,334	-15,862	-28,518	28,470	-31,616
Interest income	-2	18	32	-45	46	49
Other financial income and expense	-	-	-	-	6,237	6,237
Income tax	-219	8,283	-1,592	-7,151	-	-679
Result	**66,246**	**-37,392**	**52,116**	**15,071**	**24,733**	**120,774**
Total assets						
Investment properties in operation	783,356	563,047	899,674	1,450,144	-	3,696,221
Investment properties under construction	35,319	-	-	65,914	-	101,233
Other segment assets	32,222	4,932	21,456	142,534	1,743,387	1,944,531
minus: intercompany	-10,035	-	-	-65,000	-1,718,864	-1,793,899
	840,862	***567,979***	***921,130***	***1,593,592***	***24,523***	***3,948,086***
Investments	***19,845***	***7,440***	***20,472***	***82,807***	***-***	***130,564***
Gross rental income by type of property						
Shopping centres	40,028	29,326	52,990	97,977	-	220,321
Offices	9,863	-	-	-	-	9,863
	49,891	**29,326**	**52,990**	**97,977**	**-**	**230,184**

Geographical segment information 2015

(x € 1,000)

Result	Belgium	Finland	France	Netherlands	Discon-tinued operations	Headoffice	Total
Gross rental income	47,686	30,167	63,710	65,750	-	-	207,313
Service costs charged	6,937	7,220	17,691	5,410	-	-	37,258
Total revenue	***54,623***	***37,387***	***81,401***	***71,160***	***-***	***-***	***244,571***
Service costs paid	-7,909	-8,246	-19,019	-6,990	-	-	-42,164
Property expenses	-2,514	-510	-5,350	-9,377	-	-	-17,751
Net rental income	***44,200***	***28,631***	***57,032***	***54,793***	***-***	***-***	***184,656***
Valuation results	8,742	-13,133	29,678	-29,842	-	-	-4,555
Results on disposals	2,219	-	-2,512	-5	-	19	-279
General costs	-2,657	-1,154	-2,525	-4,026	-	-5,902	-16,264
Other income and expense	429	-	-2,237	-	-	-677	-2,485
Operating result	***52,933***	***14,344***	***79,436***	***20,920***	***-***	***-6,560***	***161,073***
Interest charges	-2,960	-16,487	-21,694	-9,761	-	17,319	-33,583
Interest income	14	21	142	116	-	34	327
Other financial income and expense	9	-	-1	-	-	-5,724	-5,716
Income tax	-160	-2,168	-404	-79	-	-	-2,811
Result from continued operations	***49,836***	***-4,290***	***57,479***	***11,196***	***-***	***5,069***	***119,290***
Result from discontinued operations	***-***	***-***	***-***	***-***	***-15,497***	***-***	***-15,497***
Result	**49,836**	**-4,290**	**57,479**	**11,196**	**-15,497**	**5,069**	**103,793**
Total assets							
Investment properties in operation	731,919	614,070	852,079	1,457,201	-	-	3,655,269
Investment properties under construction	40,547	-	-	25,684	-	-	66,231
Other segment assets	34,593	-46,388	25,532	-528,489	302	1,931,270	1,416,820
minus: intercompany	-11,714	50,000	-	-79,099	-	-1,177,745	-1,218,558
	795,345	***617,682***	***877,611***	***875,297***	***302***	***753,525***	***3,919,762***
Investments	***15,454***	***23,872***	***12,390***	***798,351***	***-***	***-***	***850,067***
Gross rental income by type of property							
Shopping centres	37,837	30,167	50,871	65,750	-	-	184,625
Offices	9,849	-	12,839	-	-	-	22,688
	47,686	**30,167**	**63,710**	**65,750**	**-**	**-**	**207,313**

5. INVESTMENT PROPERTY

(x € 1,000)	2016			
	Investment property in operation	Lease incentives	Investment property under construction	Total Investment property
Balance at January 1	***3,655,269***	***3,985***	***66,231***	***3,725,485***
Purchases	14,105	-	40,694	54,799
Investments	42,888	-	32,877	75,765
From / to development properties	32,619	-	-32,619	-
Disposals	-25,025	-	-	-25,025
Valuations	-23,634	-	-5,950	-29,584
Other	-	1,125	-	1,125
Balance at December 31	**3,696,221**	**5,110**	**101,233**	**3,802,564**

(x € 1,000)	2015			
	Investment property in operation	Lease incentives	Investment property under construction	Total Investment property
Balance at January 1	***3,221,588***	***16,672***	***43,874***	***3,282,134***
Purchases	790,864	-	2	790,866
Investments	30,731	-	28,470	59,201
From / to development properties	554	-	-554	-
Disposals	-388,872	-15,498	-334	-404,704
Valuations	672	-	-5,227	-4,555
Other	-268	2,811	-	2,543
Balance at December 31	**3,655,269**	**3,985**	**66,231**	**3,725,485**

Investment property in operation
In 2016 Wereldhave acquired a Hema store in Tilburg for € 14m (including transfer tax). In 2016, Wereldhave sold the Cinema at the Pieter Vreedeplein in Tilburg in August and the shopping Centre in Geldrop in December.

Investment property under construction
In 2016 Wereldhave acquired, as a development project, the former V&D store for € 38m and the leasehold of a plot of land for the extension of the Sterrenburg shopping centre in Dordrecht for € 2.6m. The development projects Tournai Retail Park, Belgium (€ 17m) and several projects in the Netherlands (€ 16m) were completed in 2016 and transferred to investment properties.

99% (2015: 99%) of the total property portfolio was measured at fair value.

Overview of measurement of total investment property:

(x € 1,000)	December 31, 2016	December 31, 2015
Fair value		
Investment property in operation (including lease incentives)	3,701,331	3,659,254
Investment property under construction (IPUC)	85,360	42,714
	3,786,691	***3,701,968***
At cost less impairment (IPUC)	15,873	23,517
Total	**3,802,564**	**3,725,485**

Fair value hierarchy disclosures for investment properties have been provided in note 25.

Investment property in operation

The valuation adjustments can be broken down as follows:

(x € 1,000)	2016	2015
Belgium	30,751	9,573
Finland	-58,464	-13,133
France	27,125	29,678
Netherlands	-23,046	-25,446
Total	**-23,634**	**672**

Transfer tax

In Belgium, the value increased with € 30.8m mainly due to the use of a lower percentage of transfer tax. Until 2015, fair values of the assets in Belgium were reduced with the nominal transfer tax (10% / 12.5% depending on the region). In the course of the second semester of 2016, a study (conducted by independent real estate experts) ordered by the association of REIT's (BE-REIT), confirmed that the average transfer duty percentage of 2.5%, which is applied by the sector, can still be considered as acceptable. The previous studies were completed 10 years ago. Due to legislative changes over the last years, there was some uncertainty as to the realistic nature of this rate. The outcome of the recent study confirmed this reality and thus removes such uncertainty.

Because Wereldhave Belgium was the only remaining REIT that did not apply the percentage of 2.5%, it decided to perform additional analysis of the sector study outcome by examining whether this lower rate may also be applied to the type of real estate in which it invests, i.e. shopping centres. Wereldhave Belgium ordered a legal analysis and entrusted one of its legal advisers to examine the various possible transaction scenarios for the Company (applying the lower rate). This legal analysis, as well as the recent legislative changes creating a framework for unlisted real estate investment companies (FIIS) and the announced modification of the REIT Act (expected in April 2017, and implying that REIT participations of less than 50% can be held in institutional REIT's or related companies (with a minimum level of 25%)), opens new perspectives to structure transactions with lower rates. Based on the above and its own market insights, the Company considers that the legal and practical reality to operate with lower rates is extended and that it is appropriate to apply the 2.5% rate.

The Board of Management believes that the pallet of possible scenarios offers a broader perspective for possible divestments and considers appropriate to asses and apply those scenarios for future divestment projects. The impact of the change in transfer tax was € 54.9m. Next to the impact of € 54.9m as a result of the change in transfer tax rate a negative revaluation of € -24.1m was accounted for due to lower market rents.

Madou office building
The closing of the legal transfer of the office building Madou occurred at the end of 2016. In the course of 2016, the current tenant notified his decision to leave the premises by the end of the lease agreement (i.e. January 31, 2018). Given the fact that the building needs substantial investments to enable new leasing, combined with the non-strategic nature of the office building portfolio, it was decided to sell this asset. However, Wereldhave keeps the right on the rent cash flow up to the expiry of the current lease and bears the operational risks up to that date. The sales agreement therefore provides that the buyer will only have the use of this asset in the state in which it will be until the expiry date of the lease agreement (i.e. January 31, 2018). Wereldhave Belgium considers that the realisation criteria are not (yet) fulfilled per end 2016 because not all significant risks and rewards of the asset were transferred at that time. This is a.o. based on the assessment that the impact of the continuing involvement can be considered as significant.

On this basis, the accounting processing will occur as follows:

- The asset is not considered as realised in the accounting and still appears in the balance sheet at the fair value of € 18.6m
- The balance of cash flow related to the current lease agreement will still appear as rental income until the expiration of this agreement (early 2018). The same applies to the balance of rental costs. The fair value of this investment property will decrease in the same proportion. As such, the property will not or barely contribute to the net result in 2017 and 2018
- The payment received from the buyer appears as a debt in the balance sheet per December 31, 2016, i.e. as 'other long term liabilities' (€ 16.4m)
- The asset can be realised upon the expiry of the lease agreement with the current tenant given the fact that at that moment, all significant risks and advantages will be transferred

In France, the value increased with € 27.1m, mainly due to a further compression of yields, the completion of the sealing project and the successful letting of the Docks Vauban shopping centre.

The value of the Itis shopping centre in Helsinki decreased by € 58.5m, due to lower market rents.

In the Netherlands, the value decreased with € 23m, mainly the result from a decrease in market rents in relation to the bankruptcies and transfer tax on the 2016 acquisition in Tilburg.

In 2016 (as well in 2015) no investment property is secured by mortgage.

99% of the investment property were valued externally at December 31, 2016. Independent external property valuators in 2016 are: Jones Lang LaSalle, Cushman & Wakefield, DTZ, CBRE and Troostwijk-Roux Expertises.

At December 31, 2016 the carrying amount is as follows:

(x € 1,000)	December 31, 2016	December 31, 2015
Total value according to external valuation reports	3,701,331	3,659,254
Deduct: carrying amount of rent free periods and other leasing expenses to be amortised	-5,110	-3,985
Carrying amount	**3,696,221**	**3,655,269**

Key assumptions relating to valuations:

2016	Belgium	Finland	France	Netherlands
Total market rent per sqm (€)	207	313	254	228
EPRA Net Initial Yield	5.7%	4.8%	4.7%	5.2%
Net Initial Yield	5.7%	4.9%	5.1%	5.5%
EPRA vacancy rate	5.2%	4.3%	5.6%	4.2%
Average vacancy period (in months)	6-9	12	11	9
Bandwith vacancy (in months)	0-18	5-12	11-13	8-10

2015	Belgium	Finland	France	Netherlands
Total market rent per sqm (€)*	218	335	267	231
EPRA Net Initial Yield	5.8%	4.7%	5.0%	5.6%
Net Initial Yield	5.5%	4.7%	5.4%	5.8%
EPRA vacancy rate	5.4%	7.5%	8.9%	4.7%
Average vacancy period (in months)	6 - 9	12	5 - 12	4
Bandwith vacancy (in months)	0 - 18	5 - 12	0 - 12	4 - 11

EPRA Net Initial Yield

Annualised rental income based on cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, including estimated purchasers' cost (EPRA Net Initial Yield = ((Annualised rent passing + other income + turnover rent -/- property expenses) / Gross Property Value)). The total average EPRA Net Initial Yield amounts to 5.1% (2015: 5.3%).

Net Initial Yield

Calculated as the annualised contracted rent and other incomes for the next 12 months, net of property expenses, divided by the asset value (net of estimated transfer taxes and transaction costs). The total average Net Initial Yield amounts to 5.4% (2015: 5.6%).

A change in yield with 0.25% results in a change of approximately € 132m in equity and result (€ 3.28 per share). A 5% drop of the estimated market rent, assuming stable yields, has a negative impact on shareholders' equity and result of approximately € 174m (€ 4.31 per share).

Investment property in operation - lease data

(x € 1,000)	Average lease length*		Annual rent of lease expiring in		
2016	Until first break	Until lease end date	< 1 year	1-5 year	> 5 year
Belgium	2.6	6.2	2,977	21,520	24,748
Finland	4.2	4.6	5,936	12,932	9,987
France	1.7	4.5	3,301	23,619	17,801
Netherlands	3.4	4.4	6,813	49,528	26,554
Total portfolio	**2.9**	**4.9**	**19,027**	**107,599**	**79,090**

*) Excluding indefinite contracts

(x € 1,000)	Average lease length*		Annual rent of lease expiring in		
2015	Until first break	Until lease end date	< 1 year	1-5 year	> 5 year
Belgium	3.2	6.4	4,380	13,039	31,535
Finland	5.1	5.5	2,251	15,423	10,509
France	2.3	4.9	4,466	22,517	20,352
Netherlands	3.6	4.3	11,061	49,250	26,848
Total portfolio	**3.4**	**5.1**	**22,158**	**100,230**	**89,245**

*) Excluding indefinite contracts

Investment property under construction

The valuation adjustments can be broken down as follows:

(x € 1,000)	2016	2015
Belgium	-4,388	-830
Netherlands	-1,562	-4,397
Total	**-5,950**	**-5,227**

The largest development projects are the redevelopment in Tilburg, the extension of the shopping centre in Tournai and three projects in the Netherlands (Maassluis, Capelle and Presikhaaf). The properties under construction have been accounted for at cost of the development including any changes in fair value. The total valuation adjustment was € -6.0m (2015: € -5.2m).

6. PROPERTY AND EQUIPMENT

(x € 1,000)

	Office equipment	Cars	Total
Balance at January 1, 2016	***2,514***	***386***	***2,900***
Investments/purchases	260	238	498
Disposals	-240	-57	-297
Amortisation	-445	-153	-598
Balance at December 31, 2016	***2,089***	***414***	***2,503***

	Office equipment	Cars	Total
Balance at January 1, 2015	***2,193***	***454***	***2,647***
Investments/purchases	711	82	793
Disposals	-	-	-
Amortisation	-390	-150	-540
Balance at December 31, 2015	**2,514**	**386**	**2,900**

December, 31 2016	**Office equipment**	**Cars**	**Total**
Total acquisition at cost	5,485	934	6,419
Total amortisation	-3,396	-520	-3,916
Net book value	**2,089**	**414**	**2,503**

December, 31 2015	**Office equipment**	**Cars**	**Total**
Total acquisition at cost	6,579	1,185	7,764
Total amortisation	-4,065	-799	-4,864
Net book value	**2,514**	**386**	**2,900**

7. INTANGIBLE ASSETS

The intangible assets consist of computer software: acquired computer software licenses and costs relating to internally developed software.

Computer software

(x € 1,000)

	December 31, 2016	December 31, 2015
Balance at January 1	***1,453***	***1,715***
Investments	380	80
Amortisation	-360	-342
Total	**1,473**	**1,453**

(x € 1,000)

	December 31, 2016	December 31, 2015
Total acquisition at cost	2,447	2,670
Total amortisation	-974	-1,217
Total	**1,473**	**1,453**

8. FINANCIAL ASSETS

(x € 1,000)

	IFRS Category	December 31, 2016	December 31, 2015
Loans	Loans and receivables	138	198
Deposits paid	Loans and receivables	113	78
Derivative financial instruments	Fair value through P&L	51,665	88,736
Total		**51,916**	**89,012**

Loans and deposits paid

The fair value of loans and deposits paid has been determined using an internal discounted cash flow model. The discount rate is equal to observable interest market rates.

Derivative financial instruments

Further reference is made to note 23.

9. TRADE AND OTHER RECEIVABLES

(x € 1,000)

	December 31, 2016	December 31, 2015
Tenant receivables	17,988	12,990
Service charge receivable	4,784	7,969
Prepayments	4,387	6,526
Interest to be received	11,072	10,104
Other	3,857	8,814
Total	**42,088**	**46,403**

The fair value of the trade and other receivables coincides with their carrying amount. Wereldhave holds tenant deposits, credit letters from bank and Group credit letters as collateral. Other receivables do not include amounts with a maturity of more than twelve months.

The amount of tenant receivables has increased due to the invoicing of some large amounts just before year-end.

Interest to be received refers to interest receivable under interest rate swaps.

Maturity of tenant receivables

(x € 1,000)

	December 31, 2016	December 31, 2015
- up to 1 month	10,940	5,130
- between 1 and 3 months	1,690	2,967
- between 3 and 12 months	4,677	6,495
- more than 1 year	9,288	5,948
	26,595	***20,540***
Deduct: provision	-8,607	-7,550
Total	**17,988**	**12,990**

The tenant receivables category 'up to 1 month' includes debtors which are not immediately due for an amount of € 2.1m (2015: € 2.6m). In 2016 an amount of € 2.5m (2015: € 0.1m) was added to the provision doubtful debtors and an amount of € 1.4m (2015: € 0.1m) was withdrawn.

10. TAX RECEIVABLES

(x € 1,000)

	December 31, 2016	December 31, 2015
Withholding tax	3,179	6,706
Value added tax	3,550	2,292
Dividend tax	-	7,800
Company tax	147	-
Total	**6,876**	**16,798**

Withholding tax mainly relates to the Basilix certificates sold in 2015.

11. CASH AND CASH EQUIVALENTS

(x € 1,000)	December 31, 2016	December 31, 2015
Bank balances	40,666	37,711
Total	**40,666**	**37,711**

12. SHARE CAPITAL

Ordinary shares

(number of shares)	Authorised share capital	Number of issued shares	Purchased shares for remunera-tion	Outstanding number of shares
Balance at January 1, 2015	***75,000,000***	***35,020,921***	***-3,453***	***35,017,468***
Movements in 2015	-	-	-3,329	-3,329
Share issue	-	5,250,000	-	5,250,000
Balance at December 31, 2015	***75,000,000***	***40,270,921***	***-6,782***	***40,264,139***
Movements in 2016			-9,643	-9,643
Balance at December 31, 2016	**75,000,000**	**40,270,921**	**-16,425**	**40,254,496**

The authorised ordinary shares have a par value of € 1 each. All issued ordinary share have been fully paid. The shares for remuneration were awarded to the Board of Management in the Annual General Meeting of April 22, 2016.

Preference shares

The authorised preference share capital amounts to a number of preference shares equal to the number of ordinary shares up to € 75m. The preference shares have a par value of € 1 each. No preference shares have been issued.

Capital management

The objective of Wereldhave, when managing capital (as presented in the annual accounts), is to safeguard the Group's continuity, to provide returns for its shareholders, benefits for other stakeholders and to maintain a capital structure as to optimise the cost of capital. Furthermore, Wereldhave manages its fiscal capital to ensure that it meets the requirements from fiscal laws and regulations. Wereldhave has the possibility to adjust the amount of dividends, return capital to shareholders, issue new shares or sell assets in order to maintain or adjust the capital structure. However, it is the aim to have a stable dividend.

13. SHARE PREMIUM

Share premium is paid up share capital in excess of nominal value. There were no changes in share premium in 2016. The amount of share premium that is recognised for tax purposes is € 1,716m (2015: € 1,716m).

14. GENERAL RESERVE

In 2016, a final dividend of € 1.51 relating to 2015 was paid (€ 1.50 interim dividend relating to 2015 was paid in 2015) per qualifying ordinary share. An interim dividend relating to 2016 of € 0.77 was paid in July 2016, € 0.77 was paid in October 2016.

An amount of € 325m (2015: € 315m) has been designated as legal reserves, mainly relating to the unrealised valuation adjustments of investment properties, and cannot be distributed.

15. HEDGE RESERVE

The hedge reserve comprises the effective portion of the cumulative net change in fair value of hedging instruments designated as cash flow hedges where the hedged transaction has not yet occurred.

16. REVALUATION RESERVE

The revaluation reserve relates to the unrealised valuation results of financial assets available for sale. Due to the disposal in 2015 of all remaining financial assets available for sale (Basilix certificates) the valuation result have been recycled to the income statement for an amount of € 0.9m (positive in income statement) in 2015.

17. CURRENCY TRANSLATION RESERVE

(x € 1,000)	2016	2015
Balance at January 1	**-**	***-7,631***
Recycling exchange rate differences to the income statement	-	7,631
Balance at December 31	**-**	**-**

In 2015, exchange rate differences have been recycled to the income statement for an amount of € 7.6m (negative in income statement), as result of the disposal of the US and UK subsidiaries. This has been recorded as part of the discontinued operations in 2015.

18. INTEREST BEARING LIABILITIES

Composition

(x € 1,000)	December 31, 2016	December 31, 2015
Long term		
Bank loans	502,333	247,779
Private placement	776,948	793,343
Convertible bonds	241,506	237,984
	1,520,787	***1,279,106***
Short term		
Bank loans	45,200	93,000
Private placement	-	137,779
	45,200	***230,779***
Total interest bearing liabilities	**1,565,987**	**1,509,885**

Movements in interest bearing liabilities

Including short-term portion of debt.

(x € 1,000)	2016	2015
Balance at January 1	***1,509,885***	***1,250,948***
New funding	344,106	1,454,572
Repayments	-254,705	-1,244,780
Use of effective interest method	1,522	3,104
Effect of fair value hedges	138	17,455
Exchange rate differences	-34,959	28,586
Balance at December 31	**1,565,987**	**1,509,885**

Convertible bonds

At year-end Wereldhave had one issuance of convertible bonds remaining.

Year	Maturity	Principal value	Interest rate	Conversion rate	Maximum number of shares
2014	5 years	250,000,000	1.0%	63.635	3,928,656

(x € 1,000)	2016	2015
Balance at January 1	***237,984***	***362,859***
Repayment nominal value convertible bond 2010	-	-130,000
Amortisation option premium	2,820	2,820
Use of effective interest method	702	2,305
Balance at December 31	**241,506**	**237,984**

The convertible bonds are treated as a compound financial instrument.

The 2010-2015 2.875% convertible bond was repaid at maturity in November 2015. In 2016 no convertible bonds have been converted or repaid.

2014-2019 Convertible bond

On 15 may 2014 Wereldhave issued a 1% convertible bond due 22 May 2019 for an amount of € 250m. The conversion price at year-end 2016 was € 63.64. The Company will have the right to redeem all outstanding 2014-2019 convertible bonds at par plus accrued interest:

i. on or after the third anniversary of the Settlement Date (as defined below) plus 21 days if the aggregate value of the shares per the 2014-2019 convertible bond for a specified period of time equals or exceeds 130% of the principal amount of the 2014-2019 convertible bond

ii. if 20 per cent or less of the principal amount of the 2014-2019 convertible bond issued remains outstanding.

The fair value of the conversion option has been separated from the loan contract and has been accounted for as derivative. The conversion option is calculated by subtracting the value of the debt component from the fair value of the whole instrument. The change in value of the conversion option is accounted for in the income statement.

Private Placements

In 2016 no new private placements were issued. In March 2016, USD 150m in notes, originated in 2011, matured and were repaid.

Secured interest bearing liabilities

The company has no secured debt.

Unsecured interest bearing liabilities

Unsecured interest bearing liabilities have financial covenants that include various clauses. As at December 31, 2016 Wereldhave complied with these clauses.

Ratios

Loan-to-value

The Loan-to-value ratio is calculated by dividing the net debt by the investment properties. This ratio must not exceed 60%.

Interest cover ratio

The interest cover ratio is calculated by dividing the net rental income by the net interest payable. This ratio must not be less than 2.

Solvency

Shareholders' equity (less intangible assets) and deferred tax liabilities should amount to at least 40% of total assets (less intangible assets).

	Covenants	December 31, 2016	December 31, 2015
Loan-to-Value	60.0%	39.0%	37.5%
Solvency	40.0%	56.9%	58.0%
Interest coverage ratio	2.0	6.6	5.6

Wereldhave uses a net LTV (39.0%) in its communication with investors. The LTV definition in the covenants is a gross LTV i.e. cash is not deducted from the debt. In accordance with this definition the LTV is 40.1%. In the covenants is defined that LTV may not exceed 60%.

Average effective interest rate

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

The average nominal interest based on nominal interest rates, without the effects of the effective interest rate method amounts to:

	2016	2015
Euro	1.6%	1.8%
US dollar	2.3%	2.8%
Pound sterling	3.5%	3.5%
Canadian Dollar	2.3%	2.3%
Total	**1.9%**	**2.2%**

The average interest rate (as a %) based on the effective interest method is as follows:

	2016				
	EUR	GBP	USD	CAD	Total
Short term interest bearing debt					
Bank loans and private placement	0.9%				0.9%
Interest rate swaps					
Long term interest bearing debt					
Convertible bonds	1.0%				1.0%
Bank loans and private placement	1.5%	4.3%	4.8%	4.0%	2.7%
Interest rate swaps	-2.5%				-2.5%
Average	**1.6%**	**4.3%**	**4.8%**	**4.0%**	**1.9%**

	2015				
	EUR	GBP	USD	CAD	Total
Short term interest bearing debt					
Bank loans and private placement	1.2%	-	4.2%	-	2.5%
Interest rate swaps	-1.1%	-	-	-	-1.1%
Long term interest bearing debt					
Convertible bonds	1.5%	-	-	-	1.5%
Bank loans and private placement	2.2%	4.3%	4.8%	4.0%	3.4%
Interest rate swaps	-2.4%	-	-	-	-2.4%
Average	**1.9%**	**4.3%**	**4.6%**	**4.0%**	**2.3%**

Fair value of debt

The carrying amount and the fair value of interest bearing debts may differ as a result of accounting adjustments, such as amortised costs, the equity option component of the convertible bond and the result of differences in coupon interest versus market interest.

The fair value of long-term interest bearing debts is based on prices of these instruments available in the active open market (debentures and convertible bonds). In the absence of such market prices, the fair value (bank debt and other loans) is calculated as the present value of cash flows discounted with the relevant market interest percentages, including a company specific surcharge. The fair value of short-term interest bearing debts is equal to the book value.

The carrying amount and fair value of long-term interest bearing debt is as follows:

(x € 1,000)	December 31, 2016		December 31, 2015	
	carrying amount	fair value	carrying amount	fair value
Bank debt and other loans	1,279,281	1,333,394	1,041,122	1,045,676
Convertible bond	241,506	251,895	237,984	250,748
Total	**1,520,787**	**1,585,289**	**1,279,106**	**1,296,424**

Currencies

The carrying amount of interest bearing debt of the Group (short- and long-term) are denominated in the following currencies:

	December 31, 2016		December 31, 2015	
	currency	EUR	currency	EUR
Euro	1,067,317	1,067,317	856,871	856,871
US dollar	342,500	332,791	492,500	462,741
Pound sterling	130,000	151,782	130,000	177,042
Canadian dollar	20,000	14,096	20,000	13,231
Total		**1,565,987**		**1,509,885**

Interest bearing debt in U.S. Dollars, British Pound and Canadian dollar were for an amount of USD 342.5m, GBP 130m and CAD 20m converted to EURO via multiple cross currency interest rate swaps.

Credit facilities and bank loans

During 2016, Wereldhave refinanced € 160m of maturing revolving credit facilities by new five year bank debt whilst increasing one of the refinanced facilities by € 10m. Further a new € 60m five year revolving credit facility was signed.

As at December 31, 2016, Wereldhave had a total of € 540m (2015: € 410m) of revolving credit facilities that expire within 1 to 5 years. As at December 31, 2016, Wereldhave had undrawn credit facilities to the amount of € 182m (2015: € 306m). The average maturity of the committed revolving credit facilities at 31 December 2016 was 2.6 years (2015: 3.0 years).

19. DEFERRED TAX LIABILITIES

Deferred tax liabilities relate to the difference between the fair value of investment properties and their carrying amount for tax purposes. This item is to be considered as being of a long-term nature. Movements are shown as follows:

(x € 1,000)	2016	2015
Balance at January 1	***77,272***	***75,091***
Movements taken to the result due to positive revaluation	7,242	2,197
Movements taken to the result due to negative revaluation	-8,285	-
Acquisitions	837	-
Other	-15	-16
Balance at December 31	**77,051**	**77,272**

20. OTHER LONG-TERM LIABILITIES

(x € 1,000)	December 31, 2016	December 31, 2015
Pension plans	1,168	1,232
Tenants deposits	11,892	11,759
Payment Madou received in advance	16,447	-
Other	1,019	705
Total	**30,526**	**13,696**

Tenant deposits consists of amounts received from tenants as a guarantee for future rental payment obligations.

Pension plans

The net liability from the defined benefit plan in Belgium is composed as follows:

(x € 1,000)	2016	2015
Fair value of plan assets	2,208	2,900
Benefit obligations	3,376	4,132
Net liability	**1,168**	**1,232**

Reconciliation of net liability	2016	2015
January 1	***1,232***	***1,372***
Charge recognised in P&L	339	317
Remeasurement recognised in OCI (Income)/Loss	-113	-72
Employer contributions	-290	-385
December 31	**1,168**	**1,232**

The movement of the defined benefit obligation in Belgium is as follows:

(x € 1,000)	2016	2015
Balance at January 1	***4,132***	***3,990***
Net service cost	327	302
Interest cost	47	41
Employee contributions	11	14
Benefits paid	-989	-90
Experience (gains) / losses	-60	-6
Expenses	-92	-119
Balance at December 31	**3,376**	**4,132**

The movement of the fair value of plan asset in Belgium is as follows:

(x € 1,000)	2016	2015
Balance at January 1	***2,900***	***2,618***
Interest income on plan assets	35	27
Return om scheme assets	53	65
Actual expenses	-91	-119
Employer contributions	290	385
Employee contributions	11	14
Benefits paid	-990	-90
Balance at December 31	**2,208**	**2,900**

The assumptions used:		
- discount rate obligations	1.15%	1.15%
- rate of annual salary increases	2.00%	2.00%

Pension costs

The total cost for defined benefit plan in Belgium is as follows:

(x € 1,000)	2016	2015
Current service cost	339	317
Net interest on Net Defined Benefit Liability (Asset)	-12	-15
Employee contributions	12	15
Total	**339**	**317**

The following amounts have been recognised in other comprehensive income (OCI):

	2016	2015
Actuarial (gain)/loss due to liability expenses	-113	-72
Actuarial (gain)/loss due to liability assumption changes	-	-
Return on scheme assets (greater)/less than discount rate	-	-
Changes in irrevocable surplus	-	-
Remeasurement effect recognised in OCI	**-113**	**-72**

With regard to discontinued operations an amount of € nil (2015: € nil) has been recognised in other comprehensive income.

In total the following movements have been recognised in the income statement and OCI:

(x € 1,000)	2016	2015
Balance at January 1	***4,132***	***3,990***
Net service cost	327	302
Interest cost	47	41
Employee contributions	11	14
Benefits paid	-989	-90
Experience (gains) / losses	-60	-6
Expenses	-92	-119
Balance at December 31	**3,376**	**4,132**

The fair value of the Belgian pension assets consists, as in 2015, for 100% of insurance contracts.

Mortality rates

The mortality rates used for Belgium are the MR/FR series with an age correction of -5 years.

In 2016 and 2015 the plan asset in Belgium does not include shares issued by the Company. For the above mentioned pension plan the expected employer's contribution is € 0.2m for 2017.

21. TAX PAYABLE

	December 31, 2016	December 31, 2015
Value added tax	7,336	5,351
Social security tax	492	-
Dividend tax	-	7,800
Transfer tax	750	-
Company tax	176	216
Other tax	1,039	-
Total	**9,793**	**13,367**

22. OTHER SHORT-TERM LIABILITIES

	December 31, 2016	December 31, 2015
Deferred rents	13,219	18,303
Property expenses	14,002	22,348
Interest	19,390	19,911
General costs	5,605	7,425
Capital commitments payable	6,068	6,847
Social securities	-	460
Other short term liabilities	10,412	13,527
Total	**68,696**	**88,821**

The duration of short-term liabilities is less than 1 year.

23. FINANCIAL INSTRUMENTS

Derivatives are used to hedge foreign currency and interest risks.

Hedging instruments

Interest and cross currency swaps can be classified as hedging instruments against foreign currency risk on loans in USD, GBP and CAD and interest rate risk. The fair value of these instruments break down as follows:

(x € 1,000)

2016		Principal	Interest range	Fair value assets	Fair value liabilities*
Cashflow hedge					
USD currency swap	USD	342,500	2.2% - 3.2%	14,875	-5,423
GBP currency swap	GBP	130,000	2.7% - 4.3%	-	-13,229
CAD currency swap	CAD	20,000	2.3%	-	-829
EUR interest rate swap	EUR	125,000	0.4% - 1.1%	-	-2,127
Fair value hedge					
USD currency swap	USD	150,000	n.a.	36,790	-
No hedge accounting					
EUR Interest rate swap	EUR	110,108	2.3% - 3.1%	-	-5,614
Total				**51,665**	**-27,222**

*) Excluding € 1,423 for the conversion right of the convertible bond, which is recorded as a derivative

2015		Principal	Interest range	Fair value assets	Fair value liabilities*
Cashflow hedge					
USD currency swap	USD	492,500	1.6% - 3.9%	39,888	-854
GBP currency swap	GBP	130,000	2.7% - 4.3%	12,199	-1,841
CAD currency swap	CAD	20,000	2.3%	-	-1,179
EUR Interest rate swap	EUR	125,000	1.0% - 1.9%	-	-1,217
Fair value hedge					
USD currency swap	USD	150,000	1.6% - 1.8%	36,650	-
No hedge accounting					
EUR Interest rate swap	EUR	110,108	1.6 % - 1.8%	-	-5,390
Total				**88,737**	**-10,481**

*) Excluding € 12,517 for the conversion right of the convertible bond, which is recorded as a derivative

The fair value of a hedging derivative is classified as long-term if the remaining maturity of the hedged item is longer than 1 year and as a current asset or liability if the remaining maturity is less than 1 year.

The remaining term of the derivatives for interest and currency conversion on a principal basis is as follows:

(x € 1,000)	December 31, 2016			
	EUR	USD	GBP	CAD
- up to 1 year	-	-	-	-
- between 1 and 5 years	235,108	150,000	50,000	-
- more than 5 years	-	192,500	80,000	20,000
Total	**235,108**	**342,500**	**130,000**	**20,000**

(x € 1,000)	December 31, 2015			
	EUR	USD	GBP	CAD
- up to 1 year	-	150,000	-	-
- between 1 and 5 years	150,692	35,000	50,000	-
- more than 5 years	84,416	307,500	80,000	20,000
Total	**235,108**	**492,500**	**130,000**	**20,000**

The following amounts have been recognised in equity in relation to hedge accounting:

(x € 1,000)	December 31, 2016				
	EUR	USD	GBP	CAD	Total in EUR
Effective part fair value changes in cashflow hedging	-887	-8,639	-3,388	-502	-13,416
Net effect in equity	**-887**	**-8,639**	**-3,388**	**-502**	**-13,416**

(x € 1,000)	December 31, 2015				
	EUR	USD	GBP	CAD	Total in EUR
FX differences recognised in equity due to retranslation of foreign operations	-	-6,423	14,215	-	7,792
Hedge result	-	-	-161	-	-161
Effective part fair value changes in cashflow hedging	-651	9,784	-1,407	372	8,098
Net effect in equity	**-651**	**3,361**	**12,647**	**372**	**15,729**

In 2016, a net loss of € 1.4m (2015: € 0.7m) was recognised in the income statement as a result of ineffectiveness of fair value hedges.

Regarding fair value hedge derivatives, a profit of € 2.7m has been included in net interest, and a profit for the same amount has been recorded on the same line in the income statement for the hedged item. The cumulative fair value adjustment on the hedged item is € 46.1m negative.

Derivatives

Derivatives include (cross currency) interest rate swaps whose fair value has been determined by a calculation model based on contractual and market interest rates (level 2). These calculations are checked with calculations obtained from banks. In the models the counter party risk has been taken into account via the non-current exposure method.

Changes in the fair value of derivative financial instruments for interest conversion are accounted for as financial assets at fair value through profit and loss. During 2016 a negative amount of € 0.2m was charged to the other financial income and expense (2015: € 0.5m positive) relating to these financial assets. In addition, net interest decreased by € 7.7m (2015: € 9.4m) as a result of derivative financial instruments for interest conversion.

Credit risk

During 2016 the market value of the interest swaps changed as a result of movement in underlying interest rates. The full value of the derivative financial instruments is exposed to credit risk and is not mitigated by other instruments. The credit risk of counter parties is monitored on a continuous basis.

24. FINANCIAL ASSETS AND LIABILITIES

Financial risks

Wereldhave's financial risks management focuses on the unpredictable nature of the financial markets and aims to minimize adverse effects on the Group's financial position and performance. Wereldhave is exposed to the following financial risks:

Market and Interest risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's market risks arise from open positions in foreign currencies and interest-bearing liabilities, to the extent that these are exposed to general and specific market movements. Management sets limits on the exposure to currency and interest rate risk that may be accepted, which are monitored on a monthly basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

The Group's interest rate risk is monitored by the Group's management on a monthly basis. The interest rate risk policy has been approved by the Board of Management. Management analyses the Group's interest rate exposure on a dynamic basis. Various scenarios are simulated, taking into consideration refinancing, renewal of existing positions and alternative financing sources. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions. The simulation is done on a monthly basis to verify that the maximum potential loss is within the limits set by management. Trade receivables and payables (other than tenant deposits) are interest-free and have settlement dates within one year.

The Group manages its exposure to changes in interest rates and its overall cost of financing by using interest rate swap agreements. These interest rate swap agreements are used to transform the interest rate exposure on the underlying liability from a floating interest rate into a fixed interest rate. It is the Wereldhave's policy to keep at least 60% of its borrowings at fixed rates of interest. In the current low interest rate environment Wereldhave has fixed the interest rate for 79% of its debt.

Sensitivity

A change in interest rate by 1% will impact the result and equity by € 3.2m (2015: € 2.2m) and earnings per share and asset value per share by € 0.08 (2015: € 0.05).

The ratio between fixed and variable interest rate is 79%/21% (2015: 86%/14%).

Currency risk

Wereldhave operates in euro countries only. The currency risks relates to USD, GBP and CAD denominated US Private Placement Notes and have been fully hedged to euro through cross currency swaps.

(x € 1,000)	December 31, 2016		December 31, 2015	
	Currency	EUR	Currency	EUR
Euro	1,067,317	1,067,317	856,871	856,871
US dollar	342,500	332,791	492,500	462,741
Pound sterling	130,000	151,782	130,000	177,042
Canadian dollar	20,000	14,096	20,000	13,231
Total		**1,565,987**		**1,509,885**

Liquidity risk

Wereldhave manages its liquidity risk on a consolidated basis with cash provided from rental income being a primary source of liquidity. The Group manages short-term liquidity based on a rolling forecast for projected cash flows for a twelve-month period.

Besides the cash from operations, fluctuations in the liquidity requirement are accommodated by means of several committed revolving credit facilities of in total € 540m.

Facilities amounting to € 30m are available until the first half of 2017, a facility of € 30m is available until the first half of 2018, facilities amounting to € 350m are available until the first half of 2019 and facilities amounting to € 130m are available until the first half of 2021.

In February 2017 Wereldhave has refinanced its 2014 € 300m syndicated revolving credit facility with a new € 300m syndicated revolving credit facility maturing February 2022. The 2014 facility was due to expire in March 2019.

As at year-end 2016, borrowing under the committed facilities stood at € 359m (2015: € 264m). The interest and repayment obligations for 2017 are covered by means of cashflow and available facilities.

Liquidity risk is furthermore managed by maintaining strong capital ratios, maintaining relationships with various international banks and financial markets, and maintaining sufficient credit facilities (committed and uncommitted), see note 18.

Wereldhave must at all times meet its obligations under the loans it has taken out, including the interest cover ratio. The interest cover ratio is calculated by dividing the net rental income by the net interest payable. This ratio must not be less than 2. The 2016 interest cover ratio was 6.6 (2015: 5.6). Wereldhave must also meet solvency requirements: shareholders' equity (less intangible assets) and deferred tax liabilities should amount to at least 40% of total assets (less intangible assets). At year-end 2016, the solvency was 57% (2015: 58%). During the period, the Group did not breach any of its loan covenants, nor did it default on any other of its obligations under its loan agreements.

Apart from these obligations and commitments, Wereldhave's tax status imposes financing limits.

Wereldhave is funded with a diversity of financing instruments in money markets and capital markets. Debt maturities are chosen in line with the long-term character of Wereldhave's assets. Consequently, Wereldhave has a well-spread maturity profile.

Financial transactions are only concluded with the prior approval of the Board of Management and the Supervisory Board for bonds and other tradable debt instruments.

Credit risk

Wereldhave's maximum exposure to credit risk in the event that a counterparty fails to fulfil its obligations in relation to each class of recognised financial asset, including derivatives, is the carrying amount of those assets in the consolidated statement of financial position. Reference relating to the credit risk in the derivatives is made in note 8 and 23.

Standard lease terms include that rent has to be paid upfront and every tenant's creditworthiness is verified before entering a new lease. The credit risk related to lease contracts is mitigated by bank warranties and deposits received from tenants. The maximum credit risk is the carrying amount less bank warranties and deposits received from tenants. Wereldhave monitors this creditworthiness per tenant and determines via management reports the adequacy of the provision for doubtful debtors.

Sensitivity of credit risk on lease income

In case 1% of the annual rent is not paid, the effect on the gross rental income amounts to € 2.2m (2015: € 2.1) and € 0.06 (2015: € 0.05) on the result per share. If 10% of debtors would default on payment, this would impact results by a maximum of € 2.3m (2015: € 2.1m). As a result of such default, result per share would change by € 0.06 (2015 € 0.05).

Wereldhave's maximum exposure to credit risk in the event that a counterparty fails to fulfil its obligations in relation to each class of recognised financial asset, including derivatives, is the carrying amount of those assets in the consolidated statement of financial position.

To limit credit or counterparty risk, only financial institutions with an investment grade credit rating are eligible as counterparties for financial transactions.

Concentration of credit risk

Concentration of risk occurs when a single financial risk is borne by one party or when several financial risks are concentrated within one or a few parties. Wereldhave mitigates the concentration risk with regard to interest, currency and liquidity risk by concluding interest and currency derivatives and loans with several financial parties. The credit risk further reduced by the size and diversification of the tenant portfolio as a result of which there is no concentration of risk.

Maturity of and interest payable on debt

The maturity and interest payable of debt (up to 12 months including trade payables and derivative financial liabilities) and future contractual interest payments is as follows:

(x € 1,000)	December 31, 2016		
	Principal	Interest	Total
- up to 1 year	45,200	29,526	74,726
- between 1 and 2 years	25,692	52,148	77,840
- between 2 and 5 years	922,673	37,104	959,777
- more than 5 years	535,534	65,716	601,250
Total	**1,529,098**	**184,495**	**1,713,593**

(x € 1,000)	December 31, 2015		
	Principal	Interest	Total
- up to 1 year	215,068	28,472	243,540
- between 1 and 2 years	30,000	26,818	56,818
- between 2 and 5 years	552,449	65,496	617,944
- more than 5 years	646,950	81,493	728,443
Total	**1,444,466**	**202,278**	**1,646,744**

The difference between the sum of the nominal principal values and the carrying amount of € 3.6m (2015: € 4.8m) consists of the negative option component of the convertible bond recorded as a derivative € 8.5m (2015: € 9.7m), amortised costs of € 3.5m (2015: € 6.4m), the positive fair value adjustment on hedged items € -8.4m (2015: € 11.1m) and the foreign exchange rate differences between nominal and IFRS accounting € nil (2015: € nil).

With regard to the interest on debt with variable interest rates, the rates prevailing at the balance sheet date have been used to determine the future outgoing cash flow. In addition to the financial liabilities mentioned above Wereldhave has a tenant deposit liability for an amount of € 11.9m (2015: € 11.8m). Tenants are obliged to deposit cash or a guarantee when entering a lease contact.

Financial assets and liabilities

The table below gives an overview of financial assets and liabilities discussed in previous notes. The first column shows the IFRS categories and subsequent columns the IFRS classes of financial instruments are shown.

(x € 1,000)

December 31, 2016	Note	Loans and receivables	Financial assets at fair value through profit and loss	Total
Assets				
Financial assets	8	251	51,665	51,916
Trade and other receivables	9	42,088	-	42,088
Cash and cash equivalents	11	40,666	-	40,666
Total		**83,005**	**51,665**	**134,670**

December 31, 2016	Note	Financial liabilities measured at amortised costs	Financial liabilities at fair value through profit and loss	Total
Liabilities				
Interest bearing debts	18	1,565,987	-	1,565,987
Tenants deposits	20	11,892	-	11,892
Derivative financial instruments	23	-	28,645	28,645
Trade payables		6,174	-	6,174
Total		**1,584,053**	**28,645**	**1,612,698**

December 31, 2015	Note	Loans and receivables	Financial assets at fair value through profit and loss	Total
Assets				
Financial assets	8	276	88,736	89,012
Trade and other receivables	9	46,403	-	46,403
Cash and cash equivalents	11	37,711	-	37,711
Total		**84,390**	**88,736**	**173,126**

December 31, 2015	Note	Financial liabilities measured at amortised costs	Financial liabilities at fair value through profit and loss	Total
Liabilities				
Interest bearing debts	18	1,509,885	-	1,509,885
Tenants deposits	20	11,759	-	11,759
Derivative financial instruments	23	-	22,999	22,999
Trade payables		5,906	-	5,906
Total		**1,527,550**	**22,999**	**1,550,549**

Fair values of financial assets and liabilities are equal to the carrying amounts, unless mentioned otherwise in the separate notes. There are no financial assets and liabilities held for trading at fair value that are accounted for through profit and loss.

Where applicable, specific risks and further characteristics per financial assets and liabilities are discussed in the related notes. Reference is made to note 8 for the measurement methods with regard to the financial assets.

Off balance sheet assets and liabilities

The Group has contracted capital commitments for an amount of € 29m (2015: € 8m) with regard to investment properties under construction. The Group has leasehold liabilities for an amount of € 79m (2015: € 81m) and office rent & lease car liabilities for an amount of € 8m (2015: 8m). The Group has undrawn committed credit facilities for an amount of € 182m (2015: € 306m). The Group has committed itself to issue guarantees to third parties for an amount of € 34m (2015: nil).

The maturity of the Group capital commitments, operational leases and leasehold liabilities are as follows:

(x € 1,000)	2016	2015
- up to 1 year	28,178	9,866
- between 1 and 5 years	12,569	7,737
- > year 5	74,925	79,248
Total	**115,672**	**96,851**

25. FAIR VALUE MEASUREMENT

The table below analyses financial instruments carried at fair value, by valuation method. The different levels are defined as follows:

Level 1

Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

(x € 1,000)	Fair value measurement using			
2016	**Total**	**Quoted prices Level 1**	**Observable input Level 2**	**Unobserv-able input Level 3**
Assets measured at fair value				
Investment property in operation	3,701,331	-	-	3,701,331
Investment property under construction	85,360	-	-	85,360
Financial assets				
Derivative financial instruments	51,665	-	51,665	-
Liabilities for which the fair value has been disclosed				
Interest bearing debt	1,630,489	251,895	1,378,594	-
Derivative financial instruments	28,645	-	28,645	-

	Fair value measurement using			
2015	**Total**	**Quoted prices Level 1**	**Observable input Level 2**	**Unobserv-able input Level 3**
Assets measured at fair value				
Investment property in operation	3,659,254	-	-	3,659,254
Investment property under construction	42,714	-	-	42,714
Financial assets				
Derivative financial instruments	88,736	-	88,736	-
Liabilities for which the fair value has been disclosed				
Interest bearing debt	1,527,754	250,748	1,277,007	-
Derivative financial instruments	22,999	-	22,999	-

There were no transfers between levels during the year under review.

26. GROSS RENTAL INCOME

Lease contracts specify the rent, the other rights and obligations of the lessor and the lessee, including notice and renewal options as well as service and operating cost charges. Lease contracts have various expiry terms and break clauses. Rent indexation is agreed in countries where indexation is usual or legally permitted.

Service cost paid and received are not included in gross rental income. Rental losses as a result of vacancy, expressed as a percentage of theoretical rent, amounted to 6.6% in 2016 (2015: 7.5%).

Rental income based on turnover of the tenant amounts to 0.6% (2015: 0.5%) of gross rental income. Lease incentives provided to tenants amounts to 1.1% (2015: 2.0%) of gross rental income.

A change in the average occupancy rate by 0.5% results in a change of gross rental income by € 1.1m (excluding impact service costs).

The aggregate contractual rent from lease contracts as at December 31, 2016 is shown in the following table (Lease contracts with turnover related clauses are accounted for assuming the base rent only):

(x € 1,000)	2016	2015
- up to 1 year	196,119	187,227
- between 1 and 5 years	521,173	308,132
- more than 5 years	73,406	48,205

27. PROPERTY EXPENSES

(x € 1,000)	2016	2015
Property maintenance	1,367	1,048
Property taxes	5,506	3,970
Insurance premiums	777	412
Property management	7,386	4,963
Leasing expenses	735	1,353
Other operating costs	7,212	6,005
Total	**22,983**	**17,751**

The increase of the property expenses is mainly caused by the full year acquisition effect of the nine Dutch shopping centres during 2015. An impairment of € 2.5m relates to debtors (2015: € -0.1m). These costs are accounted for in the other operating costs. Other operating costs comprise of e.g. promotion costs, marketing costs and doubtful debt.

28. VALUATION RESULTS

(x € 1,000)	2016	2015
Investment properties in operation		
Valuation gains	57,876	39,251
Valuation losses	-81,510	-38,579
Total	***-23,634***	***672***
Investment properties under construction		
Valuation losses	-5,950	-5,227
	-5,950	***-5,227***
Total	**-29,584**	**-4,555**

29. RESULTS ON DISPOSALS

(x € 1,000)

Properties	2016	2015
Gross proceeds from sales	24,275	406,059
Selling costs	-172	-3,871
Net proceeds from sales	***24,103***	***402,188***
Book value investment properties	-25,025	-389,206
Book value lease incentives	-	-15,498
	-25,025	***-404,704***
Result on direct sales of properties	***-922***	***-2,516***
Result on indirect sales of properties/subsidiaries	***-***	***2,237***
Total	**-922**	**-279**

The result on disposals relates to the sale of a shopping centre in Geldrop and the cinema at Pieter Vreedeplein in Tilburg, both in the Netherlands. Reference is made to note 5.

30. GENERAL COSTS

(x € 1,000)

	2016	2015
Salaries and social security contributions	22,227	17,547
Pension costs	1,081	881
Other employee costs	4,469	3,458
Audit and advisory fees	3,789	3,707
Office costs	4,857	4,276
Other general costs	3,276	3,714
	39,699	***33,583***
Allocated and recharged	-22,074	-17,319
	-22,074	***-17,319***
Total	**17,625**	**16,264**

Increase in the general costs is mainly caused by the full year effect of the new team in France and the acquisition of the nine Dutch shopping centres during 2015. General costs include € 1.1m restructuring costs in the Netherlands.

The allocation and recharges relates to expenses charged to third parties and allocation of costs to property expenses and developments projects.

Employees

During the year 2016 an average of 218 persons (2015: 172) based on full-time basis were employed by the Group, of which 88 (2015: 74) in the Netherlands and 130 (2015: 98) abroad.

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

The Supervisory Board members and the members of the Board of Management are considered to be key management personnel.
The remuneration levels were last set at the Extraordinary General Meeting of Shareholders on July 23, 2015 and are indexed annually with the consumer price index.

Supervisory Board:

	2016	2015
J.A.P van Oosten	53	53
H.J. van Everdingen	37	37
J.A. Bomhoff	40	39
H.L.L. Groenewegen (till September 1, 2016)	26	39
F.C. Weijtens (till April 22, 2016)	12	39
L. Geirnaerdt (from April 22, 2016)	27	-
G. van de Weerdhof (from April 22, 2016)	27	-
Total	**222**	**207**

As at December 31, 2016, Mr Van Everdingen held 10,000 ordinary shares in the Company as a private investment. The other members of the Supervisory Board do not hold shares or options in Wereldhave N.V. The Company has not issued loans, advances or financial guarantees to members of the Supervisory Board. Shares or options on shares have not been and will not be awarded to members of the Supervisory Board.

Board of Management:

(x € 1,000) 2016	Fixed income	STI	LTI	Pension and pension compensa-tion	Social charges	Total
D.J. Anbeek	513	148	308	90	10	1,069
R.J. Bolier	382	110	229	71	10	802
Total	**895**	**258**	**537**	**161**	**20**	**1,871**

2015	Fixed income	STI	LTI	Pension and pension compensa-tion	Social charges	Total
D.J. Anbeek	510	179	306	89	9	1,093
R.J. Bolier	380	133	228	70	9	820
Total	**890**	**312**	**534**	**159**	**18**	**1,913**

STI 2016

The STI incentive is calculated as follows:

- LFL RG at or above inflation scores 15% of fixed income
- LFL RG at or above budget scores 15% of fixed income
- Remain rated GRESB Green Star scores 10% of fixed income

Net like-for-like rental growth (which is the net score after indexation) for the year 2016 amounted to 2.8% in Belgium (index 2.1%), -2.8% in Finland (index 0.1%), 1.3% in France (index 0.1%) and 0% in the Netherlands (index 0.4%). This results in a score of 11.25% (Belgium, France and the Netherlands at or above inflation).

The net like-for-like rental growth was below budget in Belgium and Finland, above budget in France and at budget in the Netherlands. This results in a score of 7.5%.

The Company remained rated GRESB Green Star, which scores 10%.

This implies that in respect of the year 2016, a short-term incentive of 28.75% of fixed salary is payable in cash. For Mr Anbeek this amounts to an STI of € 147,505 and for Mr Bolier € 109,906.

LTI 2016

The LTI incentive is calculated as follows:

- EPS growth at inflation 20% bonus
- at 100 bps over inflation 40% bonus and
- at 200 bps over inflation the maximum of 60% bonus
- EPS growth scores between 0 and 200 bps over inflation will be calculated at a sliding scale

If the Loan-to-Value at year-end exceeds 40%, no conditional long-term incentive will be granted in respect of that year.

At December 31, 2016, the Loan-to-Value stood at 39.0%. Compared to the previous year, EPS for 2016 increased by 7%, which is well over 200 bps above inflation. This implies that in respect of the year 2016, a long-term incentive of 60% of fixed salary is granted conditionally in shares. For Mr Anbeek this amounts to an LTI of € 307,836 and for Mr Bolier € 229,368.

These LTI amounts will be calculated into a conditional share balance, which will accrue with the reinvestment of dividends during the three years' vesting period. Depending on the ranking against the TSR performance of the peer group, the conditional share balance can be multiplied by a maximum of 3 if Wereldhave belongs to the top TSR performers or even annulled if the three years' TSR performance ranks with the bottom of the peer group.

The long-term bonus is payable in shares only. On determination of the conditional bonus each year, the amount in cash is calculated into a conditional share balance based on the share price at the end of the first day of trading after ex-dividend listing of the Wereldhave share in the year in which the conditional bonus is awarded. As per December 31, 2016 the long-term variable bonus 2016 would represent 7,199 shares for Mr Anbeek and 5,364 shares for Mr Bolier (based on a share price of € 42.76 per share as at December 31, 2016).

The shares will be accounted for as shares for remuneration as part of the general reserve. The shares qualify for dividend payments. The conditional share balance will be increased by a number of conditional shares equal to the amount of the dividend divided by the share price at the time dividend is paid. If after three years the vesting conditions are met, the number of awarded shares that vest are released to the member of Board of Management. The Board of Management pays income tax and social charges on the long-term variable remuneration.

LTI previous years

The performance shares 2014 (reference period 2014-2016) partially vested in 2016 (see below). Due to the changes in the remuneration policy 2015 and onwards and the introduction of a three year vesting period, no shares will vest in 2017.

Vesting conditions for these years were:

- For the like-for-like rental growth component the condition is that the average like-for-like net rental growth over the immediately following years will be positive (weight: 25.2/36.4 of the conditional share balance)
- The TSR variable component of the conditional grant is granted under the long-term condition that the average place over the next two years would be higher than the 6th place (weight: 11.2/36.4 of the conditional share balance)

In respect of the year 2014, a conditional share balance was awarded to Mr Anbeek of 2,544 shares. This number of conditional performance shares has accrued to 2,761 by year-end 2016 due to the reinvestment of dividends and of claim rights in connection with the 2014 rights issue. Following the reinvestment of the dividends in January 2017, this number has accrued to 2,806.

In respect of the year 2014, a conditional share balance was awarded to Mr Bolier of 1,469 shares. This number of conditional performance shares has accrued to 1,595 by year-end 2016 due to the reinvestment of dividends and of claim rights in connection with the 2014 rights issue. Following the reinvestment of the dividends in January 2017, this number has accrued to 1,621.

Net like-for-like rental growth for 2015 and 2016 is positive (2015: 1.4%, 2016 0.4%), which implies that the first component of the LTI becomes unconditional. This implies that 25.2/36.4 of the shares have vested, for Mr Anbeek 1,943 shares and for Mr Bolier 1,122 shares.

The TSR peer group that was set for the 2014 variable remuneration was composed of Unibail-Rodamco; Klépierre; Corio, NSI, VastNed, ECP and Wereldhave. Corio was taken out, following the takeover by Klépierre in 2015.

For the year 2015 and 2016, Wereldhave ranked sixth, an average position of 6. This implies that 11.2/36.4% of the shares, for Mr. Anbeek 863 shares and for Mr. Bolier 499 shares, have not vested.

Mr Anbeek has announced that he will sell approximately 50% of the 1,943 shares that vested to pay taxes due upon vesting.

In respect of the year 2013, in 2014 an unconditional bonus of € 50,000 gross was paid to Mr Anbeek, to be invested in Wereldhave shares which would be blocked for three years, ending on December 31, 2016. The net proceeds of the bonus payment were invested in 454 shares, which have become automatically unblocked as per that date.

Mr Anbeek holds a total of 20,159 shares at December 31, 2016, of which 9,678 are conditional and 10,481 are unconditional or private investment. The current fair value of the shares owned by Mr Anbeek based on the stock exchange price amounts to € 42.76 per share (as per December 31, 2016) in total € 861,999.

Mr Bolier holds a total of 11,810 shares at December 31, 2016, of which 6,747 are conditional and 5,063 are unconditional or private investment. The current fair value of the shares owned by Mr Bolier based on the stock exchange price amounts to € 42.76 per share (as per December 31, 2016) in total € 504,996.

LTI overview

(x € 1,000)

Financial year granted	Vesting period u/i Dec 31	Long-term incentive	Accounted in financial statements 2016	Accounted in earlier financial statements	Total accounted for
2016 - D.J. Anbeek	2019	308	77	-	77
2015 - D.J. Anbeek	2018	306	77	77	154
2014 - D.J. Anbeek	2016	149	49	100	149
2016 - R.J. Bolier	2019	229	57	-	57
2015 - R.J. Bolier	2018	228	57	57	114
2014 - R.J. Bolier	2016	32	10	22	32

The Company has not granted loans, advances or financial guarantees to members of the Board of Management.

The model to calculate the fair value of the share awards incorporates the ranking of the total shareholder returns of the Company against the defined peer companies as published by EPRA. The combined cap for the long-term incentive at 60% of base pay and the expected dividend payments based on the Company's dividend policy.

The 2015 LTI is taken into account under the assumption that the average TSR score will be at least 1.

31. OTHER INCOME AND EXPENSES

Other income and expenses € -6.6m (2015: € -2.5m) relates to investment and divestment activities, project related and other costs that cannot be directly linked to the operational activities.

32. NET INTEREST

(x € 1,000)	2016	2015
Interest paid	-31,436	-31,778
Capitalised interest	1,342	1,287
Amortised costs loans	-1,522	-1,792
Interest charges related to loans	***-31,616***	***-32,283***
Interest addition convertible bonds	-	-1,300
Total interest charges	***-31,616***	***-33,583***
Interest received	***49***	***327***
Total	**-31,567**	**-33,256**

Capitalised interest in connection with developments is based on the Group's weighted average cost of debt. During 2016, the range of weighted average interest rates used was 2.0 – 2.2% (2015: 2.2 - 3.2%). The average nominal interest rate at year end 2016 was 1.9% (2015: 2.2%).
The line item 'interest paid' includes costs related to fees paid for undrawn parts of committed financing facilities amounting to € 0.9m (2015: € 1.5m).

33. OTHER FINANCIAL INCOME AND EXPENSES

(x € 1,000)	2016	2015
Exchange rate differences	-58	-914
Adjustments financial instruments	6,295	-4,802
Total	**6,237**	**-5,716**

34. INCOME TAX

(x € 1,000)	2016	2015
Result before tax	***121,453***	***122,101***
Tax charges according to applicable tax rates	-42,925	40,639
Tax-exempt income based on fiscal status	44,565	-41,190
Deductible costs	-	-90
Other	-2,319	-2,170
Income tax	***-679***	***-2,811***
Weighted average tax rate	0.6%	-2.3%

For 2016 the current tax charge is € -1.4m (2015: € -0.6m) and the deferred tax charge was € 0.7m (2015: € -2.2m). The applicable tax rates for Group companies vary from 0% for tax-exempt entities, based on their fiscal status, up to 34%.

The weighted average tax rate varies yearly, mainly because the valuation results are taxed differently for the tax-exempt and tax based countries.

There are no tax effects relating to other comprehensive income or amounts directly credited to equity (2015: idem).

35. RESULT FROM DISCONTINUED OPERATIONS

In 2016 there were no discontinued operations. Until 2015 the discontinued operations represented the net result of the UK and USA operations that were sold in 2013 and the net result of the Spanish operations that was sold in 2014. The results from discontinued operations break down as follows:

(x € 1,000)	2016	2015
Net rental income	-	-
Valuation results	-	-
Results on disposals	-	-
General costs	-	-
Net interest	-	-2,730
Other financial income and expenses	-	-12,884
Other	-	117
Result	**-**	**-15,497**

An amount of € nil is presented in other comprehensive income for the currency translation, which will be recycled through the income statement in future years. An amount of € nil is recycled through the income statement in 2016 (€ -12.9m in 2015).

36. SUMMARISED FINANCIAL INFORMATION ON SUBSIDIARIES

Principal Subsidiaries

Name	Country of incorporation	Proportion of ordinary shares Held by parent (%)	Proportion of ordinary shares Held by the group (%)	Proportion of ordinary shares Held by non-controlling interests (%)
West World Holding N.V.	Netherlands	100.00		
Wereldhave International N.V.	Netherlands	100.00		
Wereldhave Nederland B.V.	Netherlands		100.00	
Wereldhave Development B.V.	Netherlands	100.00		
Relovast B.V.	Netherlands	100.00		
Relovast II B.V.	Netherlands	100.00		
Relovast IV B.V.	Netherlands	100.00		
Relovast V B.V.	Netherlands	100.00		
Relovast VI B.V.	Netherlands	100.00		
Royalton Real Estate B.V.	Netherlands		100.00	
Royalton Square B.V.	Netherlands		100.00	
Royalton Hill B.V.	Netherlands		100.00	
WH Tilburg Zuid (Heuvelstraat) B.V.	Netherlands		100.00	
Wereldhave Management Holding B.V.	Netherlands	100.00		
Wereldhave Management Nederland B.V.	Netherlands		100.00	
Ilôt Kleber SAS	France	100.00		
Espace Saint Denis SAS	France	100.00		
NODA SAS	France	100.00		
Wereldhave Retail France SAS	France	100.00		
Urba Green SAS	France		100.00	
SCI Bordeau Bonnac	France	0.01	99.99	
SCI du CC Bordeax Prefecture	France	0.01	99.99	
SNC Les Docks de Rouen	France	0.01	99.99	
SNS Les Passages de l'Etoile	France	0.01	99.99	
SNC Marceau Côté Seine	France	0.01	99.99	
SNC Elysees Vauban	France	0.01	99.99	
SCI due CC Rouen Saint Sever	France	0.01	99.99	
SNC Cegep et Compagnie	France	0.01	99.99	
SCI des Bureaux Rouen Bretagne	France	0.01	99.99	
SCI Rouen Verrerie	France	0.01	99.99	
SCI Fonciere Marceau Saint Sever	France	0.01	99.99	
Wereldhave Management France SAS	France		100.00	
Itäkeskus Holding Oy	Finland	100.00		
Kauppakeskus Itäkeskus Oy	Finland		100.00	
Wereldhave Finland Oy	Finland	100.00		
CVA Wereldhave Belgium OGVV	Belgium	36.38	33.19	30.43
NV J-II SA	Belgium	99.84	0.16	
NV Wereldhave Belgium SA	Belgium		100.00	
Immo Guwy NV	Belgium		100.00	
Waterloo Shopping BVBA	Belgium		100.00	
WBPM N.V.	Belgium		100.00	
NV Wereldhave Management Belgium SA	Belgium		100.00	
NV Wereldhave Belgium Services SA	Belgium		100.00	
Espamad SLU	Spain	100.00		

All subsidiaries are included in the consolidation. The proportion of voting rights held by the parent or by the Group companies in the subsidiaries do not differ from the proportion of ordinary shares held. The parent does not have any shareholding in preference shares of subsidiaries in the Group. The total amount of non-controlling interest at year-end 2016 amounts to € 182.4m.

Summarised financial information for C.V.A. Belgium O.G.V.V.

(x € 1,000)

Summarised balance sheet	2016	2015
Current assets	19,201	20,277
Current liabilities	-57,355	-77,559
Total current net assets	***-38,154***	***-57,282***
Non-current assets	820,459	774,683
Non-current liabilities	-182,719	-150,091
Total non-current net assets	***637,740***	***624,592***
Net assets	**599,586**	**567,310**

Summarised income statement	2016	2015
Revenue	49,175	47,069
Profit before income tax	66,459	49,546
Income tax expense/income	-218	-155
Post tax profit from continuing operations	***66,241***	***49,391***
Other Comprehensive Income	38	-810
Total Comprehensive Income	***66,279***	***48,581***
Total Comprehensive Income allocated to non-controlling interest	***20,165***	***14,783***
Dividend paid to non-controlling interest	10,347	8,830

Summarised cash flows

Cash flows from operating activities	2016	2015
Cash generated from operations	42,866	43,005
Interest paid	-2,871	-3,265
Net cash generated from operating activities	***39,995***	***39,740***
Net cash used in investment activities	-3,924	-83,458
Net cash used in financing activities	-35,801	45,896
Net increase in cash and cash equivalents and bank overdrafts	270	2,178
Cash, cash equivalents and bank overdrafts at beginning of the year	6,231	4,053
Cash and cash equivalents and bank overdrafts at end of the year	**6,501**	**6,231**

The information above is the amount before intercompany eliminations.

37. TRANSACTIONS WITH SHAREHOLDERS

In 2016 there were no transactions with shareholders that affected profit and loss.

38. RESULT AND DILUTED RESULT PER SHARE UPON FULL CONVERSION

Result per share

The results per share are calculated based on the total result after tax, attributable to holders of ordinary shares and the average number of ordinary shares in issue during the year.

Diluted result per share

The diluted result per share is calculated, based on the total result after tax, adjusted for costs relating to the convertible bonds that are charged to the result and the average number of ordinary shares during the year, including the maximum number of shares that could be converted during the year.

	2016	2015
Result attributable to shareholders of the company	100,620	88,645
Adjustment for effect convertible bonds	-5,073	7,544
Result after effect convertible bonds	***95,547***	***96,189***
Number of shares as at January 1	***40,264,139***	***35,016,963***
Adjustment for share issue	-	2,675,342
Adjustment for purchase of own shares for remuneration	-9,643	-1,795
Weighted average number of shares for fiscal year	***40,254,496***	***37,690,510***
Adjustment for convertible bonds	3,928,656	3,791,901
Diluted average number of shares after adjustment for the effects of all dilutive potential shares for the fiscal year	**44,183,152**	**41,482,411**

As the conversion of the convertible bonds has a negative effect on the result per share, this is taken into account in the diluted result per share.

See note 40 for the proposed dividend for 2016.

39. NET ASSET VALUE PER SHARE

Net asset value per share

The net asset value per share is calculated based on equity as presented in the balance sheet as at December 31 and the number of shares issued as at that date.

	2016	2015
Equity available for shareholders (x € 1,000)	1,978,811	2,015,069
Number of ordinary shares per 31 December	40,270,921	40,270,921
Purchased shares for remuneration	-16,425	-6,782
Number of ordinary shares per 31 December for calculation net asset value	***40,254,496***	***40,264,139***
Net asset value per share (x € 1)	**49.16**	**50.05**

40. DIVIDEND

It is proposed to distribute to holders of ordinary shares a dividend of € 3.08 per share (interim dividend of € 0.77 was paid in July 2016, € 0.77 was paid in October 2016 and € 0.77 was paid in January 2017) in cash in order to meet the distribution obligations under Dutch tax law, subject to dividend withholding tax.

41. RELATED PARTIES

The Board of Management, the Supervisory Board and subsidiaries of Wereldhave N.V. are considered to be related parties. The members of the Supervisory Board and of the Board of Management had no personal interest in any of the Company's investments during the year. For information about the directors´ remuneration reference is made to note 30.

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions if such terms can be substantiated.

42. EVENTS AFTER BALANCE SHEET DATE

On January 13, 2017, Wereldhave announced a reorganisation in the Group office and the Dutch management organisation. The restructuring costs for 2017 are estimated at € 1.5m.

On 6 February 2017 Wereldhave has refinanced its 2014 € 300m syndicated revolving credit facility with a new € 300m syndicated revolving credit facility maturing February 2022. The 2014 facility was due to expire in March 2019.

COMPANY BALANCE SHEET AT DECEMBER 31, 2016

(x € 1,000)

	Note	December 31, 2016	December 31, 2015
Assets			
Non-current assets			
Investments in subsidiaries	2	1,458,347	1,769,130
Other financial investments	3	1,791,864	1,147,745
Derivative financial instruments		51,665	67,130
		3,301,876	***2,984,005***
Current assets	***4***		
Tax receivables		46	8,448
Cash and cash equivalents		2,036	651,539
Accruals		11,469	10,730
Group companies receivable		192,059	150,564
Short term derivatives		-	21,606
Other receivables		362	1,516
		205,972	***844,403***
		3,507,848	3,828,408
Equity and liabilities			
Equity	***5***		
Share capital		40,271	40,271
Share premium		1,711,033	1,711,033
General reserve		-197,858	-139,685
Revaluation reserve		339,165	315,809
Hedge reserve		-14,420	-1,004
Result current year		100,620	88,645
		1,978,811	***2,015,069***
Non-current liabilities			
Interest bearing liabilities	6	1,380,787	1,169,106
Derivative financial instruments		27,837	22,266
		1,408,624	***1,191,372***
Current liabilities			
Group companies payable		59,503	307,267
Short term liabilities	7	60,910	314,700
		3,507,848	3,828,408

COMPANY INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2016

(x € 1,000)

	Note	2016	2015
General costs	8	-4,605	-6,277
Other income and expense	9	-9,269	-20
Operating result		***-13,874***	***-6,297***
Interest charges		-18,112	-22,670
Interest income		44,986	42,220
Net interest	***10***	***26,874***	***19,550***
Other financial income and expenses	11	12,611	-43,568
Result before tax		***25,611***	***-30,315***
Income tax	12	-133	-166
Result company after tax		***25,478***	***-30,481***
Result from subsidiaries after tax	2	75,142	119,126
Result incl subsidiaries		**100,620**	**88,645**

NOTES TO THE COMPANY FINANCIAL STATEMENTS

1. GENERAL

1.1 Principles for the presentation of the Company accounts

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

The Company financial statements of Wereldhave N.V. have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code. Reference is made to the notes to the consolidated annual accounts.

The annual accounts have been prepared before distribution of result with the exception where distribution is determined by law.

1.2 Investments in subsidiaries

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

2. INVESTMENTS IN SUBSIDIARIES

Movements are as follows:

(x € 1,000)	2016	2015
Balance at January 1	***1,769,130***	***1,520,818***
Exchange rate differences	-	12,634
Movements in pension schemes	79	50
Investments / divestments	-294,796	219,248
Revaluation of financial assets held for sale	-	-620
Result from subsidiaries after tax	75,142	119,126
Dividends	-90,274	-101,184
Other	-934	-942
Balance at December 31	**1,458,347**	**1,769,130**

List of subsidiaries

At December 31, 2016, the Company had direct shareholdings in the following companies:

Country of incorporation				Shareholding (%)
Netherlands	West World Holding N.V.			100.00
Netherlands	N.V. Wereldhave International			100.00
Belgium		33.19	OGVV Wereldhave Belgium CVA	36.38
Netherlands	Wereldhave Development B.V.			100.00
Netherlands	Relovast B.V.			100.00
Netherlands	Relovast II B.V.			100.00
Netherlands	Relovast IV B.V.			100.00
Netherlands	Wereldhave Management Holding B.V.			100.00
France	Ilôt Kleber S.A.S.			100.00
France	Espace Saint Denis S.A.S.			100.00
France	NODA S.A.S.			100.00
France	Wereldhave Retail France S.A.S.			100.00
France		99.99	SCI Bordeau Bonnac	0.01
France		99.99	SCI du CC Bordeaux Prefecture	0.01
France		99.99	SNC les Docks de Rouen	0.01
France		99.99	SNS Les Passages de l'Etoile	0.01
France		99.99	SNC Marceau Coté Seine	0.01
France		99.99	SNC Elysees Vauban	0.01
France		99.99	SCI due CC Rouen Saint Sever	0.01
France		99.99	SNC Cegep et Compagnie	0.01
France		99.99	SCI des Bureaux Rouen Bretagne	0.01
France		99.99	SCI Rouen Verrerie	0.01
France		99.99	SCI Fonciere Marceau Saint Sever	0.01
Finland	Itäkeskus Holding Oy			100.00
Finland	Wereldhave Finland Oy			100.00
Spain	Espamad SLU			100.00

3. OTHER FINANCIAL INVESTMENTS

(x € 1,000)

	Receivables from subsidiaries
Balance at January 1, 2015	***1,604,585***
Exchange rate differences	503
Investments / withdrawal	87,478
Divestments / redemptions	-544,821
Balance at January 1, 2016	***1,147,745***
Exchange rate differences	-681
Investments / withdrawal	678,566
Divestments / redemptions	-33,766
Balance at December 31, 2016	**1,791,864**

The receivables from subsidiaries which are mentioned in this note have a maturity of more than one year.

4. CURRENT ASSETS

The receivables not accounted for under Financial Investments are due in less than one year. The fair value of the receivables coincides with the balance sheet valuation.

5. EQUITY

Share capital

The authorised share capital of the Company at December 31, 2016 amounted to € 150m divided over € 75m ordinary shares of € 1 and € 75m preference shares of € 1. The issued and paid up share capital amounts to € 40m, formed by 40,270,921 ordinary shares.

In the year 2016 11,711 shares were purchased for the long-term bonus of the Board of Management. In the year 2015 4,013 shares were purchased for the long-term bonus plan of the Board of Management. These shares were conditionally granted to Mr Anbeek and Mr Bolier.

The movements in equity during 2016 and 2015 were as follows:

(x € 1,000)

	Share capital	Share premium reserve	General reserve	Revaluation reserve *)	Hedge reserve *)	Currency translation reserve *)	Result current year	Total
Balance at January 1, 2015	***35,021***	***1,467,196***	***-95,354***	***418,264***	***-11,453***	***-5,280***	***15,020***	***1,823,414***
Result 2014 distribution	-	-	-7,523	22,543	-	-	-15,020	-
Currency translation differences of foreign participations	-	-	-	-	-	5,280	-	5,280
Movement in reserves	-	-	-8,393	7,773	10,449	-	-	9,829
Revaluation realised	-	-	132,771	-132,771	-	-	-	-
Purchase remuneration shares	-	-	-169	-	-	-	-	-169
Remeasurement of past employment obligations	-	-	50	-	-	-	-	50
Share based payments	-	-	134	-	-	-	-	134
Costs share issue	-	-8,163	-289	-	-	-	-	-8,452
Proceeds from share issue	5,250	252,000	-	-	-	-	-	257,250
Dividend over 2014	-	-	-100,507	-	-	-	-	-100,507
Interim dividend 2015	-	-	-60,405	-	-	-	-	-60,405
Profit for the year **)	-	-	-	-	-	-	88,645	88,645
Balance at December 31, 2015	***40,271***	***1,711,033***	***-139,685***	***315,809***	***-1,004***	***-***	***88,645***	***2,015,069***
Result 2015 distribution	-	-	65,289	23,356	-	-	-88,645	-
Effective portion of change in fair value of cash flow hedges	-	-	-	-	-13,416	-	-	-13,416
Shares for remuneration	-	-	-397	-	-	-	-	-397
Remeasurement of past employment obligations	-	-	79	-	-	-	-	79
Share based payments	-	-	268	-	-	-	-	268
Dividend over 2015	-	-	-60,808	-	-	-	-	-60,808
Interim dividend 2016	-	-	-62,016	-	-	-	-	-62,016
Profit for the year **)	-	-	-	-	-	-	100,620	100,620
Other	-	-	-588	-	-	-	-	-588
Balance at December 31, 2016	**40,271**	**1,711,033**	**-197,858**	**339,165**	**-14,420**	**-**	**100,620**	**1,978,811**

*) Legal reserves

**) The annual accounts have been prepared before distribution of result. With regard to the proposed result distribution reference is made to the other information paragraph

Share premium

Share premium is paid up share capital in excess of nominal value. There were no changes in the share premium in 2016. The amount of share premium that is recognised for tax purposes is € 1,716m (2015: € 1,716m).

General reserve

Allocation of result over 2015.

The General Meeting of Shareholders on April 22, 2016 determined the following allocation of the profit over 2015:

(x € 1,000)	
Distributed to holders of ordinary shares	***121,213***
Revaluation reserve subsidiaries	23,356
General reserve	-55,924
Result after tax	**88,645**

Dividend 2016

The 2016 dividend proposal is explained in the 'Other Information '.

Revaluation reserve

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

6. INTEREST BEARING LIABILITIES

The maturity of interest bearing liabilities (non-current and current) shows as follows:

(x € 1,000)	**December 31, 2016**					
	Maturity < 1 year	Maturity 1 - 5 year	Maturity >5 year	Total long term	Total	December 31, 2015
Debts to subsidiaries	-	-	-	-	-	124,997
Convertible bonds	-	241,506	-	241,506	241,506	237,984
Debt to financial institutions	-	598,096	541,185	1,139,281	1,139,281	1,098,902
Total	**-**	**839,602**	**541,185**	**1,380,787**	**1,380,787**	**1,461,883**

Capital repayments due within 12 months from the end of the financial year are included under short-term interest bearing liabilities. With regard to the conversion terms of the convertible bonds reference is made to the notes of the consolidated accounts. Other long-term liabilities relate to cross currency swaps.

Average effective interest

	2016				
	EUR	GBP	USD	CAD	Total
Short term interest bearing debt					
Bank loans and private placement	-	-	-	-	-
Interest rate swaps	-	-	-	-	-
Long term interest bearing debt					
Convertible bonds	1.0%				1.0%
Debt to financial institutions	1.6%	4.3%	4.8%	4.0%	2.9%
Cross currency interest rate swaps	-2.5%				
Average	**1.7%**	**4.3%**	**4.8%**	**4.0%**	**2.0%**

	2015				
	EUR	GBP	USD	CAD	Total
Short term interest bearing debt					
Bank loans and private placement	1.2%	-	4.2%	-	2.5%
Interest rate swaps	-1.1%	-	-	-	-1.1%
Long term interest bearing debt					
Convertible bonds	1.5%	-	-	-	1.5%
Debt to financial institutions	2.2%	4.3%	4.8%	4.0%	3.4%
Cross currency interest rate swaps	-2.4%	-	-	-	-2.4%
Average	**1.9%**	**4.3%**	**4.6%**	**4.0%**	**2.3%**

Fair value

The carrying amount and the fair value of long-term interest bearing debts are as follows:

(x € 1,000)	December 31, 2016		December 31, 2015	
	carrying amount	fair value	carrying amount	fair value
Debt to group companies	-	-	124,997	124,997
Convertible bonds	241,506	251,895	237,984	250,748
Bank loans and private placement	1,139,281	1,193,394	931,122	1,009,676
Total	**1,380,787**	**1,445,289**	**1,294,103**	**1,385,421**

Currencies

There are loans closed in euro, pound sterling, US dollars and Canadian dollars.

7. SHORT-TERM LIABILITIES

(x € 1,000)	December 31, 2016	December 31, 2015
Short term debt	-	167,780
Creditors	160	436
Debt to group companies	-	124,997
Taxes on profit	74	99
Other debts	60,676	21,388
Total	**60,910**	**314,700**

8. OFF BALANCE SHEET ASSETS AND LIABILITIES

The Company has committed itself to issue guarantees to third parties for an amount of € 34m.

9. GENERAL COSTS

(x € 1,000)	2016	2015
Salaries and social security contributions	3,169	2,299
Pension costs	41	30
Other employee costs	587	219
Audit and advisory fees	678	1,031
Office costs	371	254
Other general costs	7,847	6,409
	12,693	***10,242***
Allocated and recharged	-8,088	-3,965
	-8,088	***-3,965***
Total	**4,605**	**6,277**

Increase in the general costs is mainly caused by € 1.1m restructuring costs.

The allocation and recharges relates to expenses charged to third parties and allocation of costs to property expenses and development projects.

Employees

During 2016 the legal entity employed an average of 2 persons (2015: 2). The employees worked in the Netherlands.

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

The Supervisory Board members and the members of the Board of Management are considered to be key management personnel.
The remuneration levels were last set at the Extraordinary General Meeting of Shareholders on July 23, 2015.

10. OTHER INCOME AND EXPENSE

Other income and expenses € -9.3m (2015: € 20k) relates to investment and divestment activities, project related and other costs that cannot be directly linked to the operational activities. These costs are partly compensated by other subsidiaries.

11. NET INTEREST

(x € 1,000)	2016	2015
Interest paid	-16,590	-19,579
Amortised costs loans	-1,522	-1,791
Interest charges related to loans	***-18,112***	***-21,370***
Interest addition convertible bonds	-	-1,300
Total interest charges	***-18,112***	***-22,670***
Interest received	***44,986***	***42,220***
Total	**26,874**	**19,550**

During 2016, the range of weighted average interest rates used was 2.0 – 2.2% (2015: 2.2 - 3.2%). The average nominal interest rate at year end 2016 was 1.9% (2015: 2.2%).
The line item 'interest paid' includes costs related to fees paid for undrawn parts of committed financing facilities amounting to € 0.9m (2015: € 1.5m). Interest received relates to loans provided to subsidiaries.

12. OTHER FINANCIAL INCOME AND EXPENSES

(x € 1,000)	2016	2015
Exchange rate differences	6,319	-38,767
Adjustments financial instruments	6,292	-4,802
Total	**12,611**	**-43,569**

13. AUDIT FEES

In 2016 Wereldhave N.V. and its subsidiaries have accounted for the following costs from the Group auditor KPMG (2015: PwC):

(x € 1,000)	2016	2015
Audit of the Annual Accounts	463	436
Other assurance services	19	909
Tax advisory services	11	-
Total	**493**	**1,345**

The other assurance services are in compliance with Dutch Auditor Regulations.

Of the total amount of audit fees € 238k (2015: € 940k) relates to the Netherlands. This consist of an amount of € 227k (2015: € 182k) for the audit of the Annual Accounts and € 11k (2015: € 758k) for other audit activities.

All fees are in compliance with the Dutch Auditor Regulations.

14. MANAGEMENT AND MEMBERS OF THE SUPERVISORY BOARD

For the remuneration of the members of the Board of Management and Supervisory Board reference is made to note 30 in the consolidated annual accounts.

15. RELATED PARTIES

All Group entities are treated as related parties. Reference is made to note 41 in the consolidated annual accounts.

16. CONTINGENCIES

General guarantees as defined in Art. 403, Book 2 of the Dutch civil code is given by the Company for a number of subsidiaries in the Netherlands.

The Company has given guarantees to third parties for Group companies totalling € 34m (2015: € nil). Capital investment commitments amount to € nil as per December 31, 2016 (2015: € nil).

The Company is the head of the corporate income tax and VAT units for which Dutch subsidiaries are also included. The Company is also jointly and severally liable for the tax units as a whole.

17. PROPOSED DISTRIBUTION OF RESULTS

Rules for the distribution of results are set out in Article 25 of the Company's Articles of Association. The preference shareholders have a first call on results in the form of a dividend distribution on the paid-up nominal share value at a percentage rate equal to the twelve-month money market rate (European Interbank Offered Rates), valid for the first exchange day of the financial year concerned plus a surcharge of 1.5%, or if this amount is not available, as much is available from the distributable result. Distribution of the remaining balance available for distribution is determined by the Annual General Meeting of Shareholders.

Proposed distribution of results

It is proposed to distribute to holders of ordinary shares a dividend of € 3.08 per share in cash in order to meet the distribution obligations under Dutch tax law, subject to dividend withholding tax. An interim dividend relating to 2016 of € 0.77 was paid in July 2016, € 0.77 was paid in October 2016 and € 0.77 was paid in January 2017.

(x € 1m)	2016	2015
Profit	100.6	88.6
Payment to holders of ordinary shares	123.9	121.2
Revaluation reserve subsidiaries	27.4	23.4
General reserve	-50.7	-56.0
	100.6	**88.6**

18. EVENTS AFTER BALANCE SHEET DATE

On January 13, 2017, Wereldhave announced a reorganisation in the Group office and the Dutch management organisation.

On 6 February 2017 Wereldhave has refinanced its 2014 € 300m syndicated revolving credit facility with a new € 300m syndicated revolving credit facility maturing February 2022. The 2014 facility was due to expire in March 2019.

Schiphol, February 28, 2017

Supervisory Board	**Board of Management**
J.A.P. van Oosten	D.J. Anbeek
L. Geirnaerdt	R.J. Bolier
G. van de Weerdhof	
J.A. Bomhoff	
H.J. van Everdingen	

KPMG

Independent auditor's report

To: the General Meeting of Shareholders and the Supervisory Board of Wereldhave N.V

Report on the accompanying financial statements 2016

Our opinion

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of Wereldhave N.V. as at 31 December 2016, and of its result and its cash flows for 2016 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Netherlands Civil Code;
- the accompanying company financial statements give a true and fair view of the financial position of Wereldhave N.V. as at 31 December 2016, and of its result for 2016 in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

What we have audited

We have audited the financial statements 2016 of Wereldhave N.V., based in Schiphol. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 December 2016;
2. the following consolidated statements for 2016: the income statement, the statement of comprehensive income, changes in equity and cash flow; and
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1. the company balance sheet as at 31 December 2016;
2. the company income statement for 2016; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

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Basis for our opinion

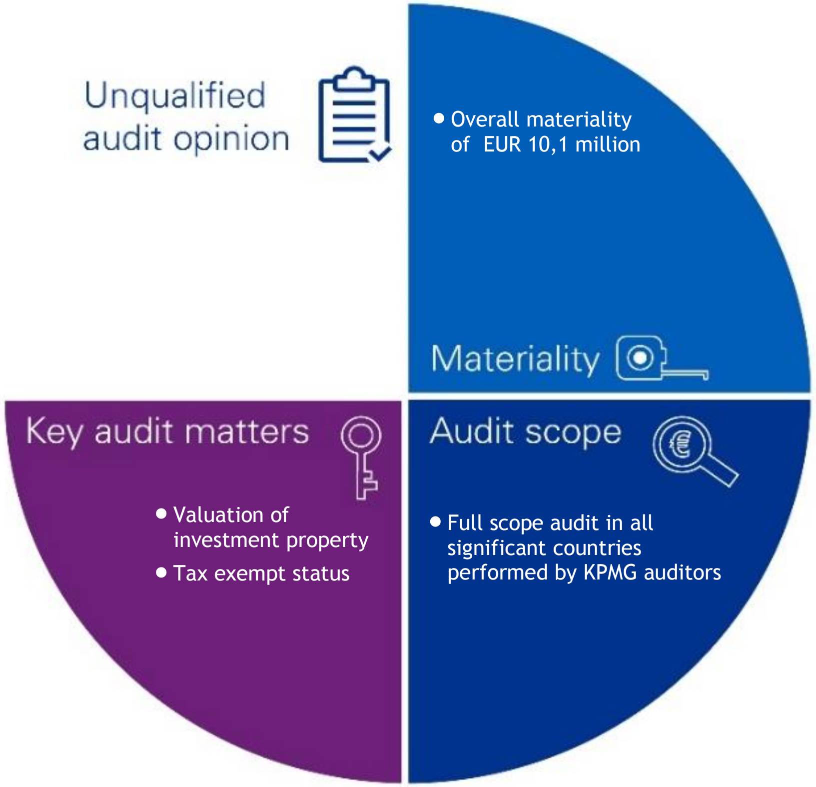
We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the ‘Our responsibilities for the audit of the financial statements’ section of our report.

We are independent of Wereldhave N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Audit approach

Summary



KPMG

Materiality

Based on our professional judgment we determined the materiality for the financial statements as a whole at EUR 10.1 million. The materiality is determined with reference to total shareholders' equity (0.5%). We consider shareholders' equity as the most appropriate benchmark as this benchmark best fits the nature of Wereldhave's operations and is deemed most relevant for the users of the financial statements. For accounts in the income statement related to net result excluding valuation results we determined materiality at EUR 5.3 million. This result is an important additional measure for the performance of the company's current portfolio, excluding the impact of changes in market value of investment property and derivatives.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

We agreed with the Supervisory Board that misstatements which are identified during the audit in excess of EUR 450 thousand for the financial statements as a whole and EUR 240 thousand for accounts related to net result excluding valuation results would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Our audits of the subsidiaries were performed at lower materiality levels that we, based on our judgement, deemed appropriate for the circumstances, having regard to the materiality for the financial statements for the Group as a whole and the reporting structure within the group.

Scope of the group audit

Wereldhave N.V. is head of a group of entities. The financial information of this group is included in the financial statements of Wereldhave N.V.

The group manages its investment property portfolio through its subsidiaries in France, Belgium, Netherlands and Finland. Each of these subsidiaries is individually significant in the context of the group's financial statements and therefore we have used KPMG audit teams in each country to perform an audit of the financial information of the subsidiaries in these countries. The audits performed in these countries covered the entire investment property portfolio and the related net rental income. Given our responsibility for the overall audit opinion, we are responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for subsidiaries to be able to conclude on whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the group financial statements as a whole. As group auditor we were involved in the full-scope audits performed by the auditors of the subsidiaries. Our involvement included the following:

- Issuing detailed audit instructions to subsidiary auditors describing the scope of audit procedure to be performed, our risk assessment, materiality to be applied and reporting requirements.
- Participation in planning discussions with subsidiary auditors.
- Attending conference calls during the audit with respect to relevant audit matters.
- Attending closing meetings at the subsidiaries to discuss relevant audit finding with the subsidiary auditor and local management.
- Follow up on reported audit findings.
- Discussions on the local reporting with country management.
- Reviewed the audit files of all subsidiary auditors and verified that the audit work has been carried out in accordance with our instructions.

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The consolidation of the group, the disclosures in the financial statements and certain accounting topics that are performed at group level are audited by the group audit team. The accounting matters on which audit procedures are performed by the group audit team include, but are not limited to, assessment of the use of the going concern assumption, equity, group financing, derivatives and hedge accounting, assessment of the tax exempt status, employee benefits and claims and litigations.

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the financial statements with 100% coverage of total assets and net result.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment property
Description The valuation of investment property is complex and requires significant judgement, both from management and the external appraisal firms hired by management. The valuation is dependent on valuation techniques using a number of assumptions to determine expected future cash flows and risks. Assumptions include for example developments of market rent levels, vacancy rates, interest rates, maintenance expenses and transfer tax. Due to the significance of investment property (representing 96.3% of total assets) and the estimation uncertainties, we consider this a key audit matter. Refer for the accounting policies to Note 3.8 on the financial statements and the disclosures about the valuation and valuation parameters of investment property in Note 5.
Our response Our audit included a comprehensive assessment of the valuation process with respect to the investment property as at year-end 2016, including testing related internal controls and tests of details at each subsidiary. We have tested the accuracy and completeness of the rent roll data and other property related data used as input for the valuations performed by the external appraisal firms. We have assessed the objectivity, independence and expertise of the external appraisal firms. We tested the valuation techniques applied and challenged the appropriateness of key assumptions in the valuation process such as market rent levels, vacancy rates, interest rates, maintenance expenses and transfer tax. Our challenge was based on our assessment of the historical accuracy of the assumptions in previous periods, our understanding of the market and market developments and a comparison of assumptions and movements therein with publicly available data. We analysed the results of the valuation process and discussed our findings and observations with management and with the appraisal firms. KPMG property valuation experts formed an integral part of our team supporting us with our audit procedures. We have paid attention, to the change in estimate, as disclosed in note 5 of the financial statements. Wereldhave Belgium has changed its estimate in respect of the transfer tax in Belgium from the nominal percentage (10-12,5%) to an effective percentage of 2.5%. Transfer tax is deducted from the value of investment property to determine the fair value. The change of estimate follows a change of management's intention to structure real estate transactions going forward in such a way that a lower effective transfer tax rate is applicable. The change has been discussed by management with the Belgian regulator Financial Services and Market Authority (FSMA). Application of the lower effective transfer tax rate resulted in a valuation gain of EUR 54.9 million. We have discussed the change in estimate with management, analysed the available external legal opinion substantiating the legal and practical feasibility for the required structuring of future

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Valuation of investment property

sales transactions. We have also read the communications with and from the FSMA. We also investigated whether 2.5% is generally being adopted and achieved as effective tax rate by other market participants in Belgium.

We have assessed whether the disclosures relating to investment properties appropriately reflect the exposure to valuation risk, including the valuation methodologies applied and the key assumptions used.

Our observation

Overall we assess that the assumption and related estimates resulted in a balanced valuation of the investment property and we determined that the related disclosures are in accordance with the applicable financial reporting standards. The change in estimate in respect of Belgian transfer tax is sufficiently supported and disclosed.

Tax exempt status

Description

Wereldhave N.V. has a tax exempt status as per article 28 of the Corporate Income Tax law, 1969 in the Netherlands and a similar tax status in Belgium and France. When the conditions are met Wereldhave N.V. is exempt from corporate income tax for the operations. Specific activities such as (re)developments or specific operational activities could have an impact on the tax exempt status. From a financial statements perspective and for the users of these financial statements, compliance to the strict rules is essential to maintain the tax exempt status. The tax exempt status is important to our audit as non-compliance with applicable tax laws and regulations could have a material negative impact on the financial position of the group therefore we consider this a key audit matter.

Our response

We have analysed the requirements for the tax exempt status in the Netherlands, Belgium and France and we evaluated management's assessment whether Wereldhave N.V meets these requirements. We obtained a letter from the company's external fiscal advisor relating to the confirmation of the tax exempt status in each of the respective countries. We discussed the requirements with the Management Board and the tax manager of Wereldhave N.V. We took into consideration the financing structure, dividend policy and operational activities of Wereldhave N.V. We used the expertise of our tax specialists. In addition, we inspected correspondence with the tax authorities, to assess whether Wereldhave N.V, meets the requirements for the tax exempt status.

Our observation

In our view management's assessment on the tax exempt status (see note 2) is sufficient.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- The Management Board's report which includes the results of Wereldhave N.V. including the message of the CEO of Wereldhave N.V. (page 5 to 11, page 86 to 91 and 94 to 103), the strategy (pages 12 to 21), the operations (page 24 to 66), sustainability (page 67 to 85) and governance & risk which includes the supervisory board's report (page 106 to 113), information with regards to remunerations (page 114 to 118) and corporate governance including risk management (page 119 to 136).
- other information pursuant to Part 9 of Book 2 of the Netherlands Civil Code;

Based on the below procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Netherlands Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Netherlands Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management board’s report in accordance with Part 9 of Book 2 of the Netherlands Civil Code and other Information pursuant to Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Engagement

We were engaged by the General Meeting of Shareholders as auditor of Wereldhave N.V. on 22 April 2016, for the audit of the financial year 2016 and have operated as statutory auditor since then.

Description of the responsibilities for the financial statements

Responsibilities of the Management Board of the Company and Supervisory Board for the financial statements

The Management Board of Wereldhave N.V. is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and with Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, the Management Board of Wereldhave N.V.is responsible for such internal control as the Management Board of Wereldhave N.V. determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the Management Board of Wereldhave N.V. is responsible for assessing the company’s ability to continue as a going concern. Based on the financial reporting framework mentioned, the Management Board of Wereldhave N.V. should prepare the financial statements using the going concern basis of accounting unless the Management Board of Wereldhave N.V. either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Management Board of Wereldhave N.V. should disclose events and circumstances that may cast significant doubt on the company’s ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company’s financial reporting process.

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Our responsibilities for the audit of financial statements

Our objective is to plan and perform the audit to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during the audit.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

For a further description of our responsibilities in respect of an audit of financial statements we refer to the website of the professional body for accountants in the Netherlands (NBA) https://www.nba.nl/Documents/Tools%20Vaktechniek/Standaardpassages/Standaardpassage_nieuwe_controletekst_oob_variant_%20Nederlands.docx

Amstelveen, 28 February 2017

KPMG Accountants N.V.

D. Korf RA

GRI G4 INDEX

		Annual report (AR) - (page)	Full / Partial /No disclosure
GENERAL STANDARD DISCLOSURE			
Strategy and Analysis			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-1	Statement from the most senior decision-maker of the organisation.	Page 5-6 - Message of the CEO	Full

Organisational Profile			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-3	Name of the organisation.	Page 3	Full
G4-4	Primary brands, products, and/or services.	Page 14	Full
G4-5	Location of organisation's headquarters.	Page 3	Full
G4-6	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Page 30 ff	Full
G4-7	Nature of ownership and legal form.	Page 119	Full
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Page 30 ff	Full
G4-9	Scale of the reporting organisation.	Page 7	Full
G4-10	Workforce	Page 94	Full
G4-11	Percentage of employees covered by collective bargaining agreements.	25% of employees are covered by collective bargaining agreements (in France)	Full
G4-12	Organisation's supply chain	Page 67	Partial
G4-13	Significant changes during the reporting period regarding size, structure, or ownership.	Page 5 & 24	Partial
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	Page 75 ff	Full
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	Page 77-81	Full
G4-16	Memberships in associations (such as industry associations)	Page 3	Full

GRI G4 INDEX

		Annual report (AR) - (page)	Full / Partial /No disclosure
GENERAL STANDARD DISCLOSURE			
Strategy and Analysis			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-17	List all entities included in organisation's consolidated financial statement.	Page 191	Full
G4-18	Process for defining report content (how applied Principles)	Page 74	Full
G4-19	List all material Aspects identified in the process for defining report content.	Page 74	Partial
G4-20	For each material Aspect, report the Aspect Boundary within the organisation.	Page 74	Partial
G4-21	For each material Aspect, report the Aspect Boundary outside the organisation.	Page 74	Partial
G4-22	Report the effect of any restatements of information provided in previous reports.	Page 74	Partial
G4-23	Report significant changes from previous reporting period in the Scope and Aspect Boundaries	Page 3	Partial

Stakeholder engagement			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-24	Provide a list of stakeholder groups engaged by the Organisation	Page 68-70	Full
G4-25	Basis for identification and selection of stakeholders with whom to engage.	Page 68-70	Full
G4-26	Organisation's approach to stakeholder engagement (including frequency by type and stakeholder group, and any specific to report process)	Page 69-70	Full
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	Page 69-70	Full

GRI G4 INDEX

		Annual report (AR) - (page)	Full / Partial /No disclosure
GENERAL STANDARD DISCLOSURE			
Report Profile			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-28	Reporting period (e.g., fiscal/calendar year) for information provided.	Page 3 ff	Full
G4-29	Date of most recent previous report (if any).	Page 3 ff	Full
G4-30	Reporting cycle (annual, biennial, etc.)	Page 3 ff	Full
G4-31	Contact point for questions regarding the report or its contents.	Page 3	Full
G4-32	Report the 'in accordance' option the organisation has chosen; the GRI Content Index for the chosen option; and reference to the External Assurance Report.	Page 219	Full
G4-33	Organisation's policy and current practice with regard to seeking external assurance for the report.	External assurance for financial performance only - Page 205	No disclosure

Governance			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-34	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	Page 106 ff	Full

Ethics and Integrity			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-56	Description of the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	Page 119 ff	Full

GRI G4 INDEX

		Annual report (AR) - (page)	Full / Partial /No disclosure
SPECIFIC STANDARD DISCLOSURE			
Economic Indicators			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-DMA	Disclosure on Management Approach	Part 2 - page 33	Full
G4-EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Part 1 - page 7-9	Full

Environmental Indicators			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
Energy			
G4-DMA	Disclosure on Management Approach	part 2 - page 33 ff	Full
G4-EN3	Energy consumption within the organisation	part 3 - page 4-7	Full
G4-EN4	Energy consumption outside of the organisation	part 3 - page 4-7	Full
G4-EN5	Energy intensity	part 3 - page 4-7	Full
CRE1	Building energy intensity	part 3 - page 4-7	Full
G4-EN6	Reduction of energy consumption	part 3 - page 4-7	Full
G4-EN7	Reductions in energy requirements of products and services	Part 3 - page 4-7	Full
Water			
G4-EN8	Total water withdrawal by source.	part 3 - page 4, 6	Partial
CRE2	Building water intensity	part 3 - page 4, 6	Full

GRI G4 INDEX

		Annual report (AR) - (page)	Full / Partial /No disclosure
SPECIFIC STANDARD DISCLOSURE			
Environmental Indicators			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
Emissions			
G4-EN15	Direct greenhouse gas emissions (Scope 1)	page 235 ff	Full
G4-EN16	Energy indirect greenhouse gas emissions (Scope 2)	page 235 ff	Full
G4-EN17	Other indirect greenhouse gas emissions (Scope 3)	page 235 ff	Full
G4-EN18	Greenhouse gas emissions intensity	page 235 ff	Full
CRE3	Greenhouse gas emissions intensity from buildings	page 235 ff	Full
CRE4	Greenhouse gas emissions intensity from new construction and redevelopment activity	page 235 ff	Full
G4-EN19	Reduction of greenhouse gas emissions	page 235 ff	Full
Effluents and Waste			
G4-EN23	Total weight of waste by type and disposal method	page 235 ff	Full

Labour practices			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
Employment			
G4-DMA	Disclosure on Management Approach	page 80 ff	Partial
G4-LA1	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	page 224	Full
Occupational health and safety			
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	page 226	Partial

GRI G4 INDEX

		Annual report (AR) - (page)	Full / Partial /No disclosure
SPECIFIC STANDARD DISCLOSURE			
Labour practices			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
Training and education			
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Page 227-228	Full
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender.	Page 228	Full
Diversity and equal opportunity			
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Page 229	Full
Equal remuneration for women and men			
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Page 230	Full

Human Rights Indicators			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
Non-discrimination			
G4-HR3	Total number of incidents of discrimination and corrective actions taken	Page 231	Full

Society indicators			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
Anti-corruption			
G4-DMA	Disclosure on Management Approach	Page 119	Full
G4-SO4	Communication and training on anti-corruption policies and procedures	Page 231	Partial
G4-SO5	Confirmed incidents of corruption and actions taken	Page 231	Full

GRI G4 INDEX

		Annual report (AR) - (page)	Full / Partial /No disclosure
SPECIFIC STANDARD DISCLOSURE			
Product Responsibility Indicators			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
Product and service labelling			
G4-DMA	Disclosure on Management Approach	Page 119	Full
CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment.	Page 218	Full
G4-PR5	Results of survey measuring customer satisfaction	Page 224	Full

APPENDIX
About this report

Qualifying notes Wereldhave 2016 Annual Report

Wereldhave reports its 2016 performance in accordance with the Global Reporting Initiative (GRI) G4 guidelines (Core), GRI Construction and Real Estate Sector Supplement (CRESS) Disclosures document, and the European Public Real Estate Association (EPRA) Best Practice Recommendations on Sustainability Reporting. See a complete overview of the GRI index in the back of the 2016 Annual Report.

Scope environmental reporting

Wereldhave has made considerable steps in monitoring and improving its environmental performance. We have automatic metering systems in place for the majority of our assets, enabling us to accurately monitor and manage the energy consumption of our real estate portfolio. Wereldhave reports the environmental performance of assets that are under its operational management, where data on energy efficiency and resources use can be measured and directly managed. In 2016, the portfolio coverage of our environmental reporting is 96% in gross market value.

For 2016 the absolute data disclosed for all energy and greenhouse gas emissions performance indicators, for which the landlord has control, is for 39 out of 41 properties. The data disclosed for water consumption refers to 38 out of 42 properties and waste figures refers to 37 out of 42 properties. For the like-for-like figures, 27 properties are included for the energy, greenhouse gas data and water and 26 properties included for waste like-for-like figures. The large difference between the coverage rates can be explained by the acquired shopping centres in the Netherlands: These have not been in full ownership for 2015 and are therefore excluded for the like-for-like comparisons. The reported data contains the total landlord obtained energy and water consumed by the properties owned and managed by Wereldhave. All assets which have been acquired divested or under significant (re)development during the reporting period are excluded for like-for-like data. Like-for-like data show the change of an indicator over a two year period with a constant portfolio. It provides the most accurate picture of the environmental performance of our real estate portfolio. Absolute data provides an overview of the environmental impact over 2016. Absolute data is not comparable with our 2015 Annual Report due to significant changes in the portfolio (investments and divestments).

Methodology performance data

Intensity figures are calculated using 'shared services' as numerator and lettable floor area as denominator. These shared services refer to landlord-obtained consumption for common areas and services provided to tenants that do not have sub-meters. Where tenant consumption is sub-metered this is reported separately. Wereldhave acknowledges that the intensity indicator may be affected due to a mismatch between numerator and denominator, as recommended in the EPRA sustainability best practice recommendations. For energy, GHG emissions and water consumption we use a different reporting period for our external reporting as of 2015 compared to previous years, which enables us to report our environmental footprint in a timely manner. Environmental performance indicators are consolidated on a 12 month rolling period rather than on the financial year, as it was the case in our earlier annual reports. For 2015, the reporting period covers a 12 month period, including the fourth quarter of 2014 and the first three quarters for 2015. The same methodology is applicable for 2016.

To measure the environmental performance of our real estate portfolio, we benchmark and report the same performance over a 12 month period, with a 12 month period the year before. like-for-like data are therefore compared to two consistent periods. Like-for-like energy consumption for the shopping centres portfolio for the common areas, decreased with 3.5% over the reporting period. This results in a cumulated decrease of our energy (for the shopping centres portfolio) intensity of 21.2% per m2(like-for-like) between 2013-2016. The GHG intensity decreased with 0.5% per m^2 (like-for-like) in the period 2015-2016 and water consumption decreased by 3.4% per m^2 in 2016 compared to 2015 for our shopping centre portfolio.

Additional notes on environmental impact areas: Energy consumption includes both direct and indirect energy consumption. The direct energy refers to primary source energy which is purchased and consumed on site by Wereldhave (e.g. gas and fuel oil). Indirect energy refers to the energy produced by and purchased from a third party in the converted form of electricity or fluid (e.g. electricity, heating and cooling networks). Emission factors are based upon the information provided by final energy suppliers for electricity and district heating and national emission factors are used for gas consumption. When 2016 conversion factors were not available yet, we have continued to use 2015 data. The carbon emissions relate to the energy consumptions (kWh) reported in the same table. Scope 3 GHG emissions refer to landlord-obtained consumption that is sub-metered to tenants and tenant-obtained energy.

Changes to reporting environmental indicators

Specific changes in reporting concern mainly the inclusion of assets that were previously not owned and managed by Wereldhave. Wereldhave has introduced a new group wide monitoring system developed by a third party to monitor its environmental performance. The majority of assets have smart meters in place to monitor energy and water consumptions. Due to this system, data can be monitored on a higher frequency resulting in data with higher quality. 2015 figures are therefore adjusted following the new system and the figures reported in the 2015 Annual Report. For the reporting period 2015, the consumption data is re-stated in the table above. Following the introduction of this system, some water figures had to be estimated based on previous periods, due to the fact that data was not yet monitored for the full 12 months.

The Netherlands has changed its waste handling company in 2016, which has led to an improved quality on data reported on waste management and higher recycling rates. Changing to this new company, provided challenges to the team to prepare complete and accurate information for the two reporting periods. Where data was incomplete and/or unknown, we have estimated figures based on the previous period. Any significant changes in the actual waste hauled on site in 2016, will be reported in our next external sustainability communications.

SOCIAL INDICATORS 2016

Workforce

WORKFORCE - EMPLOYMENT (G4-10)

	Total	Units	Total	Belgium	Finland	France	Netherlands	Holding
2016	Number of employees year end	in FTE	**209.6**	54.0	17.8	53.0	59.5	25.3
2015	Number of employees year end		**193.1**	47.3	16.0	40.7	61.1	28.0
2016	Part-time employees (less than 80%)	as a %	**0.9**	0.0	0.0	0.0	2.0	3.1
2015	Part-time employees		**5.5**	12.7	0.0	1.9	4.6	3.6
2016	Full time employees		**99.1**	100.0	100.0	100.0	98.0	96.9
2015	Full time employees		**94.5**	87.3	100.0	98.1	95.4	96.4
2016	Employees with fixed contract		**10.9**	3.7	11.2	9.4	17.3	14.2
2015	Employees with fixed contract		**9.2**	5.5	0.0	5.8	14.3	15.4
2016	Employees with permanent contract		**89.1**	96.3	88.8	90.6	82.7	85.8
2015	Employees with permanent contract		**90.8**	94.5	100.0	94.2	85.7	84.6

SOCIAL INDICATORS 2016

Workforce

EMPLOYEES (IN %) SPLIT BY REGION IN 2016

	%
Belgium	26
Finland	9
France	25
Netherlands	28
Holding	12

NUMBER OF FTE BETWEEN 2014-2016

	2016	2015	2014
Number of FTE	209.6	193.1	131.2

PART TIME VERSUS FULL TIME EMPLOYEES

	2016
Part time employees (below 80%)	0.9%
Full time employees (above 80%)	99.1%

TYPE OF EMPLOYMENT CONTRACT

	2016
Fixed contract	10.9%
Permanent contract	89.1%

WORKFORCE - EMPLOYMENT (G4-10)

	2016			2015		
Headcount	**%**	**Male**	**Female**	**%**	**Male**	**Female**
Age group < 30	**12.1**	5	21	**12.0**	7	19
Age group 30-40	**41.4**	30	59	**39.2**	29	56
Age group 40-50	**26.5**	33	24	**27.6**	32	28
Age group > 50	**12.1**	22	21	**21.2**	24	22
Total numbers of employees		90	125		92	125
Employees in senior management (%)		70.0	30.0		73.7	26.3
Annual increase in base salary excluding individual STI (% yoy)	**3.9**	3.0	4.5	**4.8**	5.0	4.6

SOCIAL INDICATORS 2016

Employee turnover

TOTAL NUMBER AND RATES OF NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY AGE GROUP, GENDER AND REGION (G4-LA1)

	2016		2015	
	New hires	Departures	New hires	Departures
Male	22	26	36	10
Female	29	31	58	15
Age group < 30	11	5	13	10
Age group 30-40	16	11	47	5
Age group 40-50	21	24	20	8
Age group > 50	3	17	14	2
Total	**51**	**57**	**94**	**25**

REASONS FOR DEPARTURE

	2016	2015	2014
Resignations	15	5	5
Dismissals	9	0	4
Mutual agreements	16	16	13
Retirements	4	1	1
Departure during probation period	3	0	0
Expiry contacts	9	3	5
Outsourcing	0	0	0
Deaths	0	0	1
Totals	**57**	**25**	**25**
Employee turnover	**26.5%**	**10.5%**	**20.0%**

SOCIAL INDICATORS 2016

G4-LA1 New employee hires

NEW EMPLOYEES HIRED IN 2016 BY GENDER

	%
Male employees	43.1
Female employees	56.9

NEW EMPLOYEES HIRED IN 2016 BY AGE GROUP

	%
Age group < 30	21.5
Age group 30-40	31.4
Age group 40-50	41.2
Age group > 50	5.9

Sickness ratio (G4-LA6)

SICKNESS RATIO AND TOTAL NUMBER OF WORK-RELATED FATALITIES (G4-LA6)

	Total	Belgium	Finland	France	Netherlands	Holding
2016 Sickness ratio (%)	**2.0**	3.3	1.2	3.5	1.2	1.0
2015 Sickness ratio (%)	**3.6**	1.8	1.5	6.0	4.0	4.8
2014 Sickness ratio (%)	**1.8**	1.6	1.8	1.6	1.0	3.7
2016 Work-related fatalities	**0**	0	0	0	0	0
2015 Work-related fatalities	**0**	0	0	0	0	0
2014 Work-related fatalities	**0**	0	0	0	0	0

SOCIAL INDICATORS 2016

Training & Development

AVERAGE HOURS OF TRAINING PER EMPLOYEE, BY GENDER (G4-LA9)

	Total	Belgium	Finland	France	Netherlands	Holding
2016 training hours total	**3,357**	166	70	1543	969	610
2016 training hours per employee	**16**	3.1	3.9	29.1	16.3	24.1
2016 training costs total	**€ 164,149**	€ 18,444	€ 1,412	€ 45,007	€ 61,237	€ 38,049
2016 training costs per employee	**€ 783**	€ 342	€ 79	€ 849	€ 1,030	€ 1,503
2015 training hours total	**3,906**	710	698	552	1,448	500
2015 training hours per employee	**18**	12.9	41	10.6	22.3	17.8
2015 training costs total	**€ 118,015**	€ 14,084	€ 23,226	€ 4,375	€ 49,086	€ 29,077
2015 training costs per employee	**€ 554**	€ 256	€ 1.366	€ 87	€ 755	€ 1,039
2015 Work-related fatalities	**0**	0	0	0	0	0

SOCIAL INDICATORS 2016

Training & Development

TRAINING HOURS SPLIT BY CATEGORY, BY GENDER (G4-LA9)

	2016		2015	
	Male	Female	Male	Female
Educational training	44.9%	55.1%	37.5%	62.5%
Skills & development training	30.4%	69.6%	46.5%	53.5%
Wereldhave training	41.9%	58.1%	38.2%	61.8%
Training workscouncil	60.0%	40.0%	60.0%	40.0%
Training hours per employee	14.8	16.2	17.7	18.3

NUMBER OF TRAINING HOURS SPLIT PER CATEGORY (G4-LA9)

	2016	2015
Educational training	1,967	1,430
Skills & development training	1,162	1,471
Wereldhave training	148	926
Training workscouncil	80	80

% TRAINING HOURS SPLIT PER CATEGORY (G4-LA9)

	2016	2015
Educational training	59%	36%
Skills & development training	35%	38%
Wereldhave training	4%	24%
Training workscouncil	2%	2%

SOCIAL INDICATORS 2016

Employee category

BREAKDOWN OF EMPLOYEES BY EMPLOYEE CATEGORY (G4-LA12)

	2016	2015	2014
Board	2	2	2
Management	18	20	22
Operations (Leasing, Development, Shopping Centre Management)	114	101	90
Staff	81	94	50
Total	**215**	**217**	**164**

G4-LA12 BREAKDOWN OF EMPLOYEES BY GENDER

SENIOR MANAGEMENT SPLIT BY GENDER

	2016	2015	2014
Male employees	70.0%	73.7%	73.9%
Female employees	30.0%	26.3%	26.1%

G4-LA12 BREAKDOWN OF EMPLOYEES BY GENDER AND AGE

	Male	Female
Age group < 30	5	21
Age group 30-40	30	59
Age group 40-50	33	24
Age group > 50	22	21

SOCIAL INDICATORS 2016

Remuneration

RATIO OF BASE SALARY AND REMUNERATION OF WOMEN TO MEN BY EMPLOYEE CATEGORY (G4-LA13)

	2016		2015	
	Male	Female	Male	Female
Management countries (excl managing directors)	58%	42%	59%	41%
Managing Directors	100%	0%	48%	52%
Leasing	53%	47%	53%	47%
Shopping Centre Management	53%	47%	52%	48%
Finance (excl management)	58%	42%	63%	37%
Business Units (Leasing, Development and Shopping Centre Management)	58%	42%	22%	45%
Staff (e.g. Legal, Finance, HR and ICT)	59%	41%	62%	38%

Employee satisfaction

EMPLOYEE SATISFACTION BY ASPECT MEASURED

	2016	2015
Commitment	7.7	7.9
Engagement	7.5	7.7
Role clarity	6.9	6.8
Vitality	7.6	6.8
Work atmosphere	7.7	7.7
Loyalty	n/a	7.8
Response rate	89.5%	87.8%

Incidents of discrimination

TOTAL NUMBERS OF INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS (G4-HR3)

	2016	2015	2014
Number of incidents of discrimination reported	0	0	0

ENVIRONMENTAL INDICATORS 2016

ENVIRONMENTAL PERFORMANCE INDICATORS - RETAIL

	Like for like comparison							
	Belgium		France		Finland		Netherlands	
EPRA Sustainability performance measures	2016	2015	2016	2015	2016	2015	2016	2015
Energy consumption from electricity (GRI: EN4) (kWh)	6,365,813	6,384,189	16,697,896	17,093,367	10,811,365	11,660,402	4,456,450	4,509,695
Electricity exclusively sub-metered to tenants	25,643	31,047	–	–	14,730,471	14,583,085	3,852,296	3,765,068
Total energy consumption from district heating and cooling (GRI: EN4)	–	–	70,100	246,800	14,548,411	13,919,458	–	–
Energy consumption from fuels (GRI: EN3)	3,126,070	3,733,607	265,367	787,634	–	–	2,118,830	2,240,982
Fuels exclusively sub-metered to tenants	309,603	338,774	–	–	–	–	4,431,089	4,436,034
Total energy consumption from all sources	9,827,129	10,487,617	17,033,363	18,127,801	40,090,247	40,162,945	14,858,665	14,951,779
Total direct GHG emissions GHG Protocol Scope 1 (kg CO_2e)	578,323	690,717	21,760	117,330	–	–	453,430	479,570
Total indirect GHG emissions GHG Protocol Scope 2	1,214,356	1,212,150	1,385,701	1,404,471	6,543,726	6,349,030	–	–
Total indirect GHG emissions GHG Protocol Scope 3	62,739	69,286	–	–	986,942	977,067	948,253	949,311
Total direct and indirect GHG emissions (GRI: EN16)	1,855,418	1,972,153	1,407,461	1,521,802	7,530,667	7,326,097	1,401,683	1,428,881
Water consumption for common and private areas (GRI: EN16 partial) (m^3)	22,570	23,397	117,519	125,832	42,072	41,818	24,297	23,675
Water consumption exclusively sub-metered to tenants	38,820	39,268	–	–	–	–	1,182	1,105
Total weight of waste (GRI: EN22) Metric tonnes	1,348	1,339	2,332	2,288	1,953	1,815	659	799
Disposal route (Proportion by weight (%))								
- Reused	0%	0%	n/a	n/a	0%	0%	0%	0%
- Recycled	37.2%	41.8%	n/a	n/a	41.0%	33.1%	23.0%	27.0%
- Landfill facility	36.0%	0.0%	n/a	n/a	0.0%	0.0%	18.0%	17.0%
- Incineration	64.0%	57.9%	n/a	n/a	38.0%	42.1%	59.0%	56.0%
- Composting/ anaerobic digestion facility	0.0%	0.3%	n/a	n/a	20.0%	24.8%	0.0%	0.0%
- Other disposal route	0.0%	0.0%	n/a	n/a	1.0%	0%	0.0%	0.0%

ENVIRONMENTAL INDICATORS 2016

ENVIRONMENTAL PERFORMANCE INDICATORS - RETAIL

	Absolute		Total	
EPRA Sustainability performance measures	**2016**	**2015**	**2016**	**2015**
Energy consumption from electricity (GRI: EN4) (kWh)	45,657,925	46,989,020	38,331,524	39,647,653
Electricity exclusively sub-metered to tenants	21,898,100	21,891,319	18,608,410	18,379,200
Total energy consumption from district heating and cooling (GRI: EN4)	15,089,176	14,567,142	14,618,511	14,166,258
Energy consumption from fuels (GRI: EN3)	7,634,448	9,001,584	5,510,267	6,762,223
Fuels exclusively sub-metered to tenants	6,437,445	6,828,379	4,740,692	4,774,808
Total energy consumption from all sources	96,717,095	99,277,444	81,809,404	83,730,141
Total direct GHG emissions GHG Protocol Scope 1 (kg CO_2e)	1,488,999	1,752,011	1,053,513	1,287,618
Total indirect GHG emissions GHG Protocol Scope 2	9,466,297	9,226,797	9,143,783	8,965,651
Total indirect GHG emissions GHG Protocol Scope 3	2,361,038	2,435,128	1,997,933	1,995,664
Total direct and indirect GHG emissions (GRI: EN16)	13,316,334	13,413,937	12,195,229	12,248,933
Water consumption for common and private areas (GRI: EN16 partial) (m^3)	244,829	251,060	206,458	214,722
Water consumption exclusively sub-metered to tenants	43,461	42,241	40,002	40,373
Total weight of waste (GRI: EN22) Metric tonnes	7,439	7,552	6,293	6,240
Disposal route (Proportion by weight (%))				
- Reused	0.0%	0%	0%	0%
- Recycled	36.7%	34.8%	36.7%	34.8%
- Landfill facility	15.3%	3.4%	15.3%	3.4%
- Incineration	50.3%	50.3%	50.3%	50.3%
- Composting/ anaerobic digestion facility	9.9%	11.5%	9.9%	11.5%
- Other disposal route	0.5%	0.0%	0.5%	0.0%

ENVIRONMENTAL INDICATORS 2016

ENVIRONMENTAL INTENSITY INDICATORS - RETAIL

	Like for like comparison							
	Belgium		France		Finland		Netherlands	
EPRA Sustainability intensity measures	2016	2015	2016	2015	2016	2015	2016	2015
Building energy intensity (GRI-CRESS: CRE1) (kWh/m²/year)	97.4	103.9	72.6	77.3	396.8	397.5	96.8	97.4
(kWh/visitor/year)	0.69	0.73	0.44	0.44	2.32	2.38	0.48	0.47
Greenhouse gas intensity from building energy ($kgCO_2e/m^2/year$)	18.4	19.5	6.0	6.5	74.5	72.5	9.1	9.3
(GRI-CRESS: CRE3) ($kgCO_2e$/visitor/year)	0.1	0.14	0.0	0.04	0.44	0.43	0.04	0.05
Building water intensity (GRI-CRESS: CRE2) (litre/m²/year)	608.2	620.8	501.0	536.4	416.4	413.9	166.0	161.4
Total energy consumption from all sources (litre/visitor/year)	4.3	4.4	3.0	3.1	2.4	2.5	0.8	0.8

	Absolute		Total	
EPRA Sustainability intensity measures	2016	2015	2016	2015
Building energy intensity (GRI-CRESS: CRE1) (kWh/m²/year)	107.9	110.8	138.6	141.9
(kWh/visitor/year)	0.62	0.65	0.81	0.81
Greenhouse gas intensity from building energy ($kgCO_2e/m^2/year$)	15	15	20.7	20.8
(GRI-CRESS: CRE3) ($kgCO_2e$/visitor/year)	0.09	0.09	0.12	0.12
Building water intensity (GRI-CRESS: CRE2) (litre/m²/year)	321.7	327.3	417.7	432.3
Total energy consumption from all sources (litre/visitor/year)	1.9	1.9	2.4	2.5

ENVIRONMENTAL INDICATORS 2016

ENVIRONMENTAL PERFORMANCE INDICATORS - OFFICE

	Absolute		Like for like comparison				Total	
			Belgium		Finland			
EPRA Sustainability performance measures	2016	2015	2016	2015	2016	2015	2016	2015
Energy consumption from electricity (GRI: EN4) (kWh)	7,018,349	7,526,818	6,916,443	7,401,635	101,906	125,183	7,018,349	7,526,818
Electricity exclusively sub-metered to tenants	4,339,692	4,433,396	4,339,692	4,433,396	–	–	4,339,692	4,433,396
Total energy consumption from district heating and cooling (GRI: EN4)	313,444	391,880	–	–	313,444	391,880	313,444	391,880
Energy consumption from fuels (GRI: EN3)	5,536,024	5,256,845	5,536,024	5,256,845	–	–	5,536,024	5,256,845
Fuels exclusively sub-metered to tenants	–	–	–	–	–	–	–	–
Total energy consumption from all sources	17,207,509	17,608,939	16,792,159	17,091,876	415,350	517,063	17,207,509	17,608,939
Total direct GHG emissions GHG Protocol Scope 1 (kg CO_2e)	1,024,164	972,516	1,024,164	972,516	–	–	1,024,164	972,516
Total indirect GHG emissions GHG Protocol Scope 2	1,494,908	1,741,687	1,473,202	1,576,548	21,706	165,139	1,494,908	1,741,687
Total indirect GHG emissions GHG Protocol Scope 3	924,354	944,313	924,354	944,313	–	–	924,354	944,313
Total direct and indirect GHG emissions (GRI: EN16)	3,443,427	3,658,517	3,421,721	3,493,378	21,706	165,139	3,443,427	3,658,517
Water consumption for common and private areas (GRI: EN16 partial) (m^3)	22,085	30,316	20,384	28,641	1,701	1,675	22,085	30,316
Water consumption exclusively sub-metered to tenants	–	–	–	–	–	–	–	–
Total weight of waste (GRI: EN22) Metric tonnes	192	236	192	236	–	–	192	236
Disposal route (Proportion by weight (%))								
- Reused	0%	0%	0%	0%			0.0%	0.0%
- Recycled	36.0%	41.8%	50.0%	41.8%			36.0%	41.8%
- Landfill facility	0.0%	0.0%	0.0%	0.0%			0.0%	0.0%
- Incineration	64.0%	57.9%	50.0%	57.9%			64.0%	57.9%
- Composting/ anaerobic digestion facility	0.0%	0.3%	0.0%	0.3%			0.0%	0.3%
- Other disposal route	0.0%	0.0%	0.0%	0.0%	n/a	n/a	0.0%	0.0%

ENVIRONMENTAL INDICATORS 2016

ENVIRONMENTAL INTENSITY INDICATORS - OFFICE

	Absolute		Like for like comparison				Total	
			Belgium		Finland			
EPRA Sustainability performance measures	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
Building energy intensity (GRI-CRESS: CRE1) (kWh/m²/year)	212.6	217.6	214.2	218.0	164.4	204.7	212.6	217.6
Greenhouse gas intensity from building energy (kgCO_2e/m²/year) (GRI-CRESS: CRE3)	42.5	45.2	43.6	44.6	8.6	65.4	42.5	45.2
Building water intensity (GRI-CRESS: CRE2) (litre/m²/year)	272.9	374.6	260.0	365.3	673.5	663.1	272.9	374.6

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Colophon
Concept, design & realisation
C&F Report in cooperation with Share Enterprise