



**WERELDHAVE**

# Update first quarter 2014

Schiphol, April 25, 2014



## Summary

Wereldhave is well on track in achieving its strategic objectives for 2014:

- Occupancy in the shopping centre portfolio improved slightly to 98.5%, particularly due to new lettings in the Netherlands, and is above the targeted 98%.
- Like-for-like rental growth of the retail portfolio is expected to be at least 140 bps above indexation.
- General costs are expected to remain at the targeted € 14m for 2014.

The decline in the direct result from net rental income due to property disposals in 2013 will be more than compensated by acquisitions, the completion of developments and a positive like-for-like rental growth in 2014. For 2014, Wereldhave expects a direct result above the 2013 direct result per share of € 3.30.

## Samenvatting

Wereldhave is goed op weg om de strategische doelen voor 2014 te behalen:

- De bezettingsgraad van de winkelcentra portefeuille verbeterde tot 98,5%, vooral door nieuwe verhuringen in Nederland, en ligt daarmee boven de doelstelling van 98%.
- De Like-for-like (LFL) huurgroei zal naar verwachting ten minste 140 basispunten boven indexatie liggen.
- De beheerkosten zullen naar verwachting op de doelstelling blijven van € 14m voor 2014.

De daling in het directe resultaat door lagere netto huurinkomsten als gevolg van verkopen, zal in 2013 meer dan worden gecompenseerd door aankopen, de oplevering van ontwikkelingsprojecten en een positieve LFL huurgroei. Voor geheel 2014 verwacht Wereldhave een direct resultaat dat hoger is dan het directe resultaat over 2013 van € 3,30 per aandeel.

## Operations

Gross rental income for the first three months of 2014 amounted to € 31.0m, a decrease of 28.7% compared to the same period in 2013. The decrease is mainly due to disposals in the United States, the United Kingdom and the Netherlands, which will impact mainly Q1 2014. The disposals were partly offset by the acquisition of two shopping centres in the Netherlands (De Vier Meren in Hoofddorp and De Koperwiek in Capelle aan den IJssel) during the first quarter of 2014.

### Occupancy

% / €m	Occupancy (%)			Portfolio Value*	
	Q1 2014	Q4 2013	Budget FY	Q4 2013	
Belgium	98.5%	99.2%	99.0%	381	19.6%
Finland	99.2%	99.4%	98.0%	482	24.8%
Netherlands	98.0%	97.0%	97.0%	679	34.8%
<b>Shopping centres</b>	<b>98.5%</b>	<b>98.4%</b>	<b>98.0%</b>	<b>1,542</b>	<b>79.2%</b>
Belgium	93.6%	91.8%	91.1%	126	6.5%
Paris	99.0%	99.0%	99.0%	187	9.6%
Spain	80.7%	81.0%	90.3%	91	4.7%
<b>Offices &amp; Other</b>	<b>92.3%</b>	<b>91.7%</b>	<b>94.0%</b>	<b>404</b>	<b>20.8%</b>
<b>Total portfolio</b>	<b>97.0%</b>	<b>96.6%</b>	<b>96.8%</b>	<b>1,946</b>	<b>100.0%</b>

\* Valuation value, based on year-end valuations. Q1-14 acquisitions for net acquisition values

The EPRA occupancy rate increased to 97.0% as at 31 March 2014 (31 December 2013: 96.6%). Due to lettings in the Netherlands, occupancy in the shopping centre portfolio improved slightly to 98.5%. A 100 bps increase in the Netherlands more than compensated a slightly lower occupancy in Finland and Belgium. Occupancy of the offices and other portfolio improved to 92.3% (December 31, 2014: 91.7%).

### LFL net rental growth

Overall LFL growth of the retail portfolio is at or above the increased target of 140 bps above indexation. Positive developments in Finland and Belgium are compensating below target LFL growth in the Netherlands. The overall LFL growth of the offices and other portfolio is also positive, especially due to recent lettings in Belgium, a stable occupancy of 99% in Paris and good letting results in Planetocio, Madrid.

### General costs

General costs for the first quarter are in line with the budgeted € 14m for the full year 2014.

## Investment Portfolio

During the first quarter, Wereldhave acquired two shopping centre in the Netherlands. In Hoofddorp Wereldhave acquired the Vier Meren shopping centre and a department store for € 147.5m on January 31, 2014 and in Capelle aan den IJssel, Wereldhave became the single owner of De Koperwiek shopping centre for € 60.1m on March 11, 2014.

During the second quarter, Wereldhave reached agreement for the acquisition of 3 retail units (long term leases with C&A, Bristol and Miss Etam) directly adjacent to the Roselaar shopping centre for € 9.8m at a NIY of 7%. This transaction will be completed in April 2014. This acquisition enables Wereldhave to further improve the lay-out and tenant mix of the centre and expands Wereldhave's reach on the Roosendaal retail environment.

In France, on February 5, 2014, Wereldhave completed the sale of the Joinville office development. The property was completed and transferred to the buyer for € 91m, nearly 30% above cost.

## Development pipeline

Committed (in €m)	Total investment	Capex (net) so far	Capex spent 2014	Expected NIY	Percentage prelet	Completion
Ghent (BEL)	15	15	4	6,5%	90%	Q2 2014
Itis (FIN)	102	83	5	7,0%	88%	Q4 2014
Issy-Les-Moulineaux (Noda, FR)	138	118	5	7,0%	65%	Q4 2014
Genk (BEL)	86	63	8	6,5%	68%	Q4 2014
Dutch redevelopment program (NL)	79	8	7	5,9%		Q1 2016
Dutch refurbishment capex	30	3	3	-		Q1 2016
<b>Total</b>	<b>450</b>	<b>290</b>	<b>32</b>			

The student homes project in Ghent is pre-let to a student housing organisation, a Quick restaurant and a fitness centre. Albert Heijn opened a new supermarket of 1.100 m<sup>2</sup> on April 9, 2014 and a lease with a well-known drugstore will bring pre-letting to 90%. Completion of the development is scheduled for the second quarter.

Works for the renovation (11,400 m<sup>2</sup>) and expansion (11,800 m<sup>2</sup>) of Genk Shopping 1 are proceeding as scheduled and project costs are within budget. The first phase of the expanded parking garage was completed in December 2013 and the new Carrefour supermarket of 6,000 m<sup>2</sup> opened its doors in April 2014. Preletting is at 68% with a year-end 2014 target of 75%-80%.

The redevelopment of the Itis shopping centre in Finland continues according to schedule. Works commenced on the final project, the refurbishment of the former Stockmann store of 12,000 m<sup>2</sup> that was vacated in December 2013 in connection with the opening of the New Stockmann store on the former Piazza. Visitor numbers of Itis are increasing. A lease was signed with Gigantti for an electronics store on the -1 level and the exterior of the shopping centre at Ground floor. Zara has agreed to open a flagship store of 2,800 m<sup>2</sup>.

The Dutch shopping centre plans have been presented during a Capital Markets Day, held on April 15, 2014. Works have commenced in De Eggert, De Rooselaar, Etten-Leur and Koningshoek. A total of 19,100m<sup>2</sup> floor space and € 4.9m of rent will be added to these centres, an investment volume of € 79m at an expected NIY of 6%. In addition, approximately € 30m will be spent in order to improve the look & feel of the shopping centres.

## Financing

On March 28, 2014, Wereldhave has signed a €300m syndicated revolving credit facility agreement with a syndicate of banks, refinancing a €270m facility due to expire mid-2015. As a result, Wereldhave extended its average maturity of available credit lines, decreased its average cost of debt and reduced the cost on undrawn commitments due to lower margin.

Nominal interest bearing debt was € 821m at 31 March 2014, which together with a cash balance of € 88m gives a net debt of € 733m. Total borrowing capacity amounted to € 388m and the Loan to value ratio (based on Dec 2013 portfolio valuations) increased to 31.6% (December 31, 2013: 27.4%). The 4.2% increase can be attributed to the acquisition of two Dutch shopping centres (+6.8%), the disposal of Joinville (-3.2%) and capex, development projects and other items (+0.7%). As at 31 March 2014 the EPRA NAV per share (based on the December 31, 2013 valuations) was € 66.19 and the average cost of debt and ICR were 2.7% and 7.4 respectively.

Schiphol, April 25, 2014  
Wereldhave N.V. Board of Management

### Conference call / webcast

The update for the first quarter of 2014 will be explained during a conference call, to be held today at 15:00 CET. A live webcast will be available at [www.wereldhave.com](http://www.wereldhave.com). Questions may also be asked by e-mail.

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### About Wereldhave

Wereldhave is a Dutch listed property investment company. Wereldhave invests in shopping centres in North-West Europe that are top-of-mind in their catchment areas. Wereldhave focuses on 'Convenient shopping': shopping centres with good accessibility that provide a broad offer of 90% of the retail needs, with easy and social shopping, fully embedded food and beverage functions and a mix of strong (inter)national tenants. Wereldhave also invests in sustainable offices in Paris. [www.wereldhave.com](http://www.wereldhave.com)