MANAGEMENT SUMMARY

ANNUAL REPORT 2015

WERELDHAVE

OUR REPORTING STRATEGY

This Annual Report is divided into three parts, which together form the integrated Annual Report 2015. It will be published in digital form only on the Company's website www.wereldhave.com.

MANAGEMENT SUMMARY

The highlights and a summary of the key items.

ANNUAL REPORT

The report from the Board of Management for the year 2015, the property portfolio overview, the financial statements and the report from the Supervisory Board.

PERFORMANCE INDICATORS

Detailed tables on our social and environmental performance.

READ THE
REPORT

READ THE
INDICATORS

OUR REPORTING FRAMEWORK

Four reporting topics

STRATEGY

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

OPERATIONS

How our shopping centres performed in 2015.

SUSTAINABILITY

A framework that is fully integrated in our business strategy.

RESULTS

Our financial, environmental and societal results in 2015.

BRINGING PEOPLE **TOGETHER**

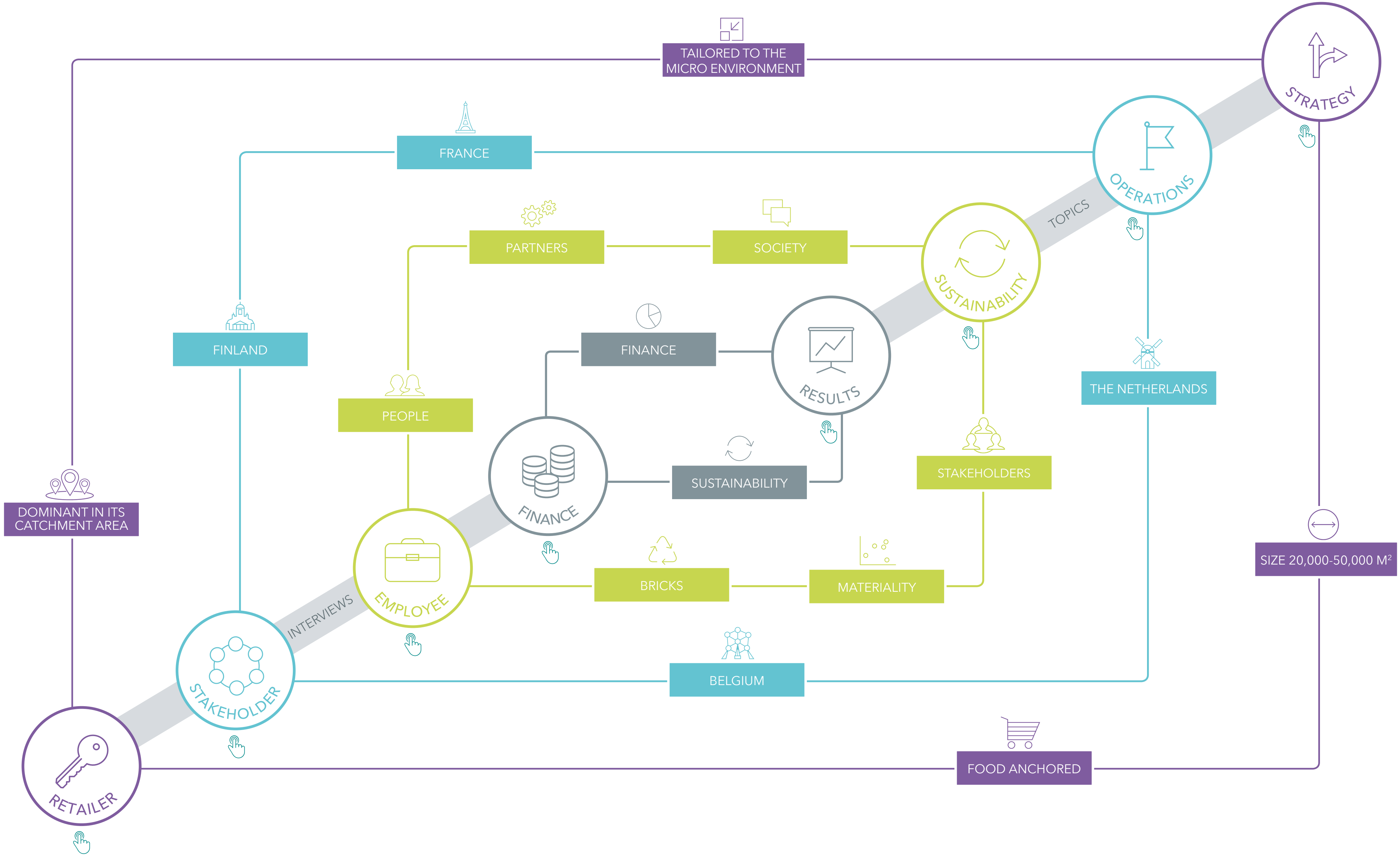
Wereldhave believes in shopping centres that bring people together.

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 meaningful 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.

BRINGING PEOPLE **TOGETHER**



MESSAGE FROM THE CEO

Focus on operations

The year 2015 not only marked our 85th anniversary, but also the end of a three years transformation. The Company is now much more focused. The transformation started in 2012 with the Derisk phase of our strategy. Main achievements were the exit from the USA and the UK. The Regroup phase was executed in 2013 and 2014. We created a strong operational platform around convenient shopping centres in stable continental European countries and disposed of our Spanish portfolio. As part of derisking and regrouping, we shifted debt funding from variable to fixed interest rates, whilst remaining the benchmark in the sector for low cost of debt.

This solid operational platform laid a strong fundament for expansion in France and the Netherlands. We also sharpened the focus of our portfolio by disposing of our French offices portfolio in 2015. I am happy to announce that we have now completed this three year journey of transformation. We have reached or even exceeded our targets. We have turned into an operating company and we are now, at the beginning of 2016, a solid real estate platform.

In France, we delivered a stable occupancy of 91% for our new French retail portfolio (€ 850m) and achieved the targeted NRI of € 46m, even during the build-up phase of our French retail organisation. I am proud of the team we established in France and I am confident that we can improve our retail business in France from 2016 onwards. The disposal of our French offices portfolio for € 401m, well above book value, marked the end of a successful 30 year period of office developments in Paris under the management of Michel Janet.

We also performed well in the Netherlands, as we smoothly absorbed and integrated a new portfolio (€ 770m), nearly doubling in size and also welcoming 24 new colleagues. Our solid platform will enable us to improve occupancy of the nine new shopping centres, while keeping the existing portfolio at the strong 98% occupancy.

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Our Belgium and Finnish teams also did a good job, in spite of the challenging macro- (Finland) or micro- (Genk) business environment.

This all contributed to our strong EPS growth of 9%, from € 2.97 to € 3.23 per share and a dividend increase from € 2.87 in 2014 to € 3.01 in 2015, a solid 5% growth.

We will continue to invest in our portfolio, to make our shopping centres the ideal combination of convenient shopping and social experience. Leasing and operations are the core of our business, supported by dedicated value add developments and marketing efforts. This is why we will continue to transform from asset manager towards a retail operator with a thorough understanding of our clients, the tenants and visitors of our shopping centres.

Changes in tenant profiles will further accelerate and product life cycles will continue to shorten. I am however confident that by understanding and working from the perspective of the visitors and tenants of our shopping centres, we will be able to provide solid cash flows and dividend returns. For 2016 we anticipate an EPS growth of 6-9% (direct result) from our current portfolio.

I would particularly like to thank our loyal shareholders, who have allowed us to raise another 15% equity. We are fully aware that during our transformation the number of shares in issue nearly doubled from 22 million to 40 million. This is why our focus in 2016 will be on our organization, operations and capital recycling, with the appointment of a COO and a seasoned HR director. A rebalanced compact Group staff will focus on operational delivery, the very essence of our company.

Lastly, our sustainability efforts did pay off by another GRESB Green Star and entrance in the DJSI Europe Index. Our sustainability framework is fully in support of our operations. By investing in our shopping centres and providing events and facilities to local communities, we will lay the foundations for continuous growth in footfall in our centres. We are dependent on partnerships on all levels and a strict retail planning from the local governments to counter the social erosion and increasing disparity in our cities. This is a clear and present threat for long term prosperity in our societies and I am truly committed to the future of our cities, their cohesion and social stability.

I would like to thank all stakeholders for their cooperation and all employees for their commitment and energy in 2015. I am looking forward to create a constructive and improving climate in 2016 together.

Let's do the right things and do the things right.

Schiphol, February 25, 2016
Dirk Anbeek

HIGHLIGHTS 2015

TRANSITION COMPLETED
focus on mid-sized shopping centres in northwest continental Europe

SALE
of French offices portfolio

ACQUISITION
of 9 Dutch shopping centres

LONG-TERM
funding secured

KEY PERFORMANCE INDICATORS

OPERATIONS

	2015	2014
Net rental income (in € millions)	184.7	114.8
Like-for-like rental growth (in %)	1.7	3.6
Occupancy retail portfolio (in %)	93.8	93.9
Visitors (in millions)	156.5	153.7
Leasing activities	489	296

RESULTS & FINANCE

	2015	2014
Total result (in € millions)	103.8	26.9
Direct result (in € millions)	133.7	85.7
Indirect result (in € millions)	- 29.9	- 58.8
Direct result per share (in €)	3.23	2.97
NAV per share (EPRA) (in €)	52.1	54.35
Dividend proposal per share (in €)	3.01	2.87
Property investment portfolio* (in € millions)	3,659.3	3,238.3
Equity** (in € millions)	2,015.1	1,823.4
Nominal interest bearing debt (in € millions)	1,514.7	1,251.0
LTV (Loan-To-Value) (in %)	37.5	35.4

* Including lease incentives

** Excluding minority interest

OUTLOOK 2016

Compounded Average Growth of EPS	Between 6 - 9%
Pay-out ratio	93%

PROFILE - VISION - MISSION

PROFILE

Wereldhave, established in 1930, is a Dutch property investment company. Wereldhave invests in convenience shopping centres in the larger provincial cities in northwest continental Europe.

Shares in Wereldhave are listed on the NYSE 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 C.V.A. Wereldhave Belgium S.C.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.

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 is changing continuously and dominance and convenience of shopping locations are key. 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 activity.

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 shopping centres.

MISSION

Wereldhave's mission is to own and operate shopping centres to realise solid long term societal and financial returns for all stakeholders.

KEY FIGURES 2011-2015

RESULTS (in € millions)

	2011	2012	2013	2014	2015
Net rental income	128.7	107.7	99.9	114.8	184.7
Result	51.3	– 98.4	50.0	26.9	103.8
Direct result	106.3	84.9	81.3	85.7	133.7
Indirect result	– 55.0	-183.3	– 31.2	-58.8	-29.9

NUMBER OF SHARES

	2011	2012	2013	2014	2015
At 31 December 31	21,679,608	21,679,608	21,679,608	35,020,921	40,270,921
Average during the year	21,593,238	21,678,608	21,679,608	25,384,336	37,690,510

BALANCE SHEET (in € millions)

	2011	2012	2013	2014	2015
Investments*	2,875.0	2,087.8	1,745.2	3,238.3	3,659.3
Development projects	227.9	240.0	413.2	43.9	66.2
Equity	1,591.9	1,378.8	1,349.4	1,823.4	2,015.1
Interest bearing debt	1,289.1	1,288.8	680.7	1,251.0	1,510.0

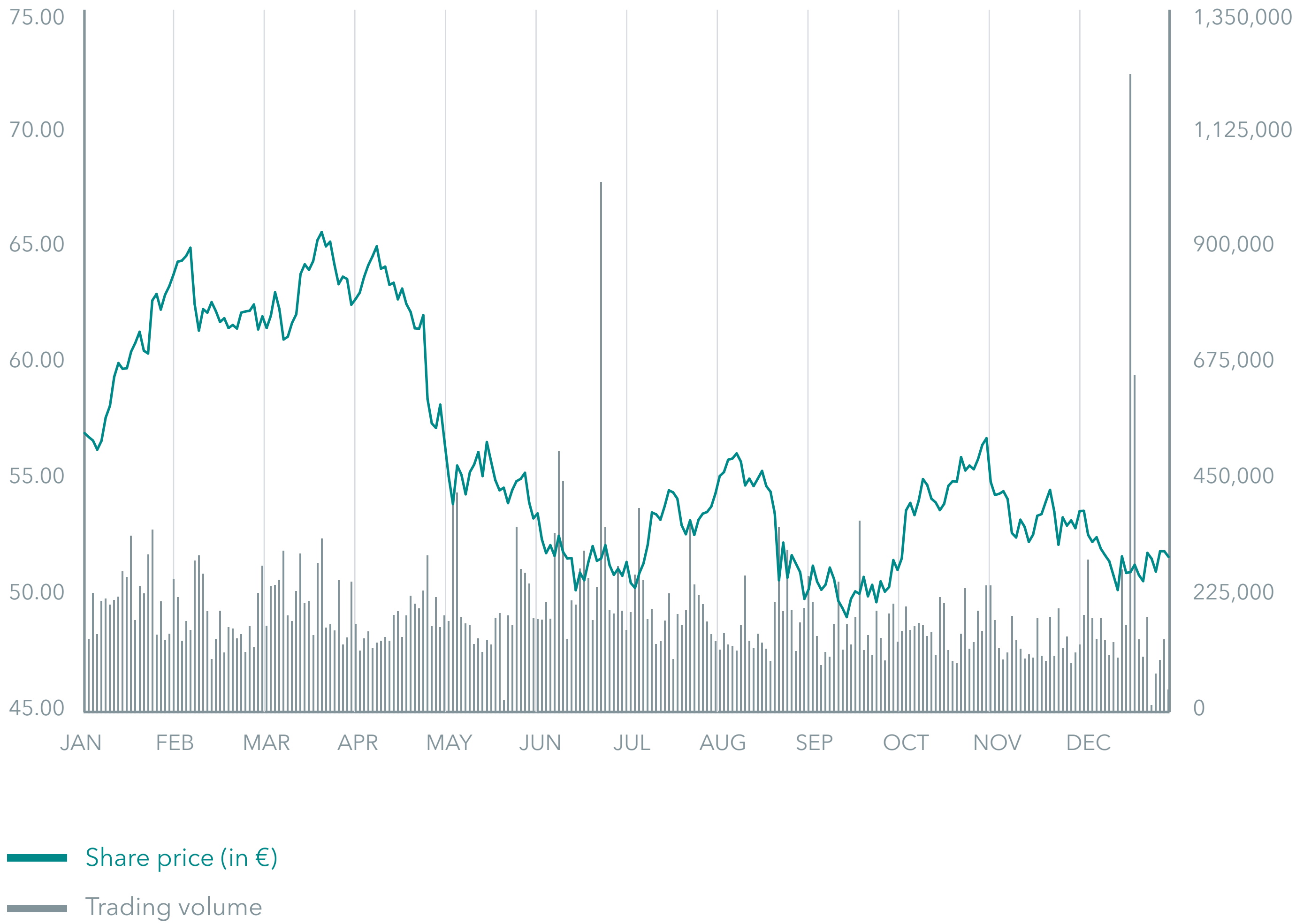
* Including lease incentives

SHARE DATA (in €)

	2011	2012	2013	2014	2015
NAV	63.75	55.20	54.02	52.07	50.05
EPRA NAV	66.32	57.57	56.41	54.35	52.10
Direct result	4.28	3.39	2.86	2.97	3.23
Indirect result	– 2.21	– 7.33	–1.28	– 2.38	-0.88
Dividend	4.09	2.87	2.87	2.87	3.01
Pay-out	96%	85%	100%	97%	93%
Result per share	2.07	–3.94	1.58	0.59	2.35

THE SHARE

SHARE PRICE AND TRADING VOLUME 2015

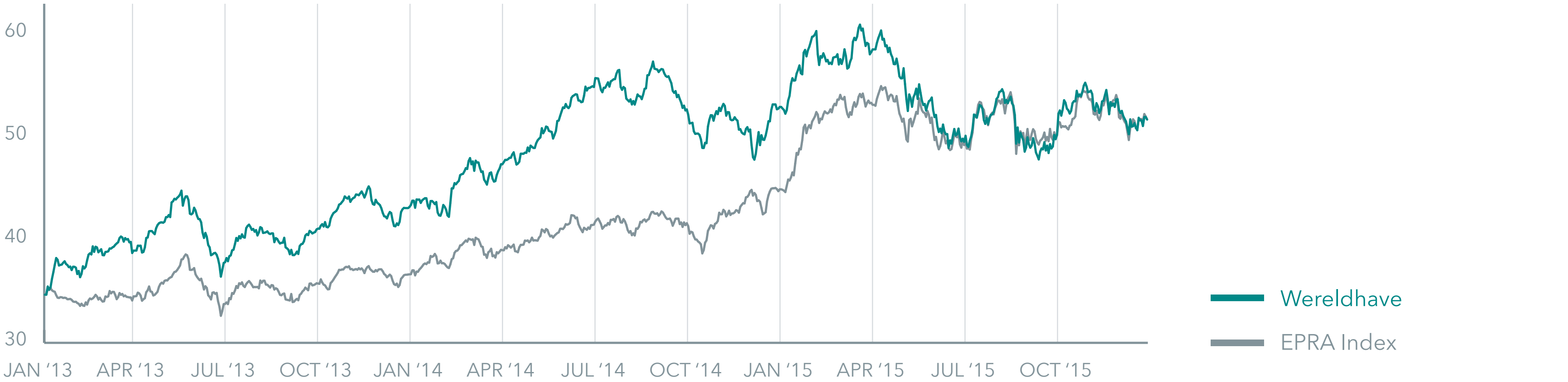


FINANCIAL CALENDAR

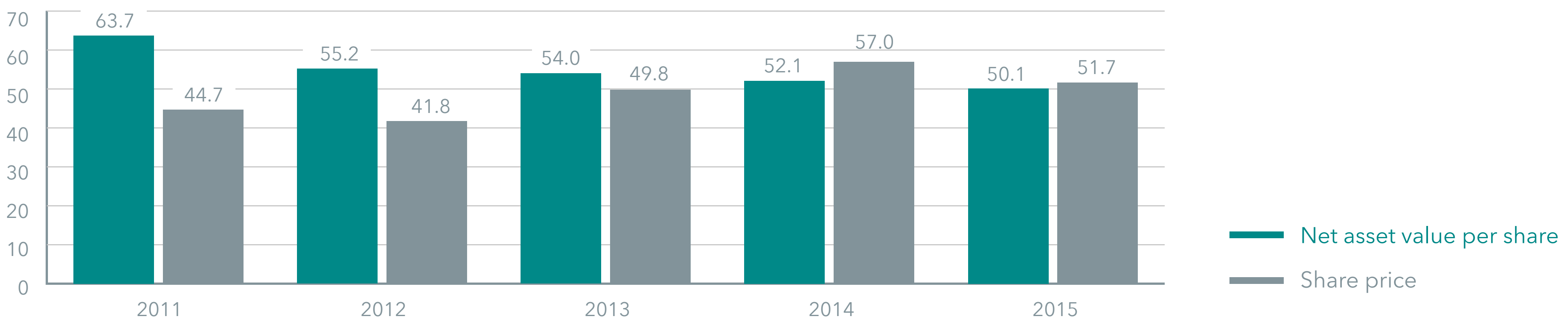
February 4, 2016	Results 2015
March 11, 2016	Convocation AGM
March 25, 2016	Record date AGM
April 22, 2016	AGM, Hilton Amsterdam, 11.00h CEST
April 26, 2016	Ex-dividend final dividend 2015
July 21, 2016	Interim statement 2016
July 26, 2016	Ex-dividend interim #1 2016
October 25, 2016	Ex-dividend interim #2 2016
January 24, 2017	Ex-dividend interim #3 2016
April 21, 2017	AGM, Hilton Amsterdam, 11.00h CEST
April 25, 2017	Ex-dividend final dividend 2016

THE SHARE

EPRA INDEX COMPARED TO WERELDHAVE STOCKPRICE (3 years in € millions)



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



INTERVIEW STAKEHOLDER

Jacky Prudhomme, BNP Paribas Investment Partners

'We consider Wereldhave as a best performer among its European peers.'

BNP Paribas Investment Partners is one of the world's leading asset managers, with significant exposure to the real estate sector. Wereldhave is part of their portfolio selection for some time now. Jacky Prudhomme, Head of Environmental, Social and Governance (ESG) Integration. 'Wereldhave's CSR strategy is consistent with our own assessment of this sector's ESG challenges.'

'In 2012, our Executive Committee decided to focus solely on Responsible Asset Management,' Prudhomme says. 'Being a responsible investor is an ambition embedded in our Corporate Social Responsibility (CSR) policy. It is based on two pillars: what we are and what we do, meaning: in which parties we will invest.'

Value creation

This focus is not just because BNP Paribas Investment Partners wants to meet the needs and requirements of its clients. 'We are convinced that Environmental, Social and Governance integration helps reduce investments' risks exposure. Even more, it is a source of value creation. The BNP Paribas Group is highly committed to sustainable development, so it fits the company's philosophy as well.'

Current total sustainable assets under management equal € 19 billion, half of them consisting of mandates. Prudhomme: 'We experience a strong and steady demand from institutional investors as well as retail clients. The integration of ESG metrics in traditional mainstream investments is also expanding.'

How does the company select the right investment partners? 'In 2013, we launched an ambitious ESG integration strategy. A dedicated team of ESG analysts, using a proprietary sector-based methodology, screens investment universes and generates SRI (Sustainable Responsible Investments) buy lists. Traditionally they exclude about one third of the companies because they are lagging in terms of ESG for best in class funds. We also have developed a range of SRI thematics funds, one of them specifically addressing sustainability in the real estate sector. We use benchmarks like GRESB and we also exchange information with companies to assess their relative performance on energy management, emissions, sustainable certifications and resources management.'

Clear focus

Wereldhave is one of the companies BNP Paribas Investment Partners has selected to invest in. 'We value the company's clear focus on the four pillars Bricks, People, Partners and Society, as well as the implementation of 12 sustainability targets. This strategy is consistent with our own assessment of the sector main ESG challenges.

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Interview stakeholder
Jacky Prudhomme, BNP Paribas Investment Partners

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Positive result is that Wereldhave was able to improve its energy consumption and greenhouse gas emissions between 2013 and 2014. Their reporting scope is qualitatively high and transparent.'

'Wereldhave is one of the companies BNP Paribas Investment Partners has selected to invest in.'

However, Prudhomme sees room for progress. 'Wereldhave could improve the coverage of BREEAM (Building Research Establishment Environmental Assessment Methodology) certification across its portfolio. As an example, we have already seen companies that manage to influence their tenants' behavior by implementing a bonus/malus strategy according to their energy consumption management.

It would also be interesting to have more information about Wereldhave's strategy to develop the use of renewable energies for its buildings, about plans for generating income by becoming an energy producer plugged to the smart grid. Moreover, we start to see companies within the peer group taking actions towards biodiversity conservation, which may represent a competitive advantage on a long-term basis. These are further improvements by which the company could lead the real estate pack, as we already consider Wereldhave as a best performer among its European peers, demonstrating a significantly over-the-average environmental performance compared with the other companies in the sector.'

HIGHLIGHTS 2015

2015

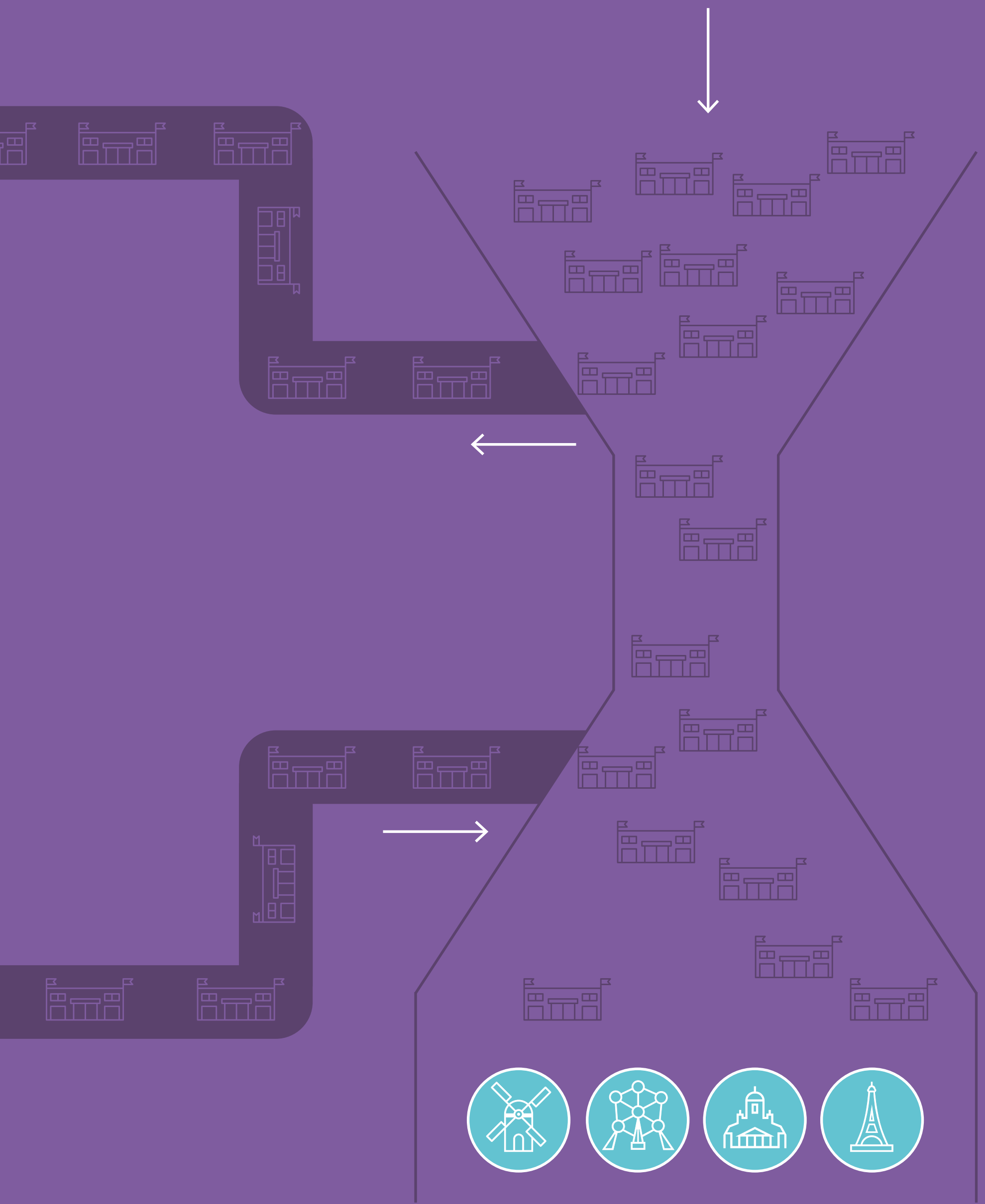
- **12 JAN** Completion acquisition Kortrijk Ring Shopping Noord
- **11 FEB** Public Offering Wereldhave Belgium
- **24 MAR** Start construction retail park Tournai
- **24 APR** AGM Wereldhave NV
- **7 MAY** Payment dividend 2014
- **17 JUN** USPP € 211m
- **24 JUN** Agreement on acquisition nine shopping centres in NL
- **26 JUN** ABB Equity Issue Wereldhave NV
- **23 JUL** EGM Wereldhave NV
- **31 JUL** Announcement exit Paris office market
- **26 AUG** Completion acquisition nine shopping centres in NL
- **2 SEP** GRESB Green Star
- **10 SEP** Inclusion DJSI Europe Index
- **29 SEP** Disposal Carré Vert Paris
- **15 OCT** Disposal Noda Paris
- **6 NOV** Payment of interim dividend 2015
- **14 DEC** USPP € 86m
- **14 DEC** Disposal Le Cap Paris

2016

STRATEGY

READ THE REPORT

Strategic focus



Wereldhave is a specialist owner and operator of dominant mid-sized shopping centres in larger provincial cities in continental Western Europe. We operate in the Netherlands, Belgium, France and Finland.

SIZE 20,000 - 50,000 M²

We focus on shopping centres in size between 20,000m² to 50,000m² GLA.

FOOD ANCHORED

Our shopping centres are food anchored; our centres offer 1 or 2 supermarkets, together with local fresh food specialists (e.g. bakery, fishmonger, butcher).

DOMINANT IN ITS CATCHMENT AREA

Our centres are dominant in their catchment area; they are top-of-mind for consumers.

TAILORED TO THE MICRO ENVIRONMENT

Tenants, events and marketing are tailored to the characteristics of the local environment.

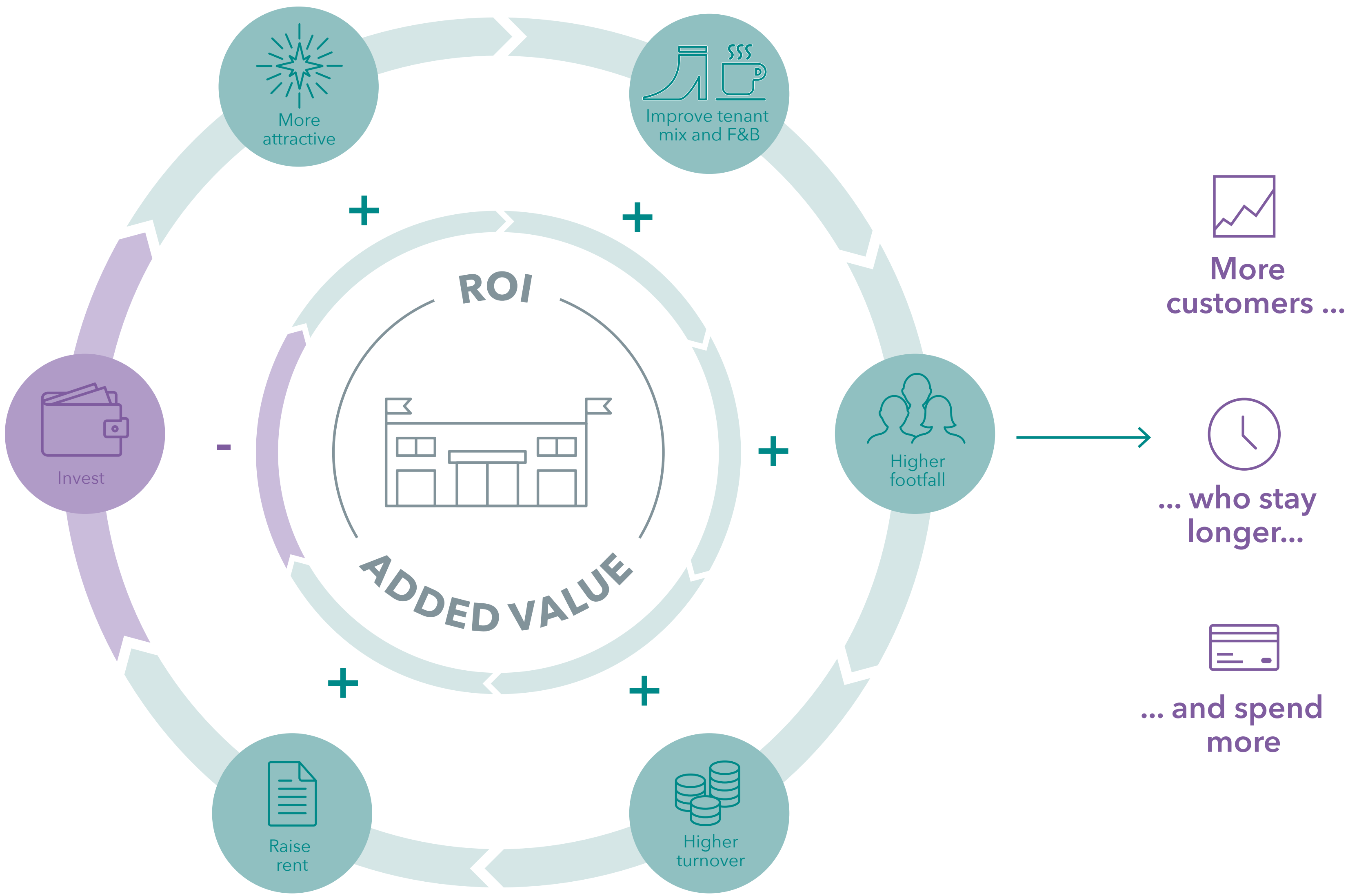
Our centres are conveniently close, with ease of access and limited travel time. The retail offer of a typical Wereldhave shopping centre covers 90% or more of the day-to-day shopping needs.

Our centres must be food anchored, preferably with two 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. Each of our centres are generally considered to be the dominant centre in their respective trade areas. Being the dominant centre creates natural footfall as it faces controllable competition. The catchment area should comprise of at least 100,000 people within 20 minutes driving time.

We tailor our shopping centres to the local environment. Our shopping centres must play a meaningful role for the community they are serving. We 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.

SHOPPING CENTRE MANAGEMENT MODEL

Strategic focus

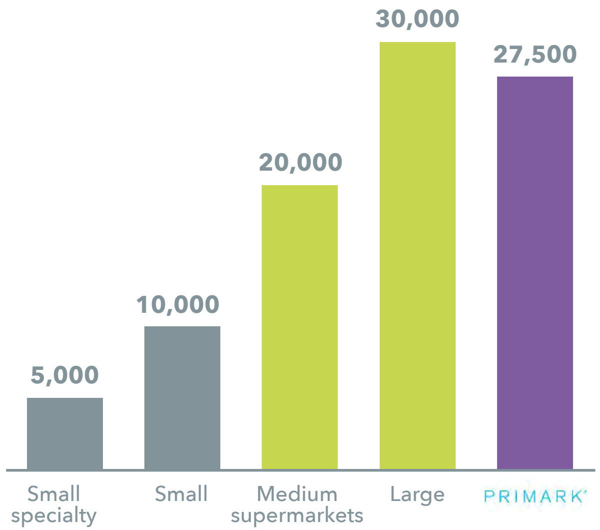


BENEFITS OF CONVENIENCE SHOPPING

Strategic focus

DRIVES FOOTFALL

Footfall # per week[1]



Focus on supermarkets that attract similar footfall to premium stores.

1 Based on footfall figures for the Netherlands

RESILIENT THROUGH THE CYCLE

The Netherlands[2]

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

2 Total sales (including grocery and non-grocery) through food retail formats

EFFECT FROM E-COMMERCE

Wereldhave categories in portfolio[3]

Food	17%
Services	6%
F&B	6%
Internet resilient	**29%**
Fashion & accessories	29%
Health & beauty	10%
Homeware & household	8%
Sport	2%
Omni channel	**49%**
Multimedia & electronics	13%
Department & variety	3%
Shoe & leatherware	6%
Internet risk	**22%**

- Daily groceries account for ~35% of all tenant categories[4]
- Groceries are considered most E-commerce defensive of all retail types

3 Based on Dutch shopping centres
4 Daily groceries include food, health & beauty and homeware & household products

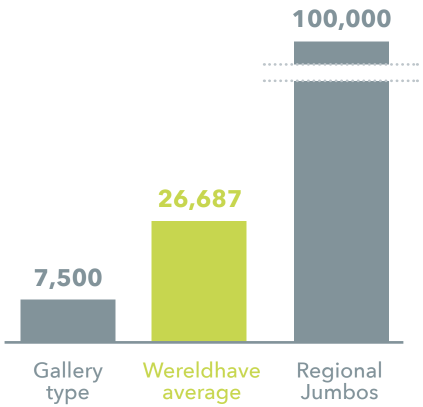
DOMINANT IN THEIR CATCHMENT AREA

Strategic focus

GAIN MARKET SHARE IN THE MICRO ENVIRONMENT

BETWEEN 20,000 AND 50,000 M²

m² GLA per shopping centre



MINIMUM SIZE

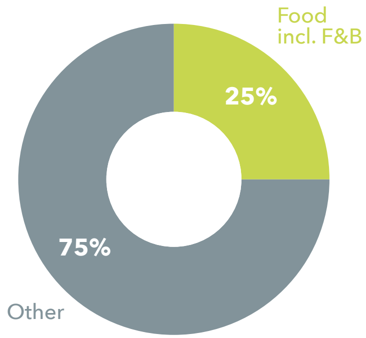
Minimum size required to offer 90% of shopping needs

RETAIL MIX

Mix of (inter)national retailers and local heroes (eg specialist bakery, best fish shop in town, etc.)

FOOD ANCHORED

Average GLA split[1]



SUPERMARKET PRESENCE

32 out of 35 shopping centres have at least 1 supermarket

INTERNET RESILIENT

Internet resilient as online impact on groceries is very limited

DOMINANT IN ITS CATCHMENT AREA

Catchment area >100,000 inhabitants within 20 min. drive time

THE DOMINANT CENTRE

Generally the dominant centre in their respective trade areas

NATURAL FOOTFALL

Natural footfall as it faces controllable competition

TAILORED TO THE MICRO ENVIRONMENT

Socio-demographic adaptation

LEASING STRATEGY

Leasing strategy tailored to the micro environment

CATCHMENT AREA'S DEMOGRAPHICS

Marketing and operations adapted to the catchment area's demographics

1 Based on the Dutch portfolio

SUPERVISORY BOARD REPORT

READ THE REPORT

Summary

In Wereldhave's two tier management structure, 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. The Supervisory Board consists of Mr Joop van Oosten (Chairman), Mr Joost Bomhoff (Vice Chairman), Mr Bert Groenewegen, Mrs Femke Weijtens and Mr Herman van Everdingen. The Board has two standing committees, an Audit Committee and a Remuneration- and Nomination Committee.

Key items of attention of the Supervisory Board in 2015 were the integration of the French portfolio that was acquired in December 2014, the acquisition of nine shopping centres in the Netherlands in August 2015 and the related equity issue, the divestment of the French offices portfolio and a new remuneration policy for the Board of Management.

Following the acquisition of six shopping centres in France on December 18, 2014, a dedicated French shopping centre portfolio management organisation was set up in 2015. The progress was discussed with the Supervisory Board on a quarterly basis. The French management organisation was completed during the third quarter of 2015 and is now headed by Eric Damiron, who joined the ranks of Wereldhave on June 1, 2015. CEO Dirk Anbeek acted as interim country director for France during the first five months of 2015.

The opportunity to acquire a portfolio of nine shopping centres in the Netherlands was first presented to the Supervisory Board in April 2015. Further discussions were held in three meetings of the Board, including various financing scenarios. The Supervisory Board approved of the equity issue. In view of the market circumstances the Board supported the Board of Management's decision to temporarily accept an increase in the LTV to above 40%, with the sale of the French offices portfolio that brought the LTV at year-end to below 40%.

In 2015, Wereldhave further sharpened its profile as a predominant investor in convenience shopping centres in northwest continental Europe, which now account for 97% of the total portfolio. The Supervisory Board approved the proposals of the Board of Management to divest the French offices portfolio and to cease offices investment activities in France. The offices were sold during the third and fourth quarter of the year, bringing the LTV back in the range of 35-40%. The Supervisory Board wishes to thank Michel Janet, Managing Director of Wereldhave France, for the great job he did during his 30 year tenure at our Company.

A topic that took much consultation was the proposal to amend the remuneration policy. Several shareholders had commented the initial proposal that was submitted for the AGM on April 24, 2015, as it was insufficiently aligned to shareholders. The proposal was subsequently withdrawn and a new proposal was drafted, following extensive further stakeholder consultations. The new remuneration policy was adopted at the EGM of July 23, 2015, with effect from January 1, 2015. It contains a three years TSR performance correction mechanism and a shareholding guideline of 2.5x base salary. In 2017 Mr Anbeek's term will expire. The Board intends to propose the reappointment of Mr Anbeek at the Annual Meeting of Shareholders in 2017.

For further information on the activities of the Supervisory Board, please see part 2 of this Annual Report. The Board would like to express its gratitude to the Board of Management for their achievements in transforming the Company into a pure retail player, well positioned for growth in EPS and dividend. The Board also thanks all employees for their relentless efforts to the success of the company.

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

MESSAGE FROM THE CFO

The transformation period of Wereldhave is now well behind us

2015 has been an interesting year on the macro-economic front. There has been the quantitative easing by the ECB in the beginning of the year with massive purchases of government and corporate bonds which saw interest rates falling to historic lows. This was followed by the Greek debt situation that created a lot of turbulence in the equity markets which lasted throughout the summer. The oil price has been coming down throughout the year and the shine has come off the emerging markets with concerns about growth.

These macro-economic factors have relatively small effect on the performance of our shopping centres and 2015 has seen solid performance in all our existing countries, while meeting targets in our new retail market France as communicated at the time of acquisition in October 2014. We are firmly on track to continue this performance.

In June we announced the acquisition of nine shopping centres in the Netherlands. In order to finance this expansion, we raised € 250m equity through an Accelerated Book Build (ABB). The book was oversubscribed in a matter of hours. We decided to launch the ABB in a difficult period in the middle of the Greek debt discussion as we believed that waiting would be too risky and we wanted to confirm our LTV target of below 40%. Given the difficult situation we decided to raise 15% equity instead of our initial plan of 20% and to supplement this by selling 3 Paris offices in a favourable market. We concluded these divestment the 3rd quarter and raised € 401m, well above the December 2014 book value.

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CFO Message
Robert Bolier

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The interest rate development gave us opportunities and in May we raised € 211m in the US private placement market for 12.3 years at a cost of 2.4%. In the second half of the year we signed a € 75m bank loan for 5 years at just over 1% and in December we concluded a further US private placement of € 86m, for 10 years at 2.9%. This funding follows our policy of fixing interest rate for as long as possible at attractive costs.

We ensure that all debt has Euro risk, either directly denominated in Euro or swapped for the duration of the loan. Our average interest rate at the end of 2015 is 2.2%, one of the lower rates in our sector. We have obtained a Moody's Baa1 rating. This will give us opportunities to enter the Eurobond market on the medium to longer term.

During the year we reconfirmed our risk management process and our internal control framework and ensured that this is of the right quality for the organisation we have created. This is of course an ongoing process.

The Finance function clearly has a role to support the leasing and operational teams in their drive to grow occupancy and like-for-like rental income within the appropriate control framework. PwC has been our well respected auditor for many years, but due to new legislation it was time to rotate. After an efficient tender process with high quality proposals and meetings with the proposed teams, KPMG was selected in close cooperation with the audit committee. I would like to thank PwC for their cooperation.

'While the transformation period of Wereldhave is now well behind us, it was good to see that our Investor Relation activities were appreciated throughout this period by winning the Dutch Nevir IR award 2015 for midcap company.'

While the transformation period of Wereldhave is now well behind us, it was good to see that our Investor Relation activities were appreciated throughout this period by winning the Dutch Nevir IR award 2015 for midcap company.

I would like to thank all our stakeholders such as our employees, tenants, USPP investors, banks, analysts, convertible bond holders and shareholders for their commitment in 2015.

In 2016, we will continue to perform according to our guidance.

Schiphol, February 25, 2016
Robert Bolier

OPERATIONS

READ THE REPORT

READ THE REPORT

READ THE REPORT

READ THE REPORT

THE NETHERLANDS

20

SHOPPING CENTRES

Tilburg

BELGIUM

8

SHOPPING CENTRES


Nivelles

FINLAND

1

SHOPPING CENTRE


Helsinki

FRANCE

6

SHOPPING CENTRES


Rouen

KEY FIGURES
Shopping Centre Operations

	TOTAL GROUP		THE NETHERLANDS		BELGIUM		FINLAND		FRANCE	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Like-for-like rental growth (as a %)	1.8	3.6	1.3	1.0	1.8	3.2	2.3	6.7	n.a.	n.a.
Occupancy (as a %)	93.8	93.9	95.3	98.0	94.9	94.6	92.5	92.1	91.1	91.2
Visitors (in millions)	156.6	113.5	81.5	38.8	17.4	17.1	16.9	16.3	40.8	41.3
Acquisitions (in € millions)	790.9	1,209.6	778.0	237.6	-	113.2	11.2	-	1.7	858.8

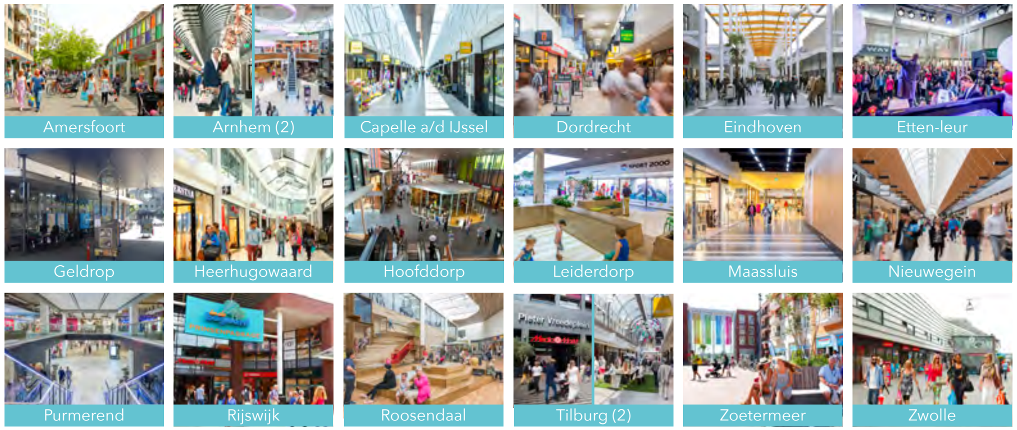
THE NETHERLANDS

Shopping Centre Operations

KEY ECONOMIC PARAMETERS

(European economic forecast autumn 2015)

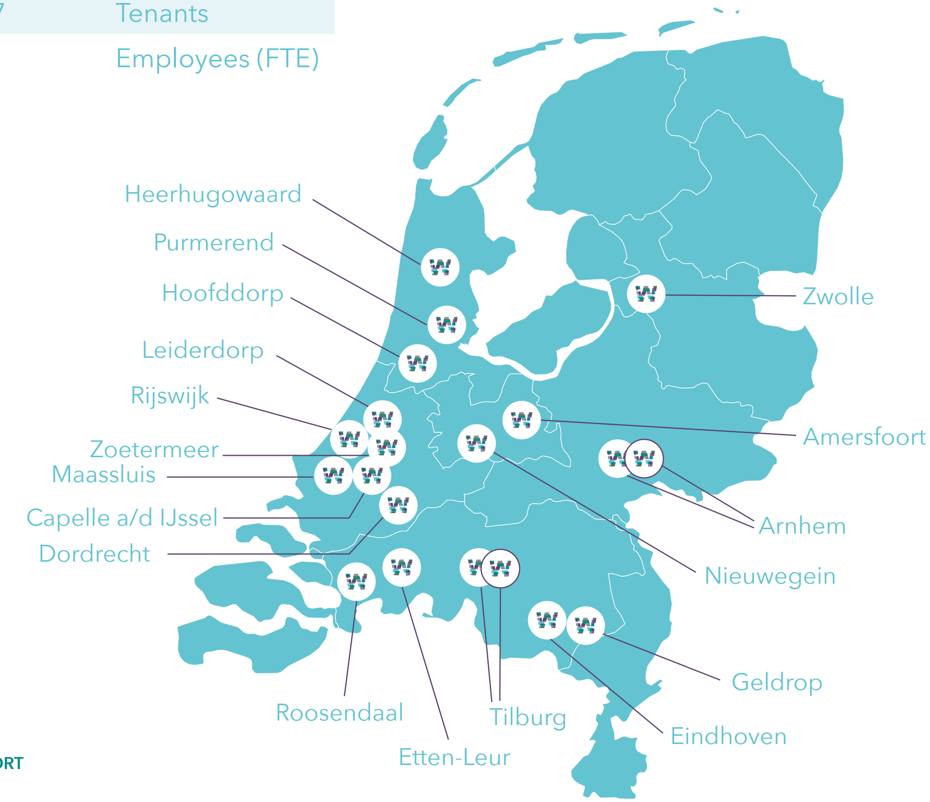
	2014	2015	2016	2017
GDP growth, %, yoy	1.0	2.0	2.1	2.3
Inflation, %, yoy	0.3	0.2	1.2	1.5
Unemployment (as a %)	7.4	6.9	6.6	6.3
Private consumption	0.0	1.7	2.1	2.4



READ THE REPORT

LOCATIONS

372,207	m² shops
1,290	Retail units
1,127	Tenants
46.3	Employees (FTE)



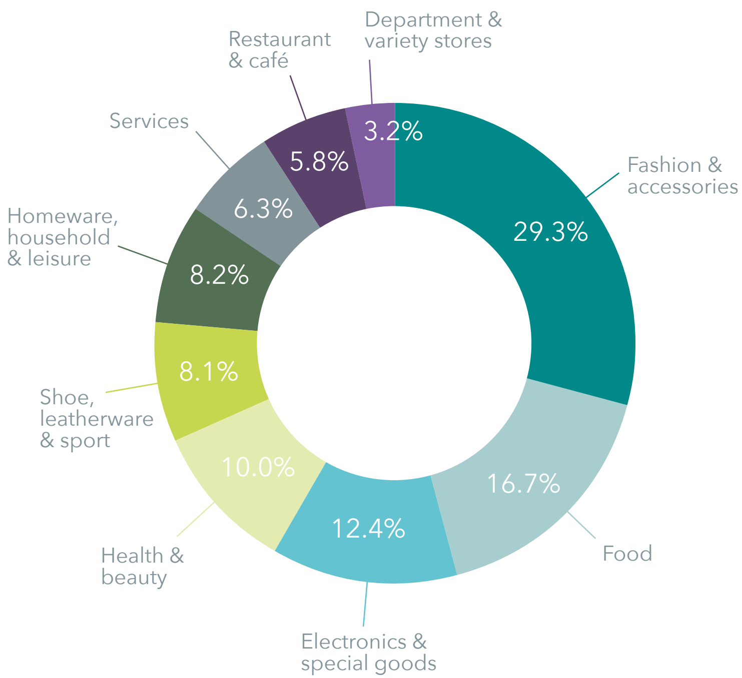
THE NETHERLANDS PERFORMANCE

Shopping Centre Operations

KEY DATA

	2015	2014
Net rental income (in € millions)	54.7	38.9
Occupancy (as a %)	95.3	98.0
Investments properties market value (in € millions)	1,457.7	697.0
Investment properties under construction (in € millions)	25.7	18.1
Acquisitions (in € millions)	778.0	237.6
NIY (as a %)	5.8	5.8
EPRA NIY (as a %)	5.6	6.0

TENANT MIX



TOP 10 TENANTS

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

BELGIUM
Shopping Centre Operations

KEY ECONOMIC PARAMETERS
(European economic forecast autumn 2015)

	2014	2015	2016	2017
GDP growth, %, yoy	1.3	1.3	1.3	1.7
Inflation, %, yoy	0.5	0.6	1.7	1.5
Unemployment (as a %)	8.5	8.6	8.4	7.9
Private consumption	0.4	2.0	0.7	1.0


Tournai

Genk


Genk


Gent


Kortrijk

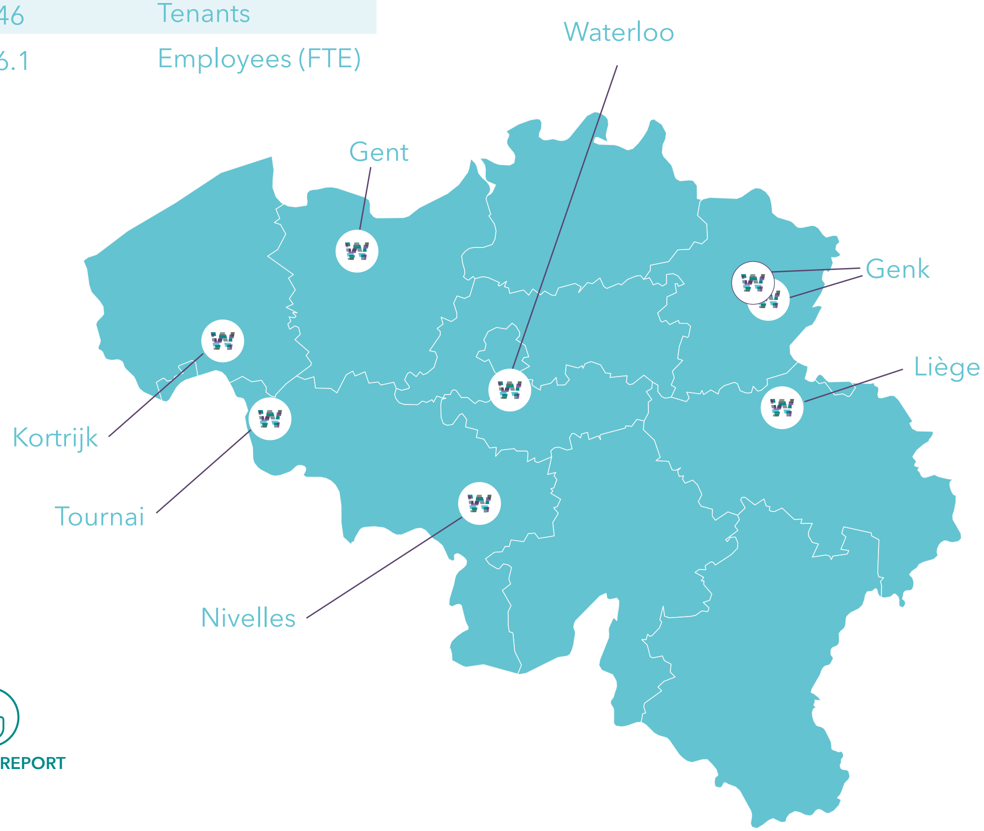

Liège


Nivelles


Waterloo

LOCATIONS

138,628	m^2 shops
481	Retail units
446	Tenants
46.1	Employees (FTE)



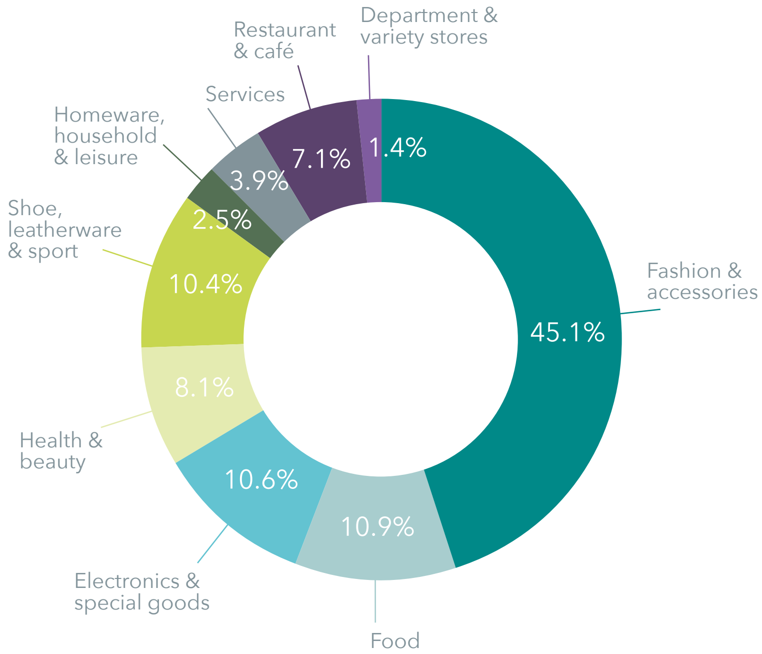
READ THE REPORT

BELGIUM PERFORMANCE
Shopping Centre Operations

KEY DATA

	2015	2014
Net rental income (in € millions)	35.7	28.0
Occupancy (as a %)	94.9	94.6
Investments properties market value (in € millions)	607.7	597.0
Investment properties under construction (in € millions)	40.6	25.8
Acquisitions (in € millions)	-	113.2
NIY (as a %)	5.9	5.8
EPRA NIY (as a %)	5.6	5.7

TENANT MIX



TOP 10 TENANTS

1. Hennes & Mauritz
2. Carrefour
3. C&A
4. Delhaize Group
5. Excellent retail brands
6. A.S. Watson Group
7. Sportsdirect.Com
8. Hema
9. Cassis
10. Redisco

FINLAND
Shopping Centre Operations

KEY ECONOMIC PARAMETERS
(European economic forecast autumn 2015)

	2014	2015	2016	2017
GDP growth, %, yoy	-0.4	0.3	0.7	1.1
Inflation, %, yoy	1.2	- 0.2	0.6	1.5
Unemployment (as a %)	8.7	9.6	9.5	9.4
Private consumption	0.5	0.7	0.5	0.6


Helsinki

READ THE REPORT

LOCATIONS

94,000	m^2 shops
201	Retail units
192	Tenants
18.3	Employees (FTE)

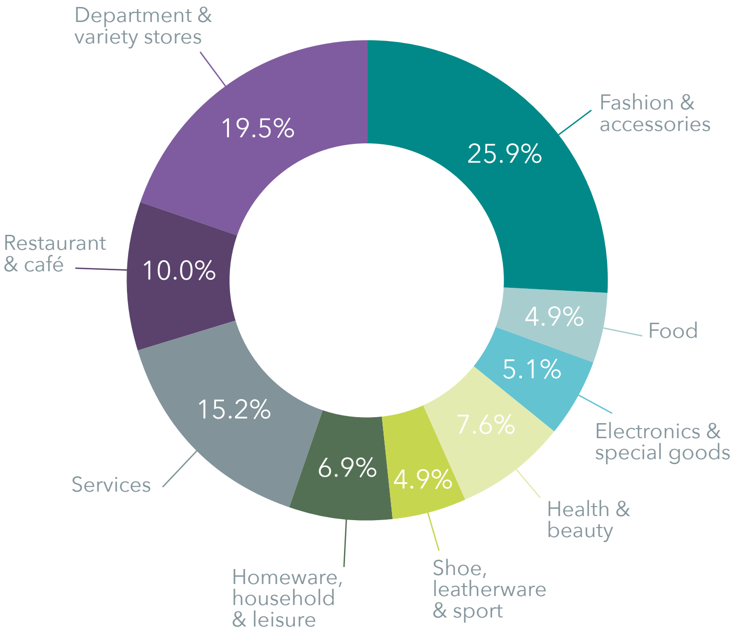
FINLAND PERFORMANCE

Shopping Centre Operations

KEY DATA

	2015	2014
Net rental income (in € millions)	28.6	27.9
Occupancy (as a %)	92.5	92.1
Investments properties market value (in € millions)	616.0	605.0
Investment properties under construction (in € millions)	-	-
Acquisitions (in € millions)	11.2	-
NIY (as a %)	4.7	4.6
EPRA NIY (as a %)	4.7	5.2

TENANT MIX



TOP 10 TENANTS

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

FRANCE

Shopping Centre Operations

KEY ECONOMIC PARAMETERS

(European economic forecast autumn 2015)

	2014	2015	2016	2017
GDP growth, %, yoy	0.2	1.1	1.4	1.7
Inflation, %, yoy	0.6	0.1	0.9	1.3
Unemployment (as a %)	10.3	10.4	10.4	10.2
Private consumption	0.6	1.7	1.7	1.4

Argenteuil


Bordeaux


Le Havre

Rouen

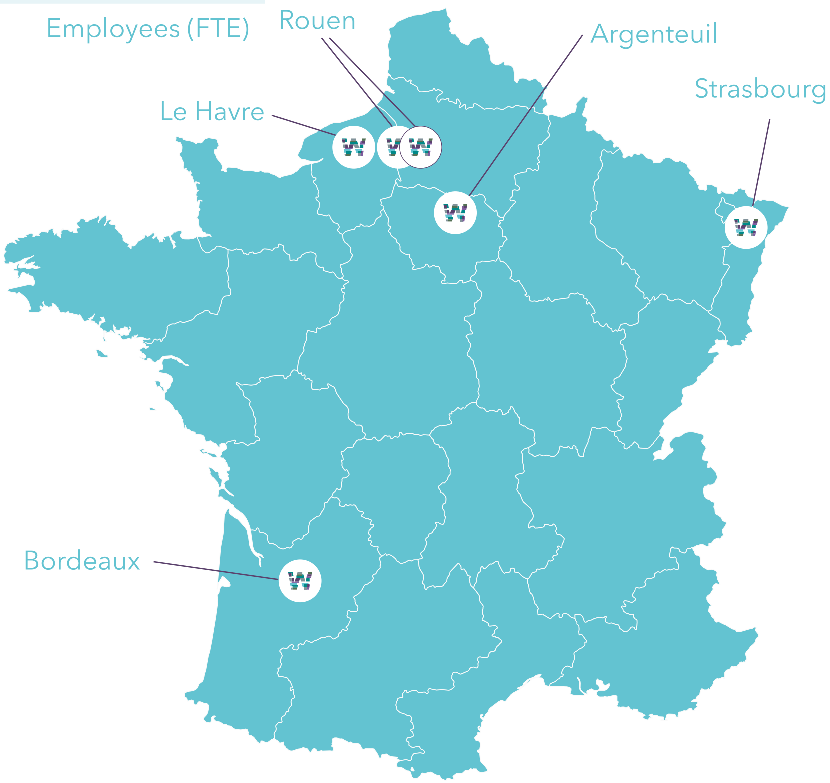
Rouen


Strasbourg

READ THE REPORT

LOCATIONS

204,100	m² shops
559	Retail units
456	Tenants
33.6	Employees (FTE)

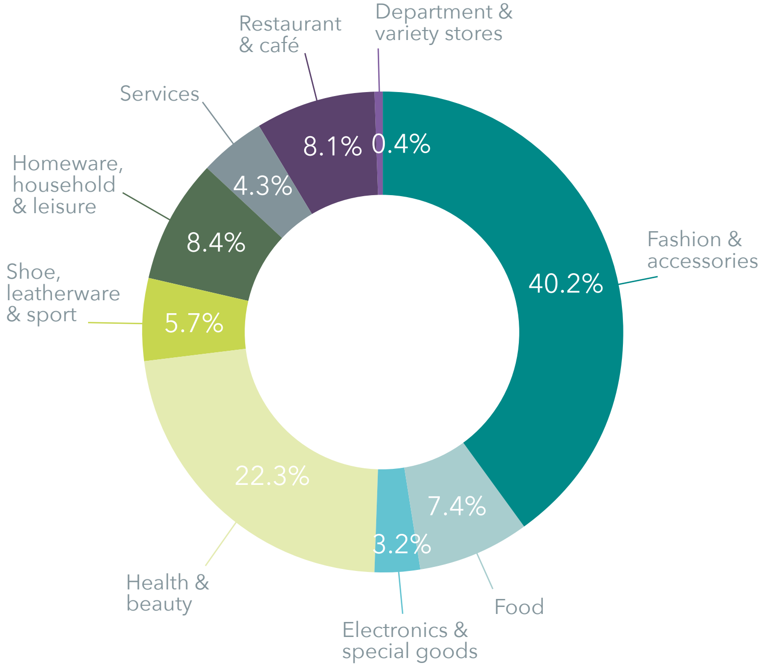


FRANCE PERFORMANCE
Shopping Centre Operations

KEY DATA

	2015	2014
Net rental income (in € millions)	45.7	n.a.
Occupancy (as a %)	91.1	91.2
Investments properties market value (in € millions)	852.1	832.0
Investment properties under construction (in € millions)	-	-
Acquisitions (in € millions)	1.7	858.8
NIY (as a %)	5.4	5.5
EPRA NIY (as a %)	5.0	5.5

TENANT MIX



TOP 10 TENANTS

1. Hennes & Mauritz
2. E.Leclerc
3. Pathe
4. Auchan
5. Mango
6. Inditex
7. Sephora
8. Camaïeu
9. Celio
10. Jules

INTERVIEW RETAILERS

Entrepreneurs Kronenburg shopping centre, Arnhem

'Seducing customers has been made easy for us.'

Kronenburg shopping centre, Arnhem, the Netherlands. Opposite Albert Heijn XL (the leading supermarket in the Netherlands) lies the 'fresh street': a line of stores selling high quality fresh products, with De Zuivelhoeve (The Dairy Farm) and Het Kippaleis (The Chicken Palace), amongst others. Entrepreneurs Diane Roerink and Nico van Poolen are excited about this retail concept and the rigorous restyling of the shopping centre two years ago.

Nico van Poolen is poulterer, owner of Het Kippaleis. 'Customers visit my store for fresh chicken meat and grill specialties. I am one of the most loyal tenants here in Kronenburg,' he says. 'In 1987, I started my shop here, in a kind of "fresh corner". If a tenant left, that shop was replaced by a phone shop, for example. This resulted in a quite fragmented shopping proposition. Besides, this neighbourhood did not have enough scale yet for such a large shopping centre. But that has changed over the years and Kronenburg has developed into a far more attracting shopping centre in this region. Partly thanks to the efforts of Wereldhave.'

Increased turnover

Van Poolen is positive about the restyling of the shopping centre, initiated by Wereldhave two years ago. 'With this modern, pleasant and spacious atmosphere as well as the concept of this new fresh street, Wereldhave has just hit the nail on the head. When people in Albert Heijn are waiting in the check-out line, they directly face our stores. Our offer is complementary: we sell traditional, fresh products. Customers appreciate it. Despite the disappointing economy, we have seen our turnover increase over the past period. While many poultry shops suffer from extremely difficult circumstances, we see about 1,700 customers per week.'

In December 2014, De Zuivelhoeve opened its doors in the fresh street. Diane Roerink is director of this franchise chain; De Zuivelhoeve now has 40 stores in the Netherlands, besides a dairy production company which also sells to supermarkets. 'We have deliberately created a very open shop,' she says. 'Customers can stroll around, taste samples and choose products themselves. That openness attracts customers. If we fry nuts, the whole passage smells lovely. Seducing customers has been made very easy for us, in Kronenburg.'

Quality and convenience

Roerink is not surprised by the success of this retail concept. 'Customers want quality. Traceable products that are healthy and fresh. And they want convenience: they don't want to cross half of the shopping centre with a full shopping cart after visiting the supermarket. We offer convenience with a capital C: after doing their daily

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Interview Retailers
Entrepreneurs Kronenburg shopping centre, Arnhem

>>>

groceries, customers can buy the last fresh products here. So everything on their to buy-list is covered in one stop, saving time and hassle. The shopping centre is easily accessible, it has wonderful formulas under one roof, facilities are spacious and neat, and it is always nice and dry inside.'

The success of the fresh street has 'forced' the two entrepreneurs to change their regular way of working. Van Poolen: 'Previously, I knew exactly what I had to be grilling every morning. I had my quantities set per weekday. But not anymore. On days that more customers visit my store, I prepare fresh products late in the afternoon as well. Customers love warm grilled chicken, and the delicious smell attracts other customers.'

Roerink: 'In this specific store, we see different shopping behaviour. We have more customers, visiting us more frequently. At the launch of the shop, we received as many as 3,500 customers. Especially our to go-products are very popular. We had to do our utmost to keep our to go-displays well stocked. Preparations, volumes, assortment – dynamics in this store are really quite unique.'

'Wereldhave not just blindly takes a new tenant on board. They really judged whether our shop fits into the concept.'

The two enthusiastic entrepreneurs are positive about working together with Wereldhave. 'When De Zuivelhoeve wanted to start here, we had to specifically indicate what we were going to do and how,' says Roerink. 'Wereldhave not just blindly takes a new tenant on board. They really judged whether our shop fits into the concept. They really understand that together we can create a commercially attractive and mutually profitable base.'

Committed landlord

Van Poolen adds: 'Wereldhave is a committed landlord, who sets its tenants free to run their own businesses. I really appreciate that they are not afraid to invest in this shopping centre; they know that this is necessary to keep attracting customers, and they put their money where their mouth is.' Roerink and Van Poolen still wish for a greengrocer to further strengthen the proposition of the fresh street. Roerink: 'People would definitely drive the extra mile for it. An online platform would be welcome too, with personal stories from our entrepreneurs and promotions via social media. Maybe Wereldhave could play a facilitating role in this as well.'

OUR STAKEHOLDERS
Sustainability

STRENGTHENING STAKEHOLDER COOPERATION

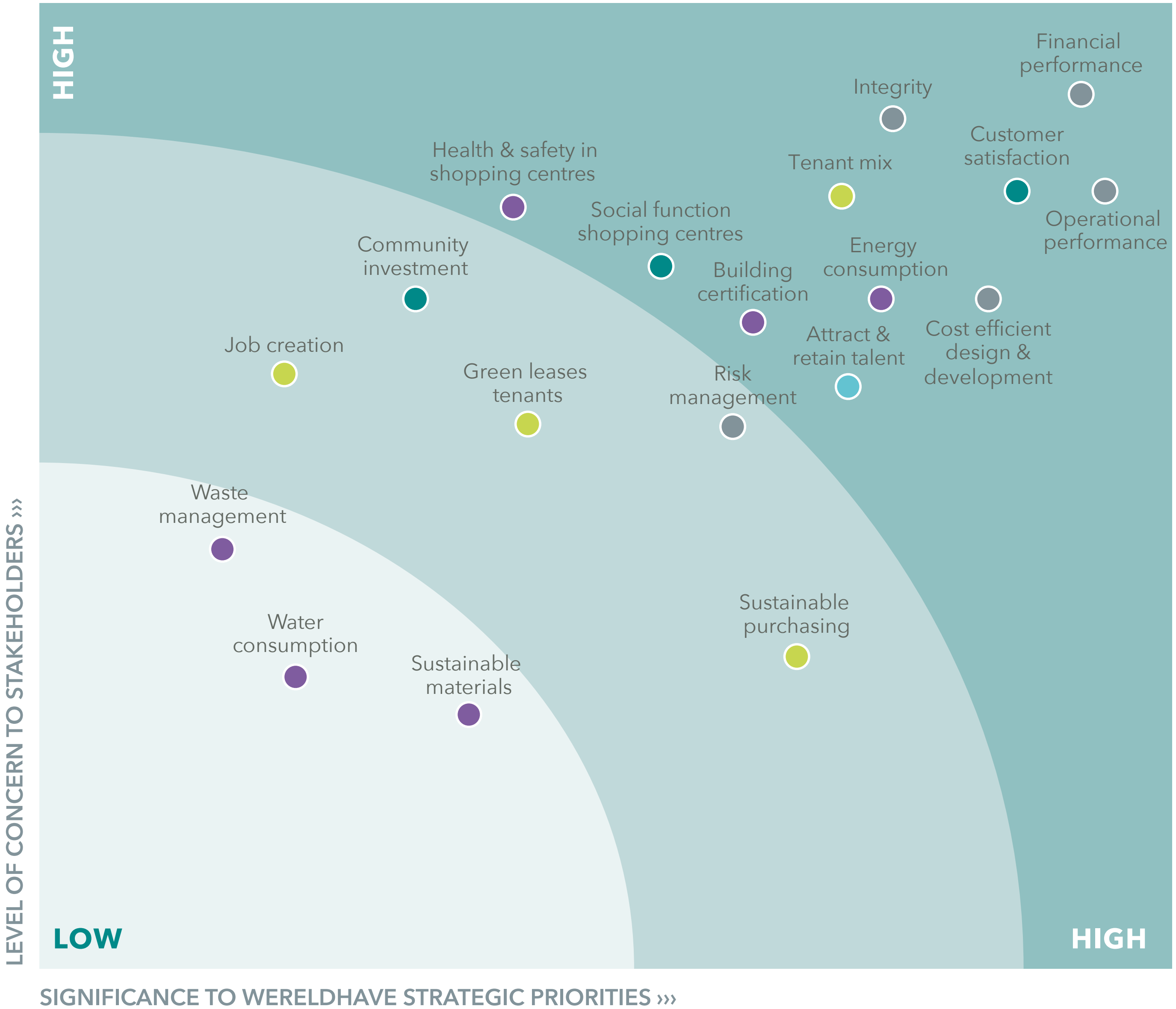
Stakeholder engagement will always remain fundamental to our business. The operational performance of our real estate portfolio is closely linked to how we engage with our stakeholders. We are successful in making our portfolio more attractive, thanks to the fact that our employees work closely together with our key stakeholders: visitors, local communities, tenants, investors and suppliers.

A structural and group-wide approach for stakeholder engagement was introduced in 2013. The most critical stakeholders were identified following meetings with senior management and independent external advisors. The stakeholders mentioned in the chart 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 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 2015, we have continued the roll out of green leases for our tenants: 99% of new leases are qualified as green lease. Sustainable purchasing from our main suppliers will remain a focus point for 2016.

'We will continue to engage with our stakeholders in 2016,' says Marijn Reijners, Manager Sustainability at Wereldhave. 'Our renewed 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.

MATERIALITY
Sustainability



INPUT FOR MATERIALITY REVIEW

- One-on-one interviews
- Stakeholder interviews
- Internal workshop
- Internal review senior management
- Direct feedback received
- Satisfaction surveys
- Desk research: Peer review

OUR FOUR PILLARS

Sustainability

BRICKS

'Bricks', 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 portfolio's environmental impact.

READ THE REPORT

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.

READ THE REPORT

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.

READ THE REPORT

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 that creates value for both society and Wereldhave.

READ THE REPORT

OUR SUSTAINABILITY RESULTS 2015

Results

READ THE REPORT	READ THE REPORT	READ THE REPORT	READ THE REPORT
BRICKS	**PEOPLE**	**PARTNERS**	**SOCIETY**
12.58% energy consumption reduced	**7.7** employee satisfaction	**163** new retail jobs created	**7.8** average customer satisfaction score
100% of offices portfolio BREEAM 'Outstanding'	**18 hrs** average training	**99%** new leases considered green	**0.8%** of NRI invested in local communities
6 BREEAM '(Very) Good' certificates obtained	**26.3%** female senior managers	**90%** sustainability sourcing for new suppliers	**86%** of employees involved in social events

See for complete information about our environmental and social performance, part 3 of our Annual Report 2015, available online at www.wereldhave.com

SUSTAINABILITY DASHBOARD 2015

READ THE INDICATORS

Results

BRICKS

Improve energy efficiency for our real estate portfolio with 30% (baseline 2013)

Achieve 100% BREEAM 'Outstanding' offices

Achieve BREEAM 'Very Good' for shopping centres

PEOPLE

Achieve employee satisfaction scores of 7.5 or higher

Increase average training per employee to 25 hours

Increase percentage of female senior managers to 33%

PARTNERS

Create 1,000 permanent retail jobs by investing € 200m in shopping centres

75% of new leases signed with tenants considered to be 'green'

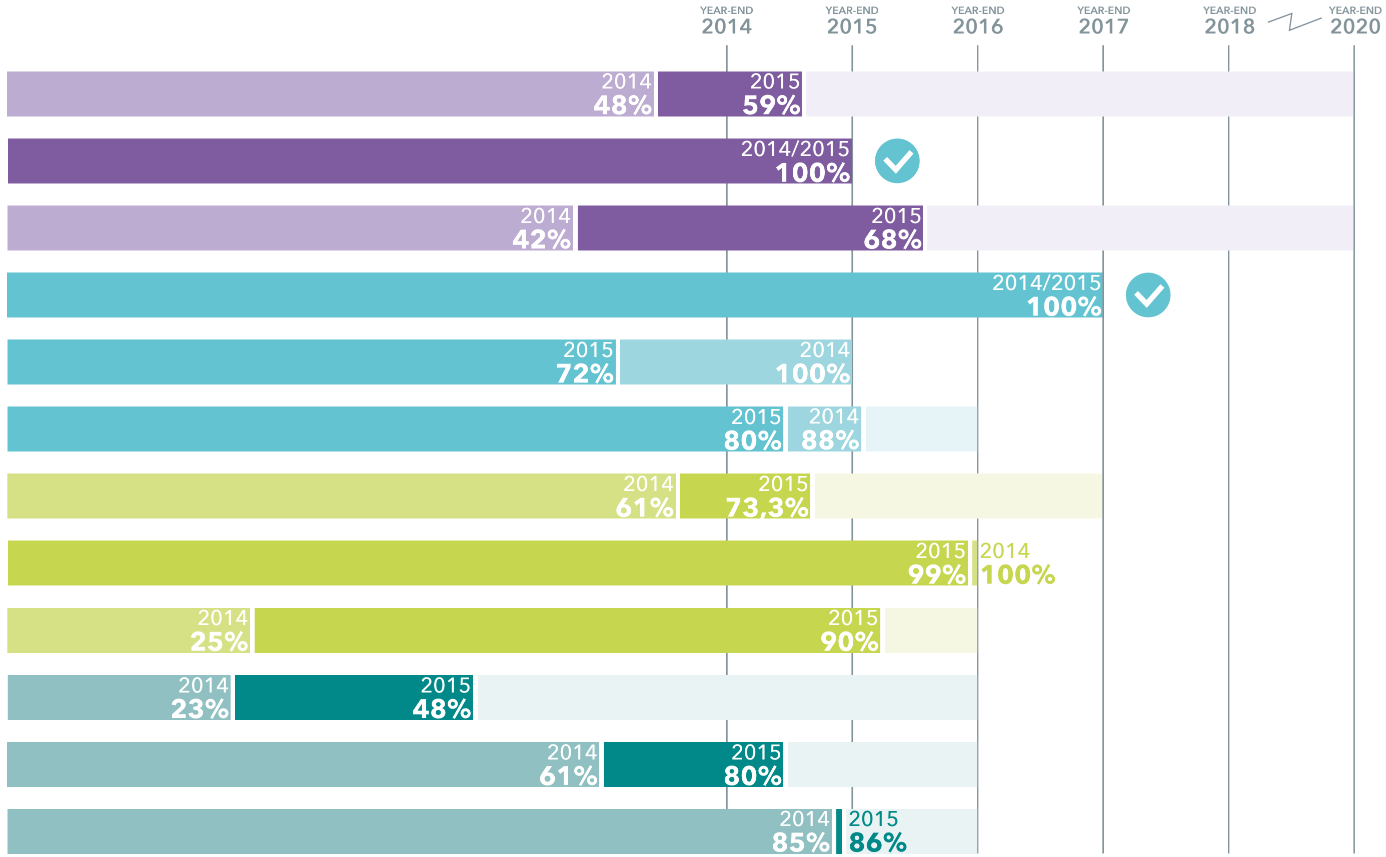
Redefine and implement sustainable sourcing for all new suppliers

SOCIETY

Improve retail customer satisfaction scores to 'Good'

Invest 1% of NRI to strengthen our connection to local community

95% of Wereldhave staff involved in social inclusion events



These targets have been achieved in 2015. Wereldhave is committed to continue to track perfomance and meet the ambitious targets in the coming years.

INTERVIEW EMPLOYEE

Kasper Deforche, Chief Operations Officer Belgium

'Commitment is key to our success.'

With generally declining numbers of consumers visiting shopping centres in Belgium, Wereldhave Belgium performed better than the market. 'In 2015, the total number of visitors in our shopping centres went up,' says Kasper Deforche, Chief Operations Officer Belgium. He talks about the drivers of Wereldhave's success.

Last year, Wereldhave Belgium conducted a representative consumer survey throughout their shopping centres in Belgium. 'We asked visitors what they consider to be important features, what attracts them to the shopping centre, how often they visit us, how much they spend in general, what motivates them to return and what they think could be improved. It provided us with interesting market information. Sometimes very basic. For example, one female customer said that she always leaves the shopping centre when she has to go to the toilet. This implies that if our facilities are neat and clean, customers will stay longer. It's really not always rocket science, but you need a high level of awareness. Like free Wi-Fi, that is not a nice to have anymore, but a basic service these days. The survey resulted also in more analytical and catchment area related insight that will enable us to target and focus on new potential customers. And last but not least, it also makes it possible to compare and benchmark data of our five Belgian shopping centres.'

Attractive retail offer

Kasper Deforche is convinced that the success of a shopping centre depends on the dynamics of daily management as well as the right tenant mix. 'In the current real estate market, being more competitive than ever before, it is key to find creative solutions for vacant stores. Pop-up concepts are still a great option: no empty spaces, more dynamics within the shopping centre, more stickiness for customers, better results for our tenants and a more profitable context for Wereldhave.'

The market being challenging, this does not mean that Wereldhave is less thoughtful in analysing any tenant that wants to be part of their centres. 'We remain critical and stick to our criteria, but also need to be flexible and responsive in discussions with retailers' says Kasper Deforche. 'The right tenant mix determines the success of a shopping centre, it's not about an absolute number of shops. We always aim for sufficient critical mass as well as diversity in brands and concepts, of course depending on the expectations, income levels and shopping behaviour of the local consumer market. If one of our tenants is confronted with declining sales, we try to find solutions together, sometimes with our in house marketing professionals that can be of help to get sales back on track by changing the store concept or stimulate new

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Interview employee

Kasper Deforche, Chief Operations Officer Belgium

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promotional activities. In some cases however this also results in replacing the specific tenant and bringing new concepts to the table that better suit the local situation and better reflect the customer expectations.'

Interactivity

Leisure, hospitality and food have been and still are critical success factors. Now digital is also becoming more and more inseparable with success, Kasper Deforche adds. 'Our shopping centres can benefit from interaction with consumers via internet. This is a more prominent demand, in our rapidly changing information society: consumers expect us to be visible and accessible online. Not just one way, but interactive, via websites and apps. In Belgium, we started an online loyalty program last year, using beacon technology. Every time a customer visits the shopping centre, he or she receives fidelity points. At a certain number, a gift card is offered as a reward, which can be spent in shops of their preference. This helps us in binding consumers as well as creating turnover for our tenants. Win-win.' 'Interactivity is also the case between the local shopping centre management and our tenants. This also means that we consult our tenants on a regular basis. Local shop employees participate in our marketing panels, evaluating events and setting the agenda for new ones. What will we focus on together, in order to increase our mutual results? We share these practices with our international colleagues.'

'The right tenant mix determines the success of a shopping centre, it's not about an absolute number of shops.'

Building relationships

Wereldhave is also highly aware of the role its shopping centres play in their environment, aiming to strengthen this local footprint in a sustainable way. Being part of the community by taking our social responsibility seriously is key. Supporting initiatives that are valuable for our customers and serving their specific needs is an important way of building a true and honest relationship with them.

Asked for the key success driver, Kasper Deforche is unhesitatingly explicit: 'Commitment! The success of our company is based on that. People who co-operate. People who want to interact with others and come up with creative commercial ideas. People who want to understand what other people need for their convenience or success. At Wereldhave, we perform a capital-intensive business. But it always comes down to people.'

Results

(in € millions)	2015	2014
Net rental income	184.7	114.8
General costs	-16.3	-13.5
Other income and expense	0.6	1.1
Net interest	-32.0	-14.5
Taxes on result	-0.6	-0.6
Result from continuing operations	136.4	87.2
Result from discontinued operations	-2.7	-1.5
Total direct results	**133.7**	**85.7**

TOTAL RESULT

The total result for 2015 amounts to € 103.8m, against € 26.9m for 2014. Both direct and indirect result contributed to the € 76.9m increase of the total result. The direct result increased by 56% to € 133.7m, or € 3.23 per share (FY 2014: € 2.97). The indirect result improved by € 28.9m from € -58.8m for 2014 to € -29.9m for 2015. The total result per share amounted to € 2.35 (2014: € 0.59).

DIRECT RESULT

The direct result increased significantly from € 85.7m to € 133.7m, due to the acquisitions and like-for-like (LFL) rental growth. General costs for 2015 increased by € 2.8m to € 16.3m (2014: € 13.5m), mainly due to the increase in operations in France and the Netherlands. The increase was in line with our guidance at the time of the property acquisitions. Interest charges increased by € 17.5m, as the acquisitions were partially financed with debt.

INDIRECT RESULT

READ THE REPORT

Results

(in € millions)	2015	2014
Valuation result	-4.6	-40.8
Results on disposal	-0.3	5.9
Taxes	-2.2	-1.4
Other income and expense	-8.7	-18.0
Net interest	-1.3	-1.3
Result from continuing operations	-17.1	-55.6
Ordinary result from discontinued operations (UK/US/Spain)	0.1	0.7
Recycling exchange rate differences (no NAV impact)	-12.9	-3.9
Result from discontinued operations (UK/US/Spain)	-12.8	-3.2
Total indirect results	**-29.9**	**-58.8**

The overall valuation of the investment portfolio is € 4.6m negative. In the Netherlands, a € 12.1m upward valuation of the portfolio partly compensated for the write-off of € 42.0m in transfer tax that was paid for the acquisition of nine shopping centres. In France, the offices portfolio was revalued positively by € 14.7m and the shopping centres by € 14.9m. In Belgium, the overall value of the portfolio increased by € 8.7m. These positive revaluations were largely driven by compressing yields for prime property. In Finland, the value of Itis was adjusted downwards by € 13.2m, which reflects the current pace in letting. The EPRA net yield as at December 31, 2015 amounted to 5.4%.

Other income and expense for 2015 amounted to € -3.1m, a decrease of € 1.7m against 2014. This includes the costs of unwinding the French office organisation. Other financial income and expense for 2015 amounted to € -5.7m, primarily caused by a fair value adjustment for the 2014-2019 convertible bond.

EQUITY AND DEBT

Results

EQUITY

On December 31, 2015, shareholders' equity including minority interest amounted to € 2,187.8m (December 31, 2014: € 1,976.0m). The increase is largely attributable to the issue of 5,250,000 new ordinary shares as per June 29, 2015. The net asset value per share (EPRA) including current profit stood at € 52.10 at December 31, 2015 (December 31, 2014: € 54.35). As at that date, the number of ordinary shares in issue amounted to 40,270,921. The change in NAV is due to the 2014 dividend payment (€ –2.87), the payment of an interim dividend for 2015 of (€ –1.50) and the effects of the equity issue of (€ -0.23) and indirect result of (€ -0.88), which were partly offset by the direct result for 2015 (€ +3.23).

DEBT FINANCING

During 2015 Wereldhave refinanced and increased its loan portfolio. On July 17, 2015, Wereldhave completed the issuance to US and UK institutional investors of US Private Placement Notes for a total amount of € 211m. The notes are denominated in US Dollars (30m), Canadian Dollars (20m), Euros (120m) and British Pounds (35m) with weighted average maturity of 12.3 years. The notes have been swapped into Euros at fixed interest rates, until maturity. The weighted average interest cost for Wereldhave is 2.2% (after currency and interest rate swaps).

In December, Wereldhave again tapped the market for a total amount of approximately € 86m equivalent in US-PP notes. The notes are denominated in US Dollars (70m) and British Pounds (15m), with a tenor of 10 years and weighted average interest cost for Wereldhave of 2.9% (after currency and interest rate swaps).

During the last quarter of 2015, Wereldhave redeemed two maturing debenture loans in the UK. These two loans, with average interest rates of 10%, dated from 1985 and 1987. The interest rates were swapped and the effective costs of the debenture loans were significantly lower. The € 130m remainder of the convertible bond 2010-2015 was also redeemed during the fourth quarter. Also in that quarter, a € 75m bilateral bank loan was agreed at all-in funding cost of approximately 1%, for a fixed term of five years. After balance sheet date, Wereldhave agreed another bilateral bank loan of 1.2% for a fixed term of five years, thus taking advantage of the current attractive bank financing environment.

The acquisition of the nine shopping centres in the Netherlands was partially funded through the disposal of the French offices portfolio for an amount of € 401m. This brought the LTV at year-end 2015 to 37.5%, well within the targeted range of 35-40%. As at December 31, 2015, 86% of Wereldhave's debt portfolio was at fixed interest rates, with standby facilities at floating interest rates. Nominal interest bearing debt was € 1,515m at 31 December 2015, which together with a cash balance of € 38m resulted in net debt of € 1,477m. The maturity of the debt portfolio increased from 4.4 years to 5.5 years in Q4 2015. The average cost of debt and ICR were 2.2% and 5.6x respectively.

DIVIDEND AND OUTLOOK

DIVIDEND

In respect of the year 2015, a final dividend will be proposed of € 1.51 per share. This implies a full year 2015 dividend of € 3.01 and an increase of 5% against 2014. The ex-dividend date is April 26, 2016. The dividend will be payable as from April 28, 2016.

OUTLOOK

For the year 2016, Wereldhave anticipates an increase of the direct result per share between 6–9% and a dividend growth between 4–6%.

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Colophon
Concept, design & realisation
C&F Report

ANNUAL REPORT

ANNUAL REPORT 2015

WERELDHAVE

OUR REPORTING STRATEGY

This Annual Report is divided into three parts, which together form the integrated Annual Report 2015. It will be published in digital form only on the Company's website www.wereldhave.com.

MANAGEMENT SUMMARY

The highlights and a summary of the key items.

ANNUAL REPORT

The report from the Board of Management for the year 2015, the property portfolio overview, the financial statements and the report from the Supervisory Board.

PERFORMANCE INDICATORS

Detailed tables on our social and environmental performance.

READ THE SUMMARY

READ THE INDICATORS

Annual Report 2015 - part 2

Strategy

Operations

Sustainability

Governance

Results

Welcome

Welcome to our first Integrated Annual Report for the year 2015. It is published in digital form only.

This report focuses on the financial and sustainability performance for the financial year 2015 of Wereldhave N.V. and its subsidiaries. The report covers our portfolio of shopping centres and offices, owned and managed by the Group in the Netherlands, Belgium, Finland and France.

About Wereldhave

Wereldhave invests in convenience shopping centres that are dominant in their micro environment in larger provincial cities in northwest continental Europe. The catchment area of our centres comprises of at least 100,000 inhabitants within 20 minutes driving time.

We focus on shopping centres that have a sound balance between shopping convenience and experience. With easy accessibility, an offer that covers 90% of shopping needs of goods and services, successful (inter-) national and local retail formulas and strong food anchors, our centres provide convenience shopping to accommodate an ageing population, ongoing urbanisation and a busy lifestyle.

We aim for an entire experience that goes beyond shopping, with fully embedded food and beverage functions, kids playgrounds and high quality facilities, to drive footfall, rent roll and ultimately the value of our shopping centres, with long-term societal and financial returns for all stakeholders.
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 is a member of the following organisations:

EPRA European Public Real Estate Association

IVBN

Dutch Green Building Council Participant

Strategic progress: 2016 focus on operations

The three years' transformation process of Wereldhave was completed in 2015 with the acquisition of nine shopping centres in the Netherlands and the disposal of our French offices portfolio. The Company is now a much more focused company, with shopping centres representing 97% of the total portfolio.

In France, an entire new retail management organisation of 46 employees was built and the portfolio of six shopping centres was successfully integrated. Occupancy remained stable over the year 2015 and net rental income stood at € 46m, fully in line with the targets set in October 2014 in the acquisition business case. The leasing team was recruited during the third quarter of 2015 and during the last quarter of the year leasing gained pace.

In the Netherlands, nine new shopping centres were added to the portfolio and 24 employees joined the Dutch organisation. The portfolio was successfully integrated during the third quarter. The new portfolio came in at an average occupancy of 91.4%. The "plug-and-play" character of the acquisition was proven by the 1.1% increase in occupancy during the fourth quarter, while keeping occupancy of the standing portfolio at the high level of 98%.

Our Belgium and Finnish operations also performed well, in spite of the challenging macro- (Finland) or micro- (Genk) business environment.

The disposal of our French offices portfolio for € 401m, 5% above the year-end 2014 book value, marked the end of a successful 30 year period of office developments in Paris under the management of Michel Janet.

The refurbishment program for the Dutch shopping centres is well on track. In three shopping centres works were completed in 2015 and footfall in these centres is rising. Two refurbishments are scheduled for completion in 2016 and one in 2017. In Belgium, the 10,000 m² retail park in Tournai opened on February 19, 2016. It is currently 71.2% let, with negotiations for the remainder in an advanced stage.

We will continue to focus our portfolio to convenience shopping centres which are dominant in their micro environment in our core countries. We will review the strategic options for the Itis shopping centre in Helsinki in 2016. Any selective acquisitions in 2016 are dependent on property disposals.

Good progress was also made in sustainability. This report is our first integrated annual report. We continue to be rated GRESB Green Star and improved our score against peers. Wereldhave was also included in the DJSI (Dow Jones Sustainability Index) Europe in 2015.

We will continue to invest in the portfolio, to make our shopping centres the ideal combination of convenient shopping and social experience. Leasing and operations are the core of our business, supported by dedicated value add developments and marketing efforts. This is why we will continue to transform from asset manager into a retail operator of convenience shopping centres. We are confident that by creating attractive shopping centres, we will be able to provide solid cash flows and dividend returns.

Composition of the portfolio

In August 2015, Wereldhave's Dutch portfolio nearly doubled in size with the acquisition of nine shopping centres from Klépierre for € 770m including € 42m transaction costs. In June 2015, Wereldhave France acquired the ownership of 1,600 m^2 of the Côté Seine shopping centre in Argenteuil, leased to KIABI, an investment of € 1.8m. In Finland, Wereldhave acquired the freehold ownership from the City of Helsinki of two plots of land, on which the Itis shopping centre is built. The investment amounts to € 12m, with a net initial yield of 5%. Wereldhave now owns the entire freehold of the building and the land.

During the second half of the year Wereldhave divested its portfolio of sustainable offices in France, consisting of 3 office buildings in Levallois-Perret, Issy-les-Moulineaux and Saint-Denis (Greater Paris). With these three transactions, Wereldhave capitalised on the vibrant investment market for office buildings in Paris. The proceeds from these disposals of € 401m were € 20m in excess of the book value at year-end 2014. The office team of four employees was dismantled. Their professional support helped us in capitalising on a strong track record in office developments in Paris.

Development pipeline

In the Netherlands, the refurbishments of Etten-Leur, Roosendaal and Kronenburg Arnhem were completed in 2015. In Eggert, Purmerend, all works were completed, with the exception of a new entrance in the Zuidersteeg that is scheduled for the first half of 2016. The works in Koningshoek in Maassluis will be completed by mid-2016 and the extension will start shortly after the summer.

In Leiderdorp, a fresh food-street was created in 2015. In 2016, the interior of the centre will be upgraded and the application for a building license for the extension will be filed in 2016. In Capelle aan den IJssel, the renovation of the middle part of the centre is expected to start in 2016.

Plans for the upgrade of the Presikhaaf shopping centre in Arnhem, which was acquired in August 2015, have been drafted and construction is scheduled for the years 2016 and 2017. The extension of the Sterrenburg shopping centre in Dordrecht is still in the preparatory stages of development. These two projects are not yet committed.

In Belgium, construction of a retail park adjacent to the Les Bastions shopping centre in Tournai started in the first quarter of 2015. The extension is now 71.2% let to tenants such as Maison du Monde, SportsDirect, Action, A.S. Adventure and Blokker. Negotiations for the remainder part are in an advanced stage. The first shops opened on February 19, 2016. The renovation and extension of the shopping centre Les Bastions is scheduled to follow during the second quarter, but construction is not yet committed. The total investments in Tournai amount to about € 85m; the expected initial yield when fully let, is approximately 6.5%.

In Waterloo, the socio-economic permit has been obtained for a redevelopment of the shopping centre. The plans entail non-covered shopping area of 10,000 m^2 with a parking garage, an attractive square and a pedestrian area. The application for a building permit is expected to be filed by year-end 2016, with the start of construction now scheduled for 2017. In Liege, a socio-economic permit was obtained for the extension of the Belle-Ile shopping centre with +/- 7,000 m^2 GLA. The application for a building permit will be filed during the first quarter of 2016, with the start of construction also foreseen for 2017. Both developments are non-committed pipeline projects as of yet.

In France, three development projects are being prepared, but these are not yet committed. Once committed, these projects will meet the set IRR requirements of 10% on developments in France.

In Docks Vauban, Le Havre, a Head of Terms was signed with Primark for a shop of 6,000 m² in the heart of the shopping centre. In addition, Wereldhave is preparing plans to improve the inner climate of the centre by fitting out entrances with sliding doors and tourniquets. The total investment will amount to approximately € 10m. Construction will start in September 2016 and the new Primark is scheduled to open its doors during the last quarter of 2017. Several large retailers have meanwhile expressed their interest in the centre or wish to expand their shop.

In Rouen, Wereldhave aims to improve the attractiveness of the Saint-Sever shopping centre by changing the lay-out, to create a food and beverage square in front of the entrance of the cinema. Plans are still in the early stages, but some large international retailers have already expressed their interest. In January 2016 a lease was signed with Kinepolis, who took over the cinema with immediate effect. Wereldhave Belgium introduced the Belgian cinema operator Kinepolis to our French organisation. This is an excellent example of the benefits of cross border co-operation within our larger scale of operations.

In Bordeaux, plans are being drafted for the restructuring of the floor plans of Les Passages de Mériadeck. The current lay-out is inefficient and not customer friendly, which is also causing occupancy to remain below target. The plans are in the early stages of preparation.

Occupancy / Valuation

At December 31, 2015, occupancy of the shopping centre portfolio amounted to 93.8%, against 93.9% a year earlier. The slight decrease is mainly due to the acquisition of nine shopping centres in the Netherlands, which came in at an average occupancy of 91.4% but improved already by 1.1% during the first quarter of operations. The (EPRA) occupancy rate of the entire portfolio as at December 31, 2015, stood at 93.8%, an increase of 1.3% against the previous year.

The value of the portfolio increased in Belgium, France and the Netherlands (excluding write-offs of transfer tax), and decreased in Finland. The increases in value in Belgium, France and the Netherlands reflect the compression of yields, whereas the decrease in Finland can be attributed to the pace of letting in Itis. Overall, the value of the portfolio decreased by € 4.6m, including € 42m transfer tax for the nine shopping centres that were acquired in the Netherlands, which was paid and deducted from the valuations.

As at December 31, 2015, the value of the total investment portfolio in operation amounted to € 3,659m, of which 97% was shopping centres and 3% related to office properties in Belgium. The geographical distribution of the shopping centre portfolio as a percentage of the total portfolio is: Finland: 17%, the Netherlands: 40%, France: 23% and Belgium: 17%.

OCCUPANCY / VALUATION

	Q4 2014 (In %)	Q3 2015 (In %)	Q4 2015 (In %)	Portfolio value* Q4 2015 (in €m)	(In %)
Belgium	94.6%	94.4%	94.9%	608	17%
Finland	92.1%	93.2%	92.5%	616	17%
France	91.2%	90.0%	91.1%	852	23%
Netherlands	98.0%	94.7%	95.3%	1,458	40%
Shopping centres	93.9%	93.3%	93.8%	3,534	97%
Belgium	92.5%	91.4%	93.4%	126	3%
France	82.6%				
Offices	85.9%	91.4%	93.4%	126	3%
Total portfolio	92.5%	93.2%	93.8%	3,659	100%

* Portfolio value: Investments properties excluding Investment properties under construction

INVESTMENT PORTFOLIO IN OPERATIONS DISTRIBUTION (as a %)

	2011	2012	2013	2014	2015
Retail	54	79	78	86	97
Offices	41	18	21	14	3
Other	5	3	1	-	-
Total	**100**	**100**	**100**	**100**	**100**

INVESTMENT PORTFOLIO IN OPERATIONS GEOGRAPHICAL DISTRIBUTION (as a %)

	2011	2012	2013	2014	2015
Belgium	14	24	29	22	20
Finland	18	22	28	19	17
France	6	8	10	37	23
Netherlands	21	26	28	22	40
Spain	5	5	5	-	-
United Kingdom	11	15	-	-	-
United States	25	-	-	-	-
Total	**100**	**100**	**100**	**100**	**100**

NET RENTAL INCOME PER COUNTRY (as a %)

	2011	2012	2013	2014	2015
Belgium	19.1	29.5	32.5	31.8	23.9
Finland	21.9	21.9	22.7	24.3	15.5
France	9.5	9.7	9.4	9.8	30.9
Netherlands	29.6	32.5	30.7	34.1	29.7
Spain	5.9	6.4	4.7	-	-
United Kingdom	14.0	-	-	-	-
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

DISPOSAL OF INVESTMENT PROPERTIES

(in € millions)	2011	2012	2013	2014	2015
Belgium	2.7	11.7	-	14.1	-
Finland	47.2	-	-	-	-
France	-	17.0	-	90.3	404.7 *
Netherlands	62.4	0.7	34.0	-	-
Spain	-	15.4	-	95.2	-
United Kingdom	82.9	80.0	250.9	-	-
United States	23.8	206.7	514.0	-	-
Total	**219.0**	**331.5**	**798.9**	**199.6**	**404.7**

* Net proceeds € 401.0m

ACQUISITION OF INVESTMENT PROPERTIES

(in € millions)	2011	2012	2013	2014	2015
Belgium	-	74.0	-	113.2	-
Finland	-	-	-	-	11.2
France	-	-	-	858.8	1.7
Netherlands	3.9	3.0	-	237.6	778.0
Spain	-	-	-	-	-
United Kingdom	199.0	-	-	-	-
Total	**202.9**	**77.0**	-	**1,209.6**	**790.9**

Property portfolio as at December 31, 2015

Netherlands:

Amersfoort

Emiclaer

Lettable area:	19,300 m²
Parking Spaces:	675
Year of acquisition:	2015
Year of construction/renovation:	1993
Annual theoretical rent (x € 1m):	4.7
Visitors:	4.3m /year

WEBSITE

Arnhem

Presikhaaf

Lettable area:	35,500 m²
Parking Spaces:	1,244
Year of acquisition:	2015
Year of construction/renovation:	1987
Annual theoretical rent (x € 1m):	4.7
Visitors:	4.2m /year

WEBSITE

Arnhem

Kronenburg

Lettable area:	37,900 m²
Parking Spaces:	1,300
Year of acquisition:	1988
Year of construction/renovation:	2015
Annual theoretical rent (x € 1m):	9.9
Visitors:	6.0m /year

WEBSITE

Capelle aan den IJssel

De Koperwiek

Lettable area:	24,500 m²
Parking Spaces:	900
Year of acquisition:	2010-2014
Year of construction/renovation:	1995
Annual theoretical rent (x € 1m):	6.8
Visitors:	5.4m /year

WEBSITE

Dordrecht

Sterrenburg

Lettable area:	13,100 m²
Parking Spaces:	450
Year of acquisition:	2015
Year of construction/renovation:	1993
Annual theoretical rent (x € 1m):	2.9
Visitors:	3.4m /year

WEBSITE

Geldrop

De Heuvel

Lettable area:	4,500 m²
Parking Spaces:	n.a.
Year of acquisition:	1978
Year of construction/renovation:	1996
Annual theoretical rent (x € 1m):	1.1

Eindhoven

WoenselXL

Lettable area:	10,300 m²
Parking Spaces:	925
Year of acquisition:	2010
Year of construction/renovation:	2006
Annual theoretical rent (x € 1m):	3.1

WEBSITE

Heerhugowaard

Middenwaard

Lettable area:	35,100 m²
Parking Spaces:	1,360
Year of acquisition:	2015
Year of construction/renovation:	2011
Annual theoretical rent (x € 1m):	10.7
Visitors:	5.7m /year

WEBSITE

Etten-Leur

Etten-Leur

Lettable area:	22,700 m²
Parking Spaces:	1,100
Year of acquisition:	1991
Year of construction/renovation:	2015
Annual theoretical rent (x € 1m):	3.9
Visitors:	3.5m /year

WEBSITE

Hoofddorp

Vier Meren

Lettable area:	32,700 m²
Parking Spaces:	1,000
Year of acquisition:	2014
Year of construction/renovation:	2013
Annual theoretical rent (x € 1m):	9.5
Visitors:	7.7m /year

WEBSITE

Leiderdorp

Winkelhof

	Lettable area:	18,300 m²
	Parking Spaces:	830
	Year of acquisition:	1993
	Year of construction/renovation:	1999
	Annual theoretical rent (x € 1m):	4.4
WEBSITE	Visitors:	4.0m /year

Purmerend

Eggert

	Lettable area:	19,900 m²
	Parking Spaces:	3,900
	Year of acquisition:	2010
	Year of construction/renovation:	2015
	Annual theoretical rent (x € 1m):	5.1
WEBSITE	Visitors:	3.8m /year

Maassluis

Koningshoek

	Lettable area:	14,600 m²
	Parking Spaces:	1,000
	Year of acquisition:	2010
	Year of construction/renovation:	2016
	Annual theoretical rent (x € 1m):	2.7
WEBSITE	Visitors:	3.9m /year

Roosendaal

Roselaar

	Lettable area:	18,000 m²
	Parking Spaces:	415
	Year of acquisition:	2010-2014
	Year of construction/renovation:	2015
	Annual theoretical rent (x € 1m):	4.4
WEBSITE	Visitors:	5.5m /year

Nieuwegein

Cityplaza

	Lettable area:	53,400 m²
	Parking Spaces:	720
	Year of acquisition:	2015
	Year of construction/renovation:	2012
	Annual theoretical rent (x € 1m):	14.8
WEBSITE	Visitors:	6.8m /year

Rijswijk

In de Bogaard

	Lettable area:	19,800 m²
	Parking Spaces:	2,680
	Year of acquisition:	2015
	Year of construction/renovation:	2002
	Annual theoretical rent (x € 1m):	5.2
WEBSITE	Visitors:	2.7m /year

Tilburg

Emmapassage

Lettable area:	5,600 m²
Parking Spaces:	300
Year of acquisition:	2015
Year of construction/renovation:	1992
Annual theoretical rent (x € 1m):	5.5
Visitors:	2.9m /year

WEBSITE

Zoetermeer

Oosterheem

Lettable area:	11,900 m²
Parking Spaces:	230
Year of acquisition:	2015
Year of construction/renovation:	2012
Annual theoretical rent (x € 1m):	3.0
Visitors:	2.4m /year

WEBSITE

Tilburg

Pieter Vreedeplein

Lettable area:	28,500 m²
Parking Spaces:	780
Year of acquisition:	2015
Year of construction/renovation:	2008
Annual theoretical rent (x € 1m):	1.7
Visitors:	5.9m /year

WEBSITE

Zwolle

Stadshagen

Lettable area:	11,500 m²
Parking Spaces:	700
Year of acquisition:	2015
Year of construction/renovation:	2004
Annual theoretical rent (x € 1m):	2.4
Visitors:	3.4m /year

WEBSITE

Belgium:

Kortrijk

Ring Shopping

Lettable area:	32,000 m²
Parking Spaces:	2,000
Year of acquisition:	2014
Year of construction/renovation:	2005
Annual theoretical rent (x € 1m):	6.8
Visitors:	3.1m /year

WEBSITE

Gent

Overpoort

Lettable area:	3,700 m²
Parking Spaces:	n.a
Year of acquisition:	2012
Year of construction/renovation:	2014
Annual theoretical rent (x € 1m):	0.9

Genk

Shopping 1

Lettable area:	27,100 m²
Parking Spaces:	1,250
Year of acquisition:	2010
Year of construction/renovation:	2014
Annual theoretical rent (x € 1m):	5.9
Visitors:	3.5m /year

WEBSITE

Liège

Belle-Ile

Lettable area:	30,200 m²
Parking Spaces:	2,200
Year of acquisition:	1994
Year of construction/renovation:	1994
Annual theoretical rent (x € 1m):	11.0
Visitors:	3.8m /year

WEBSITE

Genk

Stadsplein

Lettable area:	15,600 m²
Parking Spaces:	44
Year of acquisition:	2012
Year of construction/renovation:	2008
Annual theoretical rent (x € 1m):	3.4

WEBSITE

Nivelles

Shopping Nivelles

Lettable area:	28,600 m²
Parking Spaces:	1,452
Year of acquisition:	1984
Year of construction/renovation:	2012
Annual theoretical rent (x € 1m):	8.0
Visitors:	3.7m /year

WEBSITE

Tournai

Les Bastions

LESBASTIONS

WEBSITE

Lettable area:	15,500 m²
Parking Spaces:	1,260
Year of acquisition:	1988
Year of construction/renovation:	1996
Annual theoretical rent (x € 1m):	3.6
Visitors:	3.2m /year

Waterloo

Waterloo

Lettable area:	3,300 m²
Parking Spaces:	95
Year of acquisition:	2010
Year of construction/renovation:	1967
Annual theoretical rent (x € 1m):	0.8

Belgium offices:

Antwerp

De Veldekens, Berchem

Lettable area:	40,0000 m²
Parking Spaces:	771
Year of acquisition:	1999
Year of construction/renovation:	2002
Annual theoretical rent (x € 1m):	5.1

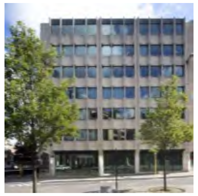
Vilvoorde

Jan Olieslagerlaan

Lettable area:	3,100 m²
Parking Spaces:	82
Year of acquisition:	1999
Year of construction/renovation:	1999
Annual theoretical rent (x € 1m):	0.3

Brussels

Madou Centre



Lettable area:	12,600 m²
Parking Spaces:	150
Year of acquisition:	1988
Year of construction/renovation:	2002
Annual theoretical rent (x € 1m):	2.6

Vilvoorde

Medialaan

Lettable area:	22,700 m²
Parking Spaces:	606
Year of acquisition:	1998
Year of construction/renovation:	2002
Annual theoretical rent (x € 1m):	3.2

Finland:

Helsinki

Itis

Lettable area (excl. offices):	94,000 m²
Parking Spaces:	1,700
Year of acquisition:	2002
Year of construction/renovation:	2011-2014
Annual theoretical rent (x € 1m):	34.5
Visitors:	16.9m /year

WEBSITE

France:

Argenteuil

Côté Seine

Lettable area:	17,800 m²
Parking Spaces:	1,350
Year of acquisition:	2014
Year of construction/renovation:	2010
Annual theoretical rent (x € 1m):	6.1
Visitors:	5.2m /year

WEBSITE

Bordeaux

Mériadeck

Lettable area:	32,400 m²
Parking Spaces:	1,670
Year of acquisition:	2014
Year of construction/renovation:	2008
Annual theoretical rent (x € 1m):	8.5
Visitors:	10.7m /year

WEBSITE

Le Havre

Docks Vauban

Lettable area:	53,500 m²
Parking Spaces:	2,171
Year of acquisition:	2014
Year of construction/renovation:	2009
Annual theoretical rent (x € 1m):	5.8
Visitors:	5.6m /year

WEBSITE

Rouen

Saint-Sever

Lettable area:	34,400 m²
Parking Spaces:	1,800
Year of acquisition:	2014
Year of construction/renovation:	2011
Annual theoretical rent (x € 1m):	10.5
Visitors:	9.5m /year

WEBSITE

Rouen

Docks 76

Lettable area:	37,600 m²
Parking Spaces:	1,000
Year of acquisition:	2014
Year of construction/renovation:	2009
Annual theoretical rent (x € 1m):	10.8
Visitors:	4.0m /year

WEBSITE

Strasbourg

Rivetoile

Lettable area:	28,400 m²
Parking Spaces:	1,800
Year of acquisition:	2014
Year of construction/renovation:	2008
Annual theoretical rent (x € 1m):	10.9
Visitors:	5.7m /year

WEBSITE

Operations: on track

Netherlands

The recovery of the Dutch economy is gaining pace. Private consumption increased by 1.7%, which is well in line with the GDP growth. For 2016, private consumption is expected to increase to 2.1%, with inflation of 1.2%. Although the retail climate is harsh, economic indicators for retail property are positive.

The acquisition by Wereldhave of nine shopping centres was the largest transaction in the Dutch investment market in 2015. Yields have decreased slightly in 2015, clearly slower than in neighbouring countries. Consumer expenditure is now on the rise, but the Dutch retail market still has a surplus of space and some retailers are struggling to adapt their formulas, some of which have remained unchanged for many years.

The leasing market had a slow start in 2015, but clearly accelerated during the second half of the year, spurred by increasing consumer spending. Footfall in Wereldhave's shopping centres increased by 3.1% in 2015, much better than the flat market average. Dwell time increased by 4.1% and due to strict cost measures, service costs went down by 5% in the overall portfolio. The increased size of the portfolio enabled us to sign several large package deals for well over 10.870 m² and a total annual rent of € 2.6m. Largest deals were with Blokker for seven shops, Hunkemöller for six shops and Bonita for five shops. During the year, over 300 leases were signed or renewed and for 2016, some 420 leases are up for extension.

The leasing challenge may well become bigger in view of recent large bankruptcies. Wereldhave has 18 units in its Dutch shopping centres that were leased to Macintosh, 2 V&D's, 5 La Place restaurants and 9 Perry Sport/Aktie Sport. Over the past three years, bankruptcies suppressed like-for-like rental income in the Netherlands by 1.5% per year. However, also in 2015 we achieved a clearly positive like-for-like rental growth, which proves the attractiveness and the success of our refurbishment program for the Dutch centres.

Overall occupancy of the Dutch shopping centre portfolio amounted to 95.3% at year-end 2015. The nine shopping centres that were acquired in 2015, came in at an average occupancy of 91.4%. During the fourth quarter, we were able to improve occupancy in these centres by 110 percent points.

KEY ECONOMIC PARAMETERS
(European economic forecast autumn 2015)

	2014	2015	2016	2017
GDP growth, %, yoy	1.0	2.0	2.1	2.3
Inflation, %, yoy	0.3	0.2	1.2	1.5
Unemployment (as a %)	7.4	6.9	6.6	6.3
Private consumption	0.0	1.7	2.1	2.4

Portfolio

In August 2015, Wereldhave's Dutch portfolio nearly doubled in size with the acquisition of nine shopping centres from Klépierre for € 770m, including transaction costs. There were no other changes to the portfolio.

The refurbishments of our centres in Etten-Leur, Roosendaal and Arnhem were completed in 2015. In Eggert, Purmerend, all works were completed, with the exception of a new entrance in the Zuidersteeg that is scheduled for the first half of 2016. The works in Koningshoek in Maassluis will be completed by mid-2016 and the expansion will start shortly after the summer. In Leiderdorp, a fresh food street was created in 2015. In 2016, the interior of the centre will be upgraded and the application for a building license for the expansion will be filed in 2016. In Capelle aan den IJssel, the renovation of the middle part of the centre is expected to start in 2016.

The plans for the upgrade of Presikhaaf shopping centre in Arnhem, which was acquired in August 2015, have been drafted and construction is scheduled for the years 2016 and 2017. The expansion of Sterrenburg shopping centre in Dordrecht is still in the early stages of development.

BREEAM construction certificates were obtained for the shopping centres in Purmerend and Maassluis, a BREEAM in use certificate was obtained for Hoofddorp. In 2015, 350 solar panels were installed in Roosendaal and plans were made to install well over 5,150 solar panels on the rooftops of six other centres in 2016.

Organisation

The Dutch property management organisation welcomed 28 new employees in 2015, 24 of which joined in connection with the acquisition of nine shopping centres. For some departments, regional managers were appointed, in view of the increased size of the portfolio. A new department of Business Innovations was also created. Much time was spent on the integration of the new employees and centres and the training of employees, particularly with respect to drafting of business plans and budgeting for the shopping centres. The integration process was completed without any business interruptions or significant difficulties.

The overall nearly 100% staff involvement at events that we organised in our shopping centres shows the commitment of our staff to our sustainability strategy. Noteworthy events were the “longest dining table” and the fundraising with a wheel of fortune in ten shopping centres for the Linda Foundation. € 65,000 was raised to support families in financial problems in the catchment areas of our centres. The co-operation with Festival Classique will be continued and in 2016, local schools will be invited to join in performing in our centres.

The Managing Director for the Netherlands, Belinde Bakker will be appointed as COO from April 1, 2016. She will be succeeded by Erik Schmit, who has more than 20 years of international retail experience in several positions at SHV and Metro in the Netherlands and abroad, most recently as Sales and Operations Director Netherlands of the Makro. He will become Managing Director Wereldhave Netherlands as per March 1, 2016.

Results and valuation

The shopping centres that were acquired from Klépierre in August 2015 came in at an average occupancy of 91.4%. This caused an initial overall Dutch occupancy of 94.7% at the end of the third quarter. By year-end, occupancy stood at 95.3%. The portfolio was valued at € 1,458m on December 31, 2015 (2014: € 697m). The increase is mainly due to the acquisition of nine shopping centres, positive property valuation adjustment of € 17m (excluding the write-off of transactions costs of € 42m). The value of the development portfolio stood at € 26m at year-end 2015.

Outlook

The year 2015 was a very active year for the Dutch management organisation. For 2016, the continued focus will be on leasing and operations. The retail market will remain challenging, as evidenced by the bankruptcies of some large retail chains. The full year impact of the rental loss from these bankruptcies would amount to € 2.5m if not re-let. As consumer spending and purchasing power is improving, convenient shopping locations may benefit of the recovery. The interest for package leasing deals clearly shows that Wereldhave can take advantage from the increased size of operations in the Netherlands.

VIER MEREN, HOOFDDORP

Belgium

The Belgian economy recorded a modest growth in 2015 of 1.3%, largely driven by consumer spending. According to Eurostat, growth of private consumption is expected to slow down to 0.7% in 2016.

The year 2015 saw a record high transaction volume of € 2bn in shopping centres. Notable transactions were the sale of Wijnegem, Waasland, Galeries St Lambert and Basilix. This resulted in a continued yield compression, with prime yields for shopping centres now below 4.5%.

The leasing market showed a mixed picture. Rents for prime shopping locations increased slightly or remained stable, whilst rents for less sought after locations decreased. In 2015, footfall in Wereldhave's shopping centres increased by 1.3%, clearly outperforming the Belgian market, as the average of the 15 largest shopping centres was -1.4%. During the year, 33 new leases and 22 renewals were signed, generating a like-for-like rental growth in the shopping centres of 1.8%.

The like-for-like rental growth was suppressed by a lease rotation of a C&A kids store in Liège that was replaced by an A.S. Adventure (outdoor and sports). On the longer term, the improved tenant mix will contribute to the success of the Belle-Ile shopping centre. Most renewals were signed for Genk Stadsplein, where Veritas, Coolcat, LolaLiza and Brasserie Stadsplein extended their contracts.

Occupancy of the shopping centre portfolio stood at 94.9% at December 31, 2015. The shopping centres in Nivelles, Tournai and Liege are nearly fully let. Letting is still slow in Genk (occupancy 79.1%). In Kortrijk occupancy is currently at 91%, also clearly below target. The property management of this shopping centre was taken over by Wereldhave Belgium with effect of January 1, 2016 and we will focus on improving the shopping experience with free WiFi, digital screens, and an improved calendar with meaningful events.

The Belgian portfolio also includes offices in Brussels, Vilvoorde and Antwerp. During the year, the occupancy of the offices portfolio improved from 92.5 to 93.4%.

KEY ECONOMIC PARAMETERS

(European economic forecast autumn 2015)

	2014	2015	2016	2017
GDP growth, %, yoy	1.3	1.3	1.3	1.7
Inflation, %, yoy	0.5	0.6	1.7	1.5
Unemployment (as a %)	8.5	8.6	8.4	7.9
Private consumption	0.4	2.0	0.7	1.0

Portfolio

On January 12, 2015, Wereldhave Belgium completed the acquisition of leasehold rights of 22.000 m² of the Kortrijk Ring Shopping Centre, making Wereldhave the single owner.

Wereldhave Belgium held an interest in the listed stock exchange real estate certificate ‘Basilix’ (17.8%). The Basilix shopping centre was sold and the certificate is in the liquidation phase.

In Tournai, construction of a retail park adjacent to the Les Bastions shopping centre in Tournai started in the first quarter of 2015. The extension is now 71.2% let to tenants such as Maison du Monde, SportsDirect, Action, A.S. Adventure, Blokker and Brico. The first shops opened on February 19, 2016. The renovation and extension of the shopping centre Les Bastions will follow during the second quarter, but is not yet committed. The total investments in Tournai amounts to about € 85m; the expected initial yield when fully let, is approximately 6.5%.

In Waterloo, the socio-economic permit has been obtained for a re-development of the shopping centre. The plans entail a non-covered shopping area of 10,000 m² with a parking garage, an attractive square and a pedestrian area. The application for a building permit is expected to be filed by year-end 2016, with the start of construction now scheduled for 2017. In Liège, a socio-economic permit was obtained for the expansion of the Belle-Ile shopping centre with +/- 7,000 m² GLA. The application for a building permit has meanwhile been filed, with the start of construction also foreseen for 2017. Both developments are non-committed pipeline projects.

BREEAM construction certificates were obtained for the shopping centres in Genk and Gent, a BREEAM in use certificate was obtained for Nivelles. Kortrijk Ring will follow in 2016. The certification process takes significant effort and time, but this is well spent, with direct savings in energy use and improvement of operational processes. The installation of smart metering is ongoing in our Belgian shopping centres.

Organisation

During the year, there were no major changes to the organisation. A dedicated sustainability manager was appointed for Belgium, to co-ordinate our sustainability efforts. In 2015, Wereldhave Belgium organised several events in its shopping centres. Staff involvement was highest at the cooking for the homeless event that was held on a Sunday in shopping centre Nivelles. Our staff helped preparing and serving a meal for more than 100 people. The event was co-sponsored by our partners, tenants and suppliers.

In 2016, some changes will be made to the Belgian organisation. After a long and very successful career in property development and real estate, Luc Plasman will step down as Managing Director of Wereldhave Belgium at the end of June 2016. He will be succeeded by Kasper Deforche, currently COO of Wereldhave Belgium. Kasper joined Wereldhave in 2014. He has more than 10 years of real estate experience. Before Wereldhave Belgium, he worked for AG Real Estate Belgium, where he was responsible for the retail and housing portfolio. He will become Managing Director Wereldhave Belgium as per July 1, 2016.

Results and valuation

Occupancy of the Belgian shopping centre portfolio stood at 94.9% at December 31, 2015. The portfolio was valued at € 734m on December 31, 2015 against € 724m a year earlier. The increase is mainly caused by higher property valuations. The value of the development portfolio stood at € 41m at year-end 2015.

Outlook

In 2016, all focus will be on leasing of Genk and Kortrijk, to improve occupancy. For the remainder of the portfolio, we will continue to seek opportunities to improve the retail offer. We will streamline our management organisation and focus on improving the shopping experience in all our centres.

SHOPPING 1, GENK

Finland

KEY ECONOMIC PARAMETERS
(European economic forecast autumn 2015)

	2014	2015	2016	2017
GDP growth, %, yoy	-0.4	0.3	0.7	1.1
Inflation, %, yoy	1.2	- 0.2	0.6	1.5
Unemployment (as a %)	8.7	9.6	9.5	9.4
Private consumption	0.5	0.7	0.5	0.6

After three consecutive years of recession, GDP is expected to grow 0.7% in 2016 and 1.1% in 2017. Private consumption rose by 0.7% in 2015. Itis clearly outperformed the market: footfall in Itis showed a healthy increase of 3.6% and tenant sales benefited even more with an increase of 5%. This shows the success of the refurbished Itis.

The investment market saw an increasing interest from foreign investors in the Finnish market in 2015. The transaction volume increased to € 5.5bn. The sale of the Kaari shopping centre in Helsinki, the ninth largest shopping centre in Helsinki, was the largest retail property transaction in 2015. The foreign share in the investment volumes amounted to approximately 35%. Yields for prime shopping centres range between 4.5 - 5.0%.

The leasing market was mainly driven by active value retailers. Large international chains remained hesitant in entering the Finnish market or expanding their exposure. Wereldhave's Itis shopping centre is Finland's largest shopping centre, with 94,000 m² of retail. As nearly all national retail chains are present in the centre, Itis needs to attract large international chains to fill the remaining vacancy in the centre. During 2015, 43 new leases were signed in Itis, 13 renewals and 6 rotations. Like-for-like rental growth for 2015 amounted to 2.3%.

The largest leasing transaction was the expansion of the Lidl supermarket. After opening in November, Lidl has outperformed its own sales estimates. Significantly less in space, but valuable for the customer experience are a Starbucks shop which will open in April 2016 and a Flying Tiger. Negotiations are ongoing with several international fashion retailers, but decision making is slow.

Portfolio

During the first half of 2015, Wereldhave acquired the freehold ownership from the City of Helsinki of two plots of land, on which the Itis shopping centre is built. The investment amounts to € 11.2m, with a net initial yield of 5%. Wereldhave now owns the entire freehold of the building and the land.

There were no other changes to the portfolio in 2015.

Energy consumption in the common areas of Itis went down by 18% over the reporting period, resulting from several measures taken. LED lighting was installed in the parking garage and switch times of the lights in the shopping centre could be brought more in line with the opening hours, as cleaning hours were changed.

Organisation

An internationally experienced shopping centre director was appointed to improve operations. Branding of the shopping centre was improved and implemented throughout the centre, from security to cleaning. The key brand values of Itis are “Bold, Integrated, Alive and Pioneering”.0. An information desk was installed and cleaning of the shopping centre was significantly improved.

As the employee survey from 2014 showed that job clarity was an item for improvement, all job descriptions were reviewed and the organisation structure improved. A retail liaison manager was appointed to improve relations with the tenants and a new marketing manager was appointed to organise events in the shopping centre and generate online traffic to the centre.

After Itis Shopping Centre received the BREEAM certificate, focus shifted to our own office environment. We joined the WWF initiative, an environmental management system for offices.

A co-operation with the Hope Foundation in Finland resulted in a charity event in Itis, to provide children of families in need with a Christmas present. All staff participated with 3-hourly shifts at the desk in teams of two. Our target was to provide 1,000 children in the catchment area with a gift of their choice. It was nearly reached: all children received a gift, of which more than 900 the gift of their choice.

Results and valuation

Occupancy of Itis stood at 92.5% at December 31, 2015, with the offices at 91% and the shopping centre itself 93% let. The Finnish portfolio was valued at € 616m on December 31, 2015 against € 605m a year earlier. The decrease is primarily caused by lower occupancy.

Outlook

In 2016, prime focus will be on improving occupancy, focusing not only on large international chains but also on service-oriented local retail formulas.

Plans were made for an upgrade of lifts, escalators and travellators, thus reducing their energy use. Itis has 55 lifts and 66 escalators and travellators in the centre. The oldest will be upgraded over the next few years, which will be elementary in reaching the 30% energy saving target for 2020.

Wereldhave will review strategic options for Itis in 2016.

ITIS, HELSINKI

France

The French economy is slowly recovering, with GDP forecast to increase 1.4% in 2016. Footfall in our French shopping centres decreased by 1.1% in 2015, which is in line with the French CNCC average.

Investment levels for retail property reached the € 3bn mark in 2015, nearly half of the record year 2014. There are 20 new shopping centres in France under construction, with delivery over the years 2017 and 2018. Prime shopping centres are highly demand and supply of shopping centres with a proven track record is limited. The buoyant demand for shopping centres in 2014 caused a further compression of yields in 2015. Prime shopping centres now trade at a yield between 4.0 and 4.5%.

The up-beat investment markets were not reflected in the leasing markets. Take-up is slow; the number of enquiries for new retail space is limited and tenants take considerable time to evaluate their options. Value retailers, such as Primark, Action, H&M and Mango are the most active players on the leasing market. They are focusing on larger floor areas of 1,000 m² or more, often combining smaller shops of 400 m² under one roof. A good example is the new Mango store of 1,200 m² in Rivetoile in Strasbourg, signed in 2015 and opening in the first quarter of 2016.

With the French leasing team in place, leasing picked up in the last quarter. During 2015, 20 new leases, 9 renewals and 8 rotations were signed. Largest transactions were the Mango and a HEMA in Strasbourg and a fitness operator in Saint-Sever, Rouen. In the same centre, on January 12, 2016, a lease was signed with Kinepolis for the cinema. This is an important lease, the cinema being an anchor to the centre. The Heads of Terms for a Primark in Docks Vauban was another important signing. Tenant demand for Docks Vauban has clearly picked up and several large fashion retailers now wish to expand their shops in the centre.

As the French portfolio was acquired in December 2014, like-for-like rental growth results will become available starting from the first quarter of 2016. Over the full first year, occupancy remained stable and net rental income came out at the targeted € 46m.

On the investment market for Paris offices, 2015 saw a very high transaction volume. Low interest rates has driven international investors to the real estate sector and properties with first class tenants and a secure cash-flow are much in demand. Yields for prime office buildings in the CBD are below 4%.

KEY ECONOMIC PARAMETERS
(European economic forecast autumn 2015)

	2014	2015	2016	2017
GDP growth, %, yoy	0.2	1.1	1.4	1.7
Inflation, %, yoy	0.6	0.1	0.9	1.3
Unemployment (as a %)	10.3	10.4	10.4	10.2
Private consumption	0.6	1.7	1.7	1.4

Portfolio

On June 30, 2015, Wereldhave acquired the ownership of 1,600m² of the Côté Seine shopping centre in Argenteuil, leased to KIABI, an investment of € 1.8m. There were no other changes to the shopping centre portfolio. During the second half of the year, Wereldhave divested its portfolio of sustainable offices, consisting of 3 office buildings in Greater Paris, one in Levallois-Perret, one in Issy-les-Moulineaux and one in Saint-Denis. With these three transactions, Wereldhave capitalised on the vibrant investment market for office buildings in Paris. The proceeds from these disposals of € 401m were € 20m in excess of the valuations as at December 31, 2014.

In Docks Vauban, Le Havre, a Head of Terms was signed with Primark for a shop of 6,000m² in the heart of the shopping centre. In addition, Wereldhave is preparing plans to improve the inner climate of the centre by fitting out entrances with sliding doors and tourniquets. The total investment will amount to approximately € 10m. Construction will start in September 2016 and the new Primark is scheduled to open its doors during the last quarter of 2017. Several large retailers have meanwhile expressed their interest in the centre or wish to expand their shop.

In Rouen, Wereldhave aims to improve the attractiveness of the Saint-Sever shopping centre by changing the lay-out, to create a food and beverage square in front of the entrance of the cinema. Plans are in the early stages of preparation. Several large international retailers have expressed their interest in the repositioning of the centre.

In Bordeaux, plans are being drafted for the restructuring of the floor plans of Les Passages de Mériadeck. The current lay-out is inefficient and not customer friendly, which is also causing occupancy to remain below target.

In 2016, displays will be installed in the shopping centre to show progress on energy consumption and waste management, which will enhance awareness of our tenants and the visitors of our shopping centres. Bee-hives were installed on the rooftops of the shopping centres in Argenteuil and Strasbourg. Also in Argenteuil, a pilot project will start in close co-operation with our suppliers to reduce energy consumption of the common areas of the centre by 20% over the next two years.

Organisation

During the year 2015, an entirely new organisation was built to manage the shopping centre portfolio, whilst the office management organisation was closed during the second half of the year. By the end of the third quarter, the new organisation was nearly completed and a kick-off meeting on sustainability was held in November 2015. Sustainability was already an important topic in management of the six shopping centres, which all have the BREEAM certificate, but business and reporting processes still need to be brought in line with the Group's standards.

Wereldhave spent considerable time and effort on the integration of the new employees within the Group. Noteworthy events were a Wereldhave France Day at the new Paris offices to welcome all new employees and get acquainted and a Group personnel event in September 2015 in Antwerp. The year 2016 will be the first full year of operations with the entire team in place and focus will now be on improving business processes and a swift execution.

Several events were held in our shopping centres to connect our centres to their catchment areas, such as fashion shows that were organised together with our tenants. During the build-up stage of the organisation, staff involvement in such events was still limited, but Wereldhave France aims to reach the targeted level of staff involvement of 95% in 2016.

Results and valuation

Occupancy of the French shopping centre portfolio stood at 91.1% at December 31, 2015. The portfolio was valued at € 852m on December 31, 2015 against € 832m a year earlier. The increase is mainly caused by higher property valuations. The portfolio does not contain any committed development projects.

Outlook

In 2016, all focus will be on leasing to improve occupancy of the centres. During the last quarter of 2015 leasing already picked up, as soon as the new organisation was in place. Wereldhave France aims to deliver a further improvement in leasing in 2016.

RIVETOILE, STRASBOURG

Sustainability

Management approach

A supportive framework

Our Sustainability Framework consists of four pillars: Bricks, People, Partners and Society. 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 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 are 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. The GSC is chaired by the CEO. The other members are the CFO, the pillar leads, the Group Sustainability Manager and the Company Secretary. During 2015, eight meetings were held and the meetings were well attended.

Materiality matrix

In 2015, 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. 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 2016.

Milestones and objectives

In the Netherlands and Finland, sustainability is now fully embedded in the shopping centre budgets and business plans. Progress is monitored as an integrated part of operations. In 2016, we will implement sustainability in the business plans per shopping centre in the other countries. The data quality has improved significantly with smart metering and the sustainability KPI manual was improved. We aim to implement external verification within the next few years, adding to this solid basis we already have in place.

For the second year, 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.

Pillar 1 Bricks

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 portfolio's environmental impact.

The three key targets of this pillar are:

1. 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 will be installed in the newly acquired nine shopping centres in the Netherlands in Q1 2016 and for the French shopping centres, this is scheduled for the second quarter. The system generates detailed analyses per asset, which are a recurring topic of the quarterly technical management meetings.

These analyses provide valuable insight and if necessary, specific action can be taken. For example, in Roosendaal water consumption of 400 litres per hour during the night was investigated. Instead of water leakage, it appeared that a tenant cooling system was connected to the main water system. The water use is now charged to the tenant. In Belgium, energy consumption appeared to be very high in several of our office buildings, even during the night. The building management systems needed to be upgraded to manage switch times and other installation settings more flexibly.

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

In 2015 total electricity consumption was reduced by 10%, gas went up by 9% and district heating consumption decreased by 10% against the previous year. Based on like-for-like comparisons, energy consumption dropped by 8%. We reiterate our commitment to the long-term target.

2. Health, safety and risk assessments for shopping centres in 2018

In November 2015, the Sustainability Steering Committee decided to set health, safety and risk assessments for our shopping centres as the new target, which it connects to all pillars of our framework. A detailed planning will be made in 2016 and the first assessments are expected to be completed before the end of the year.

Initially, the second target that was set for the Bricks pillar, related to the BREEAM certification of our French offices portfolio. Target was to achieve BREEAM 'Outstanding' for the Paris (re)developed offices. This target was achieved during the year 2015. On July 31, 2015, Wereldhave announced to cease its investment and development activities in sustainable offices in Paris, to capitalize on the vibrant Paris investment market for offices.

3. 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 certification for seven shopping centres: Itis in Finland, Vier Meren, Koningshoek, Eggert and Roselaar in the Netherlands and Shopping 1 and Gent Overpoort in Belgium. A detailed (re)certification planning was made for all covered shopping centres (thus excluding Stadshagen Zwolle, Oosterheem Zoetermeer and Emiclaer Amersfoort, as only covered common areas are within scope). In 2016, the certification process will start for 7 shopping centres in the Netherlands, 2 in Belgium and 3 in France. 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.

Last year, we indicated that waste management was an item for improvement. In 2015 we have set up plans to start separating waste in 5 fractions (paper, plastics, glass, bio and other) in all countries, with measures to record the waste quantities per fraction. We aim for a 70% recycling of waste.

Other initiatives we are investigating is the reduction of water use per shopping centre visitor. The average number of litres is currently at 1.85 litre per visitor. Water is mainly used for toilets and the cleaning of common areas. We are investigating the possibilities to use rainwater for cleaning. Generally, this will require the split between clean and dirty sewer water, which is very costly in a built environment. Refurbishments and expansions of shopping centres may create opportunities. A first pilot project is planned in Belgium.

Sharing best practices

Particularly the quarterly technical management meetings create a useful platform for sharing knowledge. We aim to convene an annual international meeting for all technical managers 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 a uniform portfolio approach for BREEAM certification and will start during the first quarter of 2016.

Pillar 2 People

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:

1. Achieve employee satisfaction scores of 7.5 or higher in 2017

In 2014, a first employee satisfaction survey was held. Although the overall satisfaction score of 7.7 was high (response rate 87.7%), there were some items for improvement. In Finland, role clarity showed to be the most important topic, in the Netherlands, Belgium and at Group holding level internal communication was the most important item for improvement.

A bi-monthly internal newsletter was launched in 2015 and internal webcasts were held to present results to employees. 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.

2. Increase average training time per employee to 25 hours in 2015

During 2015, an average of 18 training hours was spent per employee. Introduction events for new employees were the largest contributors to this score in the Netherlands and France. In Belgium, an Asset Management Day to discuss operational procedures was the largest training event.

3. Increase percentage of female senior managers to 33% in 2016

Staff turnover was high with 94 new entrants and 25 people leaving the Company. Senior management has been defined as local management teams for leasing, finance and operations and heads of staff at Group level. This accounts for a total of 19 positions and at year-end 2015, the gender composition of senior management was 26.3% female and 73.7% male.

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 2015. In the Netherlands, a conflict of interest of a counterparty's employee was not immediately recognised. Well before contracts were signed, the issue was settled at a higher management level. Two employees at Wereldhave were reprimanded. In France, an attempt was made by a third party to falsify Wereldhave invoices for the French offices portfolio. A tenant informed Wereldhave of the false invoices he received. Wereldhave immediately warned all tenants and the new owners. We asked the bank to take appropriate action against the swindler with the bank account details from the false invoices.

Works Council

Wereldhave's Works Council in the Netherlands consists of six 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 2015 training topics were negotiating skills and communication with the constituency.

The topic that took much debate in 2015 was the request for advice in connection to the acquisition of nine shopping centres in the Netherlands, with 24 people joining the Company. The Works Council was advised by an outside counsel, specialised in compensation and benefits issues at mergers and acquisitions. The Works Council advised positively and is pleased with the level of attention that was paid to successfully integrate the new colleagues.

Pillar 3 Partners

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 depend largely on our partners such as tenants and suppliers, particularly when it comes to our sustainability performance.

The three key targets of this pillar are:

1. Create 1,000 retail jobs by investing € 200m in shopping centres in 2017

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 2015, 163 permanent retail jobs were created, which together with the 610 jobs that were created in 2014 brings the total number to 773 over two years. We are therefore well on track in achieving this target. We expect to create another 81 permanent retail jobs in 2016, following the completion of the retail park in Tournai and the development projects in the Netherlands.

2. 75% of new leases considered to be 'green' in 2016

The Green Lease format that was launched in November 2014 took off with a flying start. Well over 90% of all new leases qualifies as a Green Lease. In 2015, green lease addendums were also inserted in proposals for lease renewals. This will considerably shorten 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.

In 2016, focus will be on making sustainability a recurring topic of the meetings with tenants associations and setting up a 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 France, green leases are also well on track. Our 2015 leases (new, renewal & rotation) included green aspects and by year-end 2015, these leases were already for more than 90% in line with the Wereldhave Green Lease standard. The final amendments to the Green Lease documentation were made in January 2016.

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 are 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 from waste as a sixth fraction, creating sustainable toilets to installing solar panels. The winning shopping centre will receive a budget of € 5,000 to launch a new initiative.

3. Redefine and implement sustainable sourcing for all new suppliers in 2016

A sustainable sourcing charter was drafted. Before the introduction, interviews were held with the 4 main categories of suppliers (maintenance, waste, cleaning and security) in each country. Based on their feedback we adjusted the final document. As from 2016, we will repeat these interviews 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 will install “waste barometers” as a pilot project in the Belgian shopping centres, expressing the progress on waste separation and recycling on a weekly basis. This will contribute to consumer and tenant awareness in the centre.

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 165 meetings (one-to-one and group meetings) across 12 countries in Europe, North-America and Asia. Frequently discussed topics in these meetings, besides the latest financial results, included a.o. the recent acquisitions of shopping centre portfolios in France and the Netherlands, the debt-profile of the Company (sources of debt, maturities, costs, hedges, etc.), the strategy and focus on dominant convenience centres and shopping centre Itis in Helsinki. In addition to these meetings, multiple conference calls and a Capital Markets Day in France were held, and 13 ‘property visits’ were organised. Based on the positive feedback received, the Capital Markets day clearly achieved its goals and is likely to be repeated for a different part of the portfolio later in 2016.

Pillar 4 Society

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:

1. 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 the Netherlands, Belgium and Finland, over 1,800 customers were interviewed.

We decided to spread the surveys evenly over the years. In 2015, customer surveys were held in 5 shopping centres in the Netherlands. The reviews for the remaining three centres plus the nine that were acquired in August 2015 will be held in 2016 and 2017. In Belgium reviews were held in 6 shopping centres. In Finland, interviews in Itis were held in 2014, to be repeated in 2016. In France, our prime focus was on building a local management organisation. Customer reviews were held, but these were not yet in line with the Group format. We aim to hold such standardised customer satisfaction reviews in France in 2016 and 2017.

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.

2. 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 0.8% NRI was invested in local communities in 2015.

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.

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 largely were manned by Wereldhave staff, but even a local aldermen 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 for free. The participants to the charity event could be recognised by special signs at their entrance door and most tenants gladly participated. A total of € 65,000 was raised.

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. 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 lowers the impact of organising such events on the organisation.

During the year, administrative measures were set up 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.

The nine shopping centres that were acquired in August 2015 in the Netherlands will be included in the calculations as of January 1, 2016. In France, a sustainability kick-off meeting was held in November 2016 and progress against the targets will be recorded from January 2016 onwards.

3. 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.

86% 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 96% participation rate. In Finland, a 100% staff involvement was reached and in Belgium, we reached a 77% staff involvement.

Corporate sponsorship and philanthropy

In 2015 Wereldhave spent over € 142,500 on corporate sponsorships and philanthropy. Employees organised several fundraising events, such as participating in charity runs. Wereldhave is a proud sponsor of Macheo in Kenya. Macheo, meaning sunrise in Swahili, symbolizes 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 2015, 10 colleagues visited Macheo to support them in further professionalising their local operations.

We also sponsor the Festival Classique in The Hague and young artists perform their arts in several of our shopping centres. In 2015, Wereldhave agreed to support the Amsterdam Carré Theatre in making its renowned and prestigious 19th century circus theatre more sustainable. We will assist Carré with technical support, leverage on procurement for refurbishments and cash contributions to facilitate the environmental studies in preparation of refurbishments. This shows that our social involvement goes beyond our own shopping centres.

Staff & Organisation

Wereldhave's organisation underwent drastic changes in 2015. In France a new retail organisation was built. In the Netherlands, the portfolio nearly doubled in size, which also led to a substantial increase of the headcount of the Dutch management organisation.

The built-up of a new French retail organisation was largely completed during the first half of the year 2015. During the start-up phase of six months, CEO Dirk Anbeek acted as interim country director France. During the second quarter, Wereldhave France moved to a larger office in Paris and – as more than over 20 persons are working on site in the shopping centres - an introduction day to Wereldhave for all new employees was held in the new office. By the end of the third quarter, the Leasing Director was appointed. The number of employees of Wereldhave France amounted to 48 at year-end 2015.

Following the disposal of the French offices portfolio, the dedicated management organisation for the sustainable offices portfolio in Paris was terminated. The Board of Management of Wereldhave wishes to express its gratitude to all employees who have contributed to Wereldhave's proven track record of highly successful office developments in Paris.

In the Netherlands, 24 employees from Klépierre joined Wereldhave as per September 1, 2015. An introduction week to get acquainted with the new colleagues and business processes was held in the first week, followed by a Group employee event that was hosted by Wereldhave Belgium in Antwerp.

Changing the organisation

As Wereldhave's Derisk, Regroup and Growth transformation process has now been completed, full focus is on leasing and operations. The increased size of our local business operations also triggers the review of Group head office functions. This analysis is currently in process and we expect to implement some changes at head Office level in 2016, to make our Company even more operationally focussed. The appointment of Belinde Bakker as COO as from April 1, 2016 is a start of this change. Belinde has broad retail and real estate experience and during the past three years, she successfully managed Wereldhave's Dutch portfolio as managing director Wereldhave Netherlands.

Annerieke Lulofs will be appointed as the new HR director for the Group. She has extensive international HR experience and previously worked for Heineken and ABN-AMRO, also abroad. She currently works for BNP in the Netherlands as Head of HR and will start as HR Director Wereldhave in April 2016.

Attraction, retention and development

In 2015, a new remuneration structure was rolled out, including an up-to-date remuneration policy, composed of market-compatible base compensation, short-term performance-related incentives and long-term incentives. 100% of staff was appraised.

Even more important than the remuneration is the passion, pride and performance of our employees and their focus on operations. Social inclusion events in our centres are an excellent opportunity to create and show employee commitment with operational activities. It teaches our employees the key values of running a shopping centre, with a hospitable approach towards the ultimate end-user, the visitors of our shopping centres. Successful initiatives in Finland, Belgium and the Netherlands show that tenants and suppliers are enthusiastically joining forces with our staff to create meaningful events.

Internal Communications

In 2014, an employee satisfaction survey was held. Although the overall satisfaction score of 7.7 was high (response rate 87.7%), internal communications showed to be an item of improvement. The frequent changes to the portfolio and organisation may well have taken their toll there. In 2015, we have created a new role combining sustainability, internal communications and organisational development and we launched a new internal newsletter, called WE-R. In addition, internal audio casts were held twice to present results to employees. The introduction events in France and the Netherlands were also important tools to foster internal communications.

Executive Board and Management Team

The Executive Board consists of CEO Dirk Anbeek, CFO Robert Bolier, COO Belinde Bakker and CIO Riemer Smink. Dirk Anbeek and Robert Bolier are the statutory Board of Management, Belinde Bakker and Riemer Smink are non-statutory directors.

The Executive Board, the country directors for the Netherlands, Belgium, Finland and France, the HR director and the Director Legal/Company Secretary together form the Company's Management team.

Facts and figures per December 31, 2015:

Number of employees:	217	(193.1 FTE)
Men:	92	(42.4%)
Women:	125	(57.6%)
Average age:	41.1 years	
Average length of service:	4.7 years	
Absence due to illness:	3.6%	

Report from the Supervisory Board

The Supervisory Board respectfully submits the annual accounts 2015 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 2015 dividend in cash of € 3.01 per share, of which € 1.50 per share was already paid out as interim dividend on November 6, 2015. The accounts have been audited by PwC, who issued an unqualified auditor's report.

Composition

The profile of the Company has changed significantly over the past three years. The Supervisory Board therefore decided to review the profile for members of the Board, with the addition of knowledge and experience in the field of international multichannel retailing to the profile.

Mrs F.C. Weijtens has decided to step down from the Board for personal reasons and Mr J.A.P. van Oosten will retire in 2017. To prepare for a smooth transition, the Supervisory Board proposes the nomination of Mr G. van de Weerdhof and of Mrs L. Geirnaerdt.

Mr Van de Weerdhofs background in international multichannel retailing perfectly fits within the adjusted profile for members of the Board, whilst the nomination of Mrs Geirnaerdt as a financial specialist broadens the financial expertise within the Supervisory Board.

All members of the Supervisory Board are fully independent from the Company and the Board of Management.

The Supervisory Board will review the composition of the Committees after the AGM in 2016.

Supervisory Board meetings

The Supervisory Board held five regular meetings with the Executive Board, four to discuss the quarterly results and one to discuss the budget. Six meetings were held to discuss the Dutch acquisition; five meetings were held without the presence of the Executive Board and one decision was taken by e-mail outside of a meeting. The average attendance during the year stood at 98%, one of the members being unable to attend one meeting.

Five of the meetings were held by phone. The Supervisory Board also held five SB-only meetings and several 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 regular contact with the CFO.

In October 2015, the Supervisory Board combined its meeting to discuss the Q3 results with a site visit to the Rivetoile shopping centre in France and an introduction of the French Management Team. Combining regular meetings with site visits is a valuable tool for the Supervisory Board to get a better understanding of both the day-to-day operational issues of shopping centre management as well as the management teams of the countries in which Wereldhave is active.

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 discussed in July 2015, when the Supervisory Board approved the proposal of the Board of Management to introduce an interim dividend. This was often suggested by shareholders, as it stabilises cash flow for shareholders, reduces the impact on the Loan-to-Value and spreads the ex-dividend effect of the share price. In addition, it also underlines the predictability of our cash flow which justifies an interim dividend. On November 6, 2015, an interim dividend of € 1.50 per share was paid in respect of the financial year 2015.

A new Governance Charter was adopted in February 2015. The Supervisory Board discussed the holding of shares in the Company for members of the Supervisory Board. 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. Two members of the Board have invested in Wereldhave shares. Mr Groenewegen purchased 3,000 share in June 2015. There were no other changes in shareholdings in the Company by Supervisory Board members during the year. At year-end 2015, Mr Groenewegen held 5,740 shares and Mr Van Everdingen 10,000 shares of the Company as private investment.

Sustainability was discussed in the regular meetings of the Board in 2015. Again, good progress was made. Wereldhave moved up further in the Green Star quartile of GRESB and now belongs to the top 10% of the sector. Wereldhave also was included in the DJSI index in 2015. The Supervisory Board is pleased with the Company's sustainability performance and welcomes this first integrated report, which reflects the Company's commitment to sustainability.

The Chairman of the Supervisory Board attended a meeting of the Works Council in September 2015. Items discussed were the recent acquisition of nine shopping centres in the Netherlands, the financial performance and communication of the Company and the WTC Schiphol office environment. It was decided that each year, one or more members of the Board will attend a meeting with the Works Council.

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 Statutory Auditor's recommendations;
- the relationship between the Company and its Statutory Auditor.

The Audit Committee consist of two Supervisory Board members: Mr Groenewegen (Chairman) and Mr Van Everdingen. The Audit Committee

held five regular meetings in 2015 to discuss 2014 annual results, the annual report for 2014 and the quarterly results for 2015 and the budget 2016.
All meetings were attended by the Company's CFO and CEO and four meetings by the external auditor PwC. The Audit Committee also met separately with the external auditor. 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 2016 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;
- Review of the tax position and compliance to the fiscal status.

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. In addition, the Audit Committee reviewed the external acquisition valuation for the nine shopping centres that were acquired from Klépierre.

- The introduction of an interim dividend was discussed in the July meeting of the committee and subsequently approved by the Board. It was concluded that the predictability of the annual cash flow justifies an interim dividend.

- In the July meeting special attention was paid to the IT strategy, especially in relation to its ERP system, of the Company and the most critical applications. The results of an assessment of the applications were reported and it was concluded that the current IT system is stable, robust and cost efficient, but that documentation should be improved. The documentation project started in September 2015 and will take approximately six months.

- In the beginning of the year, several extra meetings were held to select a new auditing firm. The proposal to appoint KPMG Accountants N.V. for the period of 2016-2018 was approved by the AGM on April 24, 2015.

- The audit plan 2015 by PwC was discussed and approved in the October meeting of the Audit Committee. In view of the remuneration policy that was adopted in July 2015, the committee has asked the auditor to perform agreed upon procedures relating to the calculations of the like-for-like rental growth, as these do not form part of the IFRS annual accounts. Starting from 2017, interim results and the related financial statements will be reviewed.

- The materiality threshold increased from € 2.5m in 2014 to € 5.1m in 2015, which is directly attributable to the result of the increased size of the portfolio following the acquisition of the French shopping centres in December 2014 and the Dutch portfolio in June of 2015. The Audit Committee ascertained that all audit findings in excess of € 225,000, adjusted and unadjusted, will be reported by the auditor.

- The internal risk management and control framework was updated by the Group Finance Department in 2015. All key controls were discussed with the local management organisations and internal procedures were re-assessed to validate if key controls were embedded. In view of the limited size of the organisation, the Company does not have an internal audit department. The Group Finance Department reports its findings to the Audit Committee. For the year 2016, this system will be maintained.

- Hedge accounting was also discussed in several meetings. Wereldhave only uses derivatives to hedge interest rate and currency exposure of underlying debt positions and interest payments. The Audit Committee decided to make hedge accounting a recurring agenda item for all committee meetings, together with risk management and the functioning of the internal control framework.

Remuneration- and Nomination Committee

The Remuneration- and Nomination Committee consists of Mrs Weijtens (Chair) and Mr Van Oosten.

The committee convened two times in 2015, to prepare the remuneration report and the proposed changes to the remuneration policy. The topic was taken to the meetings of the full Supervisory Board and were discussed in four meetings. The attendance rate of the meetings stood at 75%, one member being absent due to illness in one meeting and being replaced by another Supervisory Board member.

In line with the Dutch Corporate Governance Code, the Supervisory Board made scenario analyses when they determined the level and structure of the Board of Management's remuneration. These analyses included all elements of remuneration, including potential LTI and STI pay-outs, under various scenarios. The Board has also discussed to which extent the variable remuneration might expose the Company to risks, taking into consideration the overall risk profile of the Company. The Board reached the conclusion that the remuneration policy provides management with good incentives to create long-term value for the shareholders, without increasing the overall risk profile of the Company.

Board evaluation

In October 2015 the Supervisory Board carried out an extensive board evaluation, with the assistance of an external advisor. Initially, the use of external assistance was scheduled for the 2016 board evaluation. The previous evaluation with external assistance was in 2013. In view of the significant changes to the profile of the Company over the past three years, it was decided to review the profile for members of the board and seek external assistance. The board decided that its expertise should be expanded with knowledge and experience in the operational management of a large international multichannel retailer. The Supervisory Board also noted that it should work to improve relations with institutional investors by more actively seeking consultations on governance topics, to regularly visit country management organisations and to hold “Supervisory Board – only” meetings at least twice a year.

In 2014, the Supervisory Board decided to work towards a more balanced spread over the year of recurring topics. Annual dedicated meetings were introduced to discuss next year’s budget and targets in December 2014 and in 2015 the Audit Committee spread topics more evenly over the year. The Supervisory Board continued its practice to regularly evaluate meetings immediately afterwards, without the Board of Management being present. 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.

No transactions with a potential conflict of interest were reported by members of the Supervisory Board in 2015.

Management

The Board of Management consists of Mr D.J. Anbeek (CEO) and Mr R.J. Bolier (CFO). After consultations with the Supervisory Board the Board of Management decided to review the top holding organisation with the help of third party assistance, in view of the increasing size of the portfolio and local operations. The recommendations were shared and discussed with the Supervisory Board and subsequently, the Board of Management decided to appoint Mrs B.P. Bakker as COO with effect from April 1, 2016. Together with Mr R. Smink as CIO, they constitute the Executive Board.

Gender diversity within the Executive Board is currently at 25%, which is still below the targeted 30%. When making future appointments, the Company will strive for an improved gender diversity, while it will continue to select members primarily on the basis of expertise, experience, background and skills.

No transactions with a potential conflict of interest were reported by members of the Board of Management in 2015.

Composition of the Supervisory Board

J.A.P. VAN OOSTEN
(m 67)

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.

Other board positions:
Member Supervisory Board Staedion foundation
Chairman Supervisory Board Reinier Haga Groep foundation (until 01-06-2015)
Chairman Supervisory Board West-Holland Foreign Investment Agency foundation
Member Board NEN

(with the exception of the Staedion foundation, these foundations do not qualify as a foundation as defined in article 2:297.a.1 of the Dutch civil Code)

H.L.L. GROENEWEGEN
(m 52)

Member of the Supervisory Board since 2014
Chairman of the Audit Committee since 2014
Retires by rotation in 2018

Positions in Supervisory Boards:
Chairman Supervisory Board FD Mediagroep
Member Supervisory Board Intertrust

Other board positions:
CFO Ziggo (until 31-12-2015)

H.J. VAN EVERDINGEN
(m 60)

Director Catalyst Advisors
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 Berlage Winkelfonds Duitsland
Board Member Karel Doorman Foundation

J.A. BOMHOFF

(m 67)

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

F.C. WEIJTENS

(f 48)

Member of the Supervisory Board since 2013
Chairman of the Remuneration- and Nomination Committee since 2013
Retires at the AGM on April 22, 2016

Positions in Supervisory Boards:
none

Other board positions:
none

Remuneration Report

Remuneration of the Board of Management

Policy

The remuneration policy 2015 and onwards was adopted by the Annual General Meeting 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 as proposed in this policy 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, 2015, fixed income is set at € 510,000 for the CEO and € 380,000 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) (60% of fixed income).

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 be 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.

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 2015 will vest in 2018, 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 sore 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 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.

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 of 1% for 2015 (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 2015 amounted to € 72,333 (22.4% of € 312,765) and for Mr Bolier to € 53,429 (22.4% of € 228.371). These amounts will be indexed with CPI of 0.6% for 2016.

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 Board intends to propose the reappointment of Mr Anbeek at the Annual Meeting of Shareholders in 2017. Mr Bolier was appointed CFO in September 2014.

Execution of the remuneration policy in 2015

Fixed income 2015

Mr Anbeek (CEO) received a fixed salary for 2015 of € 510,000. Mr Bolier (CFO) was paid a remuneration of € 380,000. These salaries were indexed with the Dutch consumer price indexation (CPI) of 0.6% as per January 1, 2016 to € 513,060 and € 382,280 respectively.

STI 2015

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

Like-for-like rental growth for the year 2015 amounted to 1.8%, which is 140 bps above index. This results in a score of 15%.

For the year 2015, a like-for-like rental growth was budgeted for the shopping centres of 40 bps above index in the Netherlands, 410 bps in Finland and 130 bps in Belgium. Like-for-like rental growth for the year 2015 came out at 70 bps above indexation in the Netherlands (30 bps above budget), 230 bps in Finland (180 bps below budget) and 130 bps above indexation in Belgium (at budget). This results in a score of 10 points.

The Company remained rated GRESB Green Star and even moved up further within this quartile, which scores 10 points.

This implies that in respect of the year 2015, a short-term incentive of 35% of fixed salary is payable in cash. For Mr Anbeek this amounts to an STI of € 178,500 and for Mr Bolier € 133,000.

LTI 2015

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, 2015, the Loan-to-Value stood at 37.5%. Compared to the previous year, EPS for 2015 increased by 9%, which is well over 200 bps above inflation. This implies that in respect of the year 2015, a long-term incentive of 60% of fixed salary is granted conditionally in shares. For Mr Anbeek this amounts to an LTI of € 306,000 and for Mr Bolier € 228,000.

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 2015 will vest in 2018, 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 31 to the Annual Accounts 2015.

Share ownership Board of Management

Balance at 31/12/2015	Performance shares 2013	Performance shares 2014	Total	Private	Share-holding
D.J. Anbeek	2,672	2,606	5,278	8,145	13,423
R.J. Bolier	n.a.	1,504	1,504	3,563	5,067

The performance shares 2013 vested in 2015 (see below), the performance shares 2014 will vest in 2016 (reference period 2014-2016). 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.
- 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.

Shares vesting in 2015

In respect of the year 2013, a conditional share balance was awarded to Mr Anbeek of 2,180 shares. This number of conditional performance shares has accrued to 2,672 due to the reinvestment of dividends and of claim rights in connection with the 2014 rights issue.

The long-term conditions were:

- For the like-for-like rental growth component (18.9/32.9% of the total LTI for 2013) the condition was that the average like-for-like net rental growth over the years 2014 and 2015 would be positive.
- The TSR variable component of the conditional grant (14.0/32.9% of the total LTI for 2013) was granted under the long-term condition that the average place over the next two years would be higher than the 6th place.

The average like-for-like rental growth for the years 2014 and 2015 is positive, implying that 18.9/32.9% of the 2,672 shares have vested.

The TSR peer group that was set for the 2013 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 2014, Wereldhave ranked second and in 2015 sixth, an average position of 4. This implies that 14.0/32.9% of the 2,672 shares have vested.

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

In respect of the year 2012, in 2013 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, 2015. The net proceeds of the bonus payment were invested in 489 shares, which have become automatically unblocked as per that date.

No shares are vesting for Mr Bolier in 2015.

Other

No transactions with a potential conflict of interest were reported by members of the Supervisory Board or the Board of Management in 2015. 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 € 47,500 for the Chairman, € 39,500 for the Vice Chairman and € 32,000 for members. Committee chairs receive a fixed remuneration of € 7,500 and committee members € 5,000 per annum.

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 (other than for 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.

2. Board of Management

Wereldhave has a two tier board structure. The Board of Management is responsible for achieving the Company's aims, the strategy and associated risk profile, the development of results and company 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 2015.

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 52)

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 54)

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 Selection and 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 strives to achieve a balanced composition of the Boards in terms of gender, while it will continue to select members primarily on the basis of expertise, experience, background and skills. The Supervisory Board now has a composition of at least 20% of either gender.

The 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), H.L.L. Groenewegen (Chair Audit committee), H.J. van Everdingen (member Audit Committee) and Mrs F.C. Weijtens (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 base remuneration for 2015 amounts to € 47,500 for the Chairman, € 39,500 for the Vice Chairman and € 32,000 for members. Committee chairs receive a fixed remuneration of € 7,500 and committee members € 5,000. These amounts will be indexed annually, as from January 1, 2016.

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 2015, the performance of the Supervisory Board was assessed with external assistance. Following the recommendations, the Supervisory Board decided to propose to the shareholders to temporarily raise the number of members of the Supervisory Board to six, to appoint a retail specialist and to prepare for the succession of the Chairman of the Supervisory Board in 2017.

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. Two meetings were held in 2015, and the average attendance rate stood at 58.5% (2014: 49.2%).

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 24, 2015, 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 24, 2015 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 24, 2015.

The authority was partly used to finance the acquisition of nine shopping centres in the Netherlands. On June 29, 2015, Wereldhave N.V. completed an equity raise of approximately 15% of its outstanding share capital.

Acquisition of own shares

The Annual General Meeting of Shareholders that was held on April 24, 2015 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 24, 2015, whereby the acquisition price must be between the nominal value per share and 10% above the average price for these shares on the NYSE Euronext Amsterdam on the five (5) trading days preceding the acquisition by Wereldhave, for a period of 18 months, starting April 24, 2015. During the year 2015, 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 2016, 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 external auditor is appointed by the General Meeting of Shareholders. The current accountant PwC was appointed for a period up to and including the financial year 2015. 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 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 to 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 its own, tailor-made administrative organisation in which internal control is embedded. The administrative organisation / internal control system is based on a division of functions. This system includes a computerised information system with role base 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.

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.

The Board of Management assessed the organisation and functioning of the internal risk management and control systems. The outcome of this assessment and any significant modifications were discussed with the Audit Committee and the Supervisory Board together with the strategy and risks.

In 2015, also the internal control framework was reviewed and adjusted as required. Subsequently the control framework was tested in each country during three-day visits and the outcome of the tests were discussed with local management and improvements were implemented where necessary. The results of the tests were reported to the Audit Committee.

The 2015 main risks mentioned below are roughly identical to the main risks as presented in our 2014 Annual Report, with only minor changes in definitions and measures. The risk level in 2015 is also comparable to the previous year, in spite of the increased size of the property portfolio due to the acquisition in the Netherlands and positive property revaluations.

MAIN RISKS

Strategic and business risks	Risk	Mitigating measures
Economic environment	The Wereldhave real estate portfolio mainly comprises of shopping centres. For that reason, changes in macroeconomic indicators of the different countries are likely to impact consumer confidence, consumer spending and lease income. In addition there could also be more indirect effects such as the real estate portfolio value and business growth prospects.	We make our shopping centres attractive places to go. A large food anchor is important for us to ensure footfall even when economic times are adverse. We monitor tenant performance closely, including payment of outstanding balances, in order to be proactive if any tenant has difficulties.
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 the trend continues and online shopping will replace shopping in brick and mortar shops, it could be a risk that retailers need less space in our shopping centres.	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.
Market value shopping centres	The market value of our assets is an important metric. These valuations can be affected by cash generated, the general macro-economic environment, but also by local influences. A devaluation of the portfolio will result in lower net income and could affect the borrowing capacity and also 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 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.

	Risk	Mitigating measures
Lack of supply shopping centres	Our strategy is to grow 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 and where possible extend existing 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.	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.

Operational risks	Risk	Mitigating measures
Operational performance acquisitions	When acquiring a property, Wereldhave may fail to uncover hidden deficiencies / defects to the building, fail to assess the financial strength of the tenants or overvalue the properties. Warranties from the Seller may not be sufficient to cover the issue.	Wereldhave commissions an extensive due diligence when acquiring new properties. The investigations will be made internally and by independent third parties, who report their findings directly to the Board of Management.
Delayed maintenance	Although real estate lasts for a long time, shopping centres need maintenance and need to be kept up to modern standards to remain attractive. As the influence on rent levels can only be felt over the longer term, there is a risk that buildings are not maintained or updated as they should.	5 years ago Wereldhave's portfolio of shopping centres was clearly outdated and visitor numbers came down. A program of refurbishment in Finland and Belgium was started and later also in the Netherlands. It is important to keep a shopping centre looking up to date and to maintain it on an ongoing basis. Our dividend pay-out ratio of 85 - 90% assures that funds are available to cover maintenance expenditures.

	Risk	Mitigating measures
Increase in operational costs including inflationary risk	In the growth phase there is a risk that operational costs will increase. Inflation could also affect the operational costs, with pressure to increase salaries more than productivity. The increased costs will have an adverse effect on our profitability.	Our rental contracts are indexed so if inflation increases, this should well compensate the increase in operational costs. All costs related to running the properties are charged to the tenants and inflation related increases are passed on. We will furthermore control our cost by following the cost development closely on a monthly basis.
Safety including fire	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.
Human resources	Wereldhave is capital intensive and it is important that properties are managed operationally well and that the right investment decisions are taken. To ensure the best management of its resources Wereldhave needs to attract the best people. We may not always be able to attract and retain the best people and there is a risk that this could adversely affect the value of our portfolio.	We aim to attract the best people in the industry. We have a transparent culture and reward performance. We have regular performance reviews and we will arrange training if required.

Compliance risks	Risk	Mitigating measures
Tax compliance	In France, the Netherlands and Belgium we benefit 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, qualifying income is exempt or the tax rate is 0%. Depending on the jurisdiction, these conditions may relate to permissible activities or shareholders, restrictions with respect to the amount of debt financing allowed and the dividend policy. A common feature among these conditions is that to be eligible to the privileged tax treatment, the Company is obliged to distribute its taxable result – again depending on the jurisdiction, all or a minimum portion of it – as a dividend to its shareholders within a certain timeframe. 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.	An internal tax advisor, supported by external advice, monitors on a continuous basis the qualification requirements including dividend payments to ensure compliance.
Legislation	In the wake of the financial crisis the Banking sector has been hit hard and new laws and rules have been introduced to prevent the same situation happening again. The compliance burden has increased significantly. Real Estate is a relatively small industry, but often seen as part of the Financial Sector. There is a risk that legislation introduced for banks and wealth managers will have an effect on Wereldhave.	In order to not be burdened with legislation that is more for other types of businesses we monitor new initiatives closely and at an early stage determine which action to take. This could be in cooperation with peers in the industry to ensure the impact for the real estate industry is clearly understood.

Financial risks	Risk	Mitigating measures
Capital structure	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.	We closely watch our Loan-to-Value, which we want to keep between 35 and 40%. We will not finance acquisitions that risk going over a LTV at year-end of 40%. A closely controlled cash flow forecast is updated regularly to ensure staying within our targets.
Liquidity risk	Funding with debt involves refinancing risk.	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.
Interest rate risk	Our capital structure has a number of loans with a floating interest rate. If interest rates will rise, it will have a material adverse effect on our profitability.	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 2015 86% of interest rate was fixed. The valuation of interest rate swaps could be subject to fluctuations due to changes in the interest rate. Financial instruments are only used to hedge underlying positions and inherently include a counter party risk.

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

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 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 2015, 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 2015 do not contain any material misstatements;

- the financial statements for 2015 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, 2015, and of the 2015 consolidated income statement of Wereldhave N.V.;

- the Annual Report provides a true and fair view of the situation as at December 31, 2015, and the state of affairs during the financial year 2015, together with a description of the main risks faced by the Group.

Schiphol, February 25, 2016

D.J. Anbeek
R.J. Bolier

EPRA Tables – as per December 31, 2015

INVESTMENT PROPERTY – RENTAL DATA

(x € 1,000)	Gross rental income 2015	Net rental income 2015	Lettable space (m²)	Annual theoretical rent	Estimated rental value	EPRA vacancy rate (in %)
Belgium	47,686	44,200	234,400	51,723	52,316	5.4%
Finland	30,167	28,631	104,000	34,471	34,592	7.5%
France	63,710	57,032	204,100	52,499	51,547	8.9%
Netherlands	65,750	54,793	441,000	106,600	104,554	4.7%
Total portfolio	**207,313**	**184,656**	**983,500**	**245,293**	**243,008**	**6.2%**

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 -0.9%.

INVESTMENT PROPERTY – LEASE DATA

	Average lease length in years*		Annual rent of leases expiring in		
(x € 1,000)	to break	to expiry	Year 1	Year 2	Year 3-5
Belgium	3.2	6.4	8,733	12,773	23,471
Finland	5.1	5.5	2,333	4,257	11,932
France	2.3	4.9	12,240	13,174	18,498
Netherlands	3.6	4.3	12,393	14,781	40,136
Total portfolio	**3.4**	**5.1**	**35,699**	**44,985**	**94,037**

* excluding indefinite contracts

INVESTMENT PROPERTY – LIKE-FOR-LIKE NET RENTAL INCOME

NET RENTAL INCOME 2015

(x € 1,000)	Properties owned troughout the 2 years	Acquisitions	Disposals	Development /Standing properties	Other	Total net rental income
Belgium	34,274	-	-	9,518	408	44,200
Finland	28,434	-	-	-	197	28,631
France	-	-	11,306	45,726	-	57,032
Netherlands	25,110	14,549	162	13,409	1,563	54,793
Total portfolio	**87,818**	**14,549**	**11,468**	**68,653**	**2,168**	**184,656**

Net rental income like-for-like growth 1.7% total portfolio.

NET RENTAL INCOME 2014

(x € 1,000)	Properties owned troughout the 2 years	Acquisitions	Disposals	Development /Standing properties	Other	Total net rental income
Belgium	33,787	499	-	2,168	16	36,470
Finland	27,796	-	-	75	-	27,871
France	-	1,300	9,959	-	-	11,259
Netherlands	24,794	7,285	-	6,291	807	39,176
Total portfolio	**86,376**	**9,084**	**9,959**	**8,534**	**823**	**114,776**

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, 2015	December 31, 2014
Shareholders' equity per share	50.05	52.07
Adjustment for fair value of derivatives	0.13	0.14
Adjustment for deferred taxes	1.92	2.14
EPRA net assest value per share	**52.10**	**54.35**
Adjustment for fair value of derivatives	-0.13	-0.14
Adjustment for fair value of interest bearing debt	-0.44	-0.73
Adjustment for fair value of defered tax	-1.15	-1.29
EPRA 'triple NAV' per share	**50.38**	**52.19**

EPRA COST RATIO

Continuing operations

(x € 1,000)	December 31, 2015	December 31, 2014
Net service charges	4,906	1,493
Property expenses	17,751	10,525
General Costs	16,264	13,536
Ground rent	(1,086)	(1,237)
Total Costs (EPRA)	**37,835**	**24,316**
Gross rental income	207,313	126,794
Cost ratio (%)	**18.3%**	**19.2%**

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

(x € 1,000)	Income	Investment properties
Gross Investment Portfolio excluding assets in development		3,711,579
Purchasers costs		(190,485)
Properties in Development Netherlands		204,390
Net portfolio valuation as reported in the financial statements		3,725,485
Income and yields		
Net operational income used for calculation of EPRA Net Initial Yield	198,380	5.3%
Rent-free periods (including pre-lets)	2,342	0.1%
Rent for 'topped-up' initial yield	200,722	5.4%

SUMMARY OF INVESTMENT PROPERTIES IN OPERATIONS

	Shopping Centres		Offices		Total	
(in € millions)	market value	annual theoretical rent	market value	annual theoretical rent	market value	annual theoretical rent
Belgium	607.7	40.5	125.7	11.2	733.4	51.7
Finland	616.0	34.5	-	-	616.0	34.5
France	852.1	52.5	-	-	852.1	52.5
Netherlands	1,457.7	106.6	-	-	1,457.7	106.6
Total portfolio	**3,533.5**	**234.1**	**125.7**	**11.2**	**3,659.2**	**245.3**

SUMMARY OF THE VALUATION ADJUSTMENTS OF THE INVESTMENT PROPERTIES IN OPERATIONS

(in € millions)	market value	revaluation in 2015	Shopping Centres	Offices	Total
Belgium	733.4	9.6	1.8%	-0.9%	1.3%
Finland	616.0	(13.1)	-2.1%	-	-2.1%
France*	852.1	29.7	1.8%	-	1.8%
Netherlands**	1,457.7	(25.4)	1.1%	-	1.1%
Total portfolio	**3,659.2**	**0.7**	**0.8%**	**-0.9%**	**0.8%**

*France: calculation of the revaluation % excluding € 14.7m revaluation result offices
**Netherlands: calculation of the revaluation % excluding € 42.0m transfer tax

EPRA PERFORMANCE MEASURES

PERFORMANCE MEASURES	DEFINITION	PAGE	PURPOSE
EPRA NAV	Net Asset Value (NAV) adjusted to include properties and other investment interest at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model.	75	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.	75	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)).	76	A comparable measure for portfolio valuations.
EPRA Vacancy	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	73	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.	75	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, 2015

(in € 1,000)	2015 direct result	2015 indirect result	2014 direct result	2014 indirect result
Gross rental income	207,313	-	126,794	-
Service costs charged	37,258	-	21,125	-
Total revenues	**244,571**	**-**	**147,919**	**-**
Service costs paid	-42,164	-	-22,618	-
Property expenses	-17,751	-	-10,525	-
Total expenses	-59,915	-	-33,143	-
Net rental income	**184,656**	**-**	**114,776**	**-**
Valuation results	-	-4,555	-	-40,767
Results on disposals	-	-279	-	5,899
General costs	-16,264	-	-13,537	-
Other income and expense	596	-3,081	1,142	-4,784
Operational result	**168,988**	**-7,915**	**102,381**	**-39,652**
Interest charges	-32,283	-1,300	-15,005	-1,258
Interest income	327	-	515	-
Net interest	-31,956	-1,300	-14,490	-1,258
Other financial income and expense	-	-5,716	-	-13,226
Result before tax	**137,032**	**-14,931**	**87,891**	**-54,136**
Taxes on result	-614	-2,197	-633	-1,441
Result from continuing operations	**136,418**	**-17,128**	**87,258**	**-55,577**
Result from discontinued operations	**-2,730**	**-12,767**	**-1,542**	**-3,241**
Result	**133,688**	**-29,895**	**85,716**	**-58,818**
Profit attributable to:				
Shareholders	121,798	-33,143	75,520	-60,500
Non-controlling interest	11,890	3,258	10,196	1,682
Result	133,688	-29,885	85,716	-58,818
Earnings per share (€)				
Continuing operations	3.30	-0.54	3.03	-2.25
Discontinued operations	-0.07	-0.34	-0.06	-0.13
Total earnings	3.23	-0.88	2.97	-2.38

Contents (Financial Statements)

Consolidated balance sheet at December 31, 2015

(x € 1,000)

Assets	Note	December 31, 2015	December 31, 2014
Non-current assets			
Investment properties in operation		3,655,269	3,221,588
Lease incentives		3,985	16,672
Investment properties under construction		66,231	43,874
Investment properties	5	**3,725,485**	**3,282,134**
Property and equipment	6	2,900	2,647
Intangible assets	7	1,453	1,715
Derivative financial instruments	8	67,130	43,641
Financial assets available for sale	8	-	9,116
Other financial assets	8	276	811
		71,759	**57,930**
		3,797,244	**3,340,064**
Current assets			
Trade and other receivables	10	46,403	58,141
Tax receivables	11	16,798	11,201
Cash and cash equivalents	12	37,711	119,205
Derivative financial instruments	8	21,606	-
		122,518	**188,547**
		3,919,762	**3,528,611**

Equity and Liabilities	Note	December 31, 2015	December 31, 2014
Equity			
Share capital	13	40,271	35,021
Share premium	14	1,711,031	1,467,196
Reserves	15-18	263,767	321,197
		2,015,069	**1,823,414**
Non-controlling interest		172,747	152,550
Total equity		**2,187,816**	**1,975,964**
Non-current liabilities			
Interest bearing liabilities	19	1,279,106	1,077,525
Deferred tax liabilities	20	77,272	75,091
Derivative financial instruments		22,999	17,577
Other long term liabilities	21	13,696	13,181
Current liabilities		**1,393,073**	**1,183,374**
Trade payables		5,906	9,505
Tax payable	22	13,367	5,994
Interest bearing liabilities	19	230,779	173,423
Other short term liabilities	23	88,821	180,351
		338,873	**369,273**
		3,919,762	**3,528,611**

Consolidated income statement for the year ended December 31, 2015

(x € 1,000)	Note	2015	2014
Gross rental income	27	207,313	126,794
Service costs charged		37,258	21,125
Total revenue		**244,571**	**147,919**
Service costs paid		-42,164	-22,618
Property expenses	28	-17,751	-10,525
		-59,915	**-33,143**
Net rental income		**184,656**	**114,776**
Valuation results	29	-4,555	-40,767
Results on disposals	30	-279	5,899
General costs	31	-16,264	-13,537
Other income and expense	32	-2,485	-3,642
Operating result		**161,073**	**62,729**
Interest charges	33	-33,583	-16,263
Interest income	33	327	515
Net interest	33	**-33,256**	**-15,748**
Other financial income and expense	34	-5,716	-13,226
Result before tax		**122,101**	**33,755**
Income tax	35	-2,811	-2,074
Result from continuing operations		**119,290**	**31,681**
Result from discontinued operations	36	**-15,497**	**-4,783**
Result		**103,793**	**26,898**
Result attributable to:			
Shareholders		88,645	15,020
Non-controlling interest		15,148	11,878
Result		**103,793**	**26,898**
Basic earnings per share from continuing operations (x € 1)	39	2.76	0.78
Basic earnings per share from discontinued operations (x € 1)	39	-0.41	-0.19
Basic earnings per share (x € 1)	39	2.35	0.59
Diluted earnings per share from continuing operations (x € 1)	39	2.69	0.78
Diluted earnings per share from discontinued operations (x € 1)	39	-0.37	-0.19
Diluted earnings per share (x € 1)	39	2.32	0.59

Consolidated statement of comprehensive income for the year ended December 31, 2015

(x € 1,000)	2015	2014
Result from continuing operations	119,290	31,681
Result from discontinued operations	-15,497	-4,783
Result	**103,793**	**26,898**
Items that maybe recycled to the income statement subsequently		
Currency translation differences	7,631	3,671
Changes in fair value of financial assets available for sale	-902	-2,847
Effective portion of change in fair value of cash flow hedges	8,026	-1,341
	14,755	**-517**
Items that will not be recycled to the income statement subsequently		
Remeasurement of post-employment benefit obligations	72	-434
Total comprehensive income	**118,620**	**25,947**
Attributable to:		
Shareholders	103,804	15,227
Non-controlling interest	14,816	10,720
	118,620	**25,947**

	2015			**2014**		
(x € 1,000)	**Continued operations**	**Discontin-ued operations**	**Total**	**Continued operations**	**Discontin-ued operations**	**Total**
Result	119,290	-15,497	103,793	31,681	-4,783	26,898
Currency translation reserve	-	7,631	7,631	-	3,671	3,671
Revaluation reserve	-902	-	-902	-2,847	-	-2,847
Hedge reserve	8,026	-	8,026	-1,341	-	-1,341
Remeasurment of past employment obligations	72	-	72	-434	-	-434
Total comprehensive income	**126,486**	**-7,866**	**118,620**	**27,059**	**-1,112**	**25,947**
Non-controlling interest	-14,816	-	-14,816	-10,720	-	-10,720
Attributable to shareholders	**111,670**	**-7,866**	**103,804**	**16,339**	**-1,112**	**15,227**

Consolidated statement of changes in equity for the year ended December 31, 2015

(x € 1,000)	Share capital	Share premium	General reserve	Revaluation reserve	Hedge reserve	Currency translation reserve	Total attri-butable to shareholders	Non-controlling interest	Total equity
	Attributable to shareholders								
Balance at January 1, 2014	**216,796**	**759,740**	**389,511**	**2,594**	**-7,913**	**-11,302**	**1,349,426**	**150,325**	**1,499,751**
Comprehensive income									
Result	-	-	15,020	-	-	-	15,020	11,878	26,898
Currency translation differences	-	-	-	-	-	3,671	3,671	-	3,671
Changes in fair value of financial assets available for sale	-	-	-	-1,974	-	-	-1,974	-873	-2,847
Remeasurement of past employment obligations	-	-	-301	-	-	-	-301	-133	-434
Effective portion of change in fair value of cash flow hedges	-	-	-	-	-1,189	-	-1,189	-152	-1,341
Total comprehensive income	**-**	**-**	**14,719**	**-1,974**	**-1,189**	**3,671**	**15,227**	**10,720**	**25,947**
Transactions with shareholders									
Change nominal value shares	-195,116	195,116	-	-	-	-	-	-	-
Proceeds from rights issue	13,341	536,721	-	-	-	-	550,062	-	550,062
Costs of rights issue	-	-18,724	-	-	-	-	-18,724	-	-18,724
Purchase shares for remuneration	-	-	-134	-	-	-	-134	-	-134
Repurchase convertible bonds	-	-5,657	4,757	-	-	-	-900	-	-900
Dividend	-	-	-71,543	-	-	-	-71,543	-8,495	-80,038
Balance at December 31, 2014	**35,021**	**1,467,196**	**337,310**	**620**	**-9,102**	**-7,631**	**1,823,414**	**152,550**	**1,975,964**
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 past 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
Purchase 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**

Consolidated cash flow statement for the year ended December 31, 2015

(x € 1,000)

Operating activities	Note	2015	2014
Result before tax		**106,604**	**27,960**
Adjustments:			
Valuation results	29	4,555	41,474
Net interest charge		35,986	22,168
Other financial income and expense		18,600	13,873
Results on disposals	30	279	-9,195
Amortisation		1,037	-295
Movements in working capital		1,089	35,895
Cash flow generated from operations		**168,150**	**131,880**
Interest paid		-33,251	-20,604
Interest received		217	146
Income tax paid		-465	-829
Cash flow from operating activities		**134,651**	**110,593**
Investment activities			
Proceeds from disposals direct investment properties		402,188	192,780
Proceeds from disposals indirect investment properties		10,373	-
Investments in investment property		-929,021	-1,255,378
Investments in equipment		-947	-458
Divestments in financial assets		905	466
Investments in intangible assets		-81	-168
Investments in other long-term assets		-38	-6,654
Cash settlement forward transactions		-357	-1,900
Cash flow from investing activities		**-516,978**	**-1,071,312**
Financing activities			
Proceeds from interest bearing debts		1,454,572	1,201,590
Repayment interest bearing debts		-1,244,780	-676,033
Proceeds of other long-term liabilities		109	6,665
Other movements in reserve		-236	-134
Dividend paid		-169,787	-80,039
Proceeds from share issued		263,054	531,338
Cash flow from financing activities		**302,932**	**983,387**
Increase/decrease in cash and cash equivalents		-79,395	22,668
Cash and cash equivalents at January 1	12	119,205	88,466
Foreign exchange differences		-2,099	8,071
Cash and cash equivalents at December 31	12	**37,711**	**119,205**

Notes to the consolidated financial statements

1. Reporting Entity

Wereldhave N.V. (‘the Company’) is an investment company which invests in property. 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, Schiphol. The shares of the Company are listed on the NYSE Euronext Stock Exchange of Amsterdam. The consolidated financial statements for the year ended December 31, 2015 were authorised for issue by the Supervisory Board on February 25, 2016 and will be presented to the shareholders for approval on April 22, 2016.

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 means that 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 (Bevak status) and France (SIIC status) have a similar status. Subsidiaries in Finland are subject to corporation tax.

3. Accounting policies

3.1 Basis for preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the EU and also comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code. They are presented in euro, rounded to the nearest thousand. In the consolidated financial statements and the Company financial statements, investment property, investment property under construction, financial assets & liabilities at fair value through income statement and derivatives, are prepared on a fair value basis. Other items have been prepared on a historical cost basis. The statements have furthermore been prepared on a going concern basis. The Company has made use of the exemption referred to in article 402 Book 2.9. of the Dutch Civil Code. The Company reclassified its comparative figures to present tax receivables and tax payables separately on the balance sheet. This has no effect on equity and result.

Change in accounting policies

Wereldhave has not changed its accounting policies.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2014.

Over the next years the following (adjusted) standards will enter into force that are not expected to have a significant impact for Wereldhave:

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from contracts with customers
- IFRS 16 Leases

Wereldhave did not early adopt standards that are not mandatory.

Use of estimates and assumptions

The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and various other factors considered appropriate. Actual results may differ for these estimates. The estimates and underlying assumptions are regularly reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

3.2 Discontinued operations

The results on the US, UK and Spain - in line with the financial statements 2014 –are presented as discontinued operations. As the operations presented a major geographical area the disposal group has been classified as discontinued operations in the income statement.

3.3 Share issue

On June 29, 2015 issued new shares through an equity offering of 5,250,000 new ordinary shares with a nominal value of € 1 each at an issue price of € 49.00 per ordinary share.

3.4 Consolidation and business combinations

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at December 31, 2015. 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 to direct the activities of the entity. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

Processing acquisitions

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.

For acquisitions of business combinations, the fair value of the acquired participation is compared to the acquisition price. If the fair value is lower, the difference between the amounts paid and the fair value is recorded as goodwill. If the considerations are lower, the difference is recognised directly in the income statement. Acquisition related costs are expensed as incurred.

If an acquisition does not qualify as a business combination, it is recorded based on the individual assets and liabilities. Additional considerations are capitalised and goodwill or deferred taxes are not taken into account.

The acquisition method of accounting is used by the Group to account for the acquisition of subsidiaries that qualify as business combinations. The consideration transferred is measured as the fair value of the assets acquired, equity instruments issued and liabilities incurred or assumed at the date of exchange.

Transactions and non-controlling interests

Transactions with non-controlling interests, where control is maintained, are accounted for as transactions within shareholders' equity. If changes result in loss of control, any remaining non-controlling interest in the former subsidiary is recognised at fair value at the date when control is lost and any profit or loss is accounted for in the income statement.

3.5 Foreign currencies

Functional and presentation currency

The consolidated financial statements are presented in euro, which is Wereldhave's functional currency and the Group's 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').

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rate prevailing on the transaction date. Balances in foreign currencies are translated using the exchange rate prevailing at balance sheet date. 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 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	
	2015	2014	2015	2014
GBP	1.32698	1.24084	1.36249	1.28386
USD	0.90187	0.75369	0.91853	0.82366
CAD	0.70593	-	0.66155	-

Foreign currency translation

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the cumulative amount of the exchange differences relating to that foreign operation is recycled from equity to the income statement when the gain or loss on disposal is recognised.

Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3.6 Comprehensive income

In the statement of comprehensive income no separate line for tax on unrealised gains is included. This is due to the tax status of some subsidiaries, where unrealised gains are untaxed.

3.7 Cash flow statement

The cash flow statement is prepared using the indirect method. Cash flows from derivatives relating to net investment hedging are presented as investment activity. Proceeds from disposals of indirect investment properties in the cash flow statement refer to the divestment of a subsidiary.

3.8 Impairment of non-financial and financial assets

The carrying amounts of the Group's non-financial assets, other than investment property, investment property under development and deferred tax, are reviewed at the reporting date to determine whether there is an indication of impairment. If such an indication exists, the recoverable amount of the asset is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or the cash-generating unit exceeds the recoverable amount. Impairment losses are recognised in the income statement as impairment of assets.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

An impairment loss is reversed if there is an indication that the impairment loss no longer exists or if there has been a change in the estimates used to measure the recoverable amount at the date of recognition of the impairment loss.

A financial asset not carried at fair value through income statement is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. For groups of similar assets, such as trade receivables, a collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise or other indications that a debtor will enter bankruptcy.

3.9 Derivative financial instruments

The sole purpose of the derivative financial instruments contracted by the Company is to cover exchange rate and interest rate risks arising from operating, financing and investing 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 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.

3.10 Hedge accounting

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

The Group uses hedging instruments such as forward rate contracts and cross currency interest rate 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 loans and interest payments and also related to its subsidiaries with a functional currency other than the euro. If possible, hedge accounting is applied to these transactions.

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).

Hedging of net investment in foreign operations

Wereldhave applies hedge accounting for differences in foreign currency due to a difference between the functional currency of foreign investments and the functional currency (euro) of the Group, regardless if the net investment is directly held or through an intermediate holding company.

The forward exchange contracts or loans with external parties designated as a hedge of a net investment in a foreign operation are recognised in the statement of comprehensive income to the extent that the hedge is effective, and are presented in the reserve for exchange rate differences within equity. To the extent that the hedge is ineffective, these differences are recognised in the income statement.

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 remains 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 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. This was not the case in 2015.

3.11 Investment property

Investment properties

Investment properties in operation are those properties which are held either to earn rental income, for capital appreciation or both. Investment property is carried at fair value. On acquisition, investment properties are initially recognised at cost including transaction cost. The fair values are based on the estimated amount for which a property could be exchanged on the date of valuation at an arm’s length transaction.

The fair value property is determined based on several factors e.g. the capitalisation of net market rents, the difference between market rent and contract rent, vacancy, rent rebates and the cost of maintenance. Expenditures postdating the purchase date are added to the carrying amount, when it is probable that future economic benefits will follow and the cost can be determined reliably. All other expenses such as repairs and maintenance are charged to the income of the period in which they are incurred.

The portfolio is appraised every six months (30 June and 31 December) by independent external valuers who hold a recognised and relevant professional qualification and have experience relating to the location and category of the property being appraised. The fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market values have been determined on the evidence of recent market transactions for similar properties in similar locations to the Group's investment property. Appraisals require the use of both the conventional method and the net present value method. The conventional method involves valuation based on capitalisation at net initial yields for similar transactions. The net present value method gives an amount derived from the projected cash flows for at least the next ten years and end after ten years an exit value based on a yield.

Estimated costs a purchaser will necessarily incur to acquire the property are deducted from the property value. Investment properties that are expected to be sold and that are in very advanced stage of negotiation are valued at the expected selling price.

A number of inputs to the valuation process are not directly observable in the market and significantly impact the valuation. Therefore valuations are considered to be Level 3 in the fair value hierarchy.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. 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.

An investment property shall be derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

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.

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.

The capitalised value of rent-free periods and other lease incentives is amortised over the term of the lease contracts against rental income. In determining the properties at fair value capitalised rent free periods and other leasing incentives are adjusted for the valuation results, to avoid double counting.

Investment properties under construction

Property that is being constructed for use as investment property is classified as investment property under construction ('IPUC'). IPUC projects are initially valued at historical cost, and are subsequently valued at fair value. Fair value measurement on IPUC is only applied if the fair value is considered to be reliably measurable. In cases where no reliable measurement is possible IPUC is valued at initial cost, including subsequent investments and capitalisation of financing costs and less any impairments.

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 for reflect development risks.

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

3.12 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairments. Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the assets:

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

The useful lives and the residual values of property and equipment are reviewed at balance sheet date. Gains and losses on disposals are recognised in the income statement. Subsequent expenditures are recognised in the income statement unless it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the expenditure can be measured reliably. In that case costs are capitalised to the carrying amount of the asset.

For properties in own use the fair value at the date of taking the property in use is considered to be the cost for depreciation purposes. At the time of sale, positive and negative results on disposals are accounted in the income statement.

3.13 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).

3.14 Financial instruments

Wereldhave categorises its financial instruments measured at fair value in three hierarchies of inputs to valuation techniques used to measure fair value. Level 1 inputs are based on quoted 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.

3.15 Financial assets

Financial assets include items due after more than twelve months, unless mentioned otherwise. Capital gains on disposals are accounted for under results on disposals. Acquisitions and sales are accounted for based upon trade date.

Wereldhave classifies its financial assets in the following categories:

- Financial assets at fair value;
- Loans and receivables;
- Financial assets available for sale.

The classification depends on the purpose for which the financial assets were acquired. The classification is determined at initial recognition.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading or derivatives. Those assets are carried at fair value. On initial recognition, attributable transaction costs are expensed as and when incurred.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables, acquired or granted, not held for the purpose of trading or sale, are recorded on the statement of financial position as "Loans and receivables". After initial recording, they are measured at amortised cost based on the effective interest rate. They may be subject to impairment when necessary.

Indicators for payment default are for example, significant financial difficulties of a debtor, non-compliance with payment conditions and bankruptcy. The impairment is measured as the difference between the assets carrying amount and present value of future estimated cash flows, discounted at the financial assets original effective interest rate.

Financial assets available for sale

Financial assets available for sale are non-derivative financial assets held for an undetermined period that may be sold by the Group at any time. They are measured at their fair value at the accounting date and recorded as available-for-sale investments. When the fair value cannot reliably be determined they are recorded at historical cost. Interest accrued or received on fixed-income securities is recorded as income based on the effective interest rate. Changes in market value other than income are recorded in other comprehensive income. Fair value variations are recorded in the income statement if the asset is sold or significantly impaired. Interest or dividends received on financial assets are recognised in the income statement as other income. Interest is calculated using the effective interest method and dividends are recognised when the right to receive payments is established.

An overview of the carrying amounts of the financial assets and liabilities is set out in note 25.

3.16 Other non-current assets

Pension plans

The Company has a defined benefit plan in Belgium. The capitalised net receivable from defined benefit plans is accounted for as mentioned in note 21, capped to the amount which can be obtained by means of premium discounts or unconditional repayments and considered as long-term. Movements in the present value of the receivable are taken to other comprehensive income.

Results from a buy-in (reinsurance of the scheme) are accounted for through other comprehensive income and results from curtailments and buy-outs (all risks transferred to a third party) are accounted for as other financial income and expense in the income statement.

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 objective 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 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and in hand and deposits held at call with banks with a maturity of less than three months at inception. Bank overdrafts are included in current liabilities. Cash and cash equivalents are measured at nominal value.

3.20 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.

3.21 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 (other than exchange rate differences), financial income and expense (other than the interest addition to the real value of the conversion rights of convertible bonds, premiums paid on repurchased interest bearing debt and actuarial gains and losses on employee benefit plans) and tax charges on direct result.

3.22 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.

3.23 Long-term debt

Interest bearing debt

Interest bearing debt is initially recognised at fair value, minus transactions 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 3.24.

3.24 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.

3.25 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.

3.26 Leases

Lessor accounting

Properties leased out under operating leases are included in investment property in the balance sheet. When assets are leased out under a finance lease, the present value of the lease payments is recognised as a lease receivable under other long-term assets.

Lessee accounting

Leases in which, to a larger extent, all risks and rewards of ownership are retained by another party (the lessor) are classified as operating leases. Payments, including prepayments, made under operating leases are charged to the income statement on a straight-line basis over the period of the 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.

3.27 Revenue

Gross Rental income

Rental income from investment properties leased out under operating lease is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives are recognised as 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 speciality 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. They mainly relate to gas, water, electricity, cleaning and security.

Service charges are shown on a gross basis when Wereldhave acts as a principal.

3.28 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 3.12). 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.

3.29 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 known fair value (mostly the latest appraisal).

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

- 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.

3.30 Interest charges and 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, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability.

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.

3.31 Employee benefits

Long-term executive benefits

The variable remuneration of the Board of Management consists of share based payments. Under this plan, conditional shares are granted annually.

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. Three years after the grant date, the vested shares become unconditional and are delivered. The number of shares that become unconditional depend on the 'total shareholder return' generated by Wereldhave N.V. during a three-year period, compared to the total shareholder returns generated by companies in a pre-defined peer group (market criteria). For shares that are subject to market conditions, if the market condition has not been met, the awards will lapse and any compensation cost previously recognised will not be reversed.

Share-based payment transactions are recognised in the income statement. Conditionally awarded shares to the Board of Management are valued at fair value at the date they were awarded and are included in equity. The award is treated as expense which is spread over the vesting period.

3.32 Tax charges

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.

3.33 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.

3.34 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, the Netherlands, Finland, France and Head office & other. A segment consists of assets and activities with specific risks and results, differing from other sectors.

3.35 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand euros unless otherwise stated.

3.36 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 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 values by external valuers. The valuer appraises at fair value on 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. Finally, 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, are deducted from the market value.

Finally, the valuation of investment property implicitly reflects the survival of the euro and the availability of financial resources by funders.

General assumptions with regard to the valuation of investment property have been disclosed in paragraph 3.11 and in note 5.

Pensions

With regard to the measurement of defined benefits, 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. Other assumptions have been disclosed in note 21 and 31.

4. Segment information

Geographical segment information 2015

(x € 1,000)

Result	Belgium	Finland	France	Netherlands	Spain	United Kingdom	United States	Headoffice and other	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	**-**	**-**	**-**	**-**	**414**	**-14,834**	**-1,077**	**-**	**-15,497**
Result	**49,836**	**-4,290**	**57,479**	**11,196**	**414**	**-14,834**	**-1,077**	**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
Assets held for sale	-	-	-	-	-	-	-	-	-
Other segment assets	34,593	-46,388	25,532	-528,489	58	244	-	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**	**58**	**244**	**-**	**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**

Geographical segment information 2014

(x € 1,000)

Result	Belgium	Finland	France	Netherlands	Spain	United Kingdom	United States	Headoffice and other	Total
Gross rental income	38,892	29,428	11,843	46,631	-	-	-	-	126,794
Service costs charged	6,779	6,985	3,323	4,038	-	-	-	-	21,125
Total revenue	**45,671**	**36,413**	**15,166**	**50,669**	**-**	**-**	**-**	**-**	**147,919**
Service costs paid	-7,336	-7,204	-3,446	-4,632	-	-	-	-	-22,618
Property expenses	-1,865	-1,338	-461	-6,861	-	-	-	-	-10,525
Net rental income	**36,470**	**27,871**	**11,259**	**39,176**	**-**	**-**	**-**	**-**	**114,776**
Valuation results	-299	221	-4,081	-36,608	-	-	-	-	-40,767
Results on disposals	6,256	-	-220	-137	-	-	-	-	5,899
General costs	-2,740	-1,142	-738	-2,958	-	-	-	-5,959	-13,537
Other income and expense	652	-	-2,000	-	-	-	-	-2,294	-3,642
Operating result	**40,339**	**26,950**	**4,220**	**-527**	**-**	**-**	**-**	**-8,253**	**62,729**
Interest charges	-1,051	-16,777	-2,149	-5,626	-	-	-	9,339	-16,263
Interest income	176	18	209	105	-	-	-	8	515
Other financial income and expense	-	-	-	-	-	-	-	-13,226	-13,226
Income tax	-699	-1,095	-210	-70	-	-	-	-	-2,074
Result from continued operations	**38,765**	**9,096**	**2,070**	**-6,118**	**-**	**-**	**-**	**-12,132**	**31,681**
Result from discontinued operations	**-**	**-**	**-**	**-**	**1,289**	**-6,686**	**614**	**-**	**-4,783**
Result	**38,765**	**9,096**	**2,070**	**-6,118**	**1,289**	**-6,686**	**614**	**-12,132**	**26,898**
Total assets									
Investment properties in operation	722,607	603,330	1,199,329	696,321	-	-	-	-	3,221,588
Investment properties under construction	25,802	-	-	18,072	-	-	-	-	43,874
Other segment assets	37,778	3,832	47,650	63,906	991	154,191	1,123	1,781,840	2,091,310
minus: intercompany	-11,643	-	-	-79,100	-	-77,994	-	-1,659,424	-1,828,161
	774,544	**607,162**	**1,246,979**	**699,199**	**991**	**76,197**	**1,123**	**122,416**	**3,528,611**
Investments	154,688	23,938	896,181	267,668	425	-	-	-	1,342,900
Gross rental income by type of property									
Shopping centres	29,202	29,428	1,600	46,042	-	-	-	-	106,272
Offices	9,690	-	10,243	589	-	-	-	-	20,522
	38,892	**29,428**	**11,843**	**46,631**	**-**	**-**	**-**	**-**	**126,794**

5. Investment properties

(x € 1,000)	2015 Investment properties in operation	Lease incentives	Investment properties under construction	Total Investment properties
Balance at January 1	**3,221,588**	**16,672**	**43,874**	**3,282,134**
Purchases	790,864	-	2	790,866
Investments	30,240	-	27,674	57,914
From / to development properties	554	-	-554	-
Disposals	-388,872	-15,498	-334	-404,704
Valuations	672	-	-5,227	-4,555
Capitalised interest	491	-	796	1,287
Other	-268	2,811	-	2,543
Balance at December 31	**3,655,269**	**3,985**	**66,231**	**3,725,485**

(x € 1,000)	2014 Investment properties in operation	Lease incentives	Investment properties under construction	Total Investment properties
Balance at January 1	**1,731,942**	**13,237**	**413,229**	**2,158,408**
Purchases	1,207,185	-	2,403	1,209,588
Investments	15,998	-	110,647	126,645
From / to development properties	380,160	-	-380,160	-
Disposals	-89,547	-	-91,735	-181,282
Valuations	-24,297	-	-17,177	-41,474
Capitalised interest	-	-	6,667	6,667
Other	147	3,435	-	3,582
Balance at December 31	**3,221,588**	**16,672**	**43,874**	**3,282,134**

The investments of € 791m mainly relates to the acquired nine Dutch shopping centres and the acquisition of the freehold ownership of two plots of land in Finland. Wereldhave sold the office building Carré Vert in Paris in September, the office building Noda in Paris in October and the office building Le Cap in Paris in December (net proceeds € 401m).

99% (2014: 99%) of the total property portfolio was measured at fair value.

Overview of measurement of total investment properties:

	December 31, 2015	December 31, 2014
Fair value		
Investment properties in operation (including lease incentives)	3,659,254	3,238,260
Investment properties under construction (IPUC)	42,714	23,150
	3,701,968	**3,261,410**
At cost less impairment (IPUC)	23,517	20,724
Total	**3,725,485**	**3,282,134**

Fair value hierarchy disclosures for investment properties have been provided in note 26.

Investment properties in operation

The valuation adjustments can be broken down as follows:

(x € 1,000)	2015	2014
Belgium	9,573	-299
Finland	-13,133	221
France	29,678	-4,081
Netherlands	-25,446	-19,431
Total	**672**	**-23,590**

In the Netherlands, a € 16m upward valuation of the portfolio partly compensated for the write-off of € 42m in transfer tax that was paid for the acquisition of nine shopping centres. € 14.7m relates to the valuation adjustment of the French offices.

In 2015 (as well in 2014) no Investment property is secured by a mortgage.

99% of the investment properties were valued externally at December 31, 2015. Independent external property valuators in 2015 are: Jones Lang LaSalle, Cushman & Wakefield, DTZ, CBRE and Troostwijk-Roux Expertises cvba.

At December 31, 2015 the carrying amount of investment properties valuation is as follows:

	December 31, 2015	December 31, 2014
Total investment property values according to external valuation reports	3,659,254	3,238,260
Deduct: carrying amount of rent free periods and other leasing expenses to be amortised	-3,985	-16,672
Carrying amount	**3,655,269**	**3,221,588**

Key assumptions relating to valuations:

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

2014	Belgium	Finland	France	Netherlands
Total market rent per sqm (€)*	216	347	300	232
EPRA Net Initial Yield	5.9%	5.2%	5.2%	6.0%
Net Initial Yield	5.8%	4.6%	5.4%	5.8%
EPRA vacancy rate	5.9%	7.9%	11.3%	2.0%
Average vacancy period (in months)	4 - 9	13	6 - 12	5
Bandwith vacancy (in months)	0 - 12	0 - 13	0 - 12	0 - 12

* France 2014 market rent per sqm Shopping Centres € 273

EPRA Net Initial Yield
Calculated as the annualised rental income based on the cash rents passing at the balance sheet date (but adjusted as set out below), less non-recoverable property operating expenses, divided by the gross market value of the property. The total average EPRA Net Initial Yield amounts to 5.3% (2014: 5.5%).

Net Initial Yield
As result of the change in the portfolio in 2015 and to give additional insight Wereldhave added the definition 'Net Initial Yield'. Calculated as the annualised contracted rent (including indexation) 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 5.6% (2014: 5.5%).

Changes in comparable figures
We adjusted the 2014 square meters to make the calculation of the 'Total market rent per square meters (€)' more accurate.

A change in yield with 0.25% results in a change of approximately € 131m in equity and result (€ 3.26 per share). A 5% drop of the estimated market rent, assuming stable yields, has a negative impact on shareholders' equity and result of approximately € 183m (€ 4.54 per share).

Investment properties in operation - lease data

(x € 1,000)

2015	Average lease length* to break	Average lease length* to expiry	Annual rent of leases expiring in Year 1	Annual rent of leases expiring in Year 2	Annual rent of leases expiring in Year 3-5
Belgium	3.2	6.4	8,733	12,773	23,471
Finland	5.1	5.5	2,333	4,257	11,932
France	2.3	4.9	12,240	13,174	18,498
Netherlands	3.6	4.3	12,393	14,781	40,136
Total portfolio	**3.4**	**5.1**	**35,699**	**44,985**	**94,037**

2014	Average lease length* to break	Average lease length* to expiry	Annual rent of leases expiring in Year 1	Annual rent of leases expiring in Year 2	Annual rent of leases expiring in Year 3-5
Belgium	3.4	6.7	11,226	9,873	19,768
Finland	5.4	5.8	4,446	640	12,256
France	3.2	5.1	6,588	10,656	32,622
Netherlands	3.5	4.0	9,900	5,388	17,374
Total portfolio	**3.7**	**5.4**	**32,160**	**26,557**	**82,020**

* Excluding indefinite contracts

Investment properties under construction

The valuation adjustments can be broken down as follows:

(x € 1,000)	2015	2014
Belgium	-830	-
Netherlands	-4,397	-17,177
Total	**-5,227**	**-17,177**

The main development projects are the Dutch redevelopment & refurbishment projects and Tournai retail park. With regard to the Dutch shopping centres under construction, a fair value per property has been obtained from the appraiser, resulting into fair value changes. The properties under construction have been accounted for at cost of the development including any changes in fair value. The total valuation adjustment was € -5.2m (2014: € -17.2m).

6. Property and equipment

(x € 1,000)	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**
Balance at January 1, 2014	**2,467**	**451**	**2,918**
Investments/purchases	270	205	475
Disposals	-1	-22	-23
Amortisation	-547	-181	-728
Exchange rate differences	4	1	5
Balance at December 31, 2014	**2,193**	**454**	**2,647**

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

December 31, 2014	Office equipment	Cars	Total
Total acquisition at cost	5,868	1,103	6,971
Total amortisation	-3,675	-649	-4,324
Total	**2,193**	**454**	**2,647**

7. Intangible assets

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

(x € 1,000)	December 31, 2015	December 31, 2014
Balance at January 1	**1,715**	**1,814**
Investments	80	168
Amortisation	-342	-267
Total	**1,453**	**1,715**

Computer software

(x € 1,000)	December 31, 2015	December 31, 2014
Total acquisition at cost	2,670	2,590
Total amortisation	-1,217	-875
Total	**1,453**	**1,715**

8. Financial assets

(x € 1,000)	IFRS Category	December 31, 2015	December 31, 2014
Loans	*Loans and receivables*	198	607
Deposits paid	*Loans and receivables*	78	204
Financial assets available for sale	*Available for sale*	-	9,116
Derivative financial instruments	*Fair value through P&L*	88,736	43,641
Total		**89,012**	**53,568**

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 prevailing observable interest market rates.

Financial assets available for sale

In 2014, this item comprises of certificates of Belgian real estate vehicles. These certificates were sold in 2015. Due to the sale of the certificates in 2015, the revaluation reserve in equity is recycled to the profit and loss account (€ 0.9m positive in income statement).

Derivative financial instruments

Further reference is made to note 24.

9. Other non-current assets

Pension plans

In 2014 a buy-out took place with regard to the UK pension plan with Aviva. In 2014 Wereldhave contributed € 0.2m in order to make the buy-out possible. This has been recorded as result from discontinued operations. In 2015 and onwards no more contributions will be made to the UK pension plan.

10. Trade and other receivables

(x € 1,000)	December 31, 2015	December 31, 2014
Tenant receivables	12,990	8,803
Service charge receivable	7,969	18,468
Prepayments	6,526	9,186
Interest to be received	10,104	8,570
Other	8,814	13,114
Total	**46,403**	**58,141**

The fair value of the trade and other receivables coincides with their carrying amount. Wereldhave holds tenants 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.

Interest to be received refers to interest receivable under interest rate swaps. Other mainly relates to property management fees.

Maturity of tenant receivables

(x € 1,000)	December 31, 2015	December 31, 2014
- up to 1 month	5,130	6,017
- between 1 and 3 months	2,967	2,057
- between 3 and 12 months	6,495	3,813
- more than 1 year	5,948	4,630
	20,540	**16,517**
Deduct: provision	-7,550	-7,714
Total	**12,990**	**8,803**

The tenant receivables category 'up to 1 month' includes debtors which are not immediately due for an amount of € 2.6m (2014: € 2.0m). In 2015 an amount of € 0.1m (2014: € 1.0m) was added to the provision doubtful debtors and an amount of € 0.1 (2014: € 0.1m) was withdrawn.

11. Tax receivables

(x € 1,000)	December 31, 2015	December 31, 2014
Withholding tax	6,706	4,181
Value added tax	2,292	1,136
Dividend tax	7,800	5,850
Company tax	-	34
Total	**16,798**	**11,201**

Withholding tax mainly relates to the Basilix certificates.

12. Cash and cash equivalents

(x € 1,000)	December 31, 2015	December 31, 2014
Bank balances	37,711	43,226
Deposits	-	75,979
Total	**37,711**	**119,205**

In 2015 the deposits were terminated due to the repayment of the GBP debentures.

13. Share capital

(number of shares)	Authorised share capital	Number of issued shares	Purchased shares for remuneration	Outstanding number of shares
Balance at January 1, 2014	**400,000,000**	**21,679,608**	**-1,217**	**21,678,391**
Purchased in 2014	-	-	-2,236	-2,236
Change nominal value	-360,000,000	-	-	-
Change articles of association	35,000,000	-	-	-
Conversion priority shares	-	10	-	10
Rights issue	-	13,341,303	-	13,341,303
Balance at December 31, 2014	**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**

The authorised ordinary shares have a par value of € 1 each. All issued ordinary share have been fully paid. On June 29, 2015 Wereldhave N.V. issued 5,250,000 new shares via a share-issue for € 49.00 per share. All issued ordinary shares have been fully paid up.

The shares for remuneration were awarded to the Board of Management in the Annual General Meeting of April 24, 2015.

Preference shares

The authorised preference share capital amounted 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.

14. Share premium

Share premium is paid up share capital in excess of nominal value. The share premium increased by € 244m due to the share issue on June 29, 2015. The share premium that is recognised for Dutch dividend withholding tax purposes, and as such is exempt from this tax, can deviate from the amount of share premium mentioned in the annual accounts. The amount of share premium that is recognised for tax purposes is € 1,716m (2014: € 1,464m).

15. General reserve

Relating to 2014, € 2.87 (€ 3.30 relating to 2013) dividend per qualifying ordinary share was paid during the year. An interim dividend relating to 2015 of € 1.50 was paid in November 2015. An amount of € 315m (2014: € 402m) has been designated as legal reserves mainly, relating to the unrealised valuation adjustments of investment properties, and cannot be distributed.

16. 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.

17. Revaluation reserve

The revaluation reserve relates to the unrealised valuation results of financial assets available for sale. Due to the disposal of all remaining financial assets available for sale (Basilix certificates) in 2015 the valuation result have been recycled to the income statement for an amount of € 0.9m (positive in income statement).

18. Currency translation reserve

The currency translation reserve comprises of:

- the exchange differences arising from the translation of the income statements of foreign subsidiaries denominated in USD and GBP; The subsidiaries in the US and the UK are (partially) disposed
- the translation of liabilities and transactions designated as hedges for the exchange rate differences from the net investment in the United States and United Kingdom based subsidiaries and
- translation differences on results in foreign currencies (difference between year-end and average rates).

(x € 1,000)	2015	2014
Balance at January 1	**-7,631**	**-11,302**
Exchange rate differences on net investments in foreign entities	-	1,872
Hedges of net investments in foreign entities	-	-2,072
Exchange rate differences on results in foreign currencies (difference between year-end and average rates)	-	-17
Recycling exchange rate differences to the income statement	7,631	3,888
Balance at December 31	**-**	**-7,631**

In 2015, exchange rate differences have been recycled to the income statement for an amount of € 7.6m (negative in income statement) (2014 € 3.9m), as result of the (partial) disposal of the US and UK subsidiaries. This has been recorded as part of the discontinued operations.

19. Interest bearing liabilities

Composition

(x € 1,000)	December 31, 2015	December 31, 2014
Long term		
Bank loans	247,779	248,673
Private placement	793,343	594,434
Convertible bonds	237,984	234,418
	1,279,106	**1,077,525**
Short term		
Bank loans	93,000	-
Private placement	137,779	44,982
Convertible bonds	-	128,441
	230,779	**173,423**
Total interest bearing liabilities	**1,509,885**	**1,250,948**

Movements in interest bearing liabilities

Including short-term portion of long-term debt.

(x € 1,000)	2015	2014
Balance at January 1	**1,250,948**	**680,669**
New funding	1,454,572	1,201,590
Repayments	-1,244,780	-672,533
Use of effective interest method	3,104	5,590
Effect of fair value hedges	17,455	5,626
Exchange rate differences	28,586	30,006
Balance at December 31	**1,509,885**	**1,250,948**

Convertible bonds

At year-end Wereldhave had one convertible bond outstanding.

Year	Maturity	Principal value	Interest rate	Conversion rate	Maximum number of shares
2014	5 years	250,000,000	1.000%	65,930	3,791.901

(x € 1,000)	2015	2014
Balance at January 1	**362,859**	**224,134**
Repayment nominal value convertible bond 2010	-130,000	-100,000
Face value convertible bond 2014	-	250,000
Amortisation option premium	2,820	-12,457
Use of effective interest method	2,305	1,182
Balance at December 31	**237,984**	**362,859**

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 2015 no convertible bonds have been converted.

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 2015 was € 65.930. 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 Placement

In July 2015 Wereldhave issued a private placement for an amount of € 211m equivalent. The notes are denominated in US Dollars (30m), Canadian Dollars (20m), Euros (120m) and British Pounds (35m) with weighted average maturity of 12.3 years. The notes have been swapped into euros at fixed interest rates, until maturity. The weighted average interest cost for Wereldhave is 2.4% (after currency and interest rate swaps).

In December 2015 Wereldhave issued US Private Placement Notes for a total amount of approximately € 86m equivalent.
The notes are denominated in US Dollars (70m) and British Pounds (15m) and have a tenor of 10 years.
The notes have been swapped into euros at fixed interest rates, until maturity. The weighted average interest cost for Wereldhave is 2.9% (after currency and interest rate swaps).

Bank loans

In September 2015 a new € 75m bilateral bank loan was agreed at all-in funding cost of approximately 1%, for a fixed term of five years. After balance sheet date, Wereldhave agreed another bilateral € 100m bank loan of 1.2% for a fixed term of five years, starting in March 2016.

Secured interest bearing liabilities

Secured interest bearing liabilities consisted of two GBP mortgage debentures from 1985 and 1987 for which security has been given. The bonds were originally secured by a mortgage, but as the properties in the UK have been sold, the mortgages have been replaced by a cash deposit. The debentures have been repaid upon maturity in October 2015.

Unsecured interest bearing liabilities

Unsecured interest bearing liabilities have financial covenants that include various clauses. As at December 31, 2015 Wereldhave complied with these clauses.

Ratios

Loan-to-value

The ratio of indebtness for borrowed money to the aggregate book value of all interests of each member of the consolidated group in property investments less investment obligations.

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, 2015	December 31, 2014
Loan-to-Value	60.0%	37.5%	35.4%
Solvency	40.0%	58.0%	58.0%
Interest coverage ratio	2.0	5.6	5.8

Wereldhave uses a net LTV 37.5% 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 38.5%. 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:

	2015	2014
Euro	1.8%	1.6%
US dollar	2.8%	2.9%
Pound sterling	3.5%	3.8%
Canadian Dollar	2.3%	-
Total	**2.2%**	**2.2%**

The average interest rate (as a %) based on the effective interest method is as follows:

	2015					2014			
	EUR	GBP	USD	CAD	Total	EUR	GBP	USD	Total
Short term interest bearing debt									
Bank loans and private placement	1.2%	-	4.2%	-	2.5%	4.2%	10.0%	-	5.7%
Interest rate swaps	-1.1%	-	-	-	-1.1%	-	-5.6%	-	-5.6%
Long term interest bearing debt									
Convertible bonds	1.5%	-	-	-	1.5%	2.4%	-	-	2.4%
Bank loans and private placement	2.2%	4.3%	4.8%	4.0%	3.4%	1.8%	4.6%	4.9%	3.3%
Interest rate swaps	-2.4%	-	-	-	-2.4%	-1.5%	-	-	-1.5%
Average	1.9%	4.3%	4.6%	4.0%	2.3%	2.4%	4.1%	4.9%	3.2%

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 and the equity option component of the convertible bond, or as a 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:

	December 31, 2015		December 31, 2014	
(x € 1,000)	carrying amount	fair value	carrying amount	fair value
Bank debt and other loans	1,041,122	1,045,676	843,107	855,248
Convertible bond	237,984	250,748	234,418	242,649
Total	**1,279,106**	**1,296,424**	**1,077,525**	**1,097,897**

Currencies

The carrying amount of interest bearing debt of the Group (short- and long-term) are denominated in the following currencies:

	December 31, 2015		December 31, 2014	
	currency	EUR	currency	EUR
Euro	856,871	856,871	773,024	773,024
US dollar	492,500	462,741	392,500	333,216
Pound sterling	130,000	177,042	115,050	144,708
Canadian dollar	20,000	13,231	-	-
Total		**1,509,885**		**1,250,948**

Interest bearing debt in U.S. Dollars, British Pound and Canadian dollar were for an amount of USD 492m, GBP 130m and CAD 20m converted to EURO via multiple cross currency interest rate swaps.

Credit facilities

As at December 31, 2015, Wereldhave had a total of € 410m (2014: € 703m) of revolving credit facilities that expire within 1 to 5 years. As at December 31, 2015, Wereldhave had undrawn credit facilities to the amount of € 306m (2014: € 420m). The average maturity of the committed revolving credit facilities at 31 December 2015 was 3.0 years (2014: 2.9 years).

20. 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)	2015	2014
Balance at January 1	**75,091**	**76,270**
Movements taken to the result	2,197	1,441
Compensated with deferred tax assets	-	-2,605
Other	-16	-15
Balance at December 31	**77,272**	**75,091**

The movement in deferred tax liabilities in 2015 is the result of valuation adjustments.

21. Other long-term liabilities

(x € 1,000)	December 31, 2015	December 31, 2014
Pension plans	1,232	1,373
Tenants deposits	11,759	11,627
Other	705	181
Total	**13,696**	**13,181**

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)	2015	2014
Fair value of plan assets	2,900	2,618
Benefit obligations	4,132	3,990
Net liability	1,232	1,372

Reconciliation of net liability	2015	2014
January 1	**1,372**	**860**
Charge recognised in P&L	317	376
Remeasurement recognised in OCI (Income)/Loss	-72	433
Employer contributions	-385	-297
December 31	**1,232**	**1,372**

The movement of the defined benefit obligation in Belgium is as follows:

(x € 1,000)	2015	2014
Balance at January 1	3,990	3,981
Net service cost	302	359
Interest cost	41	109
Employee contributions	14	13
Benefits paid	-90	-919
Experience (gains) / losses	-6	547
Expenses	-119	-99
Balance at December 31	**4,132**	**3,990**

The movement of the fair value of plan asset in Belgium is as follows:

(x € 1,000)	2015	2014
Balance at January 1	**2,618**	**3,121**
Interest income on plan assets	27	91
Return om scheme assets	65	114
Actual expenses	-119	-99
Employer contributions	385	297
Employee contributions	14	13
Benefits paid	-90	-919
Balance at December 31	**2,900**	**2,618**

Pension costs

The total cost for defined benefit plan in Belgium is as follows:

(x € 1,000)	2015	2014
Current service cost	317	371
Net interest on Net Defined Benefit Liability (Asset)	-15	18
Employee contributions	15	-13
Total	**317**	**376**

The following amounts have been recognised in other comprehensive income (OCI):

(x € 1,000)	2015	2014
Actuarial (gain)/loss due to liability expenses	-72	434
Actuarial (gain)/loss due to liability assumption changes	-	-
	-72	**434**
Return on scheme assets (greater)/less than discount rate	-	-
Changes in irrevocable surplus	-	-
Remeasurement effect recognised in OCI	**-72**	**434**

With regard to discontinued operations an amount of € nil has been recognised in other comprehensive income (2014: € nil).

In total the following amounts have been recognised in the income statement and OCI:

(x € 1,000)	2015	2014
Balance at January 1	3,990	3,981
Net service cost	302	359
Interest cost	41	109
Employee contributions	14	13
Benefits paid	-90	-919
Experience (gains) / losses	-6	547
Expenses	-119	-99
Balance at December 31	**4,132**	**3,990**

The assumptions used:		
- discount rate obligations	1.15%	1.15%
- rate of annual salary increases	2.00%	2.00%

The fair value of the Belgian pension assets consists, as in 2014, 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.

Plan asset in Belgium do not include shares issued by the Company in 2015 and 2014. For the above mentioned pension plan the expected employer's contribution is € 0.3m for 2016. Reference is made to note 9 for employee benefits plans with a net asset.

22. Tax payable

(x € 1,000)	December 31, 2015	December 31, 2014
Value added tax	5,351	43
Dividend tax	7,800	5,850
Company tax	216	101
Total	**13,367**	**5,994**

23. Other short-term liabilities

(x € 1,000)	December 31, 2015	December 31, 2014
Deferred rents	18,303	15,613
Property expenses	22,348	18,032
Interest	19,911	17,244
General costs	7,425	14,391
Capital commitments payable	6,847	91,535
Social securities	460	2,387
Other short term liabilities	13,527	21,149
Total	**88,821**	**180,351**

The duration of short-term liabilities is less than 1 year.
Capital commitments payable 2014 include € 81m for the purchase of remaining part of shopping centre Kortrijk Ring.

24. Financial instruments

Derivatives are used to hedge net investments in foreign operations, cash flow and fair value risks.

Hedging instruments

Forward exchange contracts, cross currency interest rate swaps and foreign currency loans can be classified as hedging instruments against exchange risk on investments and borrowings in USD and GBP and interest rate risk. The fair value of these instruments break down as follows:

(x € 1,000)

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** *)

*) The amount is excluding € 12,517 for the conversion right of the convertible bond, which is recorded as a derivative

2014		Principal	Interest range	Fair value assets	Fair value liabilities
Cashflow hedge					
USD currency swap	USD	392,500	1.6% - 3.9%	14,017	-
GBP currency swap	GBP	80,000	3.4% - 4.5%	5,769	-
EUR Interest rate swap	EUR	50,000	0.9% - 4.4%	-	-494
Fair value hedge					
USD Cross currency interest rate swap	USD	150,000	1.6% - 1.8%	22,960	-
Net investment hedge					
GBP forward	GBP	23,000	n.a.	-	-195
No hedge accounting					
Interest rate swap	GBP	44,000	4.4%	895	-
Interest rate swap	EUR	110,108	1.6% - 1.8%	-	-5,890
Total				**43,641**	**-6,579** *)

*) The amount is excluding € 10,998 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:

	December 31, 2015				December 31, 2014			
(x € 1,000)	EUR	USD	GBP	CAD	EUR	USD	GBP	CAD
- up to 1 year	-	150,000	-	-	-	-	44,000	-
- between 1 and 5 years	150,692	-	50,000	-	75,692	150,000	50,000	-
- more than 5 years	84,416	342,500	80,000	20,000	84,416	242,500	30,000	-
Total	**235,108**	**492,500**	**130,000**	**20,000**	**160,108**	**392,500**	**124,000**	**-**

The following amounts have been recognised in equity in relation to hedge accounting:

	December 31, 2015					December 31, 2014				
(x € 1,000)	EUR	USD	GBP	CAD	Total in EUR	EUR	USD	GBP	CAD	Total in EUR
FX differences recognised in equity due to retranslation of foreign operations	-	-6,423	14,215	-	7,792	-	-108	1,963	-	1,855
Hedge result	-	-	-161	-	-161	-	-	-2,072	-	-2,072
Effective part fair value changes in cashflow hedging	-651	9,784	-1,407	372	8,098	343	-477	1,323	-	1,189
Net effect in equity	**-651**	**3,361**	**12,647**	**372**	**15,729**	**343**	**-585**	**1,214**	**-**	**972**

The remaining balance of the FX differences of € 7.6m have been recycled in equity through the profit and loss.

In 2015, a net loss of € 0.7m (2014: € 1.0m) was recognised in the income statement as a result of ineffectiveness of fair value hedges.

Regarding fair value hedge derivatives, a loss of € 0.4m 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 € 44.4m negative.

Net investment hedge

The net investment hedges versus underlying exposures in local currencies are summarised in the following table:

	December 31, 2015		December 31, 2014	
(x € 1,000)	USD	GBP	USD	GBP
Net investment in foreign subsidiaries before hedging	-	-	658	27,665
Hedging instruments:				
- derivatives (principal)	-	-	-	23,000
- interest bearing debts	-	-	-	-
Net investment hedge	-	-	-	23,000
Net investment exposure after hedging	**-**	**-**	**658**	**4,665**

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. Other derivatives relate to forward foreign currency contracts whose fair value is determined on the basis of mathematical models based on agreed forward rates. 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 2015 a negative amount of € 0.5m was charged to the other financial income and expense (2014: € 9.4m negative) relating to these financial assets. In addition, net interest was decreased by € 9.4m (2014: € 7.1m) as a result of derivative financial instruments for interest conversion.

Credit risk

During 2015 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.

25. Financial assets and liabilities

Financial risks

Wereldhave's financial risks management focuses 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:

Interest risk

Indexation in rental contracts provides a certain degree of protection, but this is insufficient to cover an increase in interest rates in the same period.

Exposure to the risk of changes in the market interest rates relates primarily to the Group's long-term debt obligations with a (partly) floating interest rate. The Company 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 86% of its debt.

Sensitivity

When the overall interest rates change by 1%, result and equity will change by € 2.2m (2014 € 2.4m). This would result in a change of result and net asset value per share of € 0.05 (2014: € 0.07). The ratio between fixed and variable interest rate is 86/14% (2014: 81/19%).

Currency risk

Wereldhave operates in euro countries only after it no longer owns property investments in USD and GBP areas. The currency risk has been reduced significantly compared to previous years. The main currency risks relates to USD, GBP and CAD denominated US Private Placement Notes and have been fully hedged to euro through cross currency swaps.

	December 31, 2015		December 31, 2014	
(x € 1,000)	Currency	EUR	Currency	EUR
Euro	856,871	856,871	773,024	773,024
US dollar	492,500	462,741	392,500	333,216
Pound sterling	130,000	177,042	115,050	144,708
Canadian dollar	20,000	13,231	-	-
Total		**1,509,885**		**1,250,948**

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 € 570m.
Facilities amounting to € 160m are available until the first half of 2016, a facility of € 30m is available until the first half of 2017, a facility of € 30m is available until the first half of 2018 and facilities amounting to € 350m are available until the first half of 2019.

As at year-end 2015, borrowing under the committed facilities stood at € 264m (2014: € 250m). The interest and repayment obligations for 2016 are guaranteed by means of the available facilities.
Based on the current operating performance and liquidity position, the Company believes that cash generated by operating activities and available cash balances will be sufficient for working capital, capital expenditures, interest payments, dividends and scheduled debt repayment requirements for the next twelve months.

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 19.

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 2015 interest cover ratio was 5.6 (2014: 5.8). 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 2015, the solvency was 58% (2014: 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 funds itself 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.

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 24.

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 € 2.1m (2014: € 1.8) and € 0.05 (2014: € 0.07) on the result per share. If 10% of debtors would default on payment, this would impact results by € 2.1m (2014: € 0.8m). As a result of such default, result per share would change by € 0.05 (2014 € 0.03).

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 due to there being one single tenant.

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:

	December 31, 2015			December 31, 2014		
(x € 1,000)	Principal	Interest	Total	Principal	Interest	Total
- up to 1 year	215,068	28,472	243,540	190,589	29,359	219,948
- between 1 and 2 years	30,000	26,818	56,818	123,549	19,891	143,440
- between 2 and 5 years	552,449	65,496	617,944	593,021	49,630	642,651
- more than 5 years	646,950	81,493	728,443	369,425	41,603	411,028
Total	**1,444,466**	**202,278**	**1,646,744**	**1,276,584**	**140,483**	**1,417,067**

The difference between the sum of the nominal principal values and the carrying amount of € 4.8m (2014: € 10.0m) consists of the negative equity option component of the convertible bond recorded as a derivative € 9.7m (2014: € 12.5m) and amortised costs of € 6.4m (2014: € 7.0m). The positive fair value adjustment on hedged items € 11.1m (2014: € 10.8m) the foreign exchange rate differences between nominal and IFRS accounting € nil (2014: € 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 € 11.8m (2014: € 11.6m). Tenants are obliged to deposit cash 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, 2015	Note	Loans and receivables	Non hedging derivatives	Hedging derivatives	Available for sale	Total
Assets						
Financial assets	8	276	-	88,736	-	89,012
Trade and other receivables	10	46,403	-	-	-	46,403
Cash and cash equivalents	12	37,711	-	-	-	37,711
Total		**84,390**	**-**	**88,736**	**-**	**173,126**

December 31, 2015	Note	Non hedging derivatives	Hedging derivatives	Other financial liabilities	Total
Liabilities					
Interest bearing debts	19	-	-	1,509,885	1,509,885
Tenants deposits	21	-	-	11,759	11,759
Derivative financial instruments	24	17,908	5,091	-	22,999
Trade payables		-	-	5,906	5,906
Total		**17,908**	**5,091**	**1,527,550**	**1,550,549**

December 31, 2014	Note	Loans and receivables	Non hedging derivatives	Hedging derivatives	Available for sale	Total
Assets						
Financial assets	8	811	895	42,746	9,116	53,568
Trade and other receivables	10	58,141	-	-	-	58,141
Cash and cash equivalents	12	119,205	-	-	-	119,205
Total		**178,157**	**895**	**42,746**	**9,116**	**230,914**

December 31, 2014	Note	Non hedging derivatives	Hedging derivatives	Other financial liabilities	Total
Liabilities					
Interest bearing debts	19	-	-	1,250,948	1,250,948
Tenants deposits	21	-	-	11,627	11,627
Derivative financial instruments	24	16,888	494	195	17,577
Trade payables		-	-	9,505	9,505
Total		**16,888**	**494**	**1,272,275**	**1,289,657**

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 € 8m (2014: € 5m) with regard to investment properties under construction. The Group has leasehold liabilities for an amount of € 81m (2014: € 65m) and office rent & lease car liabilities for an amount of € 8m (2014: 8m). Furthermore, the Group has undrawn committed credit facilities to the amount of € 306m (2014: € 420m).

The maturity of the Group capital commitments and leasehold liabilities are as follows:

(x € 1,000)	**2015**	**2014**
- up to 1 year	9,866	6,468
- between 1 and 5 years	7,737	9,015
- > year 5	79,248	63,167
Total	**96,851**	**78,650**

26. Fair value measurement

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

(x € 1,000)		Fair value measurement using		
2015	**Total**	**Quoted prices Level 1**	**Observable input Level 2**	**Unobservable 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	-
Available for sale	-	-	-	-
Assets for which the fair value has been disclosed				
Loans and deposits paid	-	-	-	-
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	-

		Fair value measurement using		
2014	**Total**	**Quoted prices Level 1**	**Observable input Level 2**	**Unobservable input Level 3**
Assets measured at fair value				
Investment property in operation	3,222,260	-	-	3,222,260
Investment property under construction	23,150	-	-	23,150
Financial assets				
Derivative financial instruments	43,641	-	43,641	-
Available for sale	9,116	9,116	-	-
Assets for which the fair value has been disclosed				
Loans and deposits paid	811	-	-	811
Liabilities for which the fair value has been disclosed				
Interest bearing debt	1,098,301	243,301	855,000	-
Derivative financial instruments	17,577	-	17,577	-

There were no transfers between levels during the year under review.

27. 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 7.5% in 2015 (2014: 7.3%).

Rental income based on turnover of the tenant amounts to 0.5% (2014: 2.5%) of gross rental income. Lease incentives provided to tenants amounts to 2.0% (2014: 3.0%) 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.

The aggregate contractual rent for the next five years from lease contracts as at December 31, 2015 is shown in the following table (Lease contracts with turnover related clauses are accounted for assuming the base rent only):

(x € 1,000)	**2015**	**2014**
- up to 1 year	187,227	148,816
- between 1 and 5 years	308,132	278,643
- more than 5 years	48,205	40,239

28. Property expenses

(x € 1,000)	2015	2014
Property maintenance	1,048	846
Property taxes	3,970	2,943
Insurance premiums	412	302
Property management	4,963	3,320
Leasing expenses	1,353	695
Other operating costs	6,005	2,419
Total	**17,751**	**10,525**

An impairment of € -0.1m relates to debtors (2014: € 0.4m). These costs are accounted for in the other operating costs. Increase of the property expenses is mainly caused by the full year acquisition effect of France and the acquisition of the nine Dutch shopping centres during 2015. Other operating costs comprise of e.g. promotion costs, marketing costs, non-recoverable service charges and doubtful debt.

29. Valuation results

(x € 1,000)	2015	2014
Investment properties in operation		
Valuation gains	39,251	222
Valuation losses	-38,579	-23,812
Total	**672**	**-23,590**
Investment properties under construction		
Valuation gains	-	-
Valuation losses	-5,227	-17,177
	-5,227	**-17,177**
Total	**-4,555**	**-40,767**

30. Results on disposals

(x € 1,000) Properties	2015	2014
Gross proceeds from sales	406,059	111,566
Selling costs	-3,871	-1,335
Net proceeds from sales	**402,188**	**110,231**
Book value investment properties	-389,206	-104,332
Book value lease incentives	-15,498	-
	-404,704	**-104,332**
Result on direct sales of properties	**-2,516**	**5,899**
Result on indirect sales of properties/subsidiaries	**2,237**	**-**
Total	**-279**	**5,899**

The result of the disposal of the French offices is mainly included in the valuation result.

31. General costs

(x € 1,000)	2015	2014
Salaries and social security contributions	17,547	12,803
Pension costs	881	1,084
Other employee costs	3,458	3,562
Audit and advisory fees	3,707	2,273
Office costs	4,276	3,567
Other general costs	3,714	1,872
	33,583	**25,161**
Allocated to property expenses/service costs	-5,451	-3,158
Allocated to investments/IPUC	-6,497	-5,442
Charged to third parties	-5,371	-3,024
	-17,319	**-11,624**
Total	**16,264**	**13,537**

Increase in the general expenses is mainly caused by the full year acquisition effect of France and the acquisition of the nine Dutch shopping centres during 2015.

Employees

During the year 2015 an average of 172 persons (2014: 142) based on full-time basis were employed by the Group, of which 74 (2014: 57) in the Netherlands and 98 (2014: 85) 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.

Supervisory Board:

(x € 1,000)	**2015**	**2014**
J.A.P van Oosten	53	50
F.Th.J. Arp	-	11
H.J. van Everdingen	39	35
J.A. Bomhoff	39	31
H.L.L. Groenewegen	39	24
F.C. Weijtens	39	36
Total	**209**	**187**

As at December 31, 2015, Mr Van Everdingen held 10,000 ordinary shares in the Company; Mr Groenewegen held 5,740 shares. These were acquired by them as private investment through the market. 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) **2015**	**Fixed income**	**STI**	**LTI**	**One off payments**	**Pension and pension compensation**	**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**

2014	**Fixed income**	**STI**	**LTI**	**One off payments**	**Pension and pension compensation**	**Social charges**	**Total**
D.J. Anbeek	409	166	149	-	89	10	822
R.J. Bolier	88	36	32	-	19	3	178
P. Roozenboom	244	105	-	325	39	7	720
Total	**741**	**307**	**181**	**325**	**147**	**20**	**1,720**

STI 2015

The STI incentive is calculated as follows:

- LFL rental growth at or above inflation scores 15% of fixed income
- LFL rental growth at or above budget scores 15% of fixed income
- Remain rated GRESB Green Star scores 10% of fixed income

Like-for-like rental growth for the year 2015 amounted to 1.8%, which is 140 bps above index. This results in a score of 15 points.

For the year 2015, a like-for-like rental growth was budgeted for the shopping centres of 40 bps above index in the Netherlands, 410 bps in Finland and 130 bps in Belgium. Like-for-like rental growth for the year 2015 came out at 70 bps above indexation in the Netherlands (30 bps above budget), 230 bps in Finland (180 bps below budget) and 130 bps above indexation in Belgium (at budget). This results in a score of 10 points.

The Company remained rated GRESB Green Star and even moved up further within this quartile, which scores 10 points.
This implies that in respect of the year 2015, a short-term incentive of 35% of fixed salary is payable in cash. For Mr Anbeek this amounts to an STI of € 178,500 and for Mr Bolier € 133,000. The short-term bonus is payable in cash, after deduction of income tax and social charges.

LTI 2015

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, 2015, the Loan-to-Value stood at 37.5%. Compared to the previous year, EPS for 2015 increased by 9%, which is well over 200 bps above inflation. This implies that in respect of the year 2015, a long-term incentive of 60% of fixed salary is granted conditionally in shares. For Mr Anbeek this amounts to an LTI of € 306,000 and for Mr Bolier € 228,000.

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, 2015 the long-term variable bonus 2015 would represent 6,825 shares for Mr Anbeek and 5,085 shares for Mr Bolier (based on a share price of € 44.83 per share as at February 11, 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

For the long-term variable income in respect of the years 2013 and 2014, a two years vesting applies.

In respect of the year 2013, a conditional share balance was awarded to Mr Anbeek of 2,180 shares. This number of conditional performance shares has accrued to 2,672 due to the reinvestment of dividends and of claim rights in connection with the 2014 claim issue.

The long-term conditions were:

- For the like-for-like rental growth component (18.9/32.9% of the total LTI for 2013) the condition was that the average like-for-like net rental growth over the years 2014 and 2015 would be positive.
- The TSR variable component of the conditional grant (14.0/32.9% of the total LTI for 2013) was granted under the long-term condition that the average place over the next two years would be higher than the 6th place.

The average like-for-like rental growth for the years 2014 and 2015 is positive, implying that 18.9/32.9% of the 2,672 shares have vested.

The TSR peer group that was set for the 2013 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 2014, Wereldhave ranked second and in 2015 sixth, an average position of 4. This implies that 14.0/32.9% of the 2,672 shares have vested.

Mr Anbeek has announced that he will sell approximately 50% of these shares, to pay taxes due upon vesting. No shares are vesting for Mr Bolier in 2015.

In respect of the year 2014, 2,544 conditional shares were bought for Mr Anbeek and 1,469 shares were bought for Mr Bolier in relation to the 2014 long-term bonus. These shares have been conditionally awarded and are accounted for as shares for remuneration as part of the general reserve. The vesting period ends in 2016.

Mr Anbeek holds a total of 13,423 shares, of which 5,278 are conditional and 8,145 are unconditional or private investment. The current fair value of the shares owned by Mr Anbeek based on the stock exchange price amounts to € 44.83 per share (as per February 11, 2016) in total € 601,753.
Mr Bolier holds 5,067 shares, of which 1,504 are conditional and 3,563 are unconditional or private investment. The current fair value of the shares owned by Mr Bolier based on the stock exchange price amounts to € 44.83 per share (as per February 11, 2016) in total € 227,154.

(x € 1,000)

Financial year grant	Vesting period u/i Dec 31	Long-term bonus	Accounted in financial statements 2015	Accounted in earlier financial statements	Total accounted for
2015 - D.J. Anbeek	2018	306	77	-	77
2014 - D.J. Anbeek	2016	149	50	50	100
2013 - D.J. Anbeek	2015	132	44	88	132
2015 - R.J. Bolier	2018	228	57	-	57
2014 - R.J. Bolier	2016	32	11	11	22

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.

32. Other income and expenses

(x € 1,000)	2015	2014
Dividend received	553	1,125
Other	-3,038	-4,767
Total	**-2,485**	**-3,642**

33. Net interest

(x € 1,000)	2015	2014
Interest paid	-31,778	-19,706
Capitalised interest	1,287	6,671
Amortised costs loans	-1,792	-1,480
Interest charges related to loans	**-32,283**	**-14,515**
Interest addition convertible bonds	-1,300	-1,748
Total interest charges	**-33,583**	**-16,263**
Interest received	**327**	**515**
Total	**-33,256**	**-15,748**

Capitalised interest in connection with developments is based on the Group's weighted average cost of debt. During 2015, the range of weighted average interest rates used was 2.2 - 3.2% (2014: 3.2 - 3.5%). The average nominal interest rate in 2015 was 2.2% (2014: 2.2%).
The line item 'interest paid' includes costs related to fees paid for undrawn parts of committed financing facilities amounting to € 1.5m (2014: € 2.1m).

34. Other financial income and expenses

(x € 1,000)	2015	2014
Exchange rate differences	-914	-264
Costs repurchase convertible bonds	-	-4,976
Adjustments financial instruments	-4,802	-7,986
Total	**-5,716**	**-13,226**

35. Income tax

(x € 1,000)	2015	2014
Result before tax	**122,101**	**33,755**
Tax charges according to applicable tax rates	40,639	11,579
Tax-exempt income based on fiscal status	-41,190	-9,375
Deductible costs	-90	154
Change in tax rates	-	112
Other	-2,170	-396
Income tax	**-2,811**	**2,074**
Weighted average tax rate	-2.3%	6.1%

For 2015 the current tax charge is € 0.6m (2014: € 0.6m) and the deferred tax charge was € 2.2m (2014: € 1.4m). 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 (2014: idem).

36. Result from discontinued operations

Discontinued operations represent 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)

2015	UK	US	Spain	Total
Net rental income	-	-	-	-
Valuation results	-	-	-	-
Results on disposals	-	-	-	-
General costs	-	-	-	-
Net interest	-2,730	-	-	-2,730
Other financial income and expenses	-11,807	-1,077	-	-12,884
Other	-297	-	414	117
Result	**-14,834**	**-1,077**	**414**	**-15,497**

(x € 1,000)

2014	UK	US	Spain	Total
Net rental income	463	-	3,588	4,051
Valuation results	-	-	-707	-707
Results on disposals	-	-	3,296	3,296
General costs	-29	-	-556	-585
Net interest	-3,711	-	-2,709	-6,420
Other financial income and expenses	-3,888	-	-	-3,888
Other	479	614	-1,623	-530
Result	**-6,686**	**614**	**1,289**	**-4,783**

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 € -12.9m is recycled through the income statement in 2015 (€ -3.9m in 2014).

In the cash flow statement the following amounts have been accounted for in relation to the discontinued operations in 2015: operating activities € -2.7m, investment activities € nil and financing activities € -45m.

37. 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		
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	
Vastgoed Halle NV	Belgium		50.00	50.00
NV Wereldhave Management Belgium SA	Belgium		100.00	
NV Wereldhave Belgium Services SA	Belgium		100.00	
Espamad SLU	Spain	100.00		
Wereldhave UK Holdings Ltd.	UK	100.00		
Wereldhave Property Corporation Plc	UK		99.39	0.61

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 2015 amounts to € 172.7m.

Summarised financial information for C.V.A. Belgium S.C.A.

(x € 1,000)

Summarised balance sheet	**2015**	**2014**
Current assets	20,277	13,986
Current liabilities	-77,559	-102,932
Total current net assets	**-57,282**	**-88,946**
Non-current assets	774,683	760,036
Non-current liabilities	-150,091	-172,806
Total non-current net assets	**624,592**	**587,230**
Net assets	**567,310**	**498,284**

Summarised income statement	**2015**	**2014**
Revenue	47,069	38,794
Profit before income tax	49,546	39,554
Income tax expense/income	-155	-699
Post tax profit from continuing operations	**49,391**	**38,855**
Other Comprehensive Income	-810	-3,765
Total Comprehensive Income	**48,581**	**35,090**
Total Comprehensive Income allocated to non-controlling interest	**14,783**	**10,734**
Dividend paid to non-controlling interest	8,830	8,491

Summarised cash flows

Cash flows from operating activities	**2015**	**2014**
Cash generated from operations	43,005	38,168
Interest paid	-3,265	-2,124
Net cash generated from operating activities	**39,740**	**36,044**
Net cash used in investment activities	-83,458	-69,268
Net cash used in financing activities	45,896	34,743
Net increase in cash and cash equivalents and bank overdrafts	2,178	1,519
Cash, cash equivalents and bank overdrafts at beginning of the year	4,053	2,534
Cash and cash equivalents and bank overdafts at end of the year	**6,231**	**4,053**

The information above is the amount before intercompany eliminations.

38. Transactions with shareholders

In 2015 there were no transactions with shareholders that affected profit and loss.

39. 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.

(x € 1,000)	**2015**	**2014**
Result attributable to shareholders of the company	88,645	19,803
Adjustment for effect convertible bonds	7,544	7,465
Result after effect convertible bonds	**96,189**	**27,268**
Number of shares as at January 1	**35,016,963**	**21,678,391**
Adjustment for conversion priority shares	-	5
Adjustment for rights issue	-	3,707,397
Adjustment for share issue	2,675,342	-
Adjustment for purchase of own shares for remuneration	-1,795	-1,457
Weighted average number of shares for fiscal year	**37,690,510**	**25,384,336**
Adjustment for convertible bonds	3,791,901	5,534,224
Diluted average number of shares after adjustment for the effects of all dilutive potential shares for the fiscal year	**41,482,411**	**30,918,560**

As the conversion has a negative effect on the result per share, this is taken into account in the diluted result per share.
See note 41 for the proposed dividend for 2015.

40. 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.

	2015	2014
Equity available for shareholders (x € 1,000)	2,015,069	1,823,414
Number of ordinary shares per 31 December	40,270,921	35,020,921
Purchased shares for remuneration	-6,782	-2,180
Number of ordinary shares per 31 December for calculation net asset value	40,264,139	35,018,741
Net asset value per share (x € 1)	50.05	52.07

Net asset value after full conversion

	2015		2014	
	in € 1,000	in € per share	in € 1,000	in € per share
Equity	2,015,069	50.05	1,823,414	52.07
Effect of full conversion	-	-	128,441	0.93
Equity after full conversion	**2,015,069**	**50.05**	**1,951,855**	**53.00**

As the currently outstanding convertible bonds have a cash settlement option, no effect of conversion is taken into account in 2015.

41. Dividend

It is proposed to distribute to holders of ordinary shares a dividend of € 3.01 (€ 1.50 interim dividend was paid in November 2015) in cash in order to meet the distribution obligations under Dutch tax law, subject to dividend withholding tax.

42. 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 31. With regard to transactions with the pension fund reference is made to note 9 and 21.

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions if such terms can be substantiated.

43. Events after balance sheet date

On February 3, 2016, Moody's Investors Service has assigned Wereldhave N.V. a first-time long-term issuer rating of Baa1, with a stable outlook. There are no other events after balance sheet date.

Company balance sheet at December 31, 2015

(before profit appropriation)

(x € 1,000)	Note	December 31, 2015	December 31, 2014
Assets			
Non-current assets			
Investments in subsidiaries	2	1,769,130	1,520,818
Other financial investments	3	1,147,745	1,604,585
Derivative financial instruments		67,130	43,641
		2,984,005	**3,169,044**
Current assets	4		
Tax receivables		8,448	6,523
Cash and cash equivalents		651,539	60,064
Accruals		10,730	11,847
Group companies receivable		150,564	135,571
Short term derivatives		21,606	-
Other receivables		1,516	5,898
		844,403	**219,903**
		3,828,408	**3,388,947**

Equity and liabilities			
Equity	5		
Share capital		40,271	35,021
Share premium		1,711,033	1,467,196
General reserve		-139,685	-95,332
Revaluation reserve		315,809	418,242
Hedge reserve		-1,004	-11,453
Currency translation reserve		-	-5,280
Result current year		88,645	15,020
		2,015,069	**1,823,414**
Non-current liabilities			
Interest bearing liabilities	6	1,169,106	1,027,525
Derivative financial instruments		22,266	16,887
		1,191,372	**1,044,412**
Current liabilities			
Group companies payable		307,267	266,158
Short term liabilities	7	314,700	254,963
		3,828,408	**3,388,947**

Company income statement for the year ended December 31, 2015

(x € 1,000)	Note	2015	2014
Result from subsidiaries after tax	2	119,126	29,270
Other gains and losses after tax		-30,481	-14,250
		88,645	**15,020**

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 consolidated annual accounts are prepared in accordance to International Financial Reporting Standards as endorsed in the European Union and also comply with the financial reporting requirements included in 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)	2015	2014
Balance at January 1	**1,520,818**	**1,507,985**
Exchange rate differences	12,634	38,561
Movements in pension schemes	50	-301
Investments / divestments	219,248	10
Revaluation of financial assets held for sale	-620	-1,973
Result from subsidiaries after tax	119,126	29,271
Dividends	-101,184	-52,472
Other	-942	-263
Balance at December 31	**1,769,130**	**1,520,818**

List of subsidiaries

At December 31, 2015, the Company had direct shareholdings in the following companies:

			Shareholding (%)
West World Holding N.V.			100.00
N.V. Wereldhave International			100.00
	33.19	OGVV Wereldhave Belgium CVA	36.38
Wereldhave Development B.V.			100.00
Relovast B.V.			100.00
Relovast II B.V.			100.00
Relovast IV B.V.			100.00
Wereldhave Management Holding B.V.			100.00
Ilôt Kleber S.A.S.			100.00
Espace Saint Denis S.A.S.			100.00
NODA S.A.S.			100.00
Wereldhave Retail France S.A.S.			100.00
	99.99	SCI Bordeau Bonnac	0.01
	99.99	SCI du CC Bordeaux Prefecture	0.01
	99.99	SNC les Docks de Rouen	0.01
	99.99	SNS Les Passages de l'Etoile	0.01
	99.99	SNC Marceau Coté Seine	0.01
	99.99	SNC Elysees Vauban	0.01
	99.99	SCI due CC Rouen Saint Sever	0.01
	99.99	SNC Cegep et Compagnie	0.01
	99.99	SCI des Bureaux Rouen Bretagne	0.01
	99.99	SCI Rouen Verrerie	0.01
	99.99	SCI Fonciere Marceau Saint Sever	0.01
Itäkeskus Holding Oy			100.00
Wereldhave Finland Oy			100.00
Espamad SLU			100.00
Wereldhave UK Holdings Ltd			100.00

3. Other financial investments

(x € 1,000)	**Receivables from subsidiaries**
Balance at December, 31 2013	**664,650**
Exchange rate differences	546
Investments / withdrawal	1,522,111
Divestments / redemptions	-582,722
Balance at per December 31, 2014	**1,604,585**
Exchange rate differences	503
Investments / withdrawal	87,478
Divestments / redemptions	-544,821
Balance at December 31, 2015	**1,147,745**

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, 2015 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 2015 4,013 shares were purchased for the long-term bonus of the Board of Management. In the year 2014 2,180 shares were purchased for the long-term bonus plan of the Board of Management. These shares were conditionally awarded to Mr Anbeek and Mr Bolier.

The movements in equity during 2015 and 2014 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, 2014	**216,796**	**759,740**	**-24,182**	**376,916**	**-7,913**	**-11,302**	**39,371**	**1,349,426**
Result distribution 2013	-	-	-3,951	43,322	-	-	-39,371	-
Currency translation differences of foreign participations	-	-	-	-	-	6,022	-	6,022
Movement in reserves	-	-	-	-1,974	-3,540	-	-	-5,514
Revaluation realised	-	-	-	-	-	-	-	-
Purchase remuneration shares	-	-	-134	-	-	-	-	-134
Option premium convertible bonds	-	-5,657	4,757	-	-	-	-	-900
Remeasurement of past employment obligations	-	-	-301	-	-	-	-	-301
Change nominal value shares	-195,116	195,116	-	-	-	-	-	-
Proceeds from rights issue	13,341	536,721	-	-	-	-	-	550,062
Costs rights offering	-	-18,724	-	-	-	-	-	-18,724
Dividend	-	-	-71,543	-	-	-	-	-71,543
Profit for the year **)	-	-	-	-	-	-	15,020	15,020
Balance at December 31, 2014	**35,021**	**1,467,196**	**-95,354**	**418,264**	**-11,453**	**-5,280**	**15,020**	**1,823,414**
Result distribution 2014	-	-	-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
Change nominal value shares	-	-	-	-	-	-	-	-
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**

*) 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. The share premium has increased by € 244m due to the share issue on 29 June 2015. The share premium that is recognised for Dutch dividend withholding tax purposes, and as such is exempt from this tax, can deviate from the amount of share premium mentioned in the annual accounts. The amount of share premium that is recognised for tax purposes is € 1,716m (2014: € 1,464m).

General reserve
Allocation of result over 2014.

The General Meeting of Shareholders on April 24, 2015 determined the following allocation of the profit over 2014:

(x € 1,000)	
Distributed to holders of ordinary shares	**100,507**
Revaluation reserve subsidiaries	22,543
General reserve	-108,030
Result after tax	**15,020**

Dividend 2015
The 2015 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 shows as follows:

	December 31, 2015					
(x € 1,000)	Maturity < 1 year	Maturity 1 - 5 year	Maturity >5 year	Total long term	Total	December 31, 2014
Debts to subsidiaries	124,997	-	-	-	124,997	92,094
Convertible bonds	-	237,984	-	237,984	237,984	362,859
Debt to financial institutions	167,780	755,492	175,629	931,122	1,098,902	793,107
Total	**292,777**	**993,476**	**175,629**	**1,169,106**	**1,461,883**	**1,248,060**

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

	2015					2014			
	EUR	GBP	USD	CAD	Total	EUR	GBP	USD	Total
Short term interest bearing debt									
Bank loans and private placement	1.2%	-	4.2%	-	2.5%	4.2%	10.0%	-	5.7%
Interest rate swaps	-1.1%	-	-	-	-1.1%	-	-5.6%	-	-5.6%
Long term interest bearing debt									
Convertible bonds	1.5%	-	-	-	1.5%	2.4%	-	-	2.4%
Bank loans and private placement	2.2%	4.3%	4.8%	4.0%	3.4%	1.8%	4.6%	4.9%	3.3%
Interest rate swaps	-2.4%	-	-	-	-2.4%	-1.5%	-	-	-1.5%
Average	1.9%	4.3%	4.6%	4.0%	2.3%	2.4%	4.1%	4.9%	3.2%

In 2015 the interest rate swaps for the debenture accounted for in the UK subsidiary has been arranged in Wereldhave N.V.

Fair value

The carrying amount and the fair value of long-term interest bearing debts are as follows:

(x € 1,000)	December 31, 2015 carrying amount	December 31, 2015 fair value	December 31, 2014 carrying amount	December 31, 2014 fair value
Debt to group companies	124,997	124,997	92,094	92,094
Convertible bonds	237,984	250,748	234,418	242,649
Bank loans and private placement	931,122	1,009,676	793,107	805,248
Total	**1,294,103**	**1,385,421**	**1,027,525**	**1,047,897**

Currencies

There are loans closed in euro, pound sterling, US dollars and Canadian dollars.

7. Short-term liabilities

(x € 1,000)	December 31, 2015	December 31, 2014
Debt to financial institutions	-	136
Short term portion of long term debt	167,780	128,441
Creditors	436	300
Debt to group companies	124,997	92,094
Taxes on profit	99	109
Other debts	21,388	33,883
Total	**314,700**	**254,963**

8. Staff

During 2015 the legal entity employed an average of 2 persons (2014: 3). The employees worked in the Netherlands.

9. Audit fees

In 2015 Wereldhave N.V. and its subsidiaries have accounted for the following costs from the Group auditor PwC:

(x € 1,000)	2015	2014
Audit of the Annual Accounts	436	305
Other assurance services	909	743
Tax advisory services	-	-
Total	**1,345**	**1,048**

In other assurance services an amount of € 832 relates to the share issue. The other assurance services are in compliance with Dutch Auditor Regulations.

Of the total amount of audit fees € 940 (2014: € 797) relates to the Netherlands. This consist of an amount of € 182 (2014: € 155) cost for the audit of the Annual Accounts and € 758 (2014: € 642) for other audit activities.

All fees are in compliance with the Dutch Auditor Regulations.

10. 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 31 in the consolidated annual accounts.

11. Related parties

All Group entities are treated as related parties. Reference is made to note 42 in the consolidated annual accounts.

12. 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 € nil (2014: € 2m). Capital investment commitments amount to € nil as per December 31, 2015 (2014: € 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.

Schiphol, February 25, 2016	**Supervisory Board**	**Board of Management**
	J.A.P. van Oosten	D.J. Anbeek
	H.L.L. Groenewegen	R.J. Bolier
	F.C. Weijtens	
	J.A. Bomhoff	
	H.J. van Everdingen	

Other information

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 € 3.01 in cash in order to meet the distribution obligations under Dutch tax law, subject to dividend withholding tax.

(x € 1m)	**2015**	**2014**
Profit	88.6	15.0
Payment to holders of ordinary shares	121.2	100.5
Revaluation reserve subsidiaries	23.4	42.2
General reserve	-56.0	-127.7
	88.6	**15.0**

Events after balance sheet date

On February 3, 2016, Moody's Investors Service has assigned Wereldhave N.V. a first-time long-term issuer rating of Baa1, with a stable outlook. There are no other events after balance sheet date.

Independent auditor's report

To: the general meeting and Supervisory Board of Wereldhave N.V.

Report on the financial statements 2015

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 2015 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch 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 2015 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2015 of Wereldhave N.V., Schiphol ('the company'). The financial statements include the consolidated financial statements of Wereldhave N.V. and its subsidiaries (together: 'the Group') and the company financial statements.

The consolidated financial statements comprise:

- the consolidated balance sheet at December 31, 2015;
- the following statements for 2015: the consolidated income statement and the consolidated statements of comprehensive income, changes in equity and cash flows; and
- the notes, comprising a summary of significant accounting policies and other explanatory information.

The company financial statements comprise:

- the company balance sheet as at December 31, 2015;
- the company income statement for the year then ended; and
- the notes, comprising a summary of the accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The 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 assuranceopdrachten' (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview and context

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the Board of Management made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain such as the valuation of investment properties for the amount of € 3.7 billion. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Board of Management that may represent a risk of material misstatement due to fraud.

We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of a real estate company. We therefore included specialists in the areas of real estate valuation, treasury, tax and IT in our team.

As part of the audit of the financial statements our IT auditors assessed the IT control environment and general controls regarding the central AREMIS system which is used by the group.

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Materiality

- Overall materiality: € 5.1 million which represents 4% of profit before tax from continuing operations, excluding the results on the valuation of investment property.

Audit scope

- We conducted audit work in all the countries in which the company has operations. We paid particular attention to the € 770 million acquisition that took place in The Netherlands and the related € 249 million share issue.
- A full scope audit has been performed in all countries in which the company has operations – the Netherlands, France, Belgium and Finland.
- Site visits were conducted to France, Belgium and the Netherlands.

Key audit matters

- Valuation of investment properties.
- Tax exempt status.
- Acquisition of shopping centres in the Netherland and the related share issue.

Materiality

The scope of our audit is influenced by the application of materiality which is further explained in the section 'Our responsibility for the audit of the financial statements'.

We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements on our opinion.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall group materiality	€ 5.1 million (2014: € 2.5 million).
How we determined it	4% (2014: 4%) of profit before tax from continuing operations, excluding the results on the valuation of investment property. The valuation of investment properties is based on external valuations of which we assess that they are within an acceptable bandwidth (refer to Key Audit Matter "Valuation of investment properties").
Rationale for benchmark applied	We have applied this benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of users of the financial statements. On this basis we believe that profit before tax from continuing operations, excluding the result on valuation, which we audit separately, is an important metric for the financial performance of the company.
Component materiality	To each component in our audit scope, we, based on our judgement, allocate materiality that is less than our overall group materiality. The range of materiality allocated across components was between €750.000 and €3,750.000.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the Supervisory Board that we would report to them misstatements identified during our audit above €225.000 (2014: €125.000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

Wereldhave N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Wereldhave N.V.

The group audit focused on all components. For the components in the Netherlands, France, Belgium and Finland a full scope audit of their financial information was performed. As the US, UK and Spanish operations were sold in 2012, 2013 and 2014 respectively and limited residual activities in 2015 occurred, the group audit team audited the remaining positions and activities in 2015.

For all components we used component auditors from the PwC network firms who are familiar with the local laws and regulations and have the real estate industry knowledge and experience to perform their audit work.

The Belgium subsidiary, Comm. VA Wereldhave Belgium SCA, has its own listing on Euronext Brussels stock exchange. As such, the component auditor of the Belgium subsidiary, besides undertaking audit procedures for group audit purposes, also has a prominent role in the audit of the statutory financial statements of Comm. VA Wereldhave Belgium SCA, including participating meetings with local management and the Supervisory Board of Comm. VA Wereldhave Belgium SCA.

Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the group financial statements as a whole. In this respect we performed the following procedures:

- We have issued detailed audit instructions to the component auditors prescribing the scope of work to be performed, our risk assessment, the key audit risk areas, materiality to be applied and the reporting requirements to the group audit team;
- The group audit team had several calls during the year with the component teams on the progress of the audit;
- The reports of the component auditors were assessed by the group audit team and observations were discussed with the component auditors and with group management.

Besides, the group audit team visited management of local operations and component teams. In the current year the group audit team visited Belgium, the Netherlands and France, attended the audit closing meetings in Finland, Belgium, the Netherlands and France where the audit findings were discussed with local management and reviewed a selection of the working papers of the component auditors, which included, among others, those concerning the audit of the valuation of investment properties.

The group consolidation, financial statements disclosures and a number of complex items are audited by the group audit team at the company's head office. These include, amongst others, derivative financial instruments, external financing, hedge accounting, certain tax positions and share based payments.

Furthermore, we have performed a review engagement on the condensed consolidated interim financial information for the three month period ended 31 March 2015, issued a review report dated 24 June 2015 and issued an assurance report on the pro forma financial information that was included in the prospectus for the share issue relating to the acquisition in the Netherlands. For further information we refer to the Key Audit Matter "Acquisition of shopping centres in the Netherlands and the related share issue".

By performing the procedures above at components, combined with additional procedures at group level, we have obtained sufficient and appropriate audit evidence regarding the financial information of the group as a whole to provide a basis for our opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the Supervisory Board, but they are not a comprehensive reflection of all matters that were identified by our audit and that we discussed. We described the key audit matters and included a summary of the audit procedures we performed on those matters.

The key audit matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on these matters or on specific elements of the financial statements. Any comments we make on the results of our procedures should be read in this context.

Compared to prior year our key audit matter 'Valuation of investment properties' remained unchanged. The key audit matter regarding tax this year focuses on the tax exempt status, being the most significant judgmental area for the income tax. The acquisition of the French portfolio in 2014 is no longer a key audit matter in this year's audit. The acquisition of the Dutch portfolio is a new key audit matter this year, since it was an important transaction in 2015.

Key audit matter	How our audit addressed the matter
Valuation of investment properties The valuation of the investment properties in operation, investment properties under construction and lease incentives (Investment Properties) is significant to our audit due to their magnitude and because their valuation is complex and highly dependent on a range of estimates (amongst others, rental value, vacancy rates, interest rates, maintenance status, market appetite for real estate financing, online sales and bankruptcy of tenants) made by the Board of Management as well as the external appraisers used by the Board of Management. The Board of Management uses external appraisers to support its determination of the individual fair value of the Investment Properties bi-annually. For more information on the valuation of the Investment Properties reference is made to note 3.11, 3.36 and 5.	We have challenged the assumptions made by the Board of Management and the external appraisers about the appropriateness of the property related data and the (movements in) fair value of the Investment Properties. PwC real estate and valuation specialists were part of our audit team for challenging the external valuations. Amongst others, we have considered the objectivity, independence and expertise of the external appraisers, assessed the appropriateness of the property related data, including estimates as used by the external appraisers (amongst others rental value, vacancy rates, interest rates, maintenance status, market appetite for real estate financing, online sales and bankruptcy of tenants) and back-tested sales during the year. We have tested the lease incentives included in the rental contracts signed during the year and the accounting of the

Key audit matter	How our audit addressed the matter
	straight-lining for the year 2015. We concur with managements' position on the valuation of the investment properties in operation, investment properties under construction and lease incentives as set out in the financial statements. We also assessed the appropriateness of the disclosures relating to the assumptions, as we consider them to be important to users of the financial statements given the estimation uncertainty and sensitivity of the valuations.
Tax exempt status The group operates in various countries with local tax regulations, including countries where the group has a tax exempt status (the Netherlands, Belgium and France). 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. For more information on the tax exempt status reference is made to note 2, 3.32 and 35.	Our audit procedures included, amongst others, evaluating the compliance with the requirements relating to the tax exempt status in the Netherlands, Belgium and France. This included, amongst others, consideration of the financing position, payment of dividends (in Dutch: 'Uitdelingsverplichting'), the type of activities and the shareholders criteria. We obtained a letter from the Company's external fiscal advisor relating to the confirmation of the tax position of the Company, which we assessed. We used PwC tax specialists to assist us in testing the tax exempt status and the assumptions and criteria mentioned in the tax letter. We concur with management's position on the tax exempt status as included in the financial statements.
Acquisition of shopping centres in the Netherlands and the related share issue The € 770 million acquisition by the end of August 2015 in the Netherlands of 9 shopping centres and the related share issue of €249 million (proceeds of €257 million minus related costs of	We have audited the acquisition of the portfolio in the Netherlands, amongst others, by assessing the accounting treatment of the acquisition, reconciled the initial purchase price to the share and purchase agreement and notary deed, the result accounted for in the period end of August 2015 until 31

Key audit matter	How our audit addressed the matter
€8 million) is important to our audit as it increased the Investment Properties position by more than 20% and equity by in excess of 10%. In addition, the accounting for the acquisition is complex (including the assessment whether the acquisition qualifies as an asset deal instead of as a business combination) and it has an important impact on the report of the Board of Management and several disclosures in the financial statements. For more information on the acquisition and share issue reference is made to note 3.3, 3.4, 3.20, 5, 13, 14 and 39, as well as to note 5 to the Company financial statements.	December 2015, and the compliance with the company's internal policies and procedures for investments including the approval of the acquisition by the Supervisory Board. We also assessed the accurate presentation of the acquisition in the financial statements and the consistency in the report of the Board of Management. We have also assessed the appropriateness of the accounting for the related costs to the share issue that has been directly accounted for in equity. We concur with the treatment of the acquisition as asset deal and the accounting for the share issue and related costs in the financial statements.

Responsibilities of the Board of Management and the Supervisory Board

The Board of Management 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 Dutch Civil Code, and for the preparation of the Board of Management report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and for
- such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Management should prepare the financial statements using the going concern basis of accounting unless the Board of Management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Board of Management 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.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our audit opinion aims to provide reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high but not absolute level of assurance which makes it possible that we may not detect all misstatements. Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A more detailed description of our responsibilities is set out in the appendix to our report.

Report on other legal and regulatory requirements

Our report on the Board of Management report and the other information

Pursuant to the legal requirements of Part 9 of Book 2 of the Dutch Civil Code (concerning our obligation to report about the Board of Management report and other information):

- We have no deficiencies to report as a result of our examination whether the Board of Management's report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required by Part 9 of Book 2 of the Dutch Civil Code has been annexed.
- We report that the Board or Management's report, to the extent we can assess, is consistent with the financial statements.

Our appointment

We were appointed, for a period of 3 years, as auditors of Wereldhave N.V. by the Supervisory Board following the passing of a resolution by the shareholders at the Annual General Meeting of Shareholders held on 22 April 2013. We have been the auditors of Wereldhave N.V. for a total period of uninterrupted engagement appointments of more than 25 years. Starting financial year 2016, the financial statements of Wereldhave N.V. will be audited by another audit firm.

Amsterdam, 25 February 2016
PricewaterhouseCoopers Accountants N.V.

Original version signed by drs. E. Hartkamp RA MRE

Appendix to our auditor's report on the financial statements 2015 of Wereldhave N.V.

In addition to what is included in our auditor's report we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. Our audit consisted, among others of:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Management.
- Concluding on the appropriateness of the Board of Management's use of the going concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the company's consolidated financial statements we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

SUSTAINABILITY

PERFORMANCE INDICATORS

ANNUAL REPORT 2015

WERELDHAVE

OUR REPORTING STRATEGY

This Annual Report is divided into three parts, which together form the integrated Annual Report 2015. It will be published in digital form only on the Company's website www.wereldhave.com.

MANAGEMENT SUMMARY

The highlights and a summary of the key items.

ANNUAL REPORT

The report from the Board of Management for the year 2015, the property portfolio overview, the financial statements and the report from the Supervisory Board.

PERFORMANCE INDICATORS

Detailed tables on our social and environmental performance.

READ THE SUMMARY

READ THE REPORT

Contents

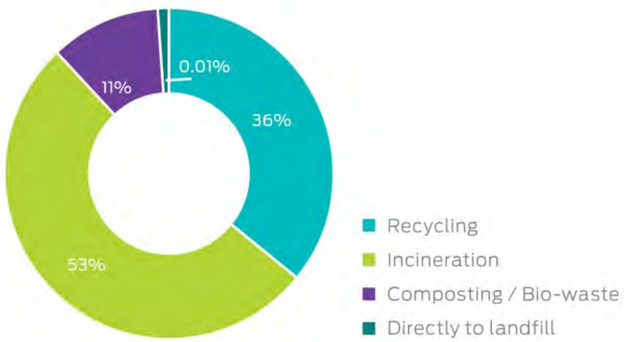
Performance Indicators

Environmental indicators

Environmental performance indicators – Shopping Centres

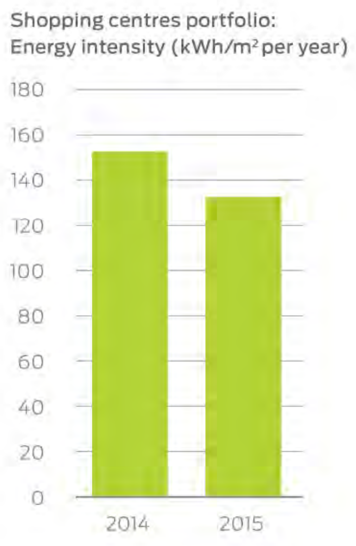
		Absolute	Like-for-like comparison							
			Belgium		Finland		Netherlands		Total	
EPRA Sustainability performance measures	**Units**	**2015**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Energy consumption from electricity (GRI: EN4)	kWh	38,375,197	4,423,787	4,510,512	11,859,246	16,186,909	3,832,904	3,699,820	20,115,937	24,397,241
Electricity exclusively sub-metered to tenants		26,384,831	-	-	14,583,085	11,519,951	3,489,476	4,408,319	18,072,561	15,928,270
Total energy consumption from district heating and cooling (GRI: EN4)		13,925,000	-	-	13,925,000	15,486,690		-	13,925,000	15,486,690
Total energy consumption from fuels (GRI: EN3)		6,677,802	2,925,980	2,456,909	-	-	1,265,620	1,394,594	4,191,600	3,851,503
Fuels exclusively sub-metered to tenants		6,621	-	-	-	-	6,100,659	6,050,883	6,100,659	6,050,883
Total energy consumption from all sources		**91,983,894**	**7,349,767**	**6,967,421**	**40,367,331**	**43,193,550**	**14,688,659**	**15,553,616**	**62,405,757**	**65,714,587**
Total direct GHG emissions GHG Protocol Scope 1	kg CO2e	1,165,432	641,658	454,528	-	-	427,515	530,837	1,069,173	985,365
Total indirect GHG emissions GHG Protocol Scope 2		5,908,934	296,394	302,204	1,336,800	1,672,563	3,160,351	2,951,485	4,793,545	4,926,251
Total indirect GHG emissions GHG Protocol Scope 3		3,321,120	-	-	-	-	2,573,016	2,632,191	2,573,016	2,632,191
Total direct and indirect GHG emissions (GRI: EN16)		**10,395,485**	**938,051**	**756,732**	**1,336,800**	**1,672,563**	**6,160,882**	**6,114,513**	**8,435,733**	**8,543,808**
Total water withdrawal (GRI: EN16 partial)	m3	205,560	15,340	23,548	41,849	55,903	7,712	9,765	64,901	89,216
Total weight of waste (GRI: EN22)	Metric tonnes	6,702	1,136	1,163	1,816	1,893	730	611	3,682	3,667
Disposal route	Proportion by weight (%)									
- Reused										
- Recycled		35.0%	41.8%	31.0%	33.1%	60.0%	36.1%	18.0%	36.3%	26.6%
- Landfill facility		8.5%	0.0%	0.0%	0.0%	2.0%	0.0%	0.0%	0.0%	3.2%
- Incineration		49.4%	57.9%	69.0%	42.1%	24.0%	63.9%	81.0%	52.6%	78.0%
- Composting/ anaerobic digestion facility		6.8%	0.3%	0.0%	24.8%	14.0%	0.0%	0.0%	11.0%	1.9%
- Other disposal route		0.3%	0.0%	0.0%	0.0%	0.1%	0.0%	1.0%	0.0%	0.0%

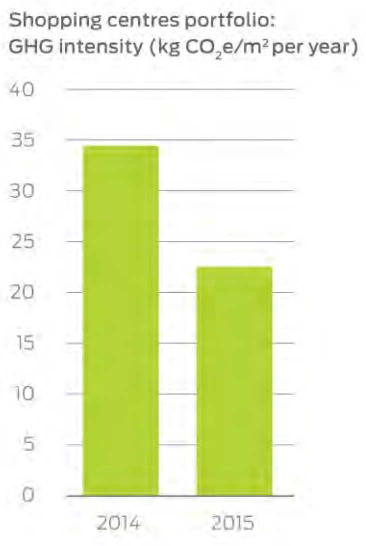
Shopping centres portfolio waste disposal routes in 2015 (%)

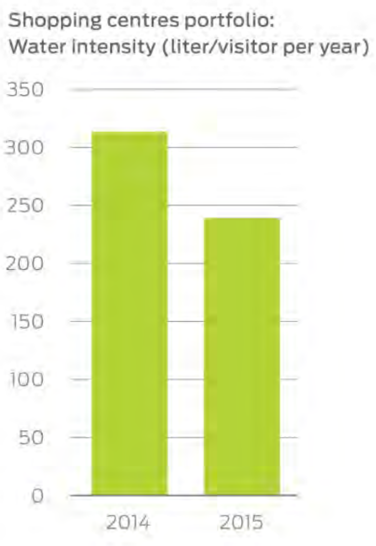


Environmental intensity indicators – Shopping Centres

		Absolute	Like-for-like comparison							
			Belgium		Finland		Netherlands		Total	
EPRA Sustainability intensity measures	**Units**	**2015**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Building energy intensity (GRI-CRESS: CRE1)	kWh/m2/year	84	89.8	85.1	255.2	313.5	46.2	47.6	132.8	152.6
	kWh/visitor/year	0.51	1.53	2.02	1.53	2.02	0.28	0.51	0.82	0.97
Greenhouse gas intensity from building energy	kgCO2e/m2/year	27.4	8.7	9.2	13.2	16.6	30.8	37.9	22.4	34.7
(GRI-CRESS: CRE3)	kgCO2e/visitor/year	150.2	65.2	65.5	79.4	106.6	173.2	195.4	109.5	168.3
Building water intensity (GRI-CRESS: CRE2)	liter/m2/year	304.7	187.5	287.8	409.2	553.3	104.2	95.5	238.0	312.9
	Liter/visitor/year	1.9	2.5	3.6	2.5	3.6	0.6	0.5	1.5	2.0







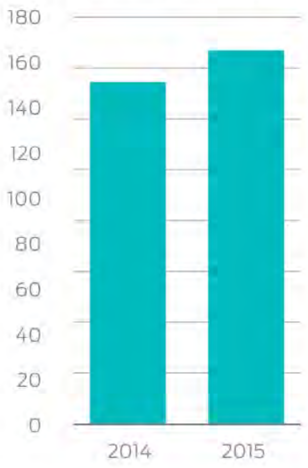
Environmental performance indicators – Offices

		Absolute	Like-for-like comparison					
			Belgium		Finland		Total	
EPRA Sustainability performance measures	**Units**	**2015**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Energy consumption from electricity (GRI: EN4)	kWh	13,433,792	7,327,837	7,004,689	123,460	159,709	7,451,297	7,164,398
Electricity exclusively sub-metered to tenants			3,101,390	4,726,656			3,101,390	4,726,656
Total energy consumption from district heating and cooling (GRI: EN4)		391,880	-	-	391,880	405,000	391,880	405,000
Total energy consumption from fuels (GRI: EN3)		5,590,615	5,590,615	4,701,640			5,590,615	4,701,640
Fuels exclusively sub-metered to tenants			319,085	-	-	-	-	-
Total energy consumption from all sources			**16,338,927**	**16,432,985**	**515,340**	**564,709**	**16,535,182**	**16,997,694**
Total direct GHG emissions GHG Protocol Scope 1	kg CO2e	1,034,264	1,034,264	869,803	-	-	1,034,264	869,803
Total indirect GHG emissions GHG Protocol Scope 2		528,586	490,965	469,314	37,620	43,740	528,586	513,054
Total indirect GHG emissions GHG Protocol Scope 3		266,824	266,824	316,686	-	-	266,824	316,686
Total direct and indirect GHG emissions (GRI: EN16)							**1,829,673**	**1,699,544**
Total water withdrawal (GRI: EN16 partial)	m3	29,185	27,508	24,329	1,677	1,633	29,185	25,962
Total weight of waste (GRI: EN22)	Metric tonnes	160	160	289			160	289
Disposal route	Proportion by weight (%)							
- Reused								
- Recycled		33.7%	51.6%	17.3%			33.7%	17.3%
- Landfill facility		0.0%	0.0%	0.0%			0.0%	0.0%
- Incineration		46.1%	46.1%	82.0%			46.1%	82.0%
- Composting/ anaerobic digestion facility		2.3%	2.3%	0.7%			2.3%	0.7%
- Other disposal route		0.0%	0.0%	0.0%			0.0%	0.0%

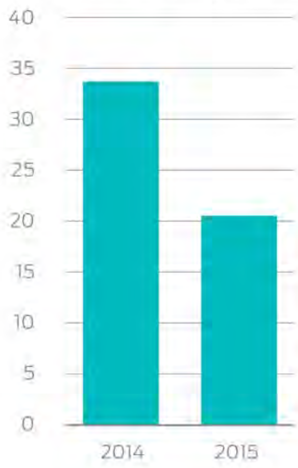
Environmental intensity indicators - Offices

EPRA Sustainability intensity measures	Units	Absolute 2015	Like-for-like comparison Belgium 2015	Belgium 2014	Finland 2015	Finland 2014	Total 2015	Total 2014
Building energy intensity (GRI-CRESS: CRE1)	kWh/m2/year	166.0	164.8	149.3	204.0	223.6	166.0	151.6
Greenhouse gas intensity from building energy (GRI-CRESS: CRE3)	kgCO2e/m2/year	20.5	20.6	34.2	14.9	17.3	20.5	33.6
Building water intensity (GRI-CRESS: CRE2)	liter/m2/year	360.6	350.8	310.3	663.9	646.5	360.6	320.8

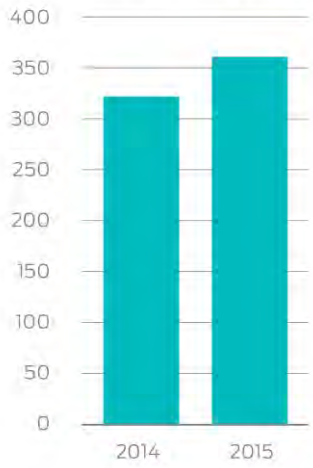
Offices portfolio:
Energy intensity (kWh/m² per year)



Offices portfolio:
GHG intensity (kg CO_2e/m² per year)



Offices portfolio:
Water intensity (liter/m² per year)



Qualifying notes

Wereldhave reports its 2015 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 2015 Annual Report part 3.

Scope environmental reporting

Wereldhave has made considerable steps in monitoring and improving its environmental performance. We have automatic metering systems in place for 91% of our portfolio based gross market value, 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 2015, the portfolio coverage of our environmental reporting is 96% in gross market value.

For 2015 the absolute data disclosed for all energy, greenhouse gas emissions and water performance indicators, for which the landlord has control, is for 27 out of 30 properties. The data disclosed for waste refers to 24 out of 30 properties. For the like-for-like figures, 14 properties are included for the energy and greenhouse gas data, 14 for water and 11 for waste. 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 absolute and 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. The 2015 data excludes the sustainable French offices portfolio and the newly acquired Dutch assets, since these assets are not fully owned and in operation control for the reporting period. These new assets will be included in the coming year. Absolute data provides an overview of the environmental impact over 2015. Absolute data is not comparable with 2014 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 sustainability reports. For 2015, the reporting period covers a 12 month period, including the fourth quarter of 2014 and the first three quarters of 2015. 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 8.0% over the reporting period and like-for-like greenhouse gas emissions (GHG) reduced by 4.6%. This results in a cumulated decrease of our energy (for the shopping centres portfolio) intensity of 17.7% per m^2 (like-for-like) between 2013-2015 and 15.4% decrease per visitor in 2014-2015. The GHG intensity decrease cumulated with 60.2% per m^2 (like-for-like) and with 13.5% per visitor for the reporting period. This is well in line with our long term target as mentioned in the 2015 Annual Report. Water consumption decreased by 24.0% per m^2 and with 26.0% per visitor in 2015 compared to 2014.

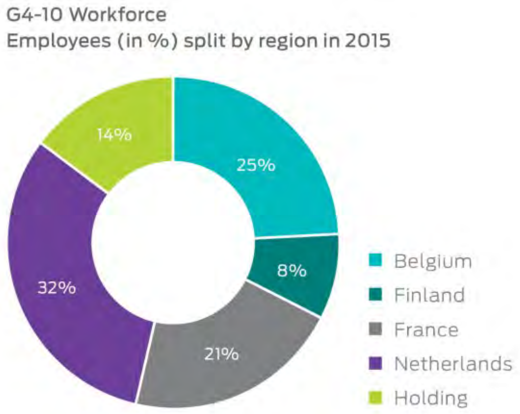
Additional notes on environmental impact areas:

- 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. 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.
- Water consumption data refers to the water consumed at common areas or for tenant areas without sub-meters.
- Waste management data only includes waste managed by Wereldhave. This includes waste collected at common areas and waste collected for those tenants where Wereldhave provides a service to handle its waste.
- Wereldhave has chosen to assess and certify its shopping centres portfolio with BREEAM. At the end of the fiscal year 2015, Wereldhave has 14 BREEAM certifications in place, covering 72 % (based on gross market value) of its shopping centres portfolio (GRI G4 CRE8). This is well in line with our long term objective to obtain BREEAM certification for 100% of our shopping centres portfolio in 2020.

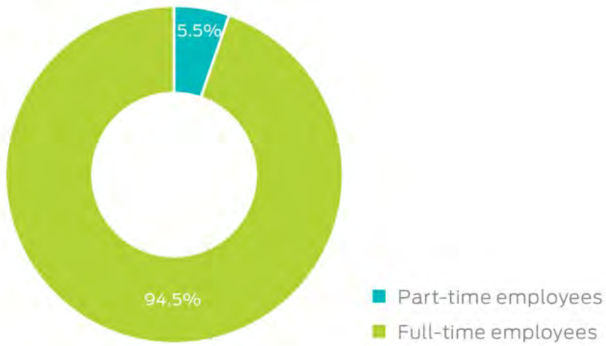
Social indicators

Workforce

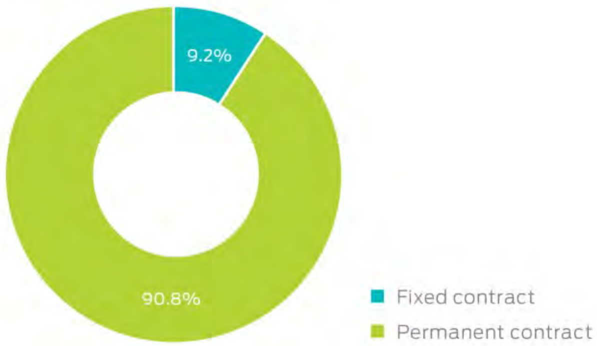
Workforce - employment (G4-10)	Units	Total	Belgium	Finland	France	Netherlands	Holding
2015 Number of employees year end	in FTE	193.1	47.3	16.0	40.7	61.1	28.0
2014 Number of employees year end		131.2	48.8	13.0	4.9	39.2	25.3
2015 Part-time employees	in %	5.5%	12.7%	0.0%	1.9%	4.6%	3.6%
2014 Part-time employees		7.7%	13.0%	0.0%	0.0%	7.3%	3.8%
2015 Full time employees		94.5%	87.3%	100.0%	98.1%	95.4%	96.4%
2014 Full time employees		92.3%	87.0%	100.0%	100.0%	92.7%	96.2%
2015 Employees with fixed contract		9.2%	5.5%	0.0%	5.8%	14.3%	15.4%
2014 Employees with fixed contract		11.2%	5.7%	0.0%	0.0%	26.8%	7.7%
2015 Employees with permanent contract		90.8%	94.5%	100.0%	94.2%	85.7%	84.6%
2014 Employees with permanent contract		88.8%	94.3%	100.0%	100.0%	73.2%	92.3%



G4-10 Workforce
Part-time versus full-time employees



G4-10 Workforce
Type of employment contract in 2015



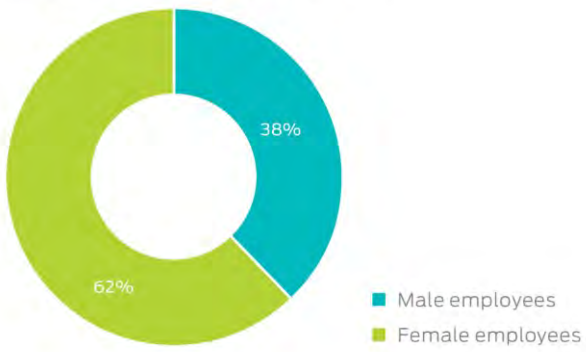
		2015			2014		
Workforce - employment (G4-10)	**Units**	**%**	**Male**	**Female**	**%**	**Male**	**Female**
Age group <30	Number	12.0%	7	19	12.6%	2	16
Age group 30-40		39.2%	29	56	31.5%	16	29
Age group 40-50		27.6%	32	28	33.6%	23	25
Age group >50		21.2%	24	22	22.4%	22	10
Total number of employees			92	125		63	80
Employees in senior position		-	73.7%	26.3%	-	73,9%	26,1%
Annual increase in base salary excluding individual STI		4,8%	5.0%	4.6%	1,9%	1,4%	2,3%

Employee turnover

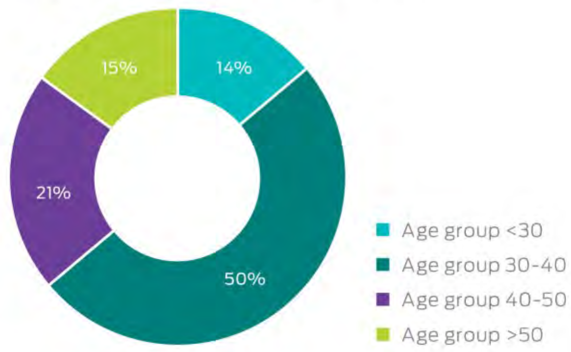
Total number and rates of new employee hires and employee turnover by age group, gender and region (G4-LA1)		2015		2014	
	Units	New hires	Departures	New hires	Departures
Male	Number	36	10	12	13
Female		58	15	23	16
Age group <30		13	10	6	5
Age group 30-40		47	5	17	7
Age group 40-50		20	8	10	12
Age group >50		14	2	2	5
Total		**94**	**25**	**35**	**29**

Reason for departure	Units	2015	2014	2013
Resignations	Number	5	5	0
Dismissals		0	4	0
Mutual agreements		16	13	14
Retirements		1	1	3
Departure during probation period		0	0	0
Expiry of contracts		3	5	3
Outsourcing		0	0	1
Deaths		0	1	0
Totals		**25**	**25**	**25**
Employee turnover (%)		**10.5%**	**20.0%**	**14.6%**

G4-LA1 New employee hires
New employees hired in 2015 by gender

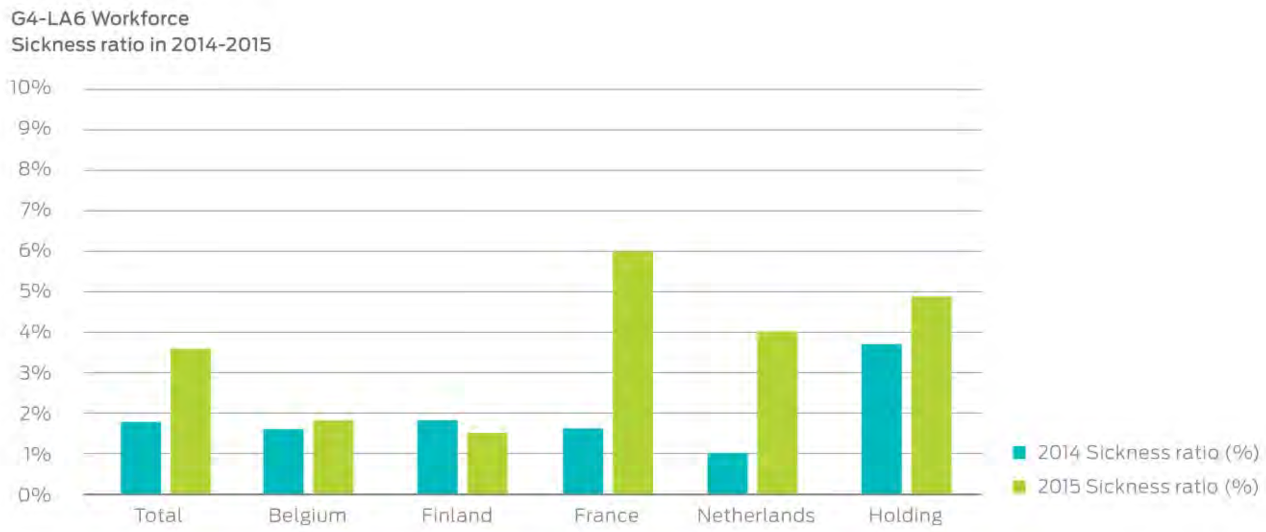


G4-LA1 New employee hires
New employees hired in 2015 by age group



Sickness ratio

Sickness ratio and total number of work-related fatalities	Units	Total	Belgium	Finland	France	Netherlands	Holding
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
2013 Sickness ratio (%)		1.6	1.6	2.5	0.1	2.2	2.2
2015 Work-related fatalities	Number	0	0	0	0	0	0
2014 Work-related fatalities		0	0	0	0	0	0



Training & Development

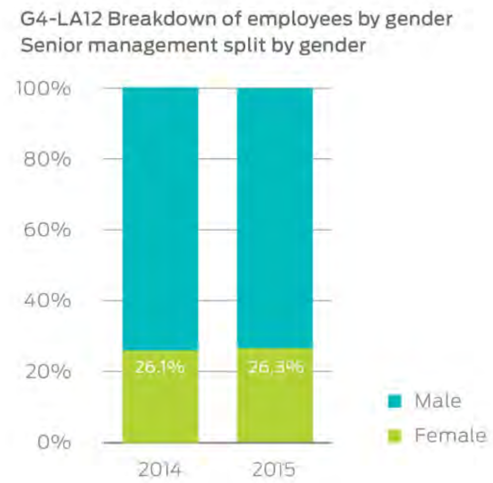
Average hours of training per employee, by gender (G4-LA9)	Units	Total	Belgium	Finland	France	Netherlands	Holding
2015 training hours total	Number	3906	710	698	552	1448	500
2015 training hours per employee		18.0	12.9	41.0	10.6	22.3	17.8
2015 training costs	in Euro	€ 118,015	€ 14,084	€ 23,226	€ 4,375	€ 49,086	€ 29,077
2015 training costs per employee		€ 544	€ 256	€ 1,366	€ 84	€ 755	€ 1,039
2014 training hours total	Number	3841	558	187	109	2035	625
2014 training hours per employee		26.9	10.5	14.4	21.9	49.6	24.1
2014 training costs	in Euro	€ 176,131	€ 24,874	€ 8,965	€ 18,738	€ 81,929	€ 39,138
2014 training costs per employee		€ 1,232	€ 469	€ 690	€ 3,748	€ 1,998	€ 1,505

		2015		2014	
Trainings hours split per category, by gender (G4-LA9)	Units	Male	Female	Male	Female
Educational training	%	38.1%	47.9%	68.0%	32.0%
Skills & development training		46.5%	53.5%	41.9%	58.1%
Wereldhave training		38.2%	61.8%	46.8%	53.2%
Training workscouncil		60.0%	40.0%	60.0%	40.0%
Training hours per employee	Number of hours	17.7	18.3	29.6	22.2

Number of training hours split per category (G4-LA9)	Units	2015	2014
Skills & development training	Number of hours	1,471	1,822
Educational training		1,430	1,115
Wereldhave training (CSR awareness workshops, integrity training)		926	496
Working council training		80	80

Employee category

Breakdown of employees by employee category (G4-LA12)	Units	2015	2014	2013
Board	Number	2	2	2
Management		20	22	24
Operations		101	90	60
Staff		94	50	51
Total		**217**	**164**	**137**



Remuneration

Ratio of base salary and remuneration of women to men by employee category (G4-LA13)	Units	2015 Male	2015 Female	2014 Male	2014 Female
Management countries (excl managing directors)	Percentage	59%	41%	52%	48%
Managing directors		48%	52%	50%	50%
Leasing		53%	47%	52%	48%
Shopping center management		52%	48%	51%	49%
Finance (excluding management)		63%	37%	55%	45%
Business Units (leasing, development and SCM)		55%	45%	59%	41%
Staff (e.g. legal, finance, HR and IT)		62%	38%	62%	38%

G4-LA13 ratio of basic salary and remuneration of women to men by employee category in 2015

Employee satisfaction

Employee satisfaction by aspect measured	Units	2014 score
Commitment	Number	7.9
Engagement		7.7
Role clarity		6.8
Vitality		7.7
Work atmosphere		7.8
Loyalty		7.8
Overall score		**7.7**

Incidents of discrimination

Total number of incidents of discrimination and corrective actions taken (G4-HR3)	Units	2015	2014
Number of incidents of discrimination reported	Number	0	0

GRI G4 Index

GENERAL STANDARD DISCLOSURE		Annual report (AR) (page)	Full / Partial / No disclosure
Strategy and Analysis			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-1	Statement from the most senior decision-maker of the organization.	Part 1 - page 5/6 - Message of the CEO	Full
Organizational Profile			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-3	Name of the organization.	Part 1 - page 3	Full
G4-4	Primary brands, products, and/or services.	Part 1 - page 8	Full
G4-5	Location of organization's headquarters.	Part 1 - page 45	Full
G4-6	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Part 1 - page 22 ff	Full
G4-7	Nature of ownership and legal form.	Part 2 - page 58	Full
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Part 1 - page 22 ff	Full
G4-9	Scale of the reporting organization.	Part 1 - page 7	Full
G4-10	Workforce	Part 2 - page 43	Full
G4-11	Percentage of employees covered by collective bargaining agreements.	49 employees are covered by collective bargaining agreements (in France)	Full
G4-12	Organisation's supply chain	part 1 - page 34	Partial
G4-13	Significant changes during the reporting period regarding size, structure, or ownership.	Part 1 - page 5 & 14	Partial
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Part 2 - page 33 ff	Full
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Part 2 - page 33-36	Full
G4-16	Memberships in associations (such as industry associations)	Part 2 - page 4	Full

GENERAL STANDARD DISCLOSURE		Annual report (AR) (page)	Full / Partial / No disclosure
Identified Material Aspects and Boundaries			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-17	List all entities included in organisation's consolidated financial statement.	Part 2 - page 145	Full
G4-18	Process for defining report content (how applied Principles)	Part 1 - page 34/35 Part 3 - page 8/9	Full
G4-19	List all material Aspects identified in the process for defining report content.	Part 1 - page 34/35	Partial
G4-20	For each material Aspect, report the Aspect Boundary within the organisation.	Part 1 - page 34/35	Partial
G4-21	For each material Aspect, report the Aspect Boundary outside the organisation.	Part 1 - page 34/35	Partial
G4-22	Report the effect of any restatements of information provided in previous reports.	Part 1 - page 34/35 Part 3 - page 8/9	Partial
G4-23	Report significant changes from previous reporting period in the Scope and Aspect Boundaries	Part 1 - pages 5/6 34/35, Part 3 - page 8/9	Partial
Stakeholder engagement			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-24	Provide a list of stakeholder groups engaged by the Organisation	Part 1 - page 34	Full
G4-25	Basis for identification and selection of stakeholders with whom to engage.	Part 1 - page 34	Full
G4-26	Organisation's approach to stakeholder engagement (including frequency by type and stakeholder group, and any specific to report process)	Part 1 - page 34 Part 2 - page 38/39	Full
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Part 1 - page 34 / part 2 - page 38/39	Full

GENERAL STANDARD DISCLOSURE		Annual report (AR) (Page)	Full / Partial / No disclosure
Report Profile			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-28	Reporting period (e.g., fiscal/calendar year) for information provided.	Part 1 - page 2 ff	Full
G4-29	Date of most recent previous report (if any).	Part 1 - page 2 ff	Full
G4-30	Reporting cycle (annual, biennial, etc.)	Part 1 - page 2 ff	Full
G4-31	Contact point for questions regarding the report or its contents.	Part - page 4	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.	Part 3 - page 8	Full
G4-33	Organisation's policy and current practice with regard to seeking external assurance for the report.	External assurance for financial performance only Part 2 - page 162 ff	No disclosure
Governance			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-34	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Part 2 - page 44 ff	Full
Ethics and Integrity			
GRI	**Definition**	**Location of Disclosure**	**Disclosure**
G4-56	Description of the organisation's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	Part 2 - page 58 ff	Full

SPECIFIC STANDARD DISCLOSURE		Annual report (AR) (page)	Full / Partial / No 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
Emissions			
G4-EN15	Direct greenhouse gas emissions (Scope 1)	part 3 - page 4-7	Full
G4-EN16	Energy indirect greenhouse gas emissions (Scope 2)	part 3 - page 4-7	Full
G4-EN17	Other indirect greenhouse gas emissions (Scope 3)	part 3 - page 4-7	Full
G4-EN18	Greenhouse gas emissions intensity	part 3 - page 4-7	Full
CRE3	Greenhouse gas emissions intensity from buildings.	part 3 - page 4-7	Full
CRE4	Greenhouse gas emissions intensity from new construction and redevelopment activity.	part 3 - page 4-7	Full
G4-EN19	Reduction of greenhouse gas emissions	part 3 - page 4-7	Full
Effluents and Waste			
G4-EN23	Total weight of waste by type and disposal method.	part 3 - page 4, 6	Full

		Annual report (AR) (page)	Full / Partial / No disclosure
SPECIFIC STANDARD DISCLOSURE			
Labour practices			
GRI	Definition	Location of Disclosure	Disclosure
Employment			
G4-DMA	Disclosure on Management Approach	Part 2 - page 36 ff	Partial
G4-LA1	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Part 3 - page 12	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.	Part 3 - page 13	Partial
Training and education			
G4-LA9	Average hours of training per year per employee by gender, and by employee category.	Part 3 - page 14	Full
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender.	Part 2 - page 42/43	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.	Part 3 - page 15	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.	Part 3 - page 16	Full

		Annual report (AR) (page)	Full / Partial / No disclosure
SPECIFIC STANDARD DISCLOSURE			
Human Rights Indicators			
GRI	Definition	Location of Disclosure	Disclosure
Non-discrimination			
G4-HR3	Total number of incidents of discrimination and corrective actions taken.	Part 2 - page 36	Full
Society indicators			
GRI	Definition	Location of Disclosure	Disclosure
Anti-corruption			
G4-DMA	Disclosure on Management Approach	Part 2 - page 58	Full
G4-SO4	Communication and training on anti-corruption policies and procedures.	Part 3 - page 14	Partial
G4-SO5	Confirmed incidents of corruption and actions taken	Part 2 - page 36	Full
Product Responsibility Indicators			
GRI	Definition	Location of Disclosure	Disclosure
Product and service labelling			
G4-DMA	Disclosure on Management Approach	Part 2 - page 35	Full
CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment.	Part 2 page 35 / part 3 - page 9	Full
G4-PR5	Results of survey measuring customer satisfaction.	Part 2 - page 40	Full