# Corio N.V.

*(a closed-end investment company with variable capital (beleggingsmaatschappij met veranderlijk kapitaal) under Dutch law, with its corporate seat in Utrecht, the Netherlands)*

Offering of up to € 600,000,000 in newly issued Ordinary Shares

Corio N.V. (the "**Company**") is offering up to € 600,000,000 in newly issued Ordinary Shares (as defined below) (the "**Offer Shares**") in a global offering (the "**Offering**"). The Offering consists of a private placement to certain institutional investors in various jurisdictions. The Offer Shares are being offered: (i) within the United States (the "**U.S.**"), to "qualified institutional buyers" ("**QIBs**") as defined in Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**US Securities Act**"), pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable U.S. state securities laws, and (ii) outside the U.S., in accordance with Regulation S under the US Securities Act ("**Regulation S**"). The Offering is made only in those jurisdictions where, and only to those persons to whom, offers and sales of the Offer Shares may be lawfully made.

The Offering will take place from 25 March 2010, time of publication of the Prospectus (as defined below) until 26 March 2010, 17:00 CET (the "**Offering Period**"), subject to acceleration or extension of the timetable for the Offering. The offer price per Offer Share, the total amount of the Offering and the exact number of Offer Shares will be determined by the Company and the Joint Bookrunners (as defined below) after the end of the Offering Period on the basis of the quoted share price and the results of the bookbuilding process and taking into account market conditions, a qualitative assessment of demand for the Offer Shares and other factors deemed appropriate. Unless the context requires otherwise, the offer price per Offer Share is herein referred to as the "**Offer Price**". The Offer Price and the exact number of Offer Shares will be stated in a pricing statement (the "**Pricing Statement**") which will be deposited with the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*; the "**AFM**"). The Company and the Joint Bookrunners reserve the right to increase the maximum amount of the Offering before the end of the Offering Period. Any such increase will be announced in a press release prior to the end of the Offering Period.

The Company intends to use the net proceeds from the Offering to finance in part the acquisition of four operational shopping centres (two in Germany, one in Spain and one in Portugal) and three development projects (shopping centres in Germany) and the (potential) further acquisition of two development projects (shopping centres in Germany) from Multi Corporation B.V. (together with its group companies: "**Multi**"), subject to the exercise of a put option as well as a call option with respect to the two projects as agreed upon in the Sale and Purchase Agreement (as defined below) (the "**Acquisition**") (see "Acquisition"). The Company intends to use the remaining net proceeds to finance existing and future Pipeline projects and for general corporate purposes (see "Use of Proceeds").

**INVESTING IN THE ORDINARY SHARES INVOLVES RISKS. SEE "RISK FACTORS" BEGINNING ON PAGE 12 OF THIS PROSPECTUS FOR A DESCRIPTION OF THE MATERIAL RISKS THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE ORDINARY SHARES.**

The Company's ordinary shares with a nominal value of € 10 each ("**Ordinary Shares**") are traded on Euronext Amsterdam by NYSE Euronext ("**Euronext Amsterdam**") and Euronext Paris by NYSE Euronext ("**Euronext Paris**"), under the symbol "CORA" and with the ISIN NL0000288967. Application has been made for admission of the Offer Shares to trading on Euronext Amsterdam and Euronext Paris ("**Admission**"). Subject to acceleration or extension of the timetable for the Offering, trading on Euronext Amsterdam and Euronext Paris is expected to commence, and payment (in Euros) for, and issue and delivery of, the Offer Shares ("**Settlement**") is expected to take place, on or about 31 March 2010 (the "**Settlement Date**"). If Settlement does not take place on the Settlement Date as planned or at all, the Offering may be withdrawn, in which case all subscriptions for Offer Shares will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be returned without interest or other compensation. Any dealings in Offer Shares prior to Settlement are at the sole risk of the parties concerned.

J.P. Morgan Securities Ltd. (the "**Sole Global Coordinator**"), Deutsche Bank AG, London Branch and The Royal Bank of Scotland N.V. are acting as joint bookrunners (the "**Joint Bookrunners**") and BNP PARIBAS, ING Bank N.V. and Kempen & Co N.V. are acting as joint lead managers (the "**Joint Lead Managers**" and, together with the Joint Bookrunners, the "**Managers**") in the Offering.

The Offer Shares will be delivered in book-entry form through the facilities of the Centraal Instituut voor Giraal Effectenverkeer B.V. ("**Euroclear Nederland**"), Euroclear Bank S.A. /N.V. as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream Luxembourg**").

This document constitutes a prospectus (this "**Prospectus**") for the purposes of Article 3 of European Union ("**EU**") Directive 2003/71/EC ("**Prospectus Directive**") and has been prepared in accordance with Article 5:9 of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*; the "**FMSA**") and the rules promulgated thereunder. This Prospectus has been approved by and filed with the AFM, and the AFM has been requested to provide the French *Autorité des marchés financiers* ("**AMF**") with a notification of such approval together with a copy of this Prospectus as well as a French translation of the summary of this Prospectus. For purposes of the Prospectus Directive, this Prospectus is made available to the public in connection with the Admission only (and not in connection with any offers of Offer Shares to the public in the European Economic Area ("**EEA**")).

This Prospectus does not constitute or form part of any public offer or solicitation to purchase or subscribe for securities. The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended ("**Investment Company Act**"), and investors will not be entitled to the benefits thereof. The Offer Shares have not been and will not be registered under the US Securities Act or any U.S. state securities laws. For a description of restrictions on offers, sales and transfers of the Offer Shares and on the distribution of this Prospectus in various jurisdictions, see "Selling and Transfer Restrictions".

| *Joint Bookrunner* | *Sole Global Coordinator and Joint Bookrunner* | *Joint Bookrunner* |
|---|---|---|
| **Deutsche Bank AG, London Branch** | **J.P. Morgan Securities Ltd.** | **The Royal Bank of Scotland N.V.** |

*Joint Lead Managers*

| | | |
|---|---|---|
| **BNP PARIBAS** | **ING Bank N.V.** | **Kempen & Co N.V.** |

Prospectus dated 25 March 2010

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## SUMMARY

*This summary should be read as an introduction to this Prospectus. Any decision to invest in the Ordinary Shares should be based on a consideration of this Prospectus including the documents incorporated by reference therein as a whole. Civil liability will attach to the Company in respect of this summary, including any translation thereof, only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to information contained in this Prospectus is brought before a court in a state party to the European Economic Area (an "**EEA State**"), the plaintiff may, under the national legislation of that EEA State, be required to bear the costs of translating this Prospectus before the legal proceedings are initiated.*

### The Company

The Group, including the Company and its group companies, is a retail property company. It specialises in the ownership, management, development and redevelopment of shopping centres. Currently, the Group has operations in five Home Markets (as defined below): the Netherlands, France, Italy, Spain and Turkey. The Ordinary Shares are listed and traded on Euronext Amsterdam and Euronext Paris. The Ordinary Shares are included in the AEX-index which reflects the 25 most traded securities listed on Euronext Amsterdam.

The Group focuses on creating and managing shopping centres that are favourite meeting places for consumers and are dominant in their catchment area, which comprises the geographic area and population in such area from which the shopping centre attracts visitors or customers (the "**Catchment Area**"). These shopping centres present consumers with a full range of shops, convenience stores, restaurants, leisure and entertainment facilities, as well as event spaces and a wide range of services. The Group believes that this type of shopping centre enables it, with its local and professional in-house management, to create maximum value.

In addition to acquiring, developing and redeveloping shopping centres, the Group leases and manages its shopping centres in-house, making it an integrated and focused retail property group. The Group actively manages its operating shopping centres to increase their value. The Group believes that the success of a shopping centre depends on strong local management and therefore uses a decentralised business model where the local business units in each country (each a "**Business Unit**") are largely responsible for their own operating results. This decentralised management approach, among others, allows the Group to respond quickly to changing consumer demands and habits.

The Group operates its own property (re)development business in the Netherlands, within a separate legal entity, Corio Vastgoed Ontwikkeling B.V.

The Group's real estate portfolio (the "**Portfolio**") comprises operational properties that generate net rental income (the operational Portfolio) and investments in (re)development projects and land (the development Portfolio). At 31 December 2009, the total value of the Portfolio was approximately € 5,886 million (including the Group's investment in the shopping centre in Akmerkez in Turkey of € 175 million). At 31 December 2009, the Group owned and managed 105 operational properties, consisting of 92 retail properties (including a stand-alone parking garage), ten offices and three industrial properties, located in the Netherlands, France, Italy, Spain, Turkey and Germany, representing a total of approximately 1,451,200 m$^2$ Gross Leasable Area (see "Definitions") in retail and 204,000 m$^2$ Gross Leasable Area in offices and industrial properties. On this date, the value of the operational Portfolio was approximately € 5,691 million, 97 % of the value of the total Portfolio. 94% of the value of the operational Portfolio was invested in shopping centres, 5 % in offices and 1 % in industrial properties. Net rental income in 2009 amounted to € 337.0 million. The Occupancy Rate (see "Definitions") of the operational Portfolio at 31 December 2009 was 95%. The operational Portfolio is distributed across various economic regions in the countries where the Group focuses its operations (the "**Home Markets**"). The Group is a party to approximately 5,700 lease contracts. The Group is seeking to divest its offices and industrial properties in France, on an asset by asset basis.

At 31 December 2009, the Group's total pipeline of redevelopment and development projects, as further described in "Business—Pipeline—Introduction" (the "**Pipeline**"), represented a total (future) investment of € 2,265 million (including € 252 million already invested at 31 December 2009), of which € 703 million is or will be invested in the fixed committed Pipeline. The total Pipeline covers approximately 599,600 m$^2$ in 31 projects. 45% of the total projected investments in the Pipeline consists of planned extensions and redevelopments of operational shopping centres that the Group already owns.

The Company is a closed-end investment institution and has a licence from, and is supervised by, the AFM. The Dutch Central Bank (*De Nederlandsche Bank*, "**DNB**") is responsible for prudential supervision of the Company.

The Company qualifies as a fiscal investment institution (*fiscale beleggingsinstelling*, "**FII**") under Dutch law. Corio SA and almost all of the Group's other French subsidiaries have elected to be taxed on the basis of the *Société d'Investissement Immobiliers Cotées* ("**SIIC**") tax regime.

**Competitive strengths**

The Group believes that its key strengths are the following:

- Sizeable, geographically diversified "pure play" retail portfolio: the Group has a Portfolio that consists almost entirely of shopping centres located in its five Home Markets in Europe.
- Shopping centre dominance in Catchment Areas: the Group believes that it is well positioned to compete against other shopping centre operators because it deems the large majority of its shopping centres to be dominant in their Catchment Areas.
- Decentralised operations and strong position in Home Markets (letting and investment market): the Group's size and decentralised structure allow it to have professional staff at the Company level, in each of the Home Markets and at the level of the individual properties.
- Diversified tenant base adapted to the Catchment Area: the Group believes, based on years of experience of letting and managing its own shopping centres, that it has the ability to gear the tenant mix and product offering of a shopping centre to the characteristics of its Catchment Area.
- Access to capital markets: the Group believes that its size and distinctive positioning provide it with direct access to the capital markets to fund growth plans.

**Strategy**

The Group aims to be a leader in the European retail property market. Specifically, it wants to be:

- A vehicle to offer investors access to quality retail real estate in core markets in continental Europe;
- A preferred partner for retailers;
- A preferred partner for municipalities in developing large-scale, city centre projects;
- A top financial, environmental and social performer among sector peers;
- A company with a strong financial profile; and
- A preferred employer for professionals.

The Group's geographic focus is on Europe, a region with over 700 million inhabitants. Following the Acquisition, the Group will be present in six Home Markets, where it aims to improve the shopping experience of a growing share of approximately 340 million potential consumers (in 2009: approximately 260 million in the Group's current Home Markets: The Netherlands, France, Italy, Spain and Turkey, which will grow by approximately 80 million (2009) potential consumers in Germany following the Acquisition). The Group believes that shopping centres should perform an important social role, and its ambition is to create favourite meeting places. In striving towards the creation of such shopping centres, the Group recognises the importance of being alert to changes in social and demographic trends in each of its Home Markets and adapting to them.

In the beginning of 2008, the Group decided to change its strategy and improve its risk-return profile by in-sourcing development and redevelopment activities, pursuing a more active investment policy and investing up to 20% of its Portfolio in emerging markets with a maximum of 10% per market.

However, in light of the events in the financial markets and the wider economy in 2008, the Group decided—at least for the short term—not to enter any new emerging markets, focus on managing its cash flow and carefully evaluate its Pipeline. Furthermore, the Group decided to review acquisitions of operational shopping centres in mature markets opportunistically, as demonstrated, for example, by the Group's acquisition of the operational shopping centre Príncipe Pío in Madrid in 2009, and not to expand further in Turkey.

Currently, the Group believes that it has begun to witness the first signs of positive changes in the real estate investment market, which should allow the Group to gradually resume the strategy it had defined in the beginning of 2008.

**The Acquisition**

On or about 25 March 2010, the Company will have entered into the sale and purchase agreement with Multi ("**Sale and Purchase Agreement**") concerning the acquisition of one operational shopping centre in Spain, one operational shopping centre in Portugal, 94.988% interests in two operational shopping centres in Germany and 94.988% interests in three development projects in Germany (the "**First Acquisition**"). The Sale and Purchase Agreement also includes a put option and a call option through which the Company may acquire, provided certain conditions are met (see below), Multi's interest in two additional development projects in Germany (the "**Second Acquisition**"). The five development projects involved in the Acquisition include the refurbishment and extension of an existing shopping centre and the development of new shopping centres. These development projects will require a total investment of approximately € 660 million* (calculated based on midpoints of ranges with respect to the expected value at opening of some of the development projects). The total purchase price for the operational shopping centres amounts to approximately € 662 million* on a cash and debt free basis. The total consideration for the Acquisition and expected total investments in development projects taken together are expected to be approximately € 1.3 billion* (calculated based on midpoints of ranges with respect to the expected value at opening of some of the development projects) (see tables in "Acquisition—Description of properties" for details per property). At the closing of the First Acquisition (which is expected to take place at or shortly after the Settlement Date), the expected total amount to be paid is approximately € 770 million*. The total amount to be paid at the closing of the Second Acquisition will be approximately € 11 million* (this amount consists of sunk costs only).

Multi holds the shopping centre in Portugal through a separate vehicle and the Company will acquire this vehicle. In Spain, the Company will acquire the asset directly. Multi holds each German asset through a separate entity (the "**German Target Companies**") and the Company will acquire these German Target Companies through two wholly-owned Dutch holding companies incorporated for this purpose (the "**SPVs**"). Each German Target Company will be held 84.988% by one SPV, 10% by the other SPV and 5.012% by Multi. The Company will finance the 5.012% interest of Multi in the German Target Companies through a loan to Multi. The SPVs will also be a party to the Sale and Purchase Agreement.

Two of the development projects included in the First Acquisition (in Berlin and Bamberg) are structured as turn-key projects, whereby the assets will be acquired only upon completion of the respective project (the "**Turn-key Projects**"). With respect to the development project in Berlin, the Company will provide a € 60 million loan at the closing of the First Acquisition. The future development costs in Berlin will be financed through an existing bank facility. The SPVs will acquire the project upon completion at a pre-agreed net initial yield of 6.0%. Upon the occurrence of certain default events, the SPVs have the right to demand the immediate transfer of the Turn-key Project in Berlin against payment of a purchase price of € 1.00. With respect to the development project in Bamberg, the Company will fund the project through a loan with drawings in the amount of development costs from time to time. At completion of this development project, the SPVs will acquire the asset at a pre-agreed net initial yield. The Group expects the project in Bamberg to be valued at opening at between € 30 million and 40 million. The Group's interest in the Turn-key Projects will become part of the Group's fixed committed Pipeline (Berlin) and variable deferrable Pipeline (Bamberg).

The remaining three development projects (one in Hildesheim, one in Duisburg and a project that will be included in the Group's variable waivable Pipeline) that form part of the Acquisition will or would be structured as profit sharing projects, under a profit sharing agreement (the "**Profit Sharing Projects**"). The SPVs will acquire the Profit Sharing Project in Duisburg at closing of the First Acquisition.

See "Acquisition" for a detailed description of the Acquisition.

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* Calculated as if the Company had also acquired Multi's remaining interest of 5.012% in the German Target Companies upon the closing of the Acquisition.

**Summary of essential risks**

Before investing in any Ordinary Shares, prospective investors should consider carefully, together with the other information in this Prospectus, the factors and risks attaching to an investment in the Ordinary Shares as described in "Risk Factors". These risks include the following:

***Risks relating to the Group and the sector in which it operates***

- The Group is exposed to certain general risks relating to real estate investments.
- The crisis in the financial markets and the global economic downturn have had and may continue to have negative consequences for the Group's results of operations and financial condition.
- The Group is exposed to risks related to the acquisition and ownership of real estate properties.
- The Group's focus on shopping centres increases its dependence on consumer behaviour.
- A decreased demand for, or an increased supply of, shopping centres or a contraction of the market for retail properties in case of an economic downturn in markets in which the Group is active, could materially adversely affect the businesses, financial condition, operational results or prospects of the Group.
- Incorrect estimates of the economic conditions that will prevail at the time a development project becomes operational could have a material adverse effect on the business, results of operations and financial condition of the Group.
- A competitive retail property market may adversely affect the Group's revenue and profitability.
- The Group is exposed to the risk of revaluation losses with respect to its properties.
- The Group is exposed to risks arising from the illiquidity of its Portfolio.
- The Group may not be able to successfully engage in other acquisitions, disposals, refurbishments or expansions of the properties.
- The Group's development projects require large initial investments, which will start generating rental income only after a certain period of time and are subject to certain risks, which could materially adversely affect the businesses, financial condition, operational results or prospects of the Group.
- Increased maintenance and redevelopment costs could adversely affect the Group's results.
- The valuation of the properties of the Group contained in the Valuation Reports is inherently subjective and uncertain.
- The Group is exposed to risks relating to ground leases.
- The business, results of operations and financial condition of the Group depend on its ability to maintain and increase occupancy rates through the execution of leases with new tenants and the renewal of leases by its existing tenants.
- The Group is exposed to credit risk on rent payments from its tenants.
- Loss of its managerial staff and other key personnel could hamper ability of the Group to fulfil its business strategies.
- The Group may be liable for environmental issues on or in its properties.
- The Group is exposed to risks related to the safety of consumers and tenants in shopping centres, including acts of terrorism and violence.
- The Group could be exposed to catastrophic events, such as earthquakes, flooding, landslides and volcanic eruptions.
- The Group may suffer losses not covered by insurance.
- If the Group loses or is unable to obtain licences necessary for its operations or expansion, it may not be able to carry on its business or parts of its current or planned businesses.
- The real estate sector is susceptible to fraud.

***Risks relating to the financing of the Group's activities***

- Accessing capital on satisfactory terms is necessary for maintaining, growing and developing the Group's business and Portfolio.

- Changing capital market conditions could have negative consequences for the business and results of operations of the Group.
- The Group is exposed to interest rate risks.
- The Group is exposed to currency risks.

***Risks relating to structure of the Group***

- The Group's success is largely dependent on the quality of its Business Units' local management.
- The Company is a holding company with no operations and relies on its operating subsidiaries to provide it with funds necessary to meet its financial obligations.
- The Company may not be able to pay or maintain dividends and the failure to do so would adversely affect the price of its Ordinary Shares.
- The Company could suffer adverse consequences if it fails to maintain its status as an FII.
- The Company could suffer adverse consequences if it fails to maintain SIIC status for itself or its French subsidiaries.
- The Group could suffer adverse consequences if it fails to maintain its current beneficial tax structuring of its foreign investments due to changes in local tax law.
- A material change in the laws and regulations to which the Group is subject, or in their interpretation or enforcement, could materially adversely affect the business, results of operations and financial condition of the Group.
- Shareholders may have difficulties protecting their interests as shareholders as the Company is a Dutch limited liability company.
- The Group has limited control over its minority interests, including in joint venture companies.
- The Company's current major Shareholder has significant interests in the Company and may be in the position to exert significant influence over the outcome of matters relating to the Group's business.
- There can be no assurance that the Company will not be a passive foreign investment company for U.S. federal income tax purposes for any taxable year.

***Risks relating to the Ordinary Shares***

- The market price of the Ordinary Shares may fluctuate and may decline below the Offer Price and trading in the Ordinary Shares may be very limited, which might lead to Shareholders not being able to sell their Ordinary Shares at a reasonable price or at all.
- The interests of existing Shareholders may be diluted through the issuance of the Ordinary Shares.
- If securities or industry analysts do not publish research or reports about the Group's business, or if they change their recommendations regarding the Ordinary Shares adversely, the market price and trading volume of the Ordinary Shares could decline.

***Risks relating to the Acquisition***

- The risks relating to the Group, its properties, business and markets generally also apply to the properties and development projects to be acquired in the Acquisition.
- The Group may not be able to successfully and efficiently integrate the Acquisition into its operations.
- The Group has conducted a due diligence review of Multi and the assets that are part of the Acquisition. As due diligence reviews are by nature subject to restrictions, the Group may become subject to unknown liabilities of Multi, in particular with respect to the properties and development projects to be acquired, which may have an adverse effect on the Group's financial condition and results of operations.
- The closing of the Offering and the closing of the Acquisition are subject to conditions.
- In connection with the Acquisition, the Group is exposed to risk of non-performance by its contractual partner, as well as certain other risks.

## SUMMARY OF FINANCIAL AND BUSINESS INFORMATION

This summary includes the following financial and business information of the Group, as shown in the following tables:

- information extracted without material adjustment from the Group's audited consolidated financial statements as of and for the years ended 31 December 2009, 2008 and 2007;
- information with respect to the direct and indirect result of the Group for the years ended 31 December 2009, 2008 and 2007; and
- other data and key ratios as of and for the years ended 31 December 2009, 2008 and 2007.

### IFRS consolidated financial information

The table below shows a summary of the audited consolidated financial statements of the Group as of and for the years ended 31 December 2009, 2008 and 2007. The audited consolidated financial statements are incorporated by reference in this Prospectus and have been prepared in accordance with International Financial Reporting Standards as adopted in the EU ("**IFRS**"). For a discussion of the income statement, see "Operating and Financial Review—Comparison of results of operations for years ended 31 December 2009, 2008 and 2007".

*Income statement*

| | 31 December | | |
|---|---|---|---|
| **(€ million)** | **2009** | **2008** | **2007** |
| | **(audited)** | **(audited)** | **(audited)** |
| Gross rental income | 390.8 | 364.7 | 318.5 |
| Net service charges | (9.6) | (8.3) | (6.5) |
| Property operating expenses | (44.2) | (38.7) | (33.1) |
| **Net rental income** | **337.0** | **317.7** | **278.9** |
| Result on sales of investment property | (7.0) | (2.8) | 8.6 |
| Net valuation result on investment property | (382.7) | (336.6) | 508.7 |
| Administrative expenses | (35.5) | (30.2) | (27.0) |
| Other income and expenses | (4.8) | 0.1 | (0.6) |
| **Results before finance costs** | **(93.0)** | **(51.8)** | **768.6** |
| Net finance expense | (94.9) | (127.2) | (98.8) |
| Material non-cash items | (9.2) | (13.4) | — |
| Share of profit of equity accounted investees (net of income tax) | 3.1 | (81.4) | 91.1 |
| **Result before tax** | **(194.0)** | **(273.8)** | **760.9** |
| Tax | 61.5 | 21.7 | (32.2) |
| **Net result from continuing operations** | **(132.5)** | **(252.1)** | **728.7** |
| Net result from discontinued operations[(1)] | — | 12.5 | 72.8 |
| **Net result** | **(132.5)** | **(239.6)** | **801.5** |
| Attributable to | | | |
| Non-controlling interest | (0.6) | — | — |
| Shareholders | (131.9) | (239.6) | 801.5 |

*Balance sheet*

| (€ million) | 31 December 2009 (audited) | 2008 (audited) | 2007 (audited) |
|---|---|---|---|
| **Assets** | | | |
| Investment property | 5,516.0 | 5,562.9 | 5,272.0 |
| Investment property under development | 194.5 | 247.5 | 228.1 |
| Investments in associates | 175.0 | 221.3 | 317.5 |
| Other investments | 0.7 | 56.4 | 61.2 |
| Intangible assets | 64.0 | 49.5 | 55.6 |
| Property, plant and equipment | 5.6 | 5.3 | 4.4 |
| Deferred tax assets | 20.6 | 13.4 | 10.5 |
| **Total non-current assets** | **5,976.4** | **6,156.3** | **5,949.3** |
| Trade and other receivables | 123.9 | 139.2 | 99.0 |
| Other investments | 99.7 | 102.1 | 4.4 |
| Cash and cash equivalents | 91.2 | 10.8 | 12.7 |
| **Total current assets** | **314.8** | **252.1** | **116.1** |
| Assets of discontinued operations(1) | — | — | 648.0 |
| **Total assets** | **6,291.2** | **6,408.4** | **6,713.4** |
| **Equity** | | | |
| Share capital | 763.6 | 672.5 | 672.5 |
| Share premium | 1,039.7 | 903.0 | 903.0 |
| Reserves | 1,712.7 | 2,122.6 | 1,448.8 |
| Net result for the year | (131.9) | (239.6) | 801.5 |
| **Total shareholders equity** | **3,384.1** | **3,458.5** | **3,825.8** |
| Non-controlling interest | (35.7) | | |
| **Total equity** | **3,419.8** | **3,458.5** | **3,825.8** |
| **Liabilities** | | | |
| Loans and borrowings | 2,325.6 | 2,362.9 | 2,198.3 |
| Employee benefits | 0.6 | 0.8 | 1.1 |
| Provisions | 1.9 | 2.4 | 2.6 |
| Deferred tax liabilities | 251.3 | 288.0 | 301.7 |
| **Total non-current liabilities** | **2,579.4** | **2,654.1** | **2,503.7** |
| **Total current liabilities** | **292.0** | **295.8** | **372.1** |
| Liabilities of discontinued operations(1) | — | — | 11.8 |
| **Total liabilities** | **2,871.4** | **2,949.9** | **2,887.6** |
| **Total equity and liabilities** | **6,291.2** | **6,408.4** | **6,713.4** |

*Cash flows*

| (€ million) | 31 December 2009 (audited) | 2008 (audited) | 2007 (audited) |
|---|---|---|---|
| Cash flow from operating activities | 154.6 | 199.0 | 227.9 |
| Cash flow from investing activities | (83.3) | (143.0) | (373.0) |
| Cash flow from financing activities | 9.1 | (57.9) | 154.7 |

(1) In the Group's consolidated financial statements as of and for the year ended 31 December 2007, the Group's activities with respect to its portfolio of offices and industrial properties in France were classified as discontinued operations in line with the Group's strategy to dispose of such portfolio. In 2008, the Group no longer classified activities with respect to such portfolio as discontinued operations because the sale was not completed within 2007. The Group currently plans to sell the properties in the French offices and industrial portfolio on an individual basis (*i.e.* not as an entire portfolio) and aims to conclude the sale of such properties by the end of 2012. As a result, in the Company's consolidated financial statements as of and for the year ended 31 December 2008, the comparative figures for 2007 were adjusted to no longer present these operations as discontinued. The 2007 figures in this presentation are shown as so adjusted.

**Direct and indirect result**

Management measures the Group's operating performance utilising certain direct and indirect result measures. These are supplemental measures of the Group's performance which are used for management purposes and should not be considered in isolation or as an alternative to net result or any other performance measure derived in accordance with IFRS. In addition, such measures, as defined by the Group, may not be comparable to other similarly titled measures used by other companies. For a discussion of how the Group calculates direct and indirect results and their reconciliation to IFRS results, see "Operating and Financial Review—Comparison of results of operations for years ended 31 December 2009, 2008 and 2007—Direct and indirect result".

| (€ million) | 31 December | | |
|---|---|---|---|
| | 2009 (unaudited) | 2008 (unaudited) | 2007 (unaudited) |
| Direct result | 218.2 | 204.1 | 203.1 |
| Indirect result | (350.7) | (443.7) | 598.4 |
| Net result | (132.5) | (239.6) | 801.5 |

**Other data and key ratios**

The table below shows other data and key ratios for the Group as of and for the years ended 31 December 2009, 2008 and 2007.

| | 31 December | | |
|---|---|---|---|
| | 2009 (unaudited) | 2008 (unaudited) | 2007 (unaudited) |
| NNNAV per Ordinary Share (EPRA) (€)(1) | 47.14 | 57.98 | 61.77 |
| Pipeline (€ million)(2) | 2,264.9 | 2,712.5 | 3,485.0 |
| Fixed committed Pipeline (€ million) | 581.5 | 504.4 | 1,686.0(3) |
| Leverage ratio(4) | 40.4% | 40.1% | 36.9% |
| Interest coverage ratio(5) | 3.4 | 2.6 | 3.0 |
| Occupancy Rate | 95% | 97% | 96% |
| Gross Leasable Area retail (1,000 $m^2$) | 1,451 | 1,355 | 1,210 |
| Annual Rent(6) per $m^2$ retail (€)(7) | 258 | 263 | 261 |
| Valuation yield (net)(8) | 6.7% | 6.1% | 5.7% |

(1) NNNAV (triple net asset value) per Ordinary Shares is calculated using the standard calculation method set forth by EPRA. NNNAV represents shareholders' equity, adjusted to reflect (i) loans at market value and (ii) deferred tax in respect of latent gains arising on revaluation of properties. Deferred tax is calculated using the discounted method. See "Important Information—Presentation of financial and other information—Non-IFRS information."

(2) See "Business—Pipeline".

(3) Including amounts already invested.

(4) Leverage ratio is defined as total liabilities less deferred tax liabilities and accounts payable in the ordinary course of business, divided by total assets less intangible assets.

(5) Interest coverage ratio is defined as total net rental income and dividends received from minority interests, divided by interest paid (or otherwise due) less interest received, both for the past 12 months.

(6) See "Definitions".

(7) Annual Rent per $m^2$ retail is calculated as Annual Rent at 31 December divided by Gross Leasable Area at 31 December (in each case for the Group's retail properties).

(8) Valuation yield (net) is calculated as net theoretical rent at 31 December (calculated as the annualised contractual rent plus turnover based rent and other income, with current market rent being added for unlet space, less operating expenses) divided by net market value (net of transfer costs) at 31 December.

## SUMMARY OF THE OFFERING

| | |
|---|---|
| **The Company** | Corio N.V., a closed-end investment company with variable capital (*beleggingsmaatschappij met veranderlijk kapitaal*) under Dutch law, with its corporate seat in Utrecht, the Netherlands. |
| **The Offering** | The Offering consists of a private placement to certain institutional investors in various jurisdictions. The Offer Shares are being offered: (i) within the United States, to QIBs as defined in Rule 144A, pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable U.S. state securities laws, and (ii) outside the United States, in accordance with Regulation S. |
| **The Offer Shares** | The number of Ordinary Shares issued as of 31 December 2009 was 76,363,025. Immediately following Settlement, the Company will have 88,874,754 issued Ordinary Shares (assuming full placement of the Offering at an Offer Price of € 47.955, the closing price of the Ordinary Shares on Euronext Amsterdam on 18 March 2010). |
| **Offering Period** | The Offering will take place from 25 March 2010, time of publication of the Prospectus until 26 March 2010, 17:00 CET, subject to acceleration or extension of the timetable for the Offering. |
| **Offer Price and Number of Offer Shares** | The Offer Price, the total amount of the Offering and the exact number of Offer Shares offered will be determined by the Company and the Joint Bookrunners after the end of the Offering Period on the basis of the quoted share price and the results of the bookbuilding process and taking into account market conditions, a qualitative assessment of demand for the Offer Shares and other factors deemed appropriate. The Offer Price and the exact number of Offer Shares will be stated in the Pricing Statement which will be published on the Company's website and deposited with the AFM. The Company and the Joint Bookrunners reserve the right to increase the maximum number of Offer Shares before the end of the Offering Period. Any such increase will be announced in a press release prior to the end of the Offering Period. |
| **Pricing date** | The date of pricing is expected to be 26 March 2010, prior to close of trading on Euronext Amsterdam, subject to acceleration or extension of the timetable for the Offering. |
| **Allotment** | Allotment of the Offer Shares is expected to take place on or about 26 March 2010, prior to close of trading on Euronext Amsterdam, subject to acceleration or extension of the timetable for the Offering. In the event that the Offering is over-subscribed, investors may receive fewer Offer Shares than they applied to subscribe for. The Managers may, at their own discretion and without stating the grounds, reject any subscriptions wholly or partly. Allotment of the Offer Shares to investors will be determined by the Company together with the Managers. The Managers will notify investors of any allotment of Offer Shares to them. |
| **Payment** | Payment (in Euros) for the Offer Shares will take place on the Settlement Date. Taxes and expenses, if any, must be borne by the investor. Investors must pay the Offer Price in immediately available funds on or before the Settlement Date (or earlier in the case of an early closing of the Offering Period and consequent acceleration of pricing, allocation, commencement of trading and Settlement). |

| | |
|---|---|
| **Admission and Trading** | Application has been made for admission of the Offer Shares to trading on Euronext Amsterdam and Euronext Paris. Subject to acceleration or extension of the timetable for the Offering, trading in the Offer Shares is expected to commence on Euronext Amsterdam and Euronext Paris on or about 31 March 2010. |
| **Settlement Date** | Settlement is expected to take place on or about 31 March 2010, subject to acceleration or extension of the timetable for the Offering. |
| **Settlement** | Subject to acceleration or extension of the timetable for the Offering, payment (in Euros) for, and issue and delivery of, the Offer Shares is expected to take place on the Settlement Date through the book-entry facilities of Euroclear Nederland, Euroclear and Clearstream Luxembourg, in accordance with their normal settlement procedure applicable to equity securities and against payment for such shares in immediately available funds. If Settlement does not take place on the Settlement Date as planned or at all, the Offering may be withdrawn, in which case all subscriptions for Offer Shares will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be returned without interest or other compensation. Any dealings in Offer Shares prior to Settlement are at the sole risk of the parties concerned. |
| **Dividends and Ranking** | The Offer Shares will, upon issue, rank equally in all respects with the currently outstanding Ordinary Shares. They will be eligible for any dividend payment which the Company may declare on the Ordinary Shares following the issuance of the Offer Shares. |
| **Lock-up** | The Company agrees with the Managers, save for certain customary exceptions such as the payment of dividend for the financial year ended 31 December 2009 which may be paid in Ordinary Shares at the Shareholder's option, not to, among others, issue, offer, pledge, sell, contract to sell, grant any option to purchase or otherwise dispose of, any Ordinary Shares (or any securities convertible into or exchangeable for Ordinary Shares or which carry rights to subscribe or purchase Ordinary Shares) or enter into a transaction (including a derivative transaction) having a similar effect on the market in the Ordinary Shares, during the period commencing on the date of the Placement Agreement and ending three months after the Settlement Date, without the prior written consent of the Sole Global Coordinator on behalf of the Managers, in accordance with or pursuant to the Placement Agreement. |
| **Commitment of Major Shareholder** | APG has agreed to subscribe for up to approximately € 220.7 million of Offer Shares pro-rata to its interest in the share capital of the Company of 36.78% prior to the Offering. |
| **Use of Proceeds** | The Company intends to use the net proceeds from the Offering to finance in part the Acquisition and the remaining net proceeds to finance existing and future Pipeline projects and for general corporate purposes (see "Use of Proceeds"). |
| **Joint Bookrunners** | J.P. Morgan Securities Ltd., Deutsche Bank AG, London Branch and The Royal Bank of Scotland N.V. |
| **Joint Lead Managers** | BNP PARIBAS, ING Bank N.V. and Kempen & Co N.V. |

| | |
|---|---|
| **Ordinary Shares Trading Information** | Euronext Trading symbol: CORA<br>ISIN: NL0000288967 |
| **Selling and Transfer Restrictions** | The Offering is made only in those jurisdictions in which, and only to those persons to whom, the Offering may be lawfully made (see "Selling and Transfer Restrictions"). |
| **Governing law** | Dutch law |
| **Competent courts** | Amsterdam, the Netherlands |

## RISK FACTORS

*Before investing in the Ordinary Shares, prospective investors should consider carefully all of the information in this Prospectus, including the following specific risks and uncertainties. If any of the following risks actually occurs, the Group's business, results of operations or financial condition could be materially adversely affected. In that event, the value of the Ordinary Shares could decline and an investor might lose part or all of the investor's investment. Although the Group believes that the risks and uncertainties described below are the most material risks and uncertainties facing the Group's business, they are not the only ones the Group faces. Additional risks and uncertainties not presently known to the Group or that the Group currently deems immaterial may also have a material adverse effect on the Group's business, results of operations or financial condition and could negatively affect the price of the Ordinary Shares.*

*Prospective investors should also read the detailed information set out elsewhere in this Prospectus and should reach their own views before making an investment decision with respect to any Ordinary Shares. Furthermore, before making an investment decision with respect to any Ordinary Shares, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers and carefully review the risks associated with an investment in the Ordinary Shares and consider such an investment decision in light of the prospective investor's personal circumstances.*

### Risks relating to the Group and the sector in which it operates

***The Group is exposed to certain risks relating to real estate investments.***

Investing in real estate is generally, and in retail properties specifically, subject to various risks, including adverse changes in national or international economic conditions, adverse local market conditions, the financial conditions of the retail sector (including tenants), buyers and sellers of real estate, changes in availability of debt financing, changes in interest rates, real estate tax rates and other operating expenses, environmental laws and regulations, planning laws and other governmental rules and fiscal policies, environmental claims arising in respect of properties acquired with undisclosed or unknown environmental problems or as to which inadequate reserves had been established, energy prices, changes in the relative popularity of real estate types and locations leading to an oversupply of space or a reduction in demand for a particular type of real estate in a given market, and risks and operating problems arising out of the presence of certain construction materials.

These factors could cause fluctuations in rental income or operating expenses, causing a negative effect on the operating returns derived from, and the value of real estate investments. The capital value of real estate investments may be significantly diminished in the event of a downward turn in real estate prices or the occurrence of any of the other factors noted above. Such a decrease in value would have a material adverse effect on the Group's results of operations and financial condition and, as a result, on the value of and return on the Ordinary Shares.

***The crisis in the financial markets and the global economic downturn have had and may continue to have negative consequences for the Group's results of operations and financial condition.***

The financial markets crisis and the global economic downturn that followed have had worldwide negative effects, including in the markets in which the Group's properties are located. The economic uncertainty has contributed to a deterioration in the consumer and investment climate, affecting a range of economic activities, including the retail property sector. Lower disposable incomes due to rising unemployment have translated into lower consumer spending, which put pressure on retailers' profits. This, together with reduced availability of financing, has prompted certain retailers to scale back or postpone their expansion plans, which has made it more difficult for retail property managers to find appropriate tenants.

Although some of the Group's markets, such as France, have begun to show the first signs of recovery, other markets, such as Spain, continue to experience high unemployment rates and low consumer spending. Overall, the economic environment remains fragile. Should the recent signs of economic recovery in some of the Group's markets not be sustainable or if economic conditions in the Group's markets worsen or remain negative for longer than expected, the Group's rental income and, therefore, its results of operations, may be negatively affected.

The economic crisis also has had an adverse effect on the market values of real estate, causing a negative revaluation of the Group's properties. Furthermore, the economic crisis negatively affected real estate investments. Due to uncertainties and constraints in the credit markets, investments in European retail properties slowed down considerably in 2008 and the first half of 2009.

The current economic crisis and any future market downturns could have negative consequences for, among other things, the Group's results of operations, asset values, financial condition and equity base. These may in turn impair the Group's ability to comply with the covenants contained in its financing agreements and obtain financing on acceptable terms, and could increase the Group's financing cost. This would negatively affect the refinancing of the Group's existing real estate projects and the Group's new projects and acquisitions, which could jeopardise the Group's future growth.

***The Group is exposed to risks related to the acquisition and ownership of real estate properties.***

The Group plans to acquire additional commercial properties in its Home Markets and in any other country that may become a new Home Market on the basis of strategic considerations. There can be no assurance that due diligence examinations carried out by the Group in connection with any properties it considers acquiring or has acquired in the past will reveal or have revealed all of the risks associated with such property, or the full extent of such risks. When the Group acquires or owns a property, the property may be subject to hidden material defects or deficiencies in the title to the property or otherwise, which were not apparent at the time of acquisition, including structural damage, environmental hazards, legal restrictions or encumbrances and non-compliance with existing building standards or health and safety or other administrative regulations. Although the Group typically obtains warranties from the seller of a property with respect to certain legal or factual issues, these warranties may not cover all of the problems that may arise following the purchase and may not fully compensate the Group for any diminution in the value of such property or other loss it may suffer. In addition, it may be difficult or impossible to enforce warranties against a seller for various reasons, including the insolvency of the seller or the expiration of such warranties.

***The Group's focus on shopping centres increases its dependence on consumer behaviour.***

One of the main emphases of the Group is its focus on shopping centres. The lack of industry diversification increases the risk associated with these investments. A downturn in the demand for shopping centres may have a more pronounced negative effect on the Group's revenues and profitability than if it had diversified its investments into different types of properties. This strategy makes the Group vulnerable to the behaviour of consumers and their sometimes unpredictable demands. Consumer wishes and needs can vary from region to region, and the Group must accurately estimate customer demands in the various regions in which it operates to ensure an appropriate mix of tenants in its shopping centres. The long term nature of a significant proportion of the Group's lease contracts may hinder the Group's ability to adjust the tenant mix in a timely fashion. The current economic crisis has lowered consumer confidence. Lower consumer confidence and increased competition from alternative shopping channels such as mail order companies, discount stores and internet-based retailers may continue to have an effect on consumer spending levels at shopping centres which could, among other things, result in lower occupancy rates, with a direct negative impact on the Group's rental income and earnings.

***A decreased demand for, or an increased supply of, shopping centres or a contraction of the market for retail properties in case of an economic downturn in markets in which the Group is active, could materially adversely affect the businesses, financial condition, operational results or prospects of the Group.***

Changes in supply and demand for real estate, especially for shops and shopping centres, or a contraction of the retail property market in the case of an economic downturn in the markets in which the Group is active may negatively influence the occupancy rates of the Group's properties, the rental fee rates, and the level of demand and prices for such properties. Similarly, the demand for shopping and office space may decrease as a result of an increase in available space and heightened competition for "quality" renters. This would result in lower rental rates and delays by existing tenants in the renewal of expiring lease agreements and shorter lease periods, which could materially adversely affect the businesses, financial condition, operational results or prospects of the Group. Furthermore, the Group may bear maintenance costs for property it cannot rent out, which would lower earnings.

***Incorrect estimates of the economic conditions that will prevail at the time a development project becomes operational could have a material adverse effect on the business, results of operations and financial condition of the Group.***

When considering development project investments, the Group needs to make an estimate of the economic and market conditions that will prevail in the market where the project is located at the time the project is completed and becomes operational, and there is uncertainty at the beginning of a development project about the economic and market conditions at the time of completion of the project. Such estimates are difficult to make since it takes a considerable time before development projects are completed and become operational. During this time, economic conditions can change unfavourably and lower the Group's expected return on the investment. For example, a given market may experience an oversupply of retail properties at the time of a project's completion, leading to lower occupancy rates. As a result, the Group may incorrectly time its development project investments and adopt an inappropriate business strategy, which could have a material adverse effect on its business, results of operations and financial condition.

***A competitive retail property market may adversely affect the Group's revenue and profitability.***

One of the primary areas of focus of the Group is the active management of its operational Portfolio through the renewals of leases with existing tenants and the acquisition of new tenants. The Group competes with local real estate developers, private investors, property funds and other retail property owners for tenants. Other than the requirement for capital, there are few barriers to enter the retail property market. Some of the Group's competitors may have properties that are newer, better located or in superior condition to its properties. This competition for tenants may negatively affect the Group's ability to attract new tenants and retain existing tenants. It may also negatively influence the terms of its leases, including the amount of rent that the Group charges and the incentives to tenants that it provides, thereby adversely affecting the Group's business and results of operations. Dominance of a shopping centre in its Catchment Area is an important factor that determines the shopping centre's ability to compete for tenants. If there are several dominant centres in the same Catchment Area, competition is more intense. Now that the economies in its Home Markets are experiencing a downturn, the Group is experiencing increased competition for tenants.

In addition to competition for tenants, the Group faces competition in acquiring and selling properties, including from property developers, property funds and property users. Investment in retail property in the countries in which the Group operates has generally increased over the last several years and may continue to increase in the future. Some of the Group's competitors may have access to greater or less expensive sources of capital than the Group or may have more resources with which to pursue acquisitions. If competition for acquiring properties were to increase, the Group might have to pay higher prices for acquisitions and/or reduce the pool of properties that meet its investment criteria. Any increase in properties on the markets or a general decreased interest for properties may adversely affect the price the Group is able to obtain for sales of its properties as well as increase the time required to conduct any such sales.

***The Group is exposed to the risk of revaluation losses with respect to its properties.***

In the consolidated financial statements of the Group, the investment properties held by it are recorded as assets based on the fair value method pursuant to International Accounting Standard ("**IAS**") 40. Any gain or loss arising from a change in the fair value of the Group's investment property is recognised as profit or loss for the period in which it arises.

The fair value of the properties of the Group, reflecting their market value, is subject to change. Generally, the market value of real estate properties depends on a variety of factors, some of which are exogenous and may not be within the control of the Group, such as decreasing demand or occupancy rates in the markets in which the Group operates or movements in expected investment yields. In addition, many qualitative factors affect the valuation of a property, including the property's expected rental income, its condition and its location. Should the factors considered or assumptions made in valuing a property change, to reflect new developments or for other reasons, subsequent valuations may result in a decrease in the fair value ascribed to such property. If such valuations reveal significant decreases in fair value compared to prior valuations, the Group will incur significant revaluation losses with respect to such properties. The Group's external debt financings contain certain covenants, such as an obligation to maintain a maximum leverage ratio. The Group's compliance with such covenants is dependent on the fair value of its properties. A decline in the fair value of such properties could affect the Group's compliance with these covenants, which could result in a mandatory refinancing of the existing debt facilities, which could have material adverse effects on the Group's financial condition. As a result of the downturn in the economy and the real estate market and rising investment yields, the Group incurred net valuation losses of € 336.6 million in 2008 and € 382.6 million in 2009. Depending on its extent, a revaluation loss could have a material adverse affect on the business, assets and liabilities, results of operations and financial condition of the Group.

***The Group is exposed to risks arising from the illiquidity of its Portfolio.***

The market for the types of properties the Group owns or is likely to acquire in the future is generally illiquid. Were the Group required to liquidate parts of its Portfolio on short notice for any reason, including raising funds to support its operations or repay outstanding indebtedness, or exiting an investment the Group no longer wishes to own, the Group may not be able to sell any portion of its Portfolio on favourable terms or at all. In the case of an accelerated sale, there may be a significant shortfall between the fair value of the property and the price at which the Group could sell such property. Even in planned disposals in the ordinary course of business, an illiquid market may result in a sales price that is lower than anticipated or in a delay of the sale. Prices thus obtained may not even cover the book value of the property sold. Any such shortfall could have a material adverse effect on the business, financial condition or results of operations of the Group. In addition, the Group may be subject to restrictions on its ability to sell properties pursuant to the acquisition agreements through which it acquired certain properties or pursuant to covenants limiting asset disposals in the Group's credit agreements, or where the Group has only a minority interest in a property.

***The Group may not be able to successfully engage in other acquisitions, disposals, refurbishments or expansions of properties.***

The Group intends to acquire new properties and to sell, refurbish or expand its existing properties in order to optimise the value of its Portfolio. The ability of the Group to engage in acquisitions, disposals, refurbishments or expansions may be limited by its ability to identify appropriate properties, as well as by conditions beyond its control, such as the availability of attractively priced acquisitions, the condition of the retail property market or changes in governmental and municipal regulations. In addition, the ability of the Group to acquire additional properties may be limited by an inability to obtain financing on terms attractive to it, conditions with which the Group is required to comply in order to maintain its status as a FII and a SIIC or restrictions contained in its current or future credit agreements. Each acquisition, disposal, refurbishment and expansion will entail uncertainties and risks, including the risk that such project may not be completed after the Group has invested significant amounts of time and money.

***The Group's development projects require large initial investments, which will start generating rental income only after a certain period of time and are subject to certain risks, which could materially adversely affect the businesses, financial condition, operational results or prospects of the Group.***

The Group's activities include the development of real estate, and the Group has a sizeable Pipeline to support its growth strategy. These projects require large investments, including the purchase of land, in the early stages of the projects and start generating rental income only after a certain period of time because of the long-term nature of construction work. These projects are subject to various risks, each of which could cause delay of a project and therefore increase the time until the project starts generating rental income, increase the costs of a project compared to the budget, cause the loss or decrease of expected income of a project or, in some cases, even cause the termination of a project. Risks involved in these activities include but are not limited to: (i) delays resulting from amongst other things adverse weather conditions, work disputes, insolvency of construction contractors, shortages of equipment or construction materials, accidents or unforeseen technical difficulties; (ii) difficulty in acquiring occupancy permits or other approvals required by law to complete the project (the Group's policy is that no investment will be made unless all permits are secured); (iii) refusal by the planning authorities in the various countries in which the Group operates to approve development plans; (iv) demands of planning authorities to modify existing plans; and (v) upon completion of the development project, actual income from rent or sale of properties and the occupancy rates being lower than forecasted.

***Increased maintenance and redevelopment costs could adversely affect the Group's results.***

Generally, as properties age they require greater maintenance, refurbishment and redevelopment costs. Numerous factors, including the age of the relevant building, the material and substances used at the time of construction or currently unknown building code violations, could result in substantial unbudgeted costs for refurbishment, modernisation and decontamination required to remove and dispose of any hazardous materials (*e.g.* asbestos). If the Group does not carry out maintenance, refurbishment and redevelopment activities with respect to its properties, these properties may become less attractive to tenants and the Group's rental income may decrease, affecting the results and financial condition of the Group.

***The valuation of the properties of the Group contained in the Valuation Reports is inherently subjective and uncertain.***

The valuation of real estate is inherently subjective due to the individual nature of each property and characteristics of the local, regional and national real estate markets, which change over time and may be affected by various factors and the valuation methods used. In addition, the Group's properties are valued by nine different appraisers. As a result, valuations are subject to uncertainty and change. Furthermore, the lower number of real estate transactions in the recent past due to the economic crisis has made valuations less certain, as there is a limited number of comparatives. The Valuation Reports included in this Prospectus were made on the basis of assumptions, such as assumptions with regard to prospective lettings and rent reviews that may not prove to be accurate at the time the valuations were made or in the future. Potential investors should carefully review these assumptions, which are outlined in the Valuation Reports. The valuations in the Valuation Reports may not reflect actual sales prices even if any such sales were to occur shortly after the date of this Prospectus.

To the extent that real estate included in the Valuation Reports has been overvalued, the Group may be required to write down the value of such real estate as recorded on the Group's balance sheet. Such a write down could have a material adverse effect on the Group's financial condition and profitability and, as a result, on the value of and return on the Ordinary Shares.

***The Group is exposed to risks relating to ground leases.***

The Group holds some of its properties under ground leases, with the land being owned by another party. The conditions of the ground lease agreement, such as its term and the payment obligations, are a parameter for the value of the property. The ground lease agreement may contain provisions leading to the loss of the ground leased property if the Group is in serious breach of the ground lease agreement. Furthermore, the Group may face changes in the terms and conditions of the ground lease agreement, for example with respect to payment obligations to the owner of the property. Unfavourable changes may limit the Group's ability to sell the ground leased property and may decrease its value. The Group may be required to write down the value of such asset as recorded on the Group's consolidated balance sheet. Such a write down could have a material adverse effect on the Group's consolidated balance sheet and profitability and, as a result, on the value of and return on the Ordinary Shares.

***The business, results of operations and financial condition of the Group depend on its ability to maintain and increase occupancy rates through the execution of leases with new tenants and the renewal of leases by its existing tenants.***

The ability to manage occupancy rates at the Group's properties depends in large part on the condition of the retail property market in the markets in which the Group operates. A negative change in any of the factors affecting the retail property market and its occupancy rates, including the current economic crisis, may adversely affect the business of the Group. The Group has historically maintained stable and high occupancy rates. In the recent past, however, the Group experienced a moderate decline in occupancy rates, for example in Spain. The Group may not be able to maintain and increase occupancy rates in the future.

The ability of the Group to manage occupancy rates is also dependent upon the remaining terms of the current lease agreements, the solvency of current tenants and the attractiveness of its properties to current and prospective tenants. In order to retain current tenants and attract new tenants the Group may be required to offer reductions in rent, lease incentives and other terms in its lease contracts that make such leases less favourable to the Group. The Group may not be successful in maintaining or increasing occupancy rates or successfully negotiating favourable terms and conditions in its leases. A failure to do so could have a material adverse effect on the business, financial condition and results of operations of the Group.

***The Group is exposed to credit risk on rent payments from its tenants.***

The amounts payable to the Group under its leases with tenants that are not secured (by deposits, bank guarantees or corporate guarantees) bear the risk that its tenants will be unable to pay such amounts when due. The Group may suffer from a decline in revenues and profitability in the event a number of its significant tenants are unable to pay rent owed when due or seek bankruptcy protection. The Group is not insured against this credit risk. The creditworthiness of a tenant can decline over the short or medium term. If a tenant seeks bankruptcy protection, the Group may be subject to delays in receipt of rental and other contractual payments, if it is able to collect such payments at all, and the Group may not be able to terminate the tenant's lease which also prevents the Group from leasing out the property to a new tenant. The Group may not be able to limit its potential loss of revenues from tenants who are unable to make their lease payments. At 31 December 2009, the Group was a party to approximately 5,700 lease contracts, of which approximately 5,300 related to retail. At 31 December 2009, the top ten tenants by Annual Rent represented 16.8%, with the largest tenant representing 2.6%, of the Group's total Annual Rent.

***Loss of its managerial staff and other key personnel could hamper ability of the Group to fulfil its business strategies.***

The Group believes that its performance, success and ability to fulfil its strategic objectives depend on retaining its current executives and members of its managerial staff who are experienced in the markets and business in which the Group operates. The loss of any executive employee, managerial staff or other key personnel could have a material adverse effect on the business and results of operations of the Group. Although the Group has adopted policies to retain its managerial staff and key personnel, changes in its managerial staff could have an adverse effect on the Group and on the results of its operations. The Group might find it difficult to recruit suitable employees, both for expanding its operations and for replacing employees who may resign or recruiting such suitable employees may entail substantial costs both in terms of salaries and other incentive instruments.

***The Group may be liable for environmental issues on or in its properties.***

The operations and properties of the Group are subject to various laws and regulations in the countries where it operates concerning the protection of the environment, including but not limited to regulation of air, soil and water quality, controls of hazardous or toxic substances and guidelines regarding health and safety. The Group may be required to pay for clean-up costs (and in specific circumstances, for aftercare costs) for any contaminated property it currently owns or owned in the past. As a property owner, the Group may also incur fines or other penalties for any deficiencies in environmental compliance and may be liable for remedial costs. In addition, contaminated properties may experience decreases in value. Although the Group, in connection with property acquisitions, typically obtains a guarantee that the property is suitable from an environmental point of view for the envisaged use, the Group may not be able to successfully claim under these guarantees.

Laws and regulations may also impose liability for the release of certain materials into the air or water from a property, including asbestos, and such release can form the basis for liability to third persons for personal injury or other damages. Environmental laws can impose liability without regard to whether the owner or operator had knowledge of the release of substances or caused the release.

The Company believes that none of its properties currently require immediate material remediation or decontamination. However, environmental authorities could disagree with respect to any of the properties and the Group could be required to initiate costly, extensive and time-consuming clean up at one or more of its properties. Such requirements could make the relevant properties unattractive to potential tenants or buyers, delay capital improvements on such properties, and have a material adverse effect on the business, results of operation and financial condition of the Group.

***The Group is exposed to risks related to the safety of consumers and tenants in shopping centres, including acts of terrorism and violence.***

The Group promotes security and safety of consumers and tenants in its shopping centres. However, due to high visibility and presence of large numbers of people, the Group's properties may be targets for terrorism and other forms of violence. Any terror or violent attack on a property of the Group or a similar property owned by someone else may harm the conditions of the Group's tenants and may, apart from any direct losses, harm the property investments of the Group. These attacks may directly or indirectly affect the value of the Portfolio. Even where the Group is insured against losses due to such attacks, certain losses resulting from these types of events may be uninsurable or not insurable to the full extent of the loss suffered. Moreover, any of these events could lower consumer confidence and spending in the Group's shopping centres or increase volatility and uncertainty in the worldwide financial markets and economy. Adverse economic conditions resulting from these types of events could reduce demand for space in the Group's properties and thereby reduce the value of these properties and rental income.

***The Group could be exposed to catastrophic events, such as earthquakes, flooding, landslides and volcanic eruptions.***

Some of the Group's properties are located in areas with a risk of catastrophic events, such as earthquakes, flooding, landslides and volcanic eruptions. These may result in severe damages to the Group's properties.

Moreover, such events may create economic and political uncertainties, which could have a negative effect on economic conditions in the regions in which the Group operates and, more specifically, on its business, financial condition, operational results or prospects in ways that cannot be predicted.

***The Group may suffer losses not covered by insurance.***

The Group seeks to maintain insurance policies covering its properties and employees with policy specifications and insured limits which the Group believes are customary for the real estate business in its markets. The Group's properties are largely covered against property damages and third party liability by means of corporate umbrella policies, on the basis of their replacement costs, with loss of rent covered for a period of two years. There are, however, certain types of risks that are generally not or not fully insured against, such as damages caused by flood, earthquake, volcanic eruption, war risks, malicious intent, civil riots, damages caused by natural heating and pollution or other *force majeure* events and civil liability for environmental damages. The occurrence of a significant event not fully insured or indemnified against or the failure of the Group to meet its insurance payment obligations could result in a loss of all or a portion of the capital invested in a property, as well as the anticipated future revenue from that property. In addition, the Group may not be able to maintain adequate insurance coverage in the future at commercially reasonable rates with acceptable terms.

***If the Group loses or is unable to obtain licences necessary for its operations or expansion, it may not be able to carry on its business or parts of its current or planned businesses.***

The Company has obtained a licence from the AFM under the FMSA for its activities as an investment institution. In this respect, the Company is required to comply with the ongoing requirements under the FMSA. The FMSA and other applicable laws and regulations and their interpretation may change from time to time. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time consuming and costly. Moreover, failure to comply with the applicable laws and regulations could result in fines or other sanctions, including the revocation of the licence.

In addition, the Group has obtained several other licences and permits for its properties from, *inter alia*, municipalities. Some of these licences are issued for a limited period of time and may not be renewed, or, if they are renewed, their terms may be changed. These licenses contain a number of requirements regarding the way the Group conducts its business. Failure to meet these requirements could result in fines or other sanctions including, ultimately, revocation of licenses. Moreover, the Group may be required to obtain licenses where it wishes to expand into new areas of businesses and it may not be able to obtain these licences.

***The real estate sector is susceptible to fraud.***

Certain activities in the real estate sector have been subject to allegations of embezzlement of cash in connection with arranging large scale real estate transactions. This has shown that the real estate sector – and in particular the development business – is susceptible to fraud. The Group is currently not aware of any such fraud taking place within its business. However, the Group may become the target of fraud or other illicit behaviour in any of the markets in which it operates. This may have a material adverse effect on the Group's reputation, business and financial condition.

**Risks relating to the financing of the Group's activities**

***Accessing capital on satisfactory terms is necessary for maintaining, growing and developing the Group's business and Portfolio.***

In the ordinary course of business, the Group makes significant capital expenditures for the acquisition, (re)development and maintenance of projects or properties. The Group has so far financed its capital expenditures through operating cash flows and raising debt and equity, however, the Group may not be able to continue to do so. The ability of the Group to obtain financing depends on several factors, some of which are beyond its control, such as general economic conditions, the availability of credit from financial institutions, and global and European monetary policy. In addition, a deterioration in the Group's business results or financial condition could lead to higher financing costs. The Group may not be able to obtain financing and any financing that it can obtain may not have terms satisfactory to it. Moreover, there may be a risk that the Group's financial counterparties will not be able to provide funds under the facilities agreed with the Group.

In addition, the ability of the Group to obtain debt financing may be constrained by its qualification as an FII under Dutch tax law and the resulting limitations on the level of its indebtedness or restrictions contained in its current or future credit agreements. See “Regulatory Matters and Tax Status of the Group” for a description of the limitations on the incurrence of indebtedness imposed by the FII status. Failure to obtain financing could have an adverse effect on the business, financial condition and results of operations of the Group.

***Changing capital market conditions could have negative consequences for the business and results of operations of the Group.***

The crisis that started affecting the international debt and equity markets in the summer of 2007 resulted in increased funding cost and a limited availability of financing sources. Although these effects have recently diminished, a deepening of the financial crisis could have a similar impact. Although the Group continually monitors developments in domestic and international capital markets and endeavours to raise debt and/or equity capital at appropriate times and in a cost effective manner, adverse and continued constraints in the supply of liquidity may adversely affect the cost of funding for the Group and extreme liquidity constraints may limit growth possibilities and may even force the Group to liquidate a part of its Portfolio, all with potentially adverse consequences for the Group’s business, results of operation and the value of the Ordinary Shares.

***The Group is exposed to interest rate risks.***

The Group’s policy is to arrange between one third and two thirds of its borrowing requirements at fixed interest rates. At 31 December 2009, fixed-rate borrowings accounted for approximately 63% of the Group’s interest-bearing debt (net after swaps). At that level, increased borrowing costs due to an increase in interest rates are partly offset by automatic inflation adjustment in leases, increased rents on renewed leases and increased interest income. Nevertheless, the Group’s borrowing costs rose in 2008 due to higher interest rates, and adverse fluctuations and increases in interest rates could adversely affect the Group’s results of operations in the future.

***The Group is exposed to currency risks.***

With the exception of the participating interests in Turkey and Bulgaria, all the Group’s activities are in euro zone countries. For its operations in Turkey, the Group has adopted functional currencies on the basis of the economic risk of the rental cash flows. These currencies are either the Euro or the US dollar. Exchange risks on the net investments in US dollars are reduced by financing these investments with loans in the same currency or by making use of currency swaps. Property values are not hedged. Fluctuations in currency exchange rates which are not successfully mitigated by the Group’s hedging policy could adversely affect its business and results of operations.

## Risks relating to structure of the Group

***The Group’s success is largely dependent on the quality of its Business Units’ local management.***

The Group uses a decentralised business model in which the management of its local Business Units in each country are largely responsible for their Business Unit’s operating results. As a result, the Business Units’ local management has a significant level of autonomy in implementing the Group’s policy and strategies on a local level. Therefore, the Group is highly dependent on the quality of local management with respect to, among other activities, (i) managing operational shopping centres and developments in the Pipeline, (ii) attracting desired tenants, (iii) preparing financial reporting, and (iv) effective governance and control of the local operations. The inability of Business Units’ management to carry out these or other significant activities adequately and on time could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects.

In addition, as a result of the decentralised structure, the Company’s central management may have insufficient visibility and control over the activities and operations of local management and may not be informed of local developments for it to adequately react to them on a timely basis, which could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects, as well as on the value of and return on the Ordinary Shares.

***The Company is a holding company with no operations and relies on its operating subsidiaries to provide it with funds necessary to meet its financial obligations.***

The Company is a holding company with no material, direct business operations. The principal assets of the Company are the equity interests it directly or indirectly holds in its operating subsidiaries. As a result, the

Company is dependent on loans, dividends and other payments from its subsidiaries to generate the funds necessary to meet its financial obligations, including the payment of dividends. The ability of the Company's subsidiaries to make such distributions and other payments depends on their earnings and may be subject to statutory, legal or contractual limitations. As an equity investor in its subsidiaries, the Company's right to receive assets upon their liquidation or reorganisation will be effectively subordinated to the claims of creditors of its subsidiaries. To the extent that the Company is recognised as a creditor of such subsidiaries, the Company's claims may still be subordinated to any security interest in or other lien on their assets and to any of their debt or other obligations that are senior to the Company's claims.

***The Company may not be able to pay or maintain dividends and the failure to do so would adversely affect the price of its Ordinary Shares.***

The Company is obliged to pay a dividend once a year to holders of Ordinary Shares ("**Shareholders**") in accordance with the applicable provisions of Dutch law. The objective of the Company's dividend policy is to at least comply with the FII requirements (See "Dividends and Dividend Policy—Dividend policy") and, except in special circumstances, to maintain the level of dividend on a per share basis and preferably increase it by the average rate of inflation in the euro zone. The Company may propose to the general meeting of Shareholders (the "**General Meeting**") to pay a dividend in cash or in shares or a combination thereof in accordance with the FII requirements. However, the ability of the Company to pay and maintain cash dividends is based on many factors, including its ability to renew current tenant leases and attract new tenants, the ability to negotiate favourable lease terms and conditions, operating expense levels, the level of demand for its properties, its compliance with the terms of debt financing arrangements and actual results that may vary substantially from estimates. A change in any such factor could affect the ability of the Company to pay or maintain dividends. Therefore, the Company can give no assurance as to its ability to pay dividends. The Company also cannot give any assurance that the level of dividends will be maintained or will increase over time or that increases in demand for its properties or rental rates will increase the cash available for dividends. The failure to pay or maintain dividends may adversely affect the price of the Ordinary Shares.

***The Company could suffer adverse consequences if it fails to maintain its status as an FII.***

As of the date of this Prospectus, the Company qualifies as an FII (see "Regulatory Matters and Tax Status of the Group—Tax status"). To maintain its FII status, the Company must meet certain activity restrictions, leverage restrictions, shareholder requirements, profit distribution obligations and management and control restrictions. The ability to meet the conditions required for the FII status depends upon the Company's ability to successfully manage its assets and indebtedness on an ongoing basis. The Company may not continue to meet the existing requirements in the event of a change in the Company's financial condition, or otherwise, and the applicable requirements may change in the future in a manner that would make the FII status unavailable to the Company. Changes may also occur in the Company's shareholding structure, which are beyond its control, such that it is no longer able to fulfil all the requirements of its status as an FII.

In the event any of the requirements for the FII status are breached, the Company will lose the FII status as of the start of the fiscal year in which such breach occurred. In the event that the Company breaches the requirement for the timely distribution of its distributable profits, the Company will lose the FII status as of the start of the fiscal year prior to the fiscal year in which this breach occurred.

If the Company fails to qualify as an FII or loses the FII status, it becomes a regular corporate tax payer which, among other things, would result in future profits derived from going concern income and/or capital gains being taxed at the general Dutch corporate income tax rate of 25.5%. The loss of the Company's status as an FII would have an adverse effect on the Company's results of operations and financial position, and hence on the price of the Ordinary Shares.

***The Company could suffer adverse consequences if it fails to maintain SIIC status for itself or its French subsidiaries.***

As of the date of this Prospectus, the Company, through its French permanent establishment (*i.e.* a French entity created by the Company (currently, Corio S.A.) which holds shares in the Group's French subsidiaries and the Group's French properties), qualifies as an SIIC (see "Regulatory Matters and Tax Status of the Group—Tax status—SIIC regime in France"). The ability to meet the conditions required for the SIIC status depends upon the Company's ability to successfully manage its ancillary activities and the assets allocated to such activities. Changes may also occur in the Group's shareholding structure, which are beyond its control, such that the conditions for election of the SIIC regime are no longer fulfilled.

If the Company's French permanent establishment no longer meets the conditions for election of the SIIC regime, it will become a corporate tax payer, permanently or, under certain circumstances, on a temporary basis, which, among other things, would result in future profits derived from going concern income and/or capital gains being taxed at the general French corporate income tax rate of 33.33% as from the first day of the financial year concerned.

An exit of the SIIC regime during the ten-year period following the election entails an additional taxation of 19% on latent capital gains and on capital gains accrued during the period of application of the SIIC regime.

***The Group could suffer adverse consequences if it fails to maintain its current beneficial tax structuring of its foreign investments due to changes in local tax law.***

On the date of this Prospectus, the Group has structured its foreign investments in those countries where it does not operate its business through an FII or SIIC regime in such a way that the effective current tax burden is very low or non-existent. This beneficial structuring is based on the utilisation of current rules as enacted in local tax laws. Any change in the local tax law may cause these structures to become less effective, resulting in a higher tax burden than foreseen under the currently enacted tax laws.

***A material change in the laws and regulations to which the Group is subject, or in their interpretation or enforcement, could materially adversely affect the business, results of operations and financial condition of the Group.***

The Group must comply with a variety of laws and regulations, including planning, zoning, environmental, health and safety, license requirements, tax and other laws and regulations. The Group may be required to pay penalties for non-compliance with the laws and regulations of local, regional, national and EU authorities to which it is subject. A material change in the applicable laws and regulations, or in their interpretation or enforcement, could force the Group to alter its business strategy or operations, leading to additional costs or loss of revenue, which could materially adversely affect the business, results of operation and financial condition of the Group.

***Shareholders may have difficulties protecting their interests as shareholders as the Company is a Dutch limited liability company.***

Dutch law and the Company's articles of association (the "**Articles of Association**") govern issues regarding the legal organisation, internal constitution, corporate authority and liability of members of the Company's management board (*raad van bestuur*; the "**Management Board**") and the Company's supervisory board (*raad van commissarissen*; the "**Supervisory Board**"). The Company qualifies as an investment company with variable capital (*beleggingsmaatschappij met veranderlijk kapitaal*) under Dutch law. As a consequence, among other things, a Shareholder does not have a statutory pre-emption right with respect to an issue of Ordinary Shares and the Management Board may decide to issue Ordinary Shares without a resolution of the General Meeting. Furthermore, the Company's offices and assets are located outside the United States. In addition, all of the members of the Company's Supervisory Board, Management Board and management team are residents of jurisdictions outside the United States. As a result, it may be difficult to serve process on these persons within the United States. The enforcement in a Dutch court of a United States judgment is subject to Dutch rules of civil procedure.

***The Group has limited control over its minority interests, including in joint venture companies.***

The Group acquired minority stakes in joint venture companies and other minority interests in the past and may continue making investments in companies in which it will not hold a majority interest. The Group normally has no control over such companies. See "Business Overview—Overview of the operational portfolio—Retail properties in the operational portfolio—Turkey". Decisions made by the management or controlling equity holders of these companies may differ from the Group's strategy or from what the Group management believes to be in the Group's best interests. As a result of (i) a lack of operational control, or (ii) differing views from those of such company's management or controlling equity holders with respect to the strategy and management of a company in which the Group does not have a majority interest, the performance of such minority interest investments may be worse than anticipated.

In addition, if the Group disagrees with the management or controlling equity holders of a company in which it has a minority interest, the Group's options under the relevant shareholders or joint venture agreement or applicable corporate law may be limited. In certain cases, the only practical option may be the disposal of the Group's interest. However, in order for the Group to sell its interest, it may need to obtain the consent of other investors or the board of directors of the relevant entity or it may encounter other contractual restrictions, such as first-refusal rights. Consequently, the Group may not be able to sell its minority interests at commercially favourable terms or at all, and may have to sell such interests at a loss compared to the amount paid for the interest.

***The Company's current major Shareholder has significant interests in the Company and may be in the position to exert significant influence over the outcome of matters relating to the Group's business.***

The Company's current major Shareholder, APG, owns, directly or indirectly, a significant number of Ordinary Shares which would enable it to control a significant portion of the voting rights in the Company (see "Major Shareholder and Related Party Transactions—Major Shareholder"). APG has agreed to subscribe for Offer Shares in the Offering (see "Plan of Distribution"). Consequently, this Shareholder may be in a position to exert significant influence over or determine the outcome of matters requiring approval of the Shareholders, including but not limited to appointments to the Management Board and the Supervisory Board and the approval of significant transactions. The interests of this major Shareholder may differ from the interests of other Shareholders. As a result, the major Shareholder's interests in the Company's voting capital may permit it to effect certain transactions without other Shareholders' support, or delay or prevent certain transactions that are in the interests of other Shareholders, including without limitation an acquisition or other change in control of the Group's business, which could prevent other Shareholders from receiving a premium on their Ordinary Shares. The market price of the Ordinary Shares may decline if the major Shareholder sells a substantial number of its Ordinary Shares or uses its influence over or control of the Company's voting capital in ways that are adverse to other Shareholders.

***There can be no assurance that the Company will not be a passive foreign investment company for U.S. federal income tax purposes for any taxable year.***

A non-U.S. corporation will be considered a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes for any taxable year in which a specified percentage of its gross income is "passive income" or a specified percentage of its assets produce or are held for the production of passive income. Although passive income generally includes rents, certain active rental income is not considered passive income for purposes of determining whether a company is a PFIC. Based upon the manner in which the Group currently operates its business, the Company does not believe that it should be treated as a PFIC for its taxable year ended on December 31, 2009. However, there are uncertainties as to how to apply the active rental exception to companies such as the Company, including uncertainties as to the application of the exception where management, operational and marketing services are provided through subsidiaries. In addition, the proportion of the Group's income and assets which may qualify under the active rental exception will depend, in part, on the nature of assets acquired in future acquisitions and the extent to which such assets are managed by the Group. Because PFIC status depends on the character of the Group's income and assets and the value of its assets from time to time, and because of the uncertainties in the application of the active rental exception to companies such as the Company, there can be no assurance that the Company will not be a PFIC for the current or any other taxable year.

If the Company were a PFIC for any taxable year during which a U.S. person held Ordinary Shares, certain adverse U.S. federal income tax rules would apply to that person. In general, any gain from the disposition of shares may be taxed as ordinary income, the disposition gain and certain dividend income may be taxed at rates higher than those that would otherwise apply, and certain interest charges may be imposed on the U.S. person's tax liability. Certain elections may be available to U.S. shareholders which would result in alternative tax treatment. See "Shareholders Taxation—Certain U.S. Federal Income Tax Considerations—Passive Foreign Investment Company Rules" for more information. U.S. persons are urged to consult their own tax advisers as to whether the Company may be treated as a PFIC and the tax consequences thereof.

**Risks relating to the Ordinary Shares**

***The market price of the Ordinary Shares may fluctuate and may decline below the Offer Price and trading in the Ordinary Shares may be very limited, which might lead to Shareholders not being able to sell their Ordinary Shares at a reasonable price or at all.***

The Offer Price of the Offer Shares at the time of the Offering may not be indicative of the market price for the Ordinary Shares after the Offering has been completed. The market price of the Ordinary Shares has experienced volatility in the recent past, and may continue to fluctuate, depending upon many factors beyond the

Company's control. The market price of the Ordinary Shares may be significantly affected by, among others the following factors: (i) the Company's actual or anticipated operational results, (ii) the level of the Company's debt (iii) future issues of Ordinary Shares, (iv) changes in, or the Company's failure to meet, securities analysts' expectations and (v) general market conditions and the factors listed above under "Risks relating to the Group and the sector in which it operates". The market price of the Ordinary Shares is also subject to fluctuations in response to the Offering and the investor perception of the success and impact of the Offering. As a result of these or other factors, the Ordinary Shares may trade at prices significantly below their market price and the net asset value of the Group's investments. The Company cannot assure that the market price of the Ordinary Shares will not decline.

***The interests of existing Shareholders may be diluted through the issuance of the Ordinary Shares.***

Any additional capital raised through the issue of additional Ordinary Shares may dilute an investor's shareholding interest in the Company. The Management Board has the power to resolve upon the issue of shares and to determine the price and further terms and conditions of such share issue, subject to the approval of the Supervisory Board. The equity dilution per Ordinary Share of new investors, calculated in accordance with IFRS, as of the date of publication of the Prospectus and adjusted to reflect the Offering (assuming full placement of the Offering at an Offer Price of € 47.955, the closing price of the Ordinary Shares on Euronext Amsterdam on 18 March 2010) is € 0.34 (or 0.8%).

***If securities or industry analysts do not publish research or reports about the Group's business, or if they change their recommendations regarding the Ordinary Shares adversely, the market price and trading volume of the Ordinary Shares could decline.***

The trading market for the Ordinary Shares is influenced by the research and reports that industry or securities analysts publish about the Group's business. If one or more of the analysts who cover the Group or its industry downgrade the Ordinary Shares, the market price of the Ordinary Shares would likely decline. If one or more of these analysts ceases coverage of the Group or fails to regularly publish reports on it, the Group could lose visibility in the financial markets, which could cause the market price of the Ordinary Shares or trading volume to decline.

**Risks relating to the Acquisition**

***The risks relating to the Group, its properties, business and markets generally also apply to the properties and development projects to be acquired in the Acquisition.***

Risks mentioned above relating to the Group, its properties, business and the markets in which it operates, generally also apply to the properties and development projects to be acquired in the Acquisition and the markets and business relating to such assets. In addition, the Group faces specific risks in connection with the Acquisition, as described below.

***The Group may not be able to successfully and efficiently integrate the Acquisition into its operations.***

The Acquisition involves important costs and risks and it may not be possible to achieve a successful and efficient integration of the new business with the Group's existing operations. This integration requires coordination of the Group's management, its organisation and its personnel. This process may prove difficult due to numerous factors such as (i) cost accumulation; (ii) the failure to discover liabilities for which the Group may be responsible as a successor, owner or operator; (iii) the possibility that the Group will be unable to retain key staff members and customers from the Acquisition; (iv) the potential disruption of the Group's ongoing business and the strain placed on the Group's management, administrative, operational and financial resources; (v) maintenance of appropriate standards, controls, procedures and policies; (vi) diversion of the management's attention away from other business concerns; and (vii) the possibility that the acquired businesses may not achieve the projected levels of revenue or profitability.

The Group may not be able to overcome the difficulties linked to the integration process and in that case the Acquisition may have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group has conducted a due diligence review of Multi and the assets that are part of the Acquisition. As due diligence reviews are by nature subject to restrictions, the Group may become subject to unknown liabilities of Multi, in particular with respect to the properties and development projects to be acquired, which may have an adverse effect on the Group's financial condition and results of operations.***

The Group has conducted a due diligence review of the information about Multi and the properties and development projects that are part of the Acquisition that was provided to the Group by Multi. However, due diligence reviews are by nature subject to restrictions. As a result, after the closing of the Acquisition, the Group may be subject to unknown liabilities of Multi relating to the properties and developments projects which are part of the Acquisition, which may have an adverse effect on the Group's financial condition and results of operations.

***The closing of the Offering and the closing of the Acquisition are subject to conditions.***

The closing of the Offering is subject to certain conditions, including the condition that at the time of closing of the Offering, no condition for closing of the Acquisition has become incapable of satisfaction (without waiver) (see "Plan of Distribution—Placement Agreement—Representations and warranties, indemnities and termination").

The closing of the Acquisition is conditional upon, among other things, the Company having obtained financing for the Acquisition, including the refinancing of certain existing debt of the acquired assets, on terms and from sources that are reasonably satisfactory to the Company, including through the Offering (see "Acquisition—Conditions to closing of the Acquisition"). As a result, the Acquisition will be terminated if (among other things) the Offering is, in the Company's reasonable opinion, not successfully completed.

The closing of the Acquisition will take place after the closing of the Offering. The Company intends to close the Acquisition as soon as possible after the closing of the Offering, but there remains a risk that the Offering will have closed and that the Acquisition does not close. In that case, the proceeds of the Offering will not be used for the Acquisition and it will not be possible to reverse the closing of the Offering and return the proceeds to the investors who have paid for the Offer Shares.

***In connection with the Acquisition, the Group is exposed to risks of non-performance by its contractual partner, as well as certain other risks.***

Although the Group has no reason to believe that Multi will not fully perform its obligations under the Sale and Purchase Agreement (and related agreements), there can be no assurance that this will be the case. Any non-performance by Multi of its obligations under these agreements (such as, without limitation, the rental guarantees) could have a material adverse effect on the Group's business, financial condition and results of operations. In addition, the Sale and Purchase Agreement and related agreements are based on certain factual assumptions, such as that development projects become operational within a certain timeframe and at certain costs. If these assumptions prove incorrect, this may have an adverse effect on the Group's business, financial condition and results of operations.

A non-performance risk also exists where the Group provides financing to entities that are not yet transferred to it or to the SPVs at closing of the Acquisition. This is the case for the Turn-key Projects, where the entities holding the projects will only be acquired upon completion of the development. Until that time, the SPVs and the Group have no control over the entity. Although the Group has attempted and will attempt to provide the financing on sound terms, including as to security arrangements, there can be no assurance that these entities will indeed perform their obligations under the financing provided or that the rights of the Group and the SPVs will rank *pari passu* with those of other lenders.

## IMPORTANT INFORMATION

*The Company accepts responsibility for the information contained in this Prospectus. To the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import. Potential investors should not assume that the information in this Prospectus is accurate as of any other date than the date of this Prospectus.*

*No person is or has been authorised to give any information or to make any representation in connection with the Offering, other than as contained in this Prospectus, and, if given or made, any other information or representations must not be relied upon as having been authorised by the Company. The delivery of this Prospectus at any time after the date hereof will not, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof or that the information set forth in this Prospectus is correct as of any time since its date.*

### Presentation of financial and other information

#### *IFRS information*

The historical consolidated financial information contained or incorporated by reference in this Prospectus, including the audited consolidated financial statements as of and for each of the years ended 31 December 2007, 2008 and 2009 and, except where stated otherwise, the financial data contained in "Summary", "Selected Historical Financial and Business Information", "Capitalisation and Indebtedness" and "Operating and Financial Review" have been prepared in accordance with IFRS.

#### *Non-IFRS information*

This Prospectus presents certain measures that are not measures defined by IFRS, including the direct and indirect result, EBIT, NNNAV and "like-for-like" information. These are supplemental measures of the Group's performance which are used for management purposes and should not be considered in isolation or as an alternative to net result, shareholders' equity, net rental income or any other performance measure derived in accordance with IFRS. In addition, such measures, as defined by the Group, may not be comparable to other similarly titled measures used by other companies.

*Direct and indirect result*

Management believes that using the direct result measure enables it to better assess the underlying operating performance of the Group, after adjusting principally for gains or losses on sales of investment property and revaluation effects (including on deferred taxes and result of associates), which are driven by market conditions outside of the Group's control. Management believes that this allows investors to measure and judge the ability of the business to generate underlying cash flows. Direct result is shown as net rental income, administrative expenses, (direct) share of result of equity accounted investees, finance expenses and corporate income tax. Indirect result consists of revaluations on investment property, result on sales of investment property, (indirect) share of result of equity accounted investees, deferred tax and other expenses (among others, goodwill impairments). The Group presents direct and indirect results in its ongoing financial reporting and intends to use these measures going forward. For further information on reconciliation of direct and indirect result to measures reported in the Group's consolidated financial statements, see "Operating and Financial Review—Comparison of results of operations for years ended 31 December 2009, 2008 and 2007—Direct and indirect result".

*EBIT*

The Group computes EBIT as operating income plus share of profit of equity accounted investees (direct, i.e. before gains and losses on sales of investment property and revaluation effects). For further information on reconciliation of EBIT to measures reported in the Group's consolidated financial statements, see "Operating and Financial Review—Comparison of results of operations for years ended 31 December 2009, 2008 and 2007—Direct and indirect result".

*NNNAV*

The Group presents NNNAV (triple net asset value) per Ordinary Shares as additional information to help investors better understand the Group's performance, in particular the current value of the Group's assets and liabilities. NNNAV per Ordinary Share is calculated using the standard calculation method set forth by the European Public Real Estate Association ("**EPRA**"). NNNAV represents shareholders' equity, adjusted to reflect (i) loans at market value and (ii) deferred tax in respect of latent gains arising on revaluation of properties. Deferred tax is calculated using the discounted method. For a reconciliation of EPRA NNNAV to shareholders' equity, see the consolidated statement of financial position as of 31 December 2009.

*Like-for-like information*

In "Operating and Financial Review", the Group shows movements between years in "like-for-like" net rental income. The like-for-like presentation compares net rental income in a given year to net rental income in the prior year by taking into account net rental income derived only from properties that were part of the Portfolio in both years. This method excludes net rental income that is attributable to properties that were added to or removed from the Portfolio as a result of acquisitions or Pipeline projects entering into operation or divestments. Growth in like-for-like net rental income is attributable primarily to the indexation of rents, rent increases in excess of indexation, property re-lettings and lease renewals.

Direct and indirect result and NNNAV are intended only to supplement performance indicators in accordance with IFRS, and not to replace them. These measures should always be used together with the performance indicators provided for by IFRS and not in isolation, because their ability to convey meaningful information is limited in various respects. In particular, direct result does not reflect changes in valuation of the Group's properties, which can vary substantially from period to period and can have a negative effect on net result reported under IFRS.

***Rounding and negative amounts***

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances the sum of the numbers in the text or a column or a row in tables contained in this Prospectus may not conform exactly to the total figure given for that column or row.

In tables, negative amounts are shown between brackets. Otherwise, negative amounts are shown by "-" or "negative" before the amount.

***Currency***

All references in this Prospectus to "Euros", "euros" or "€" are to the currency introduced at the start of the third stage of the Economic and Monetary Union, pursuant to the Treaty establishing the European Economic Community, as amended by the Treaty on the European Union ("**Eurozone**"). All references to "US dollars", "US$" or "$" are to the lawful currency of the United States. All references to "GBP" are to the lawful currency of the United Kingdom. All references to "TRY" are to the lawful currency of Turkey.

***Exchange rates***

The Company publishes its historical consolidated financial statements in Euros. The exchange rates below are provided solely for information and convenience. No representation is made that the Euro could have been, or could be, converted into US dollars at all or at the exchange rates stated.

| Date | Euro | US dollar |
|---|---|---|
| 31 December 2007 | 1 | 1.46205 |
| 31 December 2008 | 1 | 1.39005 |
| 31 December 2009 | 1 | 1.43475 |

(Source: FactSet)

***Information regarding Gross Leasable Area and Annual Rent***

Throughout this Prospectus, unless otherwise stated, information about Gross Leasable Area, Annual Rent and values with respect to the Portfolio is presented as follows. Where the Group has more than a 50% interest in a property, the Gross Leasable Area for the entire property is reflected in the numbers in the Prospectus. Where the Group has less than a 50% interest in a property, only the Group's *pro rata* interest in the Gross Leasable Area for such property is reflected. Where the Group has more than a 50% interest in a property, the Annual Rent and the value of the entire property are reflected in the numbers in the Prospectus (however, property values reported in the Valuation Reports are reflected as explained below under "Important Information—Information in Valuation Reports"). Where the Group has less than a 50% interest in a property, only the Group's *pro rata* interest in the Annual Rent and the value of such property are reflected.

***Information in Valuation Reports***

There are certain differences between the reporting on the Group's properties by the appraisers in the Valuation Reports and the description of those properties by the Company in its 2009 annual report and in the Prospectus. Firstly, there is a difference in the presentation of aggregate values. The Company's 2009 annual report and the Prospectus show the value of the Group's effective interests in the properties when the interests are less than 50%, whereas the Valuation Reports always report the value of a 100% interest in the properties, irrespective of whether the Group holds a 100% interest in such property or an interest of less than 100%. In addition, a small percentage (approximately 2.5%) of the operational Portfolio and the development Portfolio (see "Business—Pipeline—Introduction") has been valued internally by the Group and therefore is not presented in the Valuation Reports. Secondly, there is a small number of properties where the GLA stated in the Company's 2009 annual report was found to be incorrect, it being noted that the difference is immaterial when looking at aggregate GLA for the Group and that the values presented in the Company's 2009 annual report were based on the correct GLA numbers. Finally, in the Company's 2009 annual report and the Prospectus some properties that are located in the same Catchment Area are reflected as a combination, whereas the appraisers have valued these as separate parts. As a result, the number of properties reported in the Valuation Reports (totalling 151) differs from the number of properties included in the Prospectus and the Company's 2009 annual report (totalling 105).

***Market and industry information***

All references to market data, industry statistics and industry forecasts in this Prospectus consist of estimates compiled by industry professionals, organisations, analysts, publicly available information or the Group's own knowledge of its sales and markets.

Industry publications generally state that their information is obtained from sources they believe reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. Although the Group believes these sources are reliable, the Group cannot guarantee the information's accuracy and completeness as it does not have access to the information, methodology and other bases for such information and has not independently verified the information.

In this Prospectus, the Group makes certain statements regarding its competitive and market position. The Group believes these statements to be true, based on market data and industry statistics.

The information in this Prospectus that has been sourced from third parties has been accurately reproduced and, as far as the Group is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

***Information on Multi***

For information in this Prospectus with regard to Multi (including the assets forming part of the Acquisition), the Company has relied on information provided by Multi and, with respect to the valuation report regarding the assets to be acquired, by Jones Lang LaSalle, both of whom are to be regarded as a third party. Although the Group has conducted a due diligence investigation with respect to such information, the Group has not independently verified such information and cannot assure its accuracy.

***No incorporation of website***

The contents of the Group's website, including any websites accessible from hyperlinks on the Group's website do not form part of, and are not incorporated by reference into, this Prospectus.

**Notice to investors**

The distribution of this Prospectus in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. This Prospectus may not be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, any of the Offer Shares offered hereby in any jurisdiction in which such offer or invitation would be unlawful.

**Notice to investors in the United States**

The Offer Shares have not been and will not be registered under the US Securities Act, or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold, pledged or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable state securities laws. Accordingly, the Offering is being extended (i) in the United States, to QIBs pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements under the US Securities Act and applicable state securities laws, and (ii) outside the United States, in offshore transactions in accordance with Regulation S. Any Offer Shares offered and sold in the United States will be subject to certain transfer restrictions as described in this Prospectus. See "Selling and Transfer Restrictions". The Offer Shares have not been recommended by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

**NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY**

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES (RSA 421-B) WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

**Enforcement of civil liabilities**

The ability of Shareholders in certain countries other than the Netherlands to bring an action against the Company may be limited under law. The Company is a public limited liability company (*naamloze vennootschap*) incorporated in the Netherlands and has its statutory seat (*statutaire zetel*) in Utrecht, the Netherlands. All of the members of the Management Board and Supervisory Board and other officers of the Group named herein are non-residents of the United States. All or a substantial proportion of the assets of these non-resident persons and of the Company are located outside the United States. As a result, it may not be possible for investors to effect service of process upon such persons or the Company or to enforce against them in U.S. courts a judgment obtained in such courts.

The United States and the Netherlands do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Accordingly, a judgment rendered by a court in the United States will not be recognised and enforced by the Dutch courts. However, if a person has obtained a final and conclusive judgment for the payment of money rendered by a court in the United States which is enforceable in the United States and files his claim with the competent Dutch court, the Dutch court will generally give binding effect to the foreign judgement insofar as it finds that the jurisdiction of the foreign court has been based on grounds which are internationally acceptable and that proper legal procedures have been observed and except to the extent that the foreign judgment contravenes Dutch public policy.

## FORWARD LOOKING STATEMENTS

This Prospectus contains forward-looking statements that reflect the Company's intentions, beliefs or current expectations and projections about the Group's future result of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the market in which the Group operates. Forward-looking statements involve all matters that are not historical facts. The Company has tried to identify forward-looking statements by using words as "may", "will", "would", "should", "expect", "intend", "estimate", "anticipate", "project", "believe", "could", "hope", "seek", "plan", "aim", "objective", "potential", "goal" "strategy", "target", "continue" and similar expressions or their negatives. Forward-looking statements may be found principally in sections in this Prospectus entitled "Risk Factors", "Dividends and Dividend Policy", "Operating and Financial Review", "Business", "Acquisition—Outlook" and elsewhere.

The forward-looking statements are based on the Company's beliefs, assumptions and expectations regarding future events and trends that affect the Group's future performance, taking into account all information currently available to the Group, and are not guarantees of future performance. These beliefs, assumptions and expectations can change as a result of possible events or factors, not all of which are known to the Group or are within the Group's control. If a change occurs, the Group's business, financial condition, liquidity, results of operations, anticipated growth, strategies or opportunities may vary materially from those expressed in, or suggested by, these forward-looking statements. Important events and factors that could cause those differences include, but are not limited to:

- changes in the general economic and political conditions in the countries in which the Group operates, including, for example, interest rates and employment rates, consumer confidence and spending and inflation;
- the Group's ability to realise the anticipated value of the Acquisition within the expected timeframe;
- lower occupancy rates at the Group's properties;
- the Group's ability to retain major tenants and renew related contracts;
- changes in the Group's strategy or investment policies and objectives, including its focus on shopping centres;
- adverse changes in the fair value of the Group's Portfolio;
- changes in yields and the values of, or returns on investments that the Group makes;
- the Group's ability to complete the projects in its Pipeline;
- the Group's leverage and ability to obtain additional financing or refinance existing indebtedness on reasonable terms;
- the Group's ability to generate sufficient cash to satisfy working capital requirements and service its existing and future indebtedness;
- the Group's ability to find and acquire properties which fit the Group's investment criteria, and to find purchasers for the Group's projects and properties it is prepared to sell;
- higher than anticipated costs relating to acquisitions;
- integration issues that are more significant than anticipated arising out of acquisitions;
- the success of associate investments and joint ventures;
- the implementation of new tax and accounting rules and standards;
- government intervention resulting in changes to the regulatory environment in countries where the Group operates;
- the Group's ability to satisfy the conditions required to maintain FII or SIIC status;
- increased competition within the real estate markets in the countries or markets in which the Group operates;
- changes in interest rates or foreign currency exchange rates, as well as the Group's ability to implement its hedging strategy in relation to such changes;
- force majeure occurrences; and
- the other factors described in this Prospectus, including those set forth under "Risk Factors", "Operating and Financial Review" and "Business".

Investors or potential investors should not place undue reliance on the forward-looking statements in this Prospectus. The Company urges investors to read the sections of this Prospectus entitled "Risk Factors", "Operating and Financial Review" and "Business" for a more complete discussion of the factors that could affect the Group's future performance and the market in which the Group operates. In light of the possible changes to the Company's beliefs, assumptions and expectations, the forward-looking events described in this Prospectus may not occur. Additional risks not known to the Company or that the Company has not considered material as of the date of this Prospectus could also cause the forward-looking events discussed in this Prospectus not to occur. Except as otherwise required by applicable securities laws and regulations, the Company undertakes no obligation to update publicly or revise publicly any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of this Prospectus.

# USE OF PROCEEDS

Assuming full placement of the Offering, the net proceeds of the Offering after the deduction of expenses (estimated to amount to up to € 15 million and including, amongst others, the commission for the Managers, the fees due to the AFM and Euronext Amsterdam and Euronext Paris and legal and administrative expenses, as well as publication costs and applicable taxes, if any) are expected to be approximately € 585 million.

The Company intends to use the net proceeds from the Offering, in the following order of priority:

- to finance in part the Acquisition (see “Acquisition”), in an amount of up to approximately € 450 million; and
- the remaining net proceeds to finance existing and future Pipeline projects and for general corporate purposes.

## DIVIDENDS AND DIVIDEND POLICY

### General

The Company may make distributions to its Shareholders only if its shareholders' equity exceeds the sum of the paid-up share capital plus the reserves required to be maintained by Dutch law. The profit and the distributable reserves are at the disposal of the General Meeting.

The Company may make a distribution of dividends to its Shareholders only after the adoption of its annual accounts demonstrating that such distribution is legally permitted. The Management Board is permitted, subject to certain requirements and approval of the Supervisory Board, to decide to pay interim dividends. See "Description of Share Capital and Corporate Governance—Dividends and other distributions".

### Dividend history

The following table sets forth the Company's distribution of dividends relating to the financial years indicated.

| Financial year to which dividend relates | Number of Ordinary Shares entitled to dividend | Dividend in cash or Ordinary Shares (€ per Ordinary Share) | Dividend yield[1] (%) | Pay-out ratio[2] (%) |
|---|---|---|---|---|
| 2009 | 88,874,754[3] | 2.65[4] | 5.6 | 108 |
| 2008 | 66,253,702 | 2.64 | 8.0 | 86 |
| 2007 | 66,253,702 | 2.60[5] | 4.3 | 85 |

(1) Dividend yield is calculated as annual dividend per Ordinary Share divided by the closing price of the Ordinary Shares at Euronext Amsterdam at year-end of the previous year.
(2) Pay-out ratio is calculated as the total distribution of dividend divided by the Group's direct result in the given year.
(3) Assuming full placement of the Offering at an Offer Price of € 47.955, the closing price of the Ordinary Shares on Euronext Amsterdam on 18 March 2010 and no other issue of Ordinary Shares until payment of the dividend.
(4) Assuming that the General Meeting will adopt the annual accounts as presented and approve the dividend as proposed by the Management Board.
(5) Only cash dividend.

For the financial year ended 31 December 2009, the Management Board proposes to pay a dividend of € 2.65 per Ordinary Share, which may be paid in cash or Ordinary Shares at the Shareholder's option within the constraints of the Company's FII status. It is expected that this dividend will be made payable on 20 May 2010 and that the Ordinary Shares will quote ex-dividend on 27 April 2010. The Offer Shares will also qualify for this proposed dividend. The proposal is expected to be decided upon by the General Meeting on 23 April 2010. The proposed dividend shows an increase of € 0.01 per Ordinary Share compared to the financial year ended 31 December 2008. The total number of Ordinary Shares entitled to a dividend for the financial year ended 31 December 2009 is expected to increase by 34% from 66,253,702 Ordinary Shares to 88,874,754, reflecting the payment of dividend in Ordinary Shares (as part of the dividend for the financial year ended 31 December 2008), the issue and sale of Ordinary Shares through an accelerated book build in June 2009, the sale of treasury shares in June 2009 and full placement of the Offering at an Offer Price of € 47.955, the closing price of the Ordinary Shares on Euronext Amsterdam on 18 March 2010.

For the financial year ended 31 December 2008, the dividend per Ordinary Share showed an increase of € 0.04 compared to the dividend for the financial year ended 31 December 2007 and was paid partly in cash (€ 105 million) and partly in Ordinary Shares (€ 70 million). For the year ended 31 December 2007, the dividend was paid in cash only.

### Dividend policy

The Company distributes a dividend at least once per year. The objective of the Company's dividend policy is to at least comply with the FII requirements (see "Regulatory Matters and Tax Status of the Group") and, except in special circumstances, to maintain the level of dividend on a per share basis and preferably increase it by the average rate of inflation in the Eurozone. The Company may propose to the General Meeting to pay a dividend, within the constraints of the Company's FII status, in cash or in shares or a combination thereof.

## Dividend ranking of Offer Shares

The Offer Shares will, upon issue, rank equally in all respects with the currently outstanding Ordinary Shares. They will be eligible for any dividend payment which the Company may declare on the Ordinary Shares following the issuance of the Offer Shares.

## Taxation of dividends

Dividend payments on the Ordinary Shares are generally subject to withholding tax in the Netherlands. See "Shareholder Taxation—Taxation in the Netherlands—Withholding tax".

## CAPITALISATION AND INDEBTEDNESS

The table below sets forth the Group's consolidated capitalisation and indebtedness, calculated in accordance with IFRS, as of 31 December 2009 (i) on an actual audited basis and (ii) on an adjusted unaudited basis to give effect to the receipt of the estimated net proceeds of approximately € 585 million from this Offering, assuming full placement of the Offering at an Offer Price of € 47.955, the closing price of the Ordinary Shares on Euronext Amsterdam on 18 March 2010.

This table should be read in conjunction with the consolidated financial statements of the Group incorporated by reference herein, the information in "Selected Historical Financial and Business Information" and the information in "Operating and Financial Review". The table below is prepared for illustrative purposes only and, because of its nature, does not provide an accurate representation of the Group's capitalisation and indebtedness following completion of the Offering.

| | 31 December 2009 | |
|---|---|---|
| | **Actual** | **Adjusted for the Offering** |
| | **(€ million) (audited)** | **(€ million) (unaudited)[1]** |
| ***Capitalisation*** | | |
| **Total current debt** | 29.9 | 29.9 |
| Guaranteed borrowings | — | — |
| Secured borrowings (mortgage bank loans) | 28.2 | 28.2 |
| Unguaranteed / unsecured borrowings (other bank loans) | 1.7 | 1.7 |
| **Total non-current debt (excluding current portion of long-term debt)** | 2,333.6 | 2,333.6 |
| Guaranteed borrowings | — | — |
| Secured borrowings (mortgage bank loans) | 561.0 | 561.0 |
| Capitalised costs | (8.0) | (8.0) |
| Unguaranteed / unsecured borrowings (other bank loans) | 1,772.6 | 1,772.6 |
| **Shareholders' equity** | | |
| Share capital | 763.6 | 891.9 |
| Share premium reserve | 1,039.7 | 1,511.4 |
| Other reserves | 1,712.7 | 1,697.8 |
| Net result for the year | (131.9) | (131.9) |
| ***Indebtedness*** | | |
| Cash and cash equivalents | 91.2 | 676.3 |
| **Liquidity** | **91.2** | **676.3** |
| **Current financial receivables** | **91.2** | **676.3** |
| Interest-bearing current loans and borrowings | 29.9 | 29.9 |
| Current portion of non-current debt | — | — |
| Other current financial debt | 262.1 | 262.1 |
| **Current financial debt** | **292.0** | **292.0** |
| **Net current financial indebtedness** | **200.8** | **(384.3)** |
| Interest-bearing non-current loans and borrowings | 2,333.6 | 2,333.6 |
| Bonds issued | — | — |
| Other non-current debt | 245.8 | 245.8 |
| **Non current financial indebtedness** | **2,579.4** | **2,579.4** |
| **Net financial indebtedness** | **2,780.2** | **2,195.1** |

(1) Does not reflect the effect of the Acquisition on the Group's capitalisation and indebtedness, *i.e.* the application of the net proceeds from the Offering to finance in part the purchase price of the acquired assets at the closing of the Acquisition and additional indebtedness to finance the remainder of such purchase price. See "Acquisition" for further detail.

## SELECTED HISTORICAL FINANCIAL AND BUSINESS INFORMATION

*The selected historical financial and business information of the Group shown in the tables below should be read in conjunction with the information contained in "Important Information—Presentation of financial and other information", "Risk Factors", "Capitalisation and Indebtedness", "Operating and Financial Review", "Business" and the consolidated financial statements, including the notes thereto, incorporated by reference in this Prospectus and other financial data appearing elsewhere in this Prospectus.*

### IFRS consolidated financial information

The audited consolidated financial information for the Group set forth below as of and for the years ended 31 December 2009, 2008 and 2007 has been derived from, should be read in conjunction with, and is qualified in its entirety by, the consolidated financial statements, including the notes thereto, incorporated by reference in this Prospectus, which have been prepared in accordance with IFRS.

*Income statement*

| | 31 December | | |
|---|---|---|---|
| **(€ million)** | **2009** | **2008** | **2007** |
| | **(audited)** | **(audited)** | **(audited)** |
| Gross rental income | 390.8 | 364.7 | 318.5 |
| Net service charges | (9.6) | (8.3) | (6.5) |
| Property operating expenses | (44.2) | (38.7) | (33.1) |
| **Net rental income** | **337.0** | **317.7** | **278.9** |
| Result on sales of investment property | (7.0) | (2.8) | 8.6 |
| Net valuation result on investment property | (382.7) | (336.6) | 508.7 |
| Administrative expenses | (35.5) | (30.2) | (27.0) |
| Other income and expenses | (4.8) | 0.1 | (0.6) |
| **Results before finance costs** | **(93.0)** | **(51.8)** | **768.6** |
| Net finance expense | (94.9) | (127.2) | (98.8) |
| Material non-cash items | (9.2) | (13.4) | — |
| Share of profit of equity accounted investees (net of income tax) | 3.1 | (81.4) | 91.1 |
| **Result before tax** | **(194.0)** | **(273.8)** | **760.9** |
| Tax | 61.5 | 21.7 | (32.2) |
| **Net result from continuing operations** | **(132.5)** | **(252.1)** | **728.7** |
| Net result from discontinued operations[(1)] | — | 12.5 | 72.8 |
| **Net result** | **(132.5)** | **(239.6)** | **801.5** |
| Attributable to | | | |
| Non-controlling interest | (0.6) | — | — |
| Shareholders | (131.9) | (239.6) | 801.5 |

*Balance sheet*

| (€ million) | 31 December 2009 (audited) | 2008 (audited) | 2007 (audited) |
|---|---|---|---|
| **Assets** | | | |
| Investment property | 5,516.0 | 5,562.9 | 5,272.0 |
| Investment property under development | 194.5 | 247.5 | 228.1 |
| Investments in associates | 175.0 | 221.3 | 317.5 |
| Other investments | 0.7 | 56.4 | 61.2 |
| Intangible assets | 64.0 | 49.5 | 55.6 |
| Property, plant and equipment | 5.6 | 5.3 | 4.4 |
| Deferred tax assets | 20.6 | 13.4 | 10.5 |
| **Total non-current assets** | **5,976.4** | **6,156.3** | **5,949.3** |
| Trade and other receivables | 123.9 | 139.2 | 99.0 |
| Other investments | 99.7 | 102.1 | 4.4 |
| Cash and cash equivalents | 91.2 | 10.8 | 12.7 |
| **Total current assets** | **314.8** | **252.1** | **116.1** |
| Assets of discontinued operations(1) | — | — | 648.0 |
| **Total assets** | **6,291.2** | **6,408.4** | **6,713.4** |
| **Equity** | | | |
| Share capital | 763.6 | 672.5 | 672.5 |
| Share premium | 1,039.7 | 903.0 | 903.0 |
| Reserves | 1,712.7 | 2,122.6 | 1,448.8 |
| Net result for the year | (131.9) | (239.6) | 801.5 |
| **Total shareholders equity** | **3,384.1** | **3,458.5** | **3,825.8** |
| Non-controlling interest | (35.7) | | |
| **Total equity** | **3,419.8** | **3,458.5** | **3,825.8** |
| **Liabilities** | | | |
| Loans and borrowings | 2,325.6 | 2,362.9 | 2,198.3 |
| Employee benefits | 0.6 | 0.8 | 1.1 |
| Provisions | 1.9 | 2.4 | 2.6 |
| Deferred tax liabilities | 251.3 | 288.0 | 301.7 |
| **Total non-current liabilities** | **2,579.4** | **2,654.1** | **2,503.7** |
| **Total current liabilities** | **292.0** | **295.8** | **372.1** |
| Liabilities of discontinued operations(1) | — | — | 11.8 |
| **Total liabilities** | **2,871.4** | **2,949.9** | **2,887.6** |
| **Total equity and liabilities** | **6,291.2** | **6,408.4** | **6,713.4** |

*Cash flows*

| (€ million) | 31 December 2009 (audited) | 2008 (audited) | 2007 (audited) |
|---|---|---|---|
| Cash flow from operating activities | 154.6 | 199.0 | 227.9 |
| Cash flow from investing activities | (83.3) | (143.0) | (373.0) |
| Cash flow from financing activities | 9.1 | (57.9) | 154.7 |

(1) In the Group's consolidated financial statements as of and for the year ended 31 December 2007, the Group's activities with respect to its portfolio of offices and industrial properties in France were classified as discontinued operations in line with the Group's strategy to dispose of such portfolio. In 2008, the Group no longer classified activities with respect to such portfolio as discontinued operations because the sale was not completed within 2007. The Group currently plans to sell the properties in the French offices and industrial portfolio on an individual basis (*i.e.* not as an entire portfolio) and aims to conclude the sale of such properties by the end of 2012. As a result, in the Company's consolidated financial statements as of and for the year ended 31 December 2008, the comparative figures for 2007 were adjusted to no longer present these operations as discontinued. The 2007 figures in this presentation are shown as so adjusted.

### Direct and indirect result

Management measures the Group's operating performance utilising certain direct and indirect result measures. These are supplemental measures of the Group's performance which are used for management purposes and should not be considered in isolation or as an alternative to net result or any other performance measure derived in accordance with IFRS. In addition, such measures, as defined by the Group, may not be comparable to other similarly titled measures used by other companies. For a discussion of how the Group calculates direct and indirect results and their reconciliation to IFRS results, see "Operating and Financial Review—Comparison of results of operations for years ended 31 December 2009, 2008 and 2007—Direct and indirect result".

| (€ million) | 31 December | | |
|---|---|---|---|
| | 2009 | 2008 | 2007 |
| | (unaudited) | (unaudited) | (unaudited) |
| Direct result | 218.2 | 204.1 | 203.1 |
| Indirect result | (350.7) | (443.7) | 598.4 |
| Net result | (132.5) | (239.6) | 801.5 |

### Other data and key ratios

The table below shows other data and key ratios for the Group as of and for the years ended 31 December 2009, 2008 and 2007.

| | 31 December | | |
|---|---|---|---|
| | 2009 | 2008 | 2007 |
| | (unaudited) | (unaudited) | (unaudited) |
| NNNAV per Ordinary Share (EPRA) (€)(1) | 47.14 | 57.98 | 61.77 |
| Pipeline (€ million)(2) | 2,264.9 | 2,712.5 | 3,485.0 |
| Fixed committed Pipeline (€ million) | 581.5 | 504.4 | 1,686.0(3) |
| Leverage ratio(4) | 40.4% | 40.1% | 36.9% |
| Interest coverage ratio(5) | 3.4 | 2.6 | 3.0 |
| Occupancy Rate | 95% | 97% | 96% |
| Gross Leasable Area retail (1,000 $m^2$) | 1,451 | 1,355 | 1,210 |
| Annual Rent per $m^2$ retail (€)(6) | 258 | 263 | 261 |
| Valuation yield (net)(7) | 6.7% | 6.1% | 5.7% |

(1) NNNAV (triple net asset value) per Ordinary Shares is calculated using the standard calculation method set forth by EPRA. NNNAV represents shareholders' equity, adjusted to reflect (i) loans at market value and (ii) deferred tax in respect of latent gains arising on revaluation of properties. Deferred tax is calculated using the discounted method. See "Important Information—Presentation of financial and other information—Non-IFRS information."

(2) See "Business—Pipeline".

(3) Including amounts already invested.

(4) Leverage ratio is defined as total liabilities less deferred tax liabilities and accounts payable in the ordinary course of business, divided by total assets less intangible assets.

(5) Interest coverage ratio is defined as total net rental income and dividends received from minority interests, divided by interest paid (or otherwise due) less interest received, both for the past 12 months.

(6) Annual Rent per $m^2$ retail is calculated as Annual Rent at 31 December divided by Gross Leasable Area at 31 December (in each case for the Group's retail properties).

(7) Valuation yield (net) is calculated as net theoretical rent at 31 December (calculated as the annualised contractual rent plus turnover based rent and other income, with current market rent being added for unlet space, less operating expenses) divided by net market value (net of transfer costs) at 31 December.

# OPERATING AND FINANCIAL REVIEW

*The following discussion and analysis should be read in conjunction with the rest of this Prospectus, including the information set forth in "Selected Historical Financial and Business Information" and the audited consolidated financial statements and accompanying notes incorporated by reference in this Prospectus. For a discussion of the presentation of the Group's historical financial information included or incorporated by reference in this Prospectus see "Important Information—Presentation of financial and other information". Except as otherwise stated, this operating and financial review is based on the consolidated financial statements of the Group prepared in accordance with IFRS.*

*The following discussion contains forward-looking statements that involve risks and uncertainties. The Group's future results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, without limitation, those discussed in the sections entitled "Risk Factors", "Forward-Looking Statements" and "Business" and elsewhere in this Prospectus.*

## Overview

The Group is a retail property company. It specialises in the ownership, management, development and redevelopment of shopping centres. Currently, the Group has operations in five Home Markets: the Netherlands, France, Italy, Spain and Turkey.

The Group focuses on creating and managing shopping centres that are favourite meeting places for consumers and are dominant in their Catchment Area. These shopping centres present consumers with a full range of shops, convenience stores, restaurants, leisure and entertainment facilities, as well as event spaces and a wide range of services. The Group believes that this type of shopping centre enables it, with its local and professional in-house management, to create maximum value.

In addition to acquiring, developing and redeveloping shopping centres, the Group leases and manages its shopping centres in-house, making it an integrated and focused retail property group. The Group actively manages its operating shopping centres to increase their value. The Group believes that the success of a shopping centre depends on strong local management and therefore uses a decentralised business model where the local Business Units are largely responsible for their own operating results. This decentralised management approach, among others, allows the Group to respond quickly to changing consumer demands and habits.

The Group operates its own property (re)development business in the Netherlands, within a separate legal entity, Corio Vastgoed Ontwikkeling B.V.

The Portfolio comprises operational properties that generate net rental income (the operational Portfolio) and investments in (re)development projects and land (the development Portfolio). At 31 December 2009, the total value of the Portfolio was approximately € 5,886 million (including the Group's investment in the shopping centre in Akmerkez in Turkey of € 175 million). At 31 December 2009, the Group owned and managed 105 operational properties, consisting of 92 retail properties (including a stand-alone parking garage), ten offices and three industrial properties, located in the Netherlands, France, Italy, Spain, Turkey and Germany, representing a total of approximately 1,451,200 $m^2$ Gross Leasable Area in retail and 204,000 $m^2$ Gross Leasable Area in offices and industrial properties. On this date, the value of the operational Portfolio was approximately € 5,691 million, 97% of the value of the total Portfolio. 94% of the value of the operational Portfolio was invested in shopping centres, 5% in offices and 1% in industrial properties. Net rental income in 2009 amounted to € 337.0 million. The Occupancy Rate of the operational Portfolio at 31 December 2009 was 95%. The Group is a party to approximately 5,700 lease contracts. The Group is seeking to divest its offices and industrial properties in France, on an asset by asset basis.

At 31 December 2009, the Group's total Pipeline of redevelopment and development projects represented a total (future) investment of € 2,265 million (including € 252 million already invested at 31 December 2009), of which € 702.7 million is or will be invested in the fixed committed Pipeline. The total Pipeline covers approximately 599,600 $m^2$ in 31 projects. 45% of the total projected investments in the Pipeline consists of planned extensions and redevelopments of operational shopping centres that the Group already owns.

### *Segment reporting*

The Group's activities are organised and presented by business segment. The Group's current reporting segments are Netherlands, France, Italy, Spain, Turkey and Other countries and non-allocated (comprising

Bulgaria and Germany). The segmentation is based on the Group's management structure and internal reporting lines. Prior to 2009, the Group's primary reporting segments were its business segments retail, offices and industrial; in addition, selected information was presented by geographical segment. As the current segmentation was introduced with respect to the 2009 financial year, prior-year figures have been restated to reflect the current segmentation and are discussed below in the year-on-year comparison as so restated. Where appropriate, selected information is also presented separately for retail, offices and industrial.

**Operational Portfolio**

At 31 December 2009, the operational Portfolio consisted almost entirely of retail properties and a small number of offices and industrial properties. The share of retail properties in the value of the operational Portfolio increased from 82.2% at 31 December 2007 to 94.1% at 31 December 2009, mainly as a result of disposals of the Group's offices and industrial properties in the Netherlands and a number of acquisitions of retail properties in the Group's Home Markets. For detailed information on the operational Portfolio, see "Business—Overview of the operational Portfolio". The table below summarises certain information concerning the operational Portfolio (allocation is based on a property's primary use) at the dates indicated and reflects the implementation of the Group's strategy of focusing on retail.

| | At 31 December 2009 | | | At 31 December 2008 | | | At 31 December 2007 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Retail | Offices | Industrial | Retail | Offices | Industrial | Retail | Offices | Industrial |
| | | | | | (unaudited) | | | | |
| Total number of properties in operational Portfolio | 92 | 10 | 3 | 95 | 14 | 4 | 108 | 46 | 17 |
| Net market value of properties in operational Portfolio (€ million)(1) | 5,357 | 283 | 51 | 5,321 | 395 | 61 | 5,069 | 900 | 194 |
| Gross Leasable Area (1,000 m$^2$)(2) | 1,451 | 118 | 86 | 1,355 | 140 | 94 | 1,210 | 391 | 272 |
| Occupancy Rate (%)(3) | 95 | 97 | 79 | 97 | 95 | 100 | 97 | 93 | 98 |
| Annual Rent (€ million) | 374.3 | 28.0 | 4.6 | 356.5 | 35.7 | 5.9 | 315.8 | 74.7 | 16.8 |

(1) Including associates. Investments in the development Portfolio not included. The value of the development Portfolio (including associates) was: 31 December 2009: € 195 million; 31 December 2008: € 262 million; 31 December 2007: € 297 million.
(2) Reflects the m$^2$ attributable to the Group's interest.
(3) Occupancy Rate at year-end.

The following table shows the value of the operational Portfolio (excluding investments in the development Portfolio) by use and geographical location at 31 December 2009:

| (€ million) | Netherlands | France | Italy | Spain | Turkey | Other countries and non-alloc. | Total |
|---|---|---|---|---|---|---|---|
| | | | | (unaudited) | | | |
| Retail | 1,817.3 | 1,595.2 | 1,007.3 | 574.4 | 362.5 | — | 5,356.7 |
| Offices | 50.4 | 219.3 | — | — | — | 13.5 | 283.2 |
| Industrial | — | 51.0 | — | — | — | — | 51.0 |
| Total | 1,867.7 | 1,865.5 | 1,007.3 | 574.4 | 362.5 | 13.5 | 5,690.9 |

In 2009, the total value of the Portfolio (including investments in the development Portfolio) declined by € 153.1 million, or 2.5%, from € 6,038.7 million at 31 December 2008 to € 5,885.6 million at 31 December 2009. The decline in value was due to disposals (primarily in the French offices and industrial portfolio), which reduced the Portfolio's value by € 106.5 million, negative revaluations of € 389.7 million and certain changes in associates and other, which lowered the Portfolio's value by € 6.4 million. These negative effects were offset by acquisitions of a 95.0% interest in the shopping centre Príncipe Pío in Madrid, Spain for € 126.5 million (€ 131.6 million at 100%), of the remaining 90.0% of the shopping centre Tekira in Tekirdag, Turkey for € 66.3 million and of an additional 11.0% interest in the Teras Park shopping centre in Denizli, Turkey (by way of a 22% capital increase without the participation of other shareholders) for € 12.9 million, bringing the Group's total interest to 51.0% (€ 36.0 million at 100%), and other capitalised expenses of € 2 million, as well as investments in the Group's existing properties, which added € 113.6 million.

In 2008, the total value of the Portfolio (including investments in the development Portfolio) declined by € 420.9 million, or 6.5%, from € 6,459.6 million at 31 December 2007 to € 6,038.7 million at 31 December 2008. The decline in value was due to disposals (primarily of the Dutch offices and industrial portfolio), which reduced the Portfolio's value by € 745.9 million, negative revaluations of € 354.9 million and changes in associates and other (due to negative revaluations of associates in Turkey), which lowered the Portfolio's value by € 102.3 million. These negative effects were offset by acquisitions (primarily of the Grand Littoral shopping centre in Marseille, France and the remaining 70.0% of the AdaCenter shopping centre in Adapazari, Turkey), which increased the Portfolio's value by € 511.7 million, as well as investments in the Group's existing properties, which added € 270.4 million.

### Pipeline

The Group continually seeks to strengthen its Portfolio to enhance its total yield, while striving to improve its risk profile by selectively revitalising, renovating and expanding properties, as well as by initiating new developments and making appropriate acquisitions and disposals. These projects comprise the Pipeline. A portion of the Group's Pipeline consists of (re)development projects that already form a part of the Portfolio (the development Portfolio) and which are included in the consolidated balance sheet as "investment property under development". The remainder of the Pipeline represents (re)development projects in which the Group has not yet invested any amounts, such as turnkey development projects. The Pipeline is categorised as fixed and variable, depending on the status of the project. In addition, the Pipeline is divided into committed, deferrable and waivable projects, depending on the degree of the Group's commitment to the project. For detailed information regarding the Pipeline and its classifications, see "Business—Pipeline".

The following table shows the Pipeline at 31 December 2009:

| (€ million) | Fixed(1) committed | Fixed(1) deferrable | Variable(2) deferrable | Waivable | Total |
|---|---|---|---|---|---|
| | | | (unaudited) | | |
| Total already invested | 121.2 | 15.1 | 114.3 | 1.3 | 252.0 |
| Total excluding amounts already invested | 581.5 | 41.9 | 1,126.0 | 263.5 | 2,013.0 |
| Total investment | 702.7 | 57.1 | 1,240.3 | 264.8 | 2,265.0 |
| % of total | 31% | 3% | 54% | 12% | 100% |

(1) A project is assigned to the fixed Pipeline if (i) it is approved by the Management Board and, if required, the Supervisory Board, (ii) all parties in the project are committed and (iii) the Management Board has a high degree of certainty that the project will be acquired and/or become operational within an agreed period.

(2) Variable Pipeline includes specific projects that have not reached the same stage of compliance with the criteria set forth in note (1) as projects in the fixed Pipeline (*e.g.*, a license is not in place).

To lessen its vulnerability to decreasing availability of financing, during 2008 and 2009, the Group reduced the size of its Pipeline. The fixed committed and fixed deferrable Pipeline (excluding amounts already invested) decreased by € 562.4 million from € 1,333.4 million at 31 December 2007 to € 771.0 million at 31 December 2008 and by € 147.6 million to € 623.4 million at 31 December 2009.

### Key factors affecting results of operations

The Group believes the following factors have had and are expected to continue to have a material effect on its results of operations.

#### *Conditions in the market for real estate in the Group's Home Markets and the effects of the economic crisis*

The Group generates the majority of its earnings from rental income derived primarily from its shopping centres, and, to a lesser extent, net gains on the sale of its real estate. The Portfolio is located principally in the Group's Home Markets, the Netherlands, France, Italy, Spain and Turkey. Following the Acquisition, Germany will become a new Home Market. The properties in the Portfolio are leased predominantly on a long-term (five to ten-year) basis, which has provided the Group with stable rental income. However, the Group is subject to the effects of economic developments in the real estate industry on the terms and conditions of lease renewals and new leases and on proceeds from the sale of portfolio real estate. As a result, the Group's success depends on its ability to adapt to a variety of changing factors that influence the real estate market, primarily for retail properties in the Group's Home Markets, over which the Group has no influence. The Group believes that in-house management of its properties gives it direct and quick access to information concerning market developments and enhances the Group's ability to fashion adequate responses to changes in the market.

The market value of the Portfolio and the levels of rental income from the Group's properties are dependent on numerous interacting factors, including the attractiveness of the Group's properties and the markets in which they are located, supply and demand for real estate in the respective locations, the size and quality of the Catchment Area, legal and tax conditions, general economic trends and economic trends in the individual markets in which the Portfolio is located. In addition, property sales are affected by the availability of capital for investment in real estate and prevailing interest rates for real estate financing and the perceived attractiveness of real estate investments compared to other forms of investment.

The credit crisis that began in the summer of 2007 and the ensuing economic recession have negatively affected the retail property market in Europe. Lower disposable incomes due to rising unemployment have translated into lower consumer spending, which put pressure on retailers' profits. This, together with reduced availability of financing, led some retailers to scale back or postpone their expansion plans, which has made it more difficult for shopping centre operators, such as the Group, to find appropriate tenants. The Group believes that the effect on its Portfolio and rental income has been relatively limited thus far, in great part due to the Group's presence in the Netherlands and France which are among the more stable markets in Europe and accounted for approximately two-thirds of the Group's cash flow in recent years. In addition, the Group's properties are located mostly in prime areas (so-called "A locations"), which are affected by lower consumer spending later and less severely than secondary locations. Furthermore, the mix of tenants in the Group's retail properties is such that day-to-day necessities, such as food and personal care products, account for a high proportion of the tenants' revenues. As a result, with the exception of Spain and Turkey, the Group's properties have performed relatively well in terms of relevant indicators, such as occupancy rates and average tenant revenues. Although some of the Group's markets, such as France, have begun to show the first signs of recovery, other markets, such as Spain, continue to experience high unemployment rates and low consumer spending. Overall, the economic environment remains fragile. Should the recent signs of economic recovery in some of the Group's markets not be sustainable or if economic conditions in the Group's markets worsen or remain negative for longer than expected, the Group's rental income may be negatively affected.

The economic crisis also has had an adverse effect on the market values of real estate, causing a negative revaluation of the Group's properties. See "Operating and Financial Review—Portfolio revaluation". Furthermore, the economic crisis negatively affected purchases and sales of real estate. Due to uncertainties and constraints in the credit markets, investments in European retail properties slowed down considerably in 2008 and the first half of 2009. The sentiment improved in the latter part of 2009, with a revival in investment activity in some markets, for example, Germany.

***Availability of financing; finance expense and interest rate levels***

The Group's growth is dependent on its ability to successfully acquire, develop and redevelop retail properties. The Group finances such projects to a considerable extent with debt, as well as other forms of external funding. For information on the Group's borrowings, see "Operating and Financial Review—Liquidity and capital resources—Indebtedness". At 31 December 2009, the Group's leverage amounted to 40.4% (40.1% at 31 December 2008 and 36.9% at 31 December 2007). As a result, the Group depends significantly on the readiness of its financing counterparties to extend financing to the Group on acceptable terms for new projects, as well as to refinance existing loans that are maturing. The earnings potential of the Portfolio is, therefore, significantly influenced by developments in the credit markets. General conditions for financing real estate are subject to constant change, in particular in the levels of interest rates in general and for the real estate sector in particular.

As a result of the credit crisis, financial institutions have adopted more stringent underwriting standards. Among other things, they have generally tightened loan-to-value and debt service coverage ratios. In addition, because commercial real estate values have decreased, for some companies, compliance with loan-to-value covenants has become increasingly difficult. As a result, financial institutions have been less willing to extend credit than prior to 2008. The direct consequences of the credit crisis for the Group have been limited due to the structure of the Group's financing which relies on long-term and predominantly fixed-rate loans. In 2008 and 2009, the Group continued to have access to the credit market, in part due to resilient valuations of its properties and its focus on retail properties in prime locations. In 2008, the Group secured a € 800 million bridge loan and € 130 million in other loans from financial institutions. In 2009, the Group obtained a € 200 million seven-year Dutch inflation-linked loan from APG and extended the maturity of three bank loans totalling € 186.2 million by approximately three years. In addition, in 2009, the Group secured a € 70.5 million annuity loan from Banco Popular in connection with its acquisition of the Príncipe Pío shopping centre.

The Group's finance expense increased by € 33.4 million, or 29% from € 114.2 million in 2007 to € 147.6 million in 2008. This was due primarily to higher debt, but also increased interest rates. The average interest rate in 2008 was 5.0% compared to 4.8% in 2007, causing an increase in finance expense of € 6.9 million. In 2009, the average interest rate decreased to 4.3%, which lowered the Group's finance expense by € 19.6 million. The Group's finance expense decreased by € 39.6 million, or 26.8% from € 147.6 million in 2008 to € 108 million in 2009.

***Portfolio revaluation***

The Group's investment property is carried at fair value. The operational Portfolio is valued every six months (at 30 June and 31 December) by independent external surveyors. Internal appraisals are also performed at 31 March and 30 September. From 1 January 2009, in compliance with IAS 40 (*Investment Property*), all investment properties under development have also been carried at fair value with some properties valued externally and others valued internally. The fair value is based on fair market value and the valuations method used are the discounted cash flow method and the direct capitalisation method, in which market parameters concerning market rents, yields and discount rates are based on comparable and current market transactions. As a result, the value of the Group's assets depends on developments in the real estate market and is subject to change. Gains and losses from changes in fair value are recognised in the profit and loss account and affect the Group's net result. For additional information on valuation, see "Operating and Financial Review—Selected significant accounting policies—Portfolio valuation".

After a number of years of increasing values, the current economic downturn has caused negative revaluations of real estate properties in 2008 and 2009. In 2008, the Group recorded a negative revaluation of its real estate assets (continuing operations) of € 336.6 million for its group companies and € 96.7 million for its associates, principally in Turkey. In 2009, the Group recorded a negative revaluation of its real estate assets (continuing operations) of € 382.7 million and € 5.6 million for its associates in Turkey. For additional details, see "Operating and Financial Review—Comparison of results of operations for years ended 31 December 2009, 2008 and 2007—Net valuation result on investment property".

***Portfolio acquisitions and disposals***

The Group pursues an active acquisitions and disposals policy. See "Business—Strategy" for a discussion of the Group's policy. Acquisitions of investment property increase the Group's finance expense to the extent they are financed through debt. In addition, acquisitions of operational properties increase the Group's rental income. To the extent the Group acquires development projects, the Group's expenses increase without a parallel growth in rental income until the project reaches operating phase, which may take several years. Investment property disposals affect the Group's earnings through gains or losses on the sale of the property and through lower rental income in the period following the sale. The Group must therefore carefully consider the timing and extent of acquisitions and disposals, as well as the proportion of acquired projects that are operational and in development, to achieve earnings growth. For example, the Group may decide to postpone a sale of non-strategic assets in order to prevent a decline in rental income.

From 2007 to 2009, the Group made several significant acquisitions, both of operational assets and development projects. Most significant among these in 2007 were the completion of the Campania shopping centre in Marcianise near Naples, Italy, the acquisition of a 49% interest in the Citta Fiera shopping centre in Udine, Italy, the acquisition of a 30% interest in the AdaCenter shopping centre in Adapazari, Turkey and the acquisition of various units in the Charras shopping centre in Courbevoie, France and the retail park Mondeville 2 in Caen, France. In 2007, the total amount of property investments was € 363.7 million. In 2008, significant acquisitions included the shopping centres Grand Littoral (purchase price of € 412.6 million) and AdaCenter (remaining 70%; purchase price of US$44.8 million), the Ikea outlet adjacent to the Group's Le Gru shopping centre in Turin, Italy (purchase price of € 46.2 million) and the office property Balzac in Courbevoie-La Défense, France (remaining 30%; purchase price of € 31.6 million). In 2009, significant acquisitions included the following shopping centres: Príncipe Pío in Madrid (purchase price of € 126.5 million), Tekira in Tekirdag, Turkey (purchase price of € 66.3 million) and an additional 11% interest in the Teras Park shopping centre in Denizli, Turkey (purchase price € 12.9 million), bringing the Group's ownership to 51%. For information on the Group's acquisitions and dispositions in 2010, see "Business—Recent developments". The proceeds from this Offering, together with existing financing sources, will be used to acquire certain operational and development properties in Germany, Spain and Portugal. See "Acquisition" and "Use of Proceeds" for detailed information.

The Group pursues also sales of non-strategic assets, such as its offices and industrial portfolio, as well as certain retail properties that the Group believes cannot be improved. In 2007, the Group sold the Transitoweg/ Zeehavenweg distribution complex in Moerdijk (Dutch industrial portfolio) for € 43.3 million. In 2008, the Group sold its Dutch offices and industrial portfolio for € 650 million and completed a sale of thirteen non-strategic shopping centres for approximately € 80 million. In 2009, the Group sold a number of French offices and industrial properties for € 63.2 million (including Frères Peugeot in Rueil Malmaison, Espace Atria and Compans in Toulouse, the Montgolfier BCEOM office in Guyancourt and an industrial complex in Compans), as well as an additional office property for € 7 million and a number of small retail properties for € 21 million. With the exception of the offices and industrial portfolio in France which the Group intends to sell by 2012, the Group's transformation into a pure retail property company has been largely completed.

### *Pipeline*

The Group's Pipeline comprises redevelopments, renovations, revitalisations and expansions of existing properties and new developments. For a discussion of the Pipeline, see "Operating and Financial Review—Pipeline" and "Business—Pipeline". The costs of projects in the committed Pipeline represent a financial obligation of the Group, for which the Group has secured financing. See "Operating and Financial Review—Liquidity and capital resources—Off-balance sheet items". Because Pipeline projects do not generate income until they become operational, Pipeline investments that the Group makes prior to a project's completion reduce cash flows. Therefore, the Group carefully manages its Pipeline commitments and continually reviews the Pipeline in relation to the existing portfolio, developments in the market and available funding.

All costs directly associated with the purchase and construction of a property and all subsequent capital expenditure connected with development qualify as acquisition costs and are capitalised. Borrowing costs are likewise capitalised if they are directly attributable to the acquisition, construction or development of a qualifying asset. In accordance with IAS 40, from 1 January 2009, once capitalised, development projects are valued by an external appraiser and carried at fair value. Projects that have capitalised amounts that comprise only internal costs and preparation costs (for example, the existing Hoog Catharijne and Het Paradijs projects in the Netherlands) are internally appraised. Gains and losses arising from changes in fair value are recognised in the profit and loss account. For a description of the Group's valuation policy, see "Operating and Financial Review—Selected significant accounting policies—Portfolio valuation".

### *Duration and structure of tenant leases*

The Group's rental income is based predominantly on lease contracts with tenants who rent space in the Group's shopping centres. Lease tenors reflect the customary terms in the respective markets and usually range from five to ten years. The following table shows the remaining average expiration of leases on the Group's operational properties at 31 December 2009.

| | **€ thousand**(1) | **%** |
|---|---|---|
| | **(unaudited)** | |
| Vacancy | 20,794 | 5.2% |
| Under negotiation | 18,856 | 4.7% |
| Contract expiration | | |
| 2010 | 34,774 | 8.7% |
| 2011 | 41,826 | 10.5% |
| 2012 | 41,035 | 10.3% |
| 2013 | 47,668 | 11.9% |
| 2014 | 52,595 | 13.1% |
| 2015 | 26,487 | 6.6% |
| After 2015 | 106,490 | 26.6% |
| Perpetual/No end date | 9,598 | 2.4% |
| **Total** | **400,122** | **100%** |

(1) Contract value, represented by Annual Rent, at 31 December 2009.

The Group's business is exposed to the risk of expiring leases, however, the Group believes that its current vulnerability in this respect is limited due to its diversified tenant base (see "Risk Factors—Risks relating to the Group and the sector in which it operates—The business, results of operations and financial conditions of the

Group depend on its ability to maintain and increase occupancy rates through the execution of leases with new tenants and the renewal of leases by its existing tenants”). At 31 December 2009, the weighted average remaining term of the Group’s leases was approximately four years. Due to the strategy of concentrating its retail assets on A-locations, the average Occupancy Rate of the Group’s properties historically has been high, even during the economic crisis (2007: 96.8%; 2008: 96.8%; 2009: 96.2%). A lease expiry allows the Group to renegotiate the lease contract or replace an existing tenant with a new tenant. As a result, the Group views expiring leases also as an opportunity to obtain more favourable terms or find more suitable tenants.

The Group’s tenant concentration is relatively low; the ten largest tenants contributed 17% to rental income (excluding turnover based rent) in 2009 (2008: 16%; 2007: 13%). The Group’s exposure to leases that are linked to tenants’ turnover is at the lower end compared to its peers, with turnover based leases typically representing about 1% of Annual Rent. The Group’s turnover based leases typically have a relatively high floor of fixed rents that is indexed to the consumer price index (“CPI”) to help keep cash flows stable. In response to economic challenges faced by some tenants, the Group has worked with a small number of tenants in some markets to rebalance its lease agreements, including increasing the share of turnover based rents. In certain markets, the Group intends to increase the share of turnover based leases to benefit from upside and gain information on tenant performance. For further information on tenant structure and lease terms, see “Business—Tenant profile” and “Operating and Financial Review—Leases and occupancy”.

**Comparison of results of operations for years ended 31 December 2009, 2008 and 2007**

The Group’s revenues substantially consist of gross rental income under operating leases with terms ranging from five to ten years. Gross rental income comprises theoretical rent (*i.e.* annualised contractual rent plus turnover based rent and other income, with current market rent being added for unlet space) less vacancy. The Group’s primary expenses consist of:

- Net service charges, consisting mainly of expenses for gas, water, electricity, cleaning and security attributable to the Group’s properties, less charges recovered from tenants;
- Property operating expenses, comprising costs directly attributable to the operations of the properties, net of costs charged to tenants, mainly consisting of property managers’ fees, taxes, lease hold, maintenance, professional, promotion and marketing fees and insurance;
- Administrative expenses, consisting mainly of salaries and other staff costs (including social security charges), office overheads and advice, valuation and audit fees;
- Other expenses, comprising goodwill and other impairments;
- Net finance expense; and
- Tax expense.

The following table sets forth the Group's consolidated results of operations for the periods indicated:

| (€ million) | 2009 | 2008 (audited) | 2007 |
|---|---|---|---|
| Gross rental income | 390.8 | 364.7 | 318.5 |
| Net service charges | (9.6) | (8.3) | (6.5) |
| Property operating expenses | (44.2) | (38.7) | (33.1) |
| **Net rental income** | **337.0** | **317.7** | **278.9** |
| Results on sales of investment property | (7.0) | (2.8) | 8.6 |
| Net valuation result on investment property | (382.7) | (336.6) | 508.7 |
| Administrative expenses | (35.5) | (30.2) | (27.0) |
| Other income and expenses | (4.8) | 0.1 | (0.6) |
| **Results before finance costs** | **(93.0)** | **(51.8)** | **768.6** |
| Net finance expense | (94.9) | (127.2) | (98.8) |
| Material non-cash items | (9.2) | (13.4) | — |
| Share of profit of equity accounted investees (net of income tax) | 3.1 | (81.4) | 91.1 |
| **Result before tax** | **(194.0)** | **(273.8)** | **760.9** |
| Tax | 61.5 | 21.7 | (32.2) |
| **Net result from continuing operations** | **(132.5)** | **(252.1)** | **728.7** |
| Net result from discontinued operations[1] | — | 12.5 | 72.8 |
| **Net result** | **(132.5)** | **(239.6)** | **801.5** |
| Attributable to: | | | |
| Non-controlling interest | (0.6) | — | — |
| Shareholders | **(131.9)** | **(239.6)** | **801.5** |

(1) In the Group's consolidated financial statements as of and for the year ended 31 December 2007, the Group's activities with respect to its portfolio of offices and industrial properties in France were classified as discontinued operations in line with the Group's strategy to dispose of such portfolio. In 2008, the Group no longer classified activities with respect to such portfolio as discontinued operations because the sale was not completed within 2007. The Group currently plans to sell the properties in the French offices and industrial portfolio on an individual basis (*i.e.* not as an entire portfolio) and aims to conclude the sale of such properties by the end of 2012. As a result, in the Group's consolidated financial statements as of and for the year ended 31 December 2008, the comparative figures for 2007 were adjusted to no longer present these operations as discontinued. The 2007 figures in this section are shown as so adjusted.

### *Gross rental income*

The following table shows the Group's gross rental income and the contribution of segments to gross rental income for the periods indicated:

| **(€ million)** | **2009** | | **2008** | | **2007** | |
|---|---|---|---|---|---|---|
| | | | **(unaudited)** | | | |
| The Netherlands | | 143.0 | | 145.2 | | 142.7 |
| *Retail* | *134.0* | | *136.0* | | *130.1* | |
| *Offices* | *9.0* | | *8.8* | | *9.5* | |
| *Industrial* | *—* | | *0.4* | | *3.1* | |
| France | | 125.0 | | 114.0 | | 87.8 |
| *Retail* | *98.2* | | *85.1* | | *64.6* | |
| *Offices* | *22.3* | | *22.8* | | *17.3* | |
| *Industrial* | *4.5* | | *6.1* | | *5.9* | |
| Italy | | 69.0 | | 65.4 | | 54.9 |
| Spain | | 39.3 | | 33.3 | | 32.5 |
| Turkey | | 13.9 | | 6.1 | | 0.0 |
| Other countries and non-alloc. | | 0.6 | | 0.7 | | 0.6 |
| **Total** | | **390.8** | | **364.7** | | **318.5** |
| Retail | | 354.3 | | 325.8 | | 281.9 |
| Offices | | 32.1 | | 32.4 | | 27.6 |
| Industrial | | 4.4 | | 6.5 | | 9.0 |
| **Total** | | **390.8** | | **364.7** | | **318.5** |

*2009/2008*

In 2009, the Group's Portfolio showed continued resilience to the economic downturn. The average Occupancy Rate for the total Portfolio in 2009 decreased slightly to 96.2% from 96.8% in 2008. Average Occupancy Rate of retail was 96.3% (2008: 97.7%). The decrease was due primarily to higher vacancy in France resulting mainly from restructuring at the shopping centres Grand Littoral, La Galerie Mulhouse and Quais d' Ivry, as well as higher vacancy in Spain, mainly as a result of optimising the tenant mix in shopping centres. Average Occupancy Rate of the office portfolio was 96.6% (2008: 91.9%) and of the industrial portfolio 84.6% (2008: 98.0%).

The Group's gross rental income increased by € 26.1 million, or 7.2%, to € 390.8 million in 2009, compared to € 364.7 million in 2008. The increase was attributable to the acquisitions of the shopping centres Príncipe Pío in June 2009 (contributing € 7.5 million) and Tekira in early 2009 (contributing € 3.9 million), as well as Pipeline projects becoming operational (contributing € 22.1 million).

The increase in gross rental income was offset in part through rental income lost through disposals. The offices portfolio shrank by about 30,000 $m^2$ of Gross Leasable Area in 2009 through the sale of a number of French offices and industrial properties in line with the Group's strategy to focus on retail.

*2008/2007*

In 2008, the Group's Portfolio proved to be resilient to the economic downturn. The average Occupancy Rate for the total Portfolio in 2008 remained at the same high level as in 2007, at 96.8%. Average Occupancy Rate of retail was 97.7% (2007: 98.0%). This decrease was mainly the result of higher vacancy in Spain on account of higher than average falling consumer spending and the relatively low Occupancy Rate of the acquired Grand Littoral shopping centre. Average Occupancy Rate of the office portfolio was 91.9% (2007: 91.4%) and of the industrial portfolio 98.0% (2007: 98.1%).

The Group's gross rental income increased by € 46.2 million, or 14.5%, to € 364.7 million in 2008, compared to € 318.5 million in 2007. The increase was due primarily to Pipeline projects becoming operational (contributing € 28.7 million), as well as the acquisition of the Grand Littoral shopping centre in March 2008 (contributing € 13.1 million).

The increase in gross rental income was offset in part through rental income lost through disposals. The offices portfolio shrank by about 251,000 m$^2$ of Gross Leasable Area in 2008 through the sale of the Dutch offices and industrial portfolio in line with the Group's strategy to focus on retail property, in part counterbalanced by the acquisition of the remaining 30% share of the office property Balzac in Courbevoie-La Défense, France. The industrial portfolio was also reduced by 178,000 m$^2$ of Gross Leasable Area in 2008 as a result of the above-described sale.

***Net service charges***

The following table shows the Group's net service charges and the contribution of segments to net service charges for the periods indicated:

| **(€ million)** | **2009** | **2008** | **2007** |
|---|---|---|---|
| | | **(unaudited)** | |
| The Netherlands | 2.4 | 3.5 | 3.5 |
| France | 3.0 | 1.8 | 0.6 |
| Italy | 1.0 | 1.0 | 0.7 |
| Spain | 2.3 | 1.8 | 1.4 |
| Turkey | 0.8 | 0.1 | — |
| Other countries and non-alloc. | 0.1 | 0.1 | 0.3 |
| **Total** | **9.6** | **8.3** | **6.5** |
| Retail | 9.1 | 6.9 | 4.8 |
| Offices | 0.5 | 1.4 | 1.7 |
| Industrial | — | — | — |
| **Total** | **9.6** | **8.3** | **6.5** |

*2009/2008*

The Group's net service charges increased by € 1.3 million, or 15.7%, to € 9.6 million in 2009, compared to € 8.3 million in 2008. The increase was due primarily to lower occupancy rate in retail, which resulted in lower charges to tenants, as well as a change in the Portfolio mix towards retail, which generally generates higher service charges than an office portfolio.

*2008/2007*

The Group's net service charges increased by € 1.8 million, or 27.7%, to € 8.3 million in 2008, compared to € 6.5 million in 2007. The increase was due primarily to lower occupancy rate in retail, which resulted in lower charges to tenants, as well as an increase of the share of retail in the Portfolio.

***Property operating expenses***

The following table shows the Group's property operating expenses and the contribution of segments to property operating expenses for the periods indicated:

| **(€ million)** | **2009** | **2008** | **2007** |
|---|---|---|---|
| | | **(unaudited)** | |
| The Netherlands | 21.4 | 21.3 | 21.6 |
| France | 8.9 | 7.0 | 5.7 |
| Italy | 4.5 | 4.1 | 3.1 |
| Spain | 4.7 | 3.0 | 2.6 |
| Turkey | 4.5 | 2.8 | — |
| Other countries and non-alloc. | 0.2 | 0.5 | 0.1 |
| **Total** | **44.2** | **38.7** | **33.1** |
| Retail | 40.6 | 35.1 | 29.5 |
| Offices | 3.3 | 3.4 | 3.3 |
| Industrial | 0.3 | 0.2 | 0.3 |
| **Total** | **44.2** | **38.7** | **33.1** |

*2009/2008*

The Group's property operating expenses increased by € 5.5 million, or 14.2%, to € 44.2 million in 2009, compared to € 38.7 million in 2008. The increase was due primarily to higher leasehold costs (due mainly to the acquisition of Príncipe Pío) and higher additions to provision for doubtful debts (€ 1.8 million) and increased non-recoverable service charges as a result of the weak economic environment.

*2008/2007*

The Group's property operating expenses increased by € 5.6 million, or 16.9%, to € 38.7 million in 2008, compared to € 33.1 million in 2007. The increase was due primarily to higher additions to provision for doubtful debts as a reaction to the weak economic environment (€ 2 million) and higher leasehold costs for the shopping centre "365" in Ankara (€ 1.7 million).

***Net rental income***

The following table shows the Group's net rental income and the contribution of segments to net rental income for the periods indicated. The relative differences between gross and net rental income vary per country and property, as they are influenced by the amount of service charges (for example, maintenance charges) that can be recovered from tenants, vacancy rates or property age and condition.

| **(€ million)** | **2009** | | **2008** | | **2007** | |
|---|---|---|---|---|---|---|
| | | | **(unaudited)** | | | |
| The Netherlands | | 119.2 | | 120.4 | | 117.5 |
| *Retail* | *112.6* | | *114.8* | | *109.2* | |
| *Offices* | *6.6* | | *5.2* | | *5.5* | |
| *Industrial* | — | | *0.4* | | *2.8* | |
| France | | 113.1 | | 105.2 | | 81.5 |
| *Retail* | *87.7* | | *77.2* | | *59.0* | |
| *Offices* | *21.3* | | *22.2* | | *16.6* | |
| *Industrial* | *4.1* | | *5.8* | | *5.9* | |
| Italy | | 63.5 | | 60.3 | | 51.1 |
| Spain | | 32.3 | | 28.5 | | 28.5 |
| Turkey | | 8.6 | | 3.2 | | 0.0 |
| Other countries and non-alloc. | | 0.3 | | 0.1 | | 0.3 |
| **Total** | | **337.0** | | **317.7** | | **278.9** |
| Retail | 304.7 | | | 283.9 | | 247.8 |
| Offices | 28.2 | | | 27.6 | | 22.4 |
| Industrial | 4.1 | | | 6.2 | | 8.7 |
| **Total** | | **337.0** | | **317.7** | | **278.9** |

*2009/2008*

The Group's net rental income increased by € 19.3 million, or 6.1%, to € 337.0 million in 2009, compared to € 317.7 million in 2008. The increase was due primarily to acquisitions of the shopping centres Príncipe Pío and Tekira and of an additional interest in Teras Park in 2009, as well as shopping centre acquisitions in 2008 (the Group benefitted from such properties' inclusion for the full year in 2009) (contributing € 15.9 million) and Pipeline projects becoming operational (contributing € 6.9 million). The increase in net rental income was offset in part through rental income lost as a result of the above-mentioned disposals of offices and industrial properties in the Netherlands (2008) and France (2009), which reduced net rental income by € 8.4 million.

Like-for-like net rental income increased by € 4.9 million (1.8%), which was above the 0.3% average consumer price index for the Eurozone and the nominal growth in retail spending, which was 2.0% negative in the EU-15 countries (see "Definitions"), indicating the robustness of the Group's income generation in a declining market. In retail, like-for-like net rental income increased by € 4.3 million, or 1.7%, to € 258.5 million in 2009 from € 254.2 million in 2008. The highest growth was achieved in France, through the relatively high indexation and high relettings and renewals. The increase in the Netherlands is typically relatively low, due to rent control legislation that does not permit direct adjustment to market rates. In Spain, despite good new and revised leases, like-for-like net rental income declined by 8% and was negatively affected by a combination of higher vacancies and hence higher service costs and operating expenses. In 2009, total turnover based rental income amounted to 0.9% of Annual Rent (2008: 1.1%).

The following table shows changes in like-for-like net rental income in retail for the periods indicated:

| (€ million) | 2009 | 2008 | % |
|---|---|---|---|
| | (unaudited) | | |
| Netherlands | 105.6 | 104.5 | 1.1 |
| France | 64.6 | 60.9 | 6.1 |
| Italy | 62.0 | 60.2 | 3.0 |
| Spain | 26.3 | 28.6 | (8.0) |
| Turkey | n/a | n/a | n/a |
| **Total** | **258.5** | **254.2** | **1.7** |

Depending on the rent levels (or market rents) and revenue growth in a shopping centre, rent increases can be achieved when leases expire, in excess of any indexation. See "Business—Leases and occupancy" for information on lease expirations. In 2009, the percentage of relet or renewed leases in retail was 8.1%, at the same level as in 2008. The 7.2% rent increase achieved in 2009 on such relettings and renewals was lower compared to the 16.6% in 2008, reflecting the economic recession.

In the offices sector, like-for-like net rental income increased by € 2.2 million, or 10.6%, to € 22.9 million in 2009 from € 20.7 million in 2008. The increase reflects primarily the disposal of the office property Frères Peugeot in France, which had high vacancy rates.

*2008/2007*

The Group's net rental income (excluding discontinued operations) increased by € 38.8 million, or 13.9%, to € 317.7 million in 2008, compared to € 278.9 million in 2007. The increase was due primarily to Pipeline projects becoming operational (contributing € 17.5 million) and the acquisition of the Grand Littoral shopping centre (contributing € 11.6 million). The increase in net rental income was offset in part through rental income lost as a result of the above-mentioned disposals of offices and industrial properties in the Netherlands, which reduced net rental income by € 5.3 million.

Like-for-like net rental income increased by € 11.3 million (4.4%), which was above the 3.3% average consumer price index for the EU-15 countries and the nominal growth in retail spending, which was 1.2% in the EU-15 countries. In retail, like-for-like net rental income increased by € 9.3 million, or 4.0%, to € 239.5 million in 2008 from € 230.2 million in 2007. The highest growth was achieved in France, through the relatively high indexation. The increase in net rental income as a result of new and revised leases was highest in Italy. In Spain, despite good new and revised leases, like-for-like net rental income was negatively affected by a combination of higher vacancies, higher operating expenses and lower other rental income compared to exceptional income in 2007. In 2008, total turnover based rental income amounted to 1.1% of Annual Rent (2007: 1.3%).

The following table shows changes in like-for-like net rental income in retail for the periods indicated:

| (€ million) | 2008 | 2007 | % |
|---|---|---|---|
| | (unaudited) | | |
| Netherlands | 106.1 | 102.4 | 3.6 |
| France | 61.1 | 56.8 | 7.3 |
| Italy | 43.8 | 42.5 | 3.3 |
| Spain | 28.5 | 28.5 | 0.3 |
| Turkey | n/a | n/a | n/a |
| **Total** | **239.5** | **230.2** | **4.0** |

In 2008, the percentage of relet or renewed leases in retail was 8.1%, compared to 8.3% in 2007; the 16.6% rent increase achieved in 2008 on such relettings and renewals was slightly lower compared to 18.7% in 2007.

In the offices sector, like-for-like net rental income increased by € 2.2 million, or 8.1%, to € 23.4 million in 2008 from € 21.2 million in 2007. The increase resulted from good lease transactions and fewer voids. This primarily involved Hoog Catharijne in Utrecht and Millipore in Saint-Quentin-en-Yvelines. The following table shows changes in like-for-like net rental income for offices for the periods indicated:

| (€ million) | 2008 | 2007 | % |
|---|---|---|---|
| | (unaudited) | | |
| Netherlands | 5.2 | 4.9 | 6.1 |
| France | 18.2 | 16.3 | 11.9 |
| **Total** | **23.4** | **21.2** | **8.1** |

In the industrial sector, growth in like-for-like net rental income amounted was 3.8%.

### *Results on sales of investment property*

The following table shows the Group's results on sales of investment property and the contribution of segments to results on sales of investment property for the periods indicated:

| (€ million) | 2009 | | 2008 | | 2007 | |
|---|---|---|---|---|---|---|
| | | | (unaudited) | | | |
| The Netherlands | (1.5) | | (3.4) | | 7.4 | |
| France | (5.5) | | 1.0 | | 1.2 | |
| Italy | — | | — | | — | |
| Spain | — | | (0.1) | | — | |
| Turkey | — | | — | | — | |
| Other countries and non-alloc. | — | | (0.3) | | — | |
| **Total** | | **(7.0)** | | **(2.8)** | | **8.6** |
| Retail | (1.6) | | (2.8) | | — | |
| Offices | (4.3) | | — | | 1.2 | |
| Industrial | (1.1) | | — | | 7.4 | |
| **Total** | | **(7.0)** | | **(2.8)** | | **8.6** |

*2009/2008*

The Group's results on sales of investment property decreased by € 4.2 million to a loss of € 7.0 million in 2009, compared to a loss of € 2.8 million in 2008.

*2008/2007*

The Group's results on sales of investment property decreased by € 11.4 million to a loss of € 2.8 million in 2008, compared to a gain of € 8.6 million in 2007.

### *Net valuation result on investment property*

The following table shows the Group's net valuation result on investment property and the contribution of segments to such net valuation result for the periods indicated. For additional information on Portfolio revaluation, see "Operating and Financial Review—Key Factors Affecting Results of Operations—Portfolio revaluation".

| (€ million) | 2009 | | 2008 | | 2007 | |
|---|---|---|---|---|---|---|
| | | | (unaudited) | | | |
| The Netherlands | (111.7) | | (49.4) | | 139.6 | |
| France | (132.6) | | (167.0) | | 199.5 | |
| Italy | (80.7) | | (32.2) | | 146.6 | |
| Spain | (40.0) | | (66.2) | | 22.4 | |
| Turkey | (18.1) | | (19.5) | | — | |
| Other countries and non-alloc. | 0.4 | | (2.3) | | 0.6 | |
| **Total** | | **(382.7)** | | **(336.6)** | | **508.7** |
| Retail | (333.8) | | (292.0) | | 494.2 | |
| Offices | (44.4) | | (33.8) | | 12.7 | |
| Industrial | (4.5) | | (10.8) | | 1.8 | |
| **Total** | | **(382.7)** | | **(336.6)** | | **508.7** |

*2009/2008*

Revaluation of the Portfolio amounted to a valuation loss of € 389.7 million (including loss on sale of investment property of € 7.0 million, as shown above under "Operating and Financial Review—Result on sale of investment property"), compared to a valuation loss of €339.4 million in 2008 (including loss on sale of investment property of € 2.8 million), or 6.3% negative relative to the book value of the Portfolio at 31 December 2009 before revaluation. The following table shows the revaluation of the Portfolio (excluding associates and including loss on sale of investment property) in 2009:

| (€ million) | Netherlands | France | Italy | Spain | Turkey | Germany Bulgaria | Total | Total % |
|---|---|---|---|---|---|---|---|---|
| | | | | (unaudited) | | | | |
| Retail | (94.3) | (98.0) | (72.2) | (40.1) | (10.5) | — | (315.1) | (5.7) |
| Offices | (18.2) | (33.4) | — | — | — | 1.3 | (50.3) | (15.1) |
| Industrial | — | (5.8) | — | — | — | — | (5.8) | (10.2) |
| Total operational | (112.5) | (137.2) | (72.2) | (40.1) | (10.5) | 1.3 | (371.2) | (6.3) |
| Operational (%) | (5.7) | (6.9) | (6.7) | (6.5) | (5.3) | 11.0 | | |
| Total development | (0.7) | (0.9) | (8.5) | — | (7.6) | (0.8) | (18.5) | (8.7) |
| Development (%) | (1.1) | (2.5) | (17.1) | — | (15.7) | (6.4) | | |
| **Total revaluation** | **(113.2)** | **(138.1)** | **(80.7)** | **(40.1)** | **(18.1)** | **0.5** | **(389.7)** | **(6.4)** |

Within the operational Portfolio, revaluation in 2009 amounted to a 6.3 % decrease relative to the book value of the operational Portfolio at 31 December 2009 before revaluation. The revaluation consisted of positive revaluations totalling € 41.8 million, negative revaluations of € 406.0 million and € 7.0 million loss on investment property sales. In absolute terms, the positive revaluations mainly involved shopping centers in the Netherlands (totalling €16.3 million, including 't Circus in Almere of € 14.3 million), France (totalling € 6.0 million including Galerie de l'Espace du Palais in Rouen of € 2.9 million and Passage Provence Opera in Paris of € 1.1 million) and Spain (Príncipe Pío of € 18.2 million). The largest negative revaluations were also seen for the largest retail sub-portfolios in the Netherlands (totalling € 109.0 million), France (totalling €104.0 million) and Spain (totalling €58.3 million). In relative terms, the negative revaluations primarily involved strategically held offices in the Netherlands (26.5% decrease) and offices and industrial properties held for sale in France (respectively 13.2% and 10.2% decrease).

The following table shows the valuation of the Group's operational Portfolio at 31 December 2009 and 2008, as well as the effects of changes in yields and income on revaluation.

| | Market value (net of transfer costs) | | Revaluation total(1) | | Like-for-like revaluation(2) | | Yield effect(3) | Income effect |
|---|---|---|---|---|---|---|---|---|
| | 31 December 2009 | 31 December 2008 | € million | % | € million | % | % | % |
| | (€ million) | | (unaudited) | | | | | |
| **Retail** | | | | | | | | |
| Netherlands | 1,817.4 | 1,839.4 | (94.3) | (4.9) | (97.4) | (5.3) | (8.3) | 3.0 |
| France | 1,595.2 | 1,601.0 | (98.0) | (5.8) | (83.2) | (5.2) | (7.7) | 2.5 |
| Italy | 1,007.3 | 1,124.7 | (72.2) | (6.7) | (72.2) | (6.7) | (8.7) | 2.0 |
| Spain | 574.4 | 480.8 | (40.1) | (6.5) | (58.3) | (12.1) | (9.1) | (3.0) |
| Turkey(4) | 187.5 | 61.4 | (10.5) | (5.3) | (3.5) | (8.6) | (1.1) | (7.5) |
| **Total** | **5,181.8** | **5,107.4** | **(315.1)** | **(5.7)** | **(314.6)** | **(6.3)** | **(8.2)** | **1.9** |
| **Offices** | | | | | | | | |
| Netherlands | 50.4 | 71.6 | (18.2) | (26.5) | (18.2) | (26.5) | (37.3) | 10.8 |
| France | 219.3 | 311.1 | (33.4) | (13.2) | (29.1) | (11.7) | (12.1) | 0.4 |
| Germany | 13.5 | 12.2 | 1.3 | (11.0) | 1.3 | 11.0 | 8.2 | 2.8 |
| **Total** | **283.2** | **394.9** | **(50.3)** | **(15.1)** | **(46.0)** | **(14.0)** | **(16.6)** | **2.6** |
| **Industrial** | | | | | | | | |
| France | 51.0 | 60.7 | (5.8) | (10.2) | (4.7) | (8.4) | (6.3) | (14.7) |
| **Total** | **51.0** | **60.7** | **(5.8)** | **(10.2)** | **(4.7)** | **(8.4)** | **(6.3)** | **(14.7)** |
| **Total operational** | **5,516.0** | **5,562.9** | **(371.2)** | **(6.3)** | **(365.2)** | **(6.7)** | **(8.4)** | **1.7** |

(1) Revaluations of acquisitions were determined in relation to fair value. Revaluations of sales were determined on the basis of the actual sale price.

(2) Revaluations for the "like-for-like" operational Portfolio include all properties that were in the Portfolio both in the fourth quarter 2008 and fourth quarter 2009 and exclude associates.
(3) The net income effect in the valuation was calculated on the basis of the change in net theoretical rent (calculated as the annualised contractual rent plus turnover based rent and other income, with current market rent being added for unlet space, less operating expenses) at valuation date of the properties. Temporary discounts were taken into account in the valuation of the properties but were not included in net income.
(4) The values and revaluation for Turkey exclude associates.

The negative revaluations resulted primarily from an increase in market yields in the property investment market in the first half of 2009 (*i.e.* due to increase in risk associated with real estate investments). As yields (representing expected return on investment) rise, property valuations fall. In the second half of 2009, negative revaluations were less pronounced at less than 2% negative. The net theoretical yield of the operational Portfolio rose by 60 basis points, from 6.1% at year-end 2008 to 6.7% at year-end 2009. The revaluation of the operational Portfolio as a result of the increase in market yields was partially offset by an increase in rental income and other income, except for retail in Spain and Turkey and offices and industrial properties in France. For the like-for-like portfolio, the revaluation in 2009 for the total Portfolio would have been 8.4% negative rather than 6.7% negative without the positive effect on the valuations of an increase of 1.7% in net income.

*Yields*

During 2009, the increase of net yields for retail property in the Portfolio amounted to 60 basis points on average. The increase occurred primarily in the first half of the year, because the increasing investment volume in the second half of the year positively affected the net initial yields in the market. Accordingly, after some strong upward yield adjustments in the second half of 2008 and the first half of 2009, investment yields for shopping centers stabilised in the second half of 2009. By a considerable margin, the biggest yield adjustments in the retail portfolio arose in Spain. In the first six months of 2009, the net theoretical initial yield of the operational Portfolio rose by 70 basis points compared to the end of 2008. In the second half of 2009, value corrections on the basis of yield adjustments stabilised as investor interest for prime properties revived after one of the largest ever total yield shifts (180 basis points) in Europe over the 2008 and 2009 period. Including the acquisition of Príncipe Pío, the average net theoretical yield of the Portfolio in Spain reached a level of 7.2% at the end of 2009, reflecting a total rise of 170 basis points for the Portfolio in Spain.

The total increase in yields in the Netherlands, France and Italy in 2008 and 2009 was more muted and was similar in all three countries. In the Netherlands, the net theoretical initial yields of the operational Portfolio increased 30 basis points in the first half and another 10 basis points in the second half of 2009, in addition to a rise of 40 basis points in 2008, bringing the total yield shift to 80 basis points. In both France and Italy, the increase in yield was 50 basis points during the first half of 2009 without any significant further yield shift occurring in the second half of the year, bringing the total yield shift in 2008 and 2009 to, respectively, 90 and 80 basis points. In France, yields for shopping centers at the peak of the market were lower and, therefore, the upward correction was slightly higher than in Italy. However, there have been very few reference transactions of prime established shopping centers in 2009 in France. The increase in yields in the still-developing Italian retail market was larger in 2009 than in 2008. Yields in the Italian retail market started to rise in the last quarter of 2008, later than in the Group's other Home Markets. They rose first for secondary locations and later for more prestigious locations, although to a lesser extent than elsewhere in Europe.

Yields for the Turkish Portfolio during 2009 are not fully comparable because of ongoing changes in the composition of the Portfolio in Turkey. The downward yield shift in Turkey in the first half of 2009 was caused by the additions of the Teras Park and Tekira properties to the Portfolio. Total yield including associates remained stable at 8.0% in 2009, bringing the total increase in 2008 and 2009 to 220 basis points. On a like-for-like basis, that is, only relating to shopping centers AdaCenter and 365, yields increased by 50 basis points in 2009 from 9.5% to 10.0%.

The following table shows the weighted average net theoretical yields* for the operational Portfolio (excluding associates):

| | 31 December 2009 | 30 June 2009 | 31 December 2008 | Difference in basis points | |
|---|---|---|---|---|---|
| | | % | | 2009 total | 2009 first half |
| | | | (unaudited) | | |
| **Retail** | | | | | |
| Netherlands | 6.6 | 6.5 | 6.2 | 40 | 30 |
| France[(1)] | 6.4 | 6.4 | 5.9 | 50 | 50 |
| Italy | 6.1 | 6.1 | 5.6 | 50 | 50 |
| Spain[(2)] | 7.2 | 7.2 | 6.5 | 70 | 70 |
| Turkey[(3)] | 8.3 | 8.5 | 8.9 | (60) | (40) |
| **Total** | 6.6 | 6.5 | 6.0 | 60 | 50 |
| **Offices** | | | | | |
| Netherlands[(4)] | 11.1 | 8.9 | 7.8 | 330 | 110 |
| France | 8.5 | 7.7 | 7.6 | 90 | 10 |
| Germany | 9.1 | 10.0 | 9.8 | (70) | 10 |
| **Total** | 9.0 | 8.0 | 7.7 | 130 | 30 |
| **Industrial** | | | | | |
| France | 8.6 | 10.8 | 9.3 | (70) | 150 |
| **Total** | 8.6 | 10.8 | 9.3 | (70) | 150 |
| **Total Group** | 6.7 | 6.7 | 6.1 | 60 | 60 |

* The net theoretical yield (NTY) was calculated as net theoretical rent (calculated as the annualised contractual rent plus turnover based rent and other income, with current market rent being added for unlet space, less operating expenses) divided by net market value (net of transfer costs).

(1) The not rounded yield for the retail Portfolio in France increased slightly because of the addition of Les Portes de Chevreuse to the Portfolio.

(2) The "like-for-like" NTY (*i.e.* excluding Príncipe Pío) was 7.2% in the fourth quarter 2009.

(3) For Turkey, the associate Akmerkez is not included in the yield calculation. If Akmerkez is included, the NTY in Turkey was 8.0% at 31 December 2008 and 2009.

(4) The valuation of the Dutch office portfolio is in part influenced by planned capital expenditures, whereas the possible added value is not yet fully reflected.

*2008/2007*

Revaluation of the Portfolio amounted to a valuation loss of € 339.3 million (including loss on sale of investment property of € 2.8 million, as shown above under "Operating and Financial Review—Results on sales of investment property"), compared to a valuation gain of € 517.3 million in 2007 (including gain on sale of investment property of € 8.6 million), or 5.5% negative relative to the book value of the Portfolio at 31 December 2008 before revaluation. The following table shows the revaluation of the Portfolio (excluding associates and including loss on sale of investment property) in 2008:

| (€ million) | Netherlands | France | Italy | Spain | Turkey | Germany Bulgaria | Total | Total % |
|---|---|---|---|---|---|---|---|---|
| | | | | (unaudited) | | | | |
| Retail | (38.0) | (120.2) | (32.2) | (66.3) | (22.0) | — | (278.7) | (5.2) |
| Offices | (13.8) | (15.0) | — | — | — | (0.3) | (29.1) | (6.2) |
| Industrial | — | (10.8) | — | — | — | — | (10.8) | (15.1) |
| Total operational | (51.8) | (146.0) | (32.2) | (66.3) | (22.0) | (0.3) | (318.6) | (5.4) |
| Operational (%) | (2.6) | (6.9) | (2.8) | (12.1) | (26.4) | (2.6) | | |
| Total development | (1.0) | (20.0) | — | — | 2.5 | (2.2) | (20.7) | (7.7) |
| Development (%) | (1.4) | (15.3) | — | — | 6.1 | (13.9) | | |
| **Total revaluation** | **(52.8)** | **(166.0)** | **(32.2)** | **(66.3)** | **(19.5)** | **(2.5)** | **(339.3)** | **(5.5)** |

Within the operational Portfolio, revaluation in 2008 amounted to 5.4% decrease relative to the book value of the operational Portfolio at 31 December 2008 before revaluation. The revaluation consisted of positive revaluations totalling € 39.2 million and negative revaluations of € 357.8 million. In absolute terms, the positive revaluations mainly involved shopping centres in the Netherlands, France and Italy and the negative revaluations shopping centres in France and Spain. In relative terms, the negative revaluations primarily involved shopping centres in Turkey and Spain, offices in the Netherlands and industrial properties in France.

The following table shows the valuation of the Group's operational Portfolio at 31 December 2008 and 2007, as well as the effects of changes in yields and income on revaluation.

| | **Market value (net of transfer costs)[1]** | | **Revaluation total[2]** | | **Yield effect** | **Income effect** |
|---|---|---|---|---|---|---|
| | **31 December 2008** | **31 December 2007** | **(€ million)** | **%** | **%** | **%** |
| | **(€ million)** | | **(unaudited)** | | | |
| **Retail** | | | | | | |
| Netherlands | 1,839.5 | 1,898.2 | (38.0) | (2.0) | (5.6) | 3.5 |
| France | 1,601.0 | 1,259.1 | (120.2) | (7.0) | (10.1) | 3.1 |
| Italy[3] | 1,124.7 | 1,107.2 | (32.2) | (2.8) | (5.2) | 2.4 |
| Spain | 480.8 | 545.8 | (66.3) | (12.1) | (15.6) | 3.5 |
| Turkey[4] | 61.4 | — | (22.0) | (26.4) | n/a | n/a |
| Total | **5,107.4** | **4,810.3** | **(278.7)** | **(5.2)** | **(8.5)** | **3.3** |
| **Offices** | | | | | | |
| Netherlands | 71.6 | 83.9 | (13.8) | (13.8) | (15.6) | 1.8 |
| France | 311.1 | 294.1 | (15.0) | (4.6) | (10.0) | 5.4 |
| Germany | 12.2 | 12.5 | (0.3) | (2.6) | 1.7 | (4.3) |
| Total | **394.9** | **390.5** | **(29.1)** | **(6.2)** | **(10.6)** | **4.4** |
| **Industrial** | | | | | | |
| France | 60.6 | 71.2 | (10.8) | (15.1) | (15.4) | 0.3 |
| Total | **60.6** | **71.2** | **(10.8)** | **(15.1)** | **(15.4)** | **0.3** |
| **Total operational** | **5,562.9** | **5,272.0** | **(318.6)** | **(5.4)** | **(8.7)** | **3.3** |

(1) Estimated value (net of transfer costs) of operational Portfolio, excluding the sold Netherlands offices and industrial portfolio at year end 2008.
(2) Revaluations of acquisitions were determined in relation to fair value. Revaluations of sales were determined on the basis of the actual sale price.
(3) The value and revaluation include the IKEA outlet at Le Gru in Turin, Italy acquired in December 2008. The yield and income effects exclude this property.
(4) The values and revaluation for Turkey exclude associates. If associates in Akmerkez (2007 and 2008), AdaCenter (2007) and Teras Park (2008) are included, the revaluation of the Turkish portfolio amounts to -26.6%, the yield effect to (24.5)% and the income effect to (2.1)%.

The negative revaluations resulted from an increase in market yields in the property investment market. The net theoretical initial yield of the operational Portfolio rose by 40 basis points, from 5.7% at year end 2007 to 6.1% at year end 2008. The revaluation of the operational Portfolio as a result of the increase of the yields in the market was partially offset by an increase in rental and other income. With the exception of Turkey and Germany, this was positive. Particularly in the case of the French and Spanish retail portfolios, the effect of the yield increase in the valuations was confined to positive effects on the valuation of 3.1% and 3.5%, respectively, as a result of rising rental income and other income. For the operational Portfolio, without the positive income effect on the valuations of 3.3%, the revaluation would have been 8.7% negative rather than 5.4% negative.

*Yields*

The general increase of yields (initial yields) in 2008 was reflected in the valuations of the Portfolio and is in line with the yield adjustments in the local markets for the various sectors. The initial yields for retail rose by an average of 40 basis points. The initial yields for offices rose by 80 basis points and for industrial by 150 basis points.

By far the biggest adjustments in the retail portfolio were in Turkey and Spain, where the net theoretical initial yield of the operational Portfolio (including associates in Turkey) rose by 220 and 100 basis points, respectively. In Turkey, the indirect effect of the economic crisis did not have a major impact on yields and valuations until the final months of 2008, partly due to the strong influence of the devaluation of the Turkish lira. In Spain, value corrections were already underway in the market from the start of 2008, following a period of sharply rising prices and strongly growing supply of new projects. In the Netherlands, the increase in the initial yield remained relatively low. Rental and value movements in the Dutch retail market are generally less volatile than in the other of the Group's markets. The increase in the Italian retail market was also relatively low. This was particularly so for first class, dominant shopping centres with good occupancy rates and revenue growth, as in the case of the Group's Italian properties.

***Administrative expenses***

The following table shows the Group's administrative expenses and the contribution of segments to administrative expenses for the periods indicated:

| (€ million) | 2009 | 2008 (unaudited) | 2007 |
|---|---|---|---|
| The Netherlands | 7.3 | 6.6 | 8.9 |
| France | 6.5 | 6.7 | 6.4 |
| Italy | 3.5 | 2.9 | 1.4 |
| Spain | 0.9 | 0.9 | 1.4 |
| Turkey | 6.5 | 3.4 | 1.2 |
| Other countries and non-alloc. | 10.8 | 9.7 | 7.7 |
| **Total** | **35.5** | **30.2** | **27.0** |

*2009/2008*

The Group's administrative expenses increased by € 5.3 million, or 17.5%, to € 35.5 million in 2009, compared to € 30.2 million in 2008. The increase was due mainly to higher staff and growth of the organization in Turkey and Italy.

*2008/2007*

The Group's administrative expenses increased by € 3.2 million, or 11.9%, to € 30.2 million in 2008, compared to € 27.0 million in 2007. The increase was due mainly to higher personnel costs and consulting fees, and to the growth of the organization in Turkey and Italy.

***Other income and expenses***

*2009/2008*

The Group's other income and expenses were an expense of € 4.8 million in 2009, compared to income of € 0.1 million in 2008. In 2009, other income and expenses consisted of payments for the termination of contracts in Turkey and an earn-out payment on a project in Italy.

*2008/2007*

The Group's other income and expenses were an income of € 0.1 million in 2008, compared to an expense of € 0.6 million in 2007.

***Net finance expense***

*2009/2008*

The Group's net finance expense decreased by € 32.3 million, or 25.4%, to € 94.9 million in 2009, compared to € 127.2 million in 2008. The decrease was due primarily to lower interest expense, caused by lower interest rates compared to 2008 average rates (contributing € 19.7 million) and lower average debt (contributing € 16.3 million), in part offset by lower interest income (€ 5.0 million).

*2008/2007*

The Group's net finance expense increased by € 28.4 million, or 28.7%, to € 127.2 million in 2008, compared to € 98.8 million in 2007. The increase was due primarily to higher interest expense of € 31.2 million, caused by higher average debt of € 0.5 billion (contributing € 24.3 million) and increased interest rates (contributing € 6.9 million) compared with 2007, as well as an increase of € 4.5 million in other costs. These effects were in part offset by higher interest income of € 10.1 million and lower capitalised interest of € 2.8 million.

### *Material non-cash items*

*2009/2008*

The Group's material non-cash items decreased by € 4.2 million, or 31.3%, to negative € 9.2 million in 2009, compared to negative € 13.4 million in 2008. In 2009, material non-cash items related to goodwill impairments, mainly relating to the properties Odisea (Maremagnum) in Spain (€ 2.8 million), C.C.D.F. Spa (Udine) in Italy (€ 0.9 million) and Teras Park in Turkey (€ 5.5 million).

*2008/2007*

The Group's material non-cash items increased by negative € 13.4 million in 2008 from nil in 2007. In 2008, material non-cash items related to goodwill impairments, mainly relating to the properties Odisea (Maremagnum) (€ 4.9 million) and Le Carré, France (€ 3.7 million), as well as € 3.6 million in other impairments relating to a project termination in Turkey, an earn-out payment on a project in Udine, Italy and negative goodwill on the acquired Miratur property in Turkey.

### *Share of profit of equity accounted investees (net of income tax)*

*2009/2008*

The Group's share of profit of equity accounted investees (which include primarily the Group's investments in Turkey) increased by € 84.5 million to an income of €3.1 million in 2009, compared to loss of €81.4 million in 2008. The reasons for the increase are described in detail under "Operating and Financial Review—Direct and indirect result—Share of profit of equity accounted investees (direct)" and "Operating and Financial Review—Share of profit of equity accounted investees (indirect)".

*2008/2007*

The Group's share of profit of equity accounted investees decreased by € 172.5 million to a loss of € 81.4 million in 2008, compared to income of € 91.1 million in 2007. The reasons for the decrease are described in detail under "Operating and Financial Review—Direct and indirect result—Share of profit of equity accounted investees (direct)" and "Operating and Financial Review—Share of profit of equity accounted investees (indirect)".

### *Tax*

*2009/2008*

The Group's current tax expense increased by € 1 million to € 2.8 million in 2009, compared to € 1.8 million in 2008. Deferred tax liabilities increased by € 40.8 million to € 64.3 million in 2009, compared to € 23.5 million in 2008. Movements in deferred tax arise principally as a result of revaluations of the Group's properties as well as acquisitions, and are recognised through profit and loss. The increase in deferred tax liabilities in 2009 related primarily to a one-time step up in the tax book value of the Group's Italian portfolio and to negative revaluations of properties in France, Italy and Spain.

*2008/2007*

The Group's current tax expense was € 1.8 million, at the same level as in 2007. Deferred tax liabilities were € 23.5 million in 2008, compared to deferred tax assets of € 30.4 million in 2007. The change related primarily to negative revaluations of properties in Italy and Spain.

### *Net result from discontinued operations*

The Group had no discontinued operations in 2009. In 2008, the Group sold its offices and industrial portfolio in the Netherlands, in line with its strategy to focus on retail. The Group's activities relating to properties in this portfolio was treated as discontinued operations in 2008. In the consolidated financial statements as of and for the year ended 31 December 2007, the Group's activities with respect to its portfolio of offices and industrial properties in France were classified as discontinued operations in line with the Group's strategy to dispose of such portfolio. In 2008, the Group no longer classified activities with respect to such portfolio as discontinued operations because the sale was not completed within 2007. The Group currently plans to sell the properties in the French offices and industrial portfolio on an individual basis (*i.e.* not as an entire portfolio) and aims to conclude the sale of such properties by the end of 2012. As a result, in the consolidated financial statements as of and for the year ended 31 December 2008, the comparative figures for 2007 were adjusted to no longer present these operations as discontinued. The 2007 figures in the table below are shown as so adjusted.

The following table shows a breakdown of the contribution of discontinued operations to the Group's net result for the periods indicated:

| **(€ million)** | **2008** | | **2007** | |
|---|---|---|---|---|
| | | **(unaudited)** | | |
| **Offices** | | **7.2** | | **58.6** |
| Gross rental income | 25.8 | | 35.3 | |
| Net service charges | (0.6) | | (0.6) | |
| Property operating expenses | (3.2) | | (5.0) | |
| Results on sale of investment properties | (14.5) | | — | |
| Net revaluation on investment properties | — | | 29.8 | |
| Administrative expenses | (0.2) | | (0.9) | |
| Net other income/expenses | (0.5) | | | |
| **Industrial** | | **5.3** | | **14.2** |
| Gross rental income | 7.4 | | 10.4 | |
| Net service charges | — | | — | |
| Property operating expenses | (1.1) | | (1.6) | |
| Results on sale of investment properties | (1.0) | | — | |
| Net revaluation on investment properties | — | | 5.6 | |
| Administrative expenses | — | | (0.2) | |
| **Total** | | **12.5** | | **72.8** |

The Group's net result from discontinued operations decreased by € 60.3 million, or 82.8%, to € 12.5 million in 2008, compared to € 72.8 million in 2007. The loss on sale of investment properties was due primarily to a € 16.1 million loss on the sale of the offices and industrial portfolio in the Netherlands.

***Net result***

*2009/2008*

The Group's net result increased by € 107.1 million to a net loss of € 132.5 million in 2009, compared to net loss of €239.6 million in 2008. The increase resulted from the factors discussed above.

*2008/2007*

The Group's net result decreased by € 1,041.1 million to a net loss of € 239.6 million in 2008, compared to net income of € 801.5 million in 2007. The decrease resulted from the factors discussed above.

***Direct and indirect result***

Management measures the Group's operating performance utilising the direct and indirect result measures. These are supplemental measures of the Group's performance which are used for management purposes and should not be considered in isolation or as an alternative to net result or any other performance measure derived in accordance with IFRS. In addition, such measures, as defined by the Group, may not be comparable to other similarly titled measures used by other companies.

Management believes that using the direct result measure enables it to better assess the underlying operating performance of the Group, after adjusting principally for gains or losses on sales of investment property and revaluation effects (including on deferred taxes and result of associates), which are driven by market conditions outside of the Group's control. Management believes that this allows investors to measure and judge the ability of the business to generate underlying cash flows. The Group presents direct and indirect results in its ongoing financial reporting and intends to use these measures going forward.

The following table sets forth the calculation of direct and indirect result for the periods indicated:

| (€ million) | 2009 | 2008 (unaudited) | 2007 |
|---|---|---|---|
| Gross rental income | 390.8 | 364.7 | 318.5 |
| Property operating expenses (including net services changes) | (53.8) | (47.0) | (39.6) |
| **Net rental income** | 337.0 | 317.7 | 278.9 |
| Administrative expenses | (35.5) | (30.2) | (27.1) |
| **Operating income** | 301.5 | 287.5 | 251.9 |
| Share of profit of equity accounted investees (direct) | 8.7 | 15.2 | 14.2 |
| **EBIT continuing operations** | 310.2 | 302.7 | 266.1 |
| Operating income from discontinued operations | — | 28.6 | 37.6 |
| **EBIT** | **310.2** | **331.3** | **303.7** |
| Net finance costs | (94.9) | (127.2) | (98.8) |
| Corporate income tax | 3.5 | 0.0 | (1.8) |
| **Direct result** | **218.8** | **204.1** | **203.1** |
| Non-controlling interest | 0.6 | — | — |
| **Direct result (excluding non-controlling interest)** | **218.2** | **204.1** | **203.1** |
| Net revaluation gain/loss on investment property | (382.7) | (336.6) | 508.7 |
| Result on sales of investment property | (7.0) | (2.8) | 8.6 |
| Share of profit of equity accounted investees (indirect) | (5.6) | (96.7) | 76.9 |
| Deferred tax | 58.0 | 21.6 | (30.4) |
| Net other income/expenses(1) | (14.0) | (13.2) | (0.6) |
| **Indirect result from continuing operations** | **(351.3)** | **(427.6)** | **563.2** |
| Indirect result from discontinued operations | — | (16.1) | 35.2 |
| **Indirect result** | **(351.3)** | **(443.7)** | **598.4** |
| Non-controlling interest | (0.6) | — | — |
| **Indirect result (excluding non-controlling interest)** | **(350.7)** | **(443.7)** | **598.4** |
| **Net result** | **(132.5)** | **(239.6)** | **801.5** |
| Attributable to: | | | |
| Non-controlling interest | (0.6) | — | — |
| Shareholders | (131.9) | (239.6) | 801.5 |

(1) Consists of “other income and expenses” and “material non-cash items”.

*Share of profit of equity accounted investees (direct)*

*2009/2008*

The Group’s share of profit of equity accounted investees (direct) decreased by € 6.5 million to € 8.7 million in 2009, compared to € 15.2 million in 2008. In 2009, share of profit of equity accounted investees (direct) related to the Group’s 47.0% interest in the Akmerkez shopping centre and reflected rental reductions at Akmerkez due to a combination of the economic downturn, depreciation of the Turkish lira and ongoing refurbishment. Until March 2009, share of profit of equity accounted investees also included the Group’s 40.0% interest in the Teras Park shopping centre. In March 2009, the Group increased its ownership in Teras Park to 51.0%, which led to its consolidation.

*2008/2007*

The Group’s share of profit of equity accounted investees (direct) increased by € 1.1 million to € 15.2 million in 2008, compared to € 14.2 million in 2007. The Group’s 47.0% interest in the Akmerkez shopping centre and, until May 2008, the Group’s 30.0% interest in the AdaCenter shopping centre were the primary contributors to the result, contributing € 14.1 million in 2008 and € 14.1 million in 2007. In May 2008, the Group acquired 100% ownership in AdaCenter and fully consolidated it.

*Direct result*

*2009/2008*

Direct result (excluding non-controlling interest) increased by € 14.1 million to € 218.2 million in 2009, compared to € 204.1 million in 2008. The increase was due primarily to the growth in gross rental income, which was in part offset by increased operational expenses, including higher non-recoverable service charges and provisions for bad debt due to the challenging economic environment, as well as higher administrative expenses, as discussed in more detail above.

*2008/2007*

Despite the sale of the offices and industrial portfolio in the Netherlands in 2008, direct result increased by € 1.0 million to € 204.1 million in 2008, compared to € 203.1 million in 2007. The increase was due primarily to the growth in net rental income discussed above.

*Share of profit of equity accounted investees (indirect)*

*2009/2008*

The Group's share of profit of equity accounted investees (indirect) was a loss of € 5.6 million in 2009, compared to a loss of € 96.7 million in 2008, primarily due to the increase of the Group's ownership in Teras Park to 51.0%, which led to its consolidation.

*2008/2007*

The Group's share of result of associates (indirect) decreased to a loss of € 96.7 million in 2008 from a profit of € 76.9 million in 2007, as a result of negative revaluation of the associates in Turkey.

*Indirect result from continuing operations*

*2009/2008*

Indirect result from continuing operations increased to a loss of € 351.3 million in 2009, compared to a loss of € 427.6 million in 2008. The increase was due principally to lower negative Portfolio revaluations, as discussed above.

*2008/2007*

Indirect result in 2008 was a loss of € 427.6 million, compared to a profit of € 563.2 million in 2007. The decline was due principally to the negative Portfolio revaluations discussed above.

## Liquidity and capital resources

### *Working capital*

The Group's main source of liquidity for its daily operations is net rental income. In addition, for the acquisition of new real estate properties and (re)development projects, a combination of equity and debt financing is used.

The Group believes that its working capital is sufficient for its present requirements; that is, for at least twelve months following the date of this Prospectus.

### *Indebtedness*

The Group's financial liabilities consist primarily of debt incurred in borrowing money. At 31 December 2009, the Group had € 2,338.6 million of outstanding indebtedness, compared to € 2,382.3 million at 31 December 2008 and € 2,390.7 million at 31 December 2007.

Approximately € 589.2 million of the indebtedness at 31 December 2009 was secured by mortgaging properties, compared to € 548.6 million at 31 December 2008 and € 540 million at 31 December 2007. The carrying amount of the mortgaged properties amounted to € 1,267.7 million at 31 December 2009, compared to € 1,305.5 million at 31 December 2008 and € 1,267.9 million at 31 December 2007.

At 31 December 2009, the average maturity of the Group's debt was 5.8 years (2008: 5.7 years; 2007: 6.7 years). Maturity dates on the Group's long-term debt are well spread over the future. The following table shows the contractual maturities of the Group's financial liabilities, including estimated interest payments and excluding the impact of netting agreements, at 31 December 2009:

| | At 31 December 2009 | | | | |
|---|---|---|---|---|---|
| **(€ million)** | **Carrying amount** | **0-1 year** | **1-2 years** | **2-5 years** | **More than 5 years** |
| | | | **(audited)** | | |
| Interest-bearing loans and borrowings | 2,363.5 | 130.1 | 459.1 | 983.6 | 1,454.4 |
| Financial derivatives | 116.4 | (1.2) | 16.3 | 43.7 | 72.4 |
| Other current liabilities | 127.5 | 127.5 | — | — | — |
| | 2,607.4 | 256.4 | 475.4 | 1,027.3 | 1,526.8 |

The Group's policy is to arrange between one-third and two-thirds of its borrowing requirements at fixed rates. Approximately 63% of the Group's interest-bearing debt (net after swaps) at 31 December 2009 were fixed rate instruments, compared to 62% at 31 December 2008 and 56% at 31 December 2007. The average interest rate on borrowings (net after swaps) for 2009 was 4.26%, compared to 5.04% for 2008 and 4.80% for 2007. In 2010, approximately € 846.0 million of net borrowings will face an interest rate reset, of which € 495.0 million will be reset semi-annually, € 172.0 million will be reset quarterly and € 179.0 million will be reset on a monthly basis. The interest expense in 2010 will not be affected by changes in credit spreads because the interest resets relate to loans with previously agreed fixed credit spreads.

The Group uses interest rate swaps to manage interest rate exposures. A 100 basis point increase in the variable interest rate at 31 December 2009 would have increased the Group's theoretical interest expense by € 5.5 million (2008: € 5.9 million; 2007: € 10.2 million), assuming no change in the composition of the financing. A 100 basis point increase during the year would have increased the interest expense in 2009 by € 2.8 million (2008: € 2.8 million; 2007: € 4.5 million).

The following table shows the periods in which the interest on the Group's debt will reset, taking into account the effect of derivatives, at 31 December 2009. The interest reset for fixed-rate debt reflects the redemption date:

| | At 31 December 2009 | | | | |
|---|---|---|---|---|---|
| **(€ million)** | **Total** | **0-12 months** | **1-2 years** | **2-5 years** | **More than 5 years** |
| | | | **(unaudited)** | | |
| Fixed-rate mortgage loans | 183.1 | 5.3 | 175.7 | 2.1 | — |
| Fixed-rate loans | 1,375.8 | — | 167.5 | 408.0 | 800.3 |
| Floating-rate mortgage loans | 406.1 | 406.1 | — | — | — |
| Floating-rate loans | 509.4 | 509.4 | — | — | — |
| | 2,474.4 | 920.8 | 343.2 | 410.1 | 800.3 |

*U.S. private placement notes*

The Group issued notes in two private placements to investors in the United States in 2004 and 2007. The notes consist of the following tranches, all of which were outstanding at 31 December 2009:

- notes issued in 2004: $ 140 million due 2011, € 50 million due 2011, $ 300 million due 2014 and GBP 6 million due 2014; and
- notes issued in 2007: $ 150 million due 2014, $ 430 million due 2017, $ 400 million due 2019, GBP 50 million due 2017 and € 100 million due 2022.

Except for $ 190 million of the 2007 notes due 2019, the full amounts of the tranches denominated in GBP and US$, including the interest thereon, have been swapped into euros. The $ 190 million tranche is used as a net investment hedge on the Group's investment in the Turkish shopping centre Akmerkez.

The interest on the U.S. private placement notes is fixed or set at a fixed rate with swaps, except for US$ 100 million and GBP 6 million of the 2004 notes, which are swapped on a six-month Euribor basis.

*Revolving credit facility and bank facilities*

In April 2005, the Group (through the Company and certain of its subsidiaries as borrowers) entered into a € 600 million revolving credit facility agreement with ABN Amro Bank N.V., CCF/DAI (*Direction des Affaires Immobilières*), Fortis Bank (Nederland) N.V., ING Real Estate Finance N.V. and the Royal Bank of Scotland plc. In 2007, the share of CCF/DAI in the facility was transferred to BNP Paribas S.A. The revolving credit facility will mature in April 2012, at which point in time the facility will need to be refinanced or its utilized portion repaid. At 31 December 2009, the Group had drawn € 60 million under the facility. The remainder of the facility is unutilised and committed and available to the Group. The Company expects to make drawdowns under the facility to in part finance the Acquisition.

The revolving credit facility and the notes issued in the U.S. private placements (including the related swaps) are linked through an intercreditor agreement, which was put in place to mitigate the subsidiary debt restriction contained in the U.S. private placement notes. The agreement effectively provides for the sharing of recoveries among the creditor group in the event of a payment or covenant default by the Group.

In addition to the revolving credit facility, the Group had € 258.7 million in outstanding unsecured bank debt at 31 December 2009, of which a € 186.2 million loan and a € 50 million loan are due in 2013 and a € 22.5 million loan is due in 2014. The € 22.5 million loan bears floating rate interest, € 85 million of the € 186.2 million loan have been swapped into a fixed rate until June 2011 and interest on the € 50 million loan has been swapped entirely into fixed rate.

*Inflation-linked loan*

In August 2009, the Company, as borrower, and Corio Netherland B.V. and Corio Real Estate Espana S.C., as guarantors, entered into a € 200 million inflation-linked facility due 2016 with Stichting Depositary APG Index Linked Bonds Pool. The lender is an affiliate of Stichting Pensioenfonds ABP, the Company's main shareholder. The interest on the facility is partially fixed and partially linked to the inflation index in the Netherlands. The inflation-linked interest is compounded and settled at the maturity of the loan.

*Subsidiary indebtedness*

The Group uses subsidiary indebtedness in connection with the financing of its investment properties in various jurisdictions, principally Italy. The subsidiary debt is typically secured by mortgages on the related investment properties. At 31 December 2009, the Group's subsidiary indebtedness consisted of € 505.5 million mortgage bank debt in Italy, € 13.1 million mortgage bank debt in France, € 70.5 million debt secured by a share pledge in Spain and € 7.3 million unsecured debt in the Netherlands. € 170 million of the Italian secured debt is set at a fixed rate, with the remainder set at a floating rate basis. Interest on the secured loan in Spain is also floating, with a minimum rate of 3.75%.

*Financial covenants; limitation on borrowings*

The agreements governing the U.S. private placement notes, the revolving credit facility, the bank facilities, the inflation-linked loan and the subsidiary indebtedness outlined above include customary representations and warranties, covenants, notice provisions, negative pledges, restrictions on subsidiary debt and asset disposals and events of default. The agreements also contain certain financial covenants. These include maximum leverage (defined as total liabilities less deferred tax liabilities and accounts payable in the ordinary course of business, divided by total assets less intangible assets), which must always be less than 55.0%, and an interest cover ratio (defined as total net rental income and dividends, divided by interest paid (or otherwise due) less interest received, both for the past 12 months), which must always be at least 2.2. The definitions are based on the conditions of the U.S. private placement notes; the definitions for the revolving credit facility are different and less stringent. At 31 December 2009, leverage amounted to 40.4% (40.1% at 31 December 2008 and 34.0% at 31 December 2007) and interest cover ratio was 3.4 (2.6 at 31 December 2008 and 3.0 at 31 December 2007). The Group periodically monitors its financial covenant compliance. To the date of this Prospectus, the Group has been in full compliance with its covenants.

Failure to comply with the financial and other covenants under these agreements may constitute default and allow the lenders to accelerate maturity of all indebtedness. If such acceleration were to occur, the Group may not have sufficient liquidity to repay the indebtedness. The Group would likely have to seek amendments under the agreements for relief from the covenants or repay the debt with proceeds from the issuance of new debt or equity or asset sales. The Group may not be able to amend the agreements or raise sufficient capital to repay the obligations in the event the maturities are accelerated.

The Company utilises specific tax regimes in the Netherlands and France that cater for an effective tax rate of 0% on the investment profits realised on virtually the entire investment portfolio in such jurisdictions. For additional information, see "Regulatory Matters and Tax Status of the Group." These regimes are subject to certain conditions, including, under the Dutch tax regime, a limitation on externally borrowed funds, with which the Group must comply. Externally borrowed funds currently may not exceed the maximum amount corresponding to the sum of 60.0% of the tax book value of the Group's directly owned real estate assets and 60.0% of the tax book value of its other assets. Borrowings that are subsequently lent to parties outside the Dutch fiscal unity are ignored for the purpose of calculating the limitation on borrowings.

### *Off-balance sheet commitments*

The following table gives an overview of the Group's off-balance sheet financial obligations at the dates indicated. Other than as set forth below, the Group has no material off-balance sheet commitments.

| | At 31 December | | |
|---|---|---|---|
| **(€ million)** | **2009** | **2008** | **2007** |
| | | **(audited)** | |
| Pipeline—Fixed[(1)] | 623.4 | 771.1 | 1,333.9 |
| Guarantees[(2)] | 73.1 | 54.1 | 138.4 |
| Lease commitments[(3)] | 243.2 | 23.7 | 1.7 |

(1) For a description of the Group's Pipeline, see "Business—Pipeline".
(2) Includes internal guarantees granted in connection with financing of the Group, as well as acquisition-related guarantees.
(3) Includes commitments under leasehold assets in the Netherlands, Spain and Turkey. These are analogous to a ground rent payment. The increase in 2009 was due primarily to leases in relation to Príncipe Pío in Spain (acquired in 2009) and Migros in Turkey.

### *Cash flow analysis*

The following table is a summary of the Group's consolidated cash flow statements for the periods indicated. For a detailed presentation of the statement of cash flows for the periods indicated, please refer to the audited consolidated financial statements incorporated by reference in this Prospectus.

| **(€ million)** | **2009** | **2008** | **2007** |
|---|---|---|---|
| | | **(audited)** | |
| Cash flow from operating activities | 154.6 | 199.0 | 227.9 |
| Cash flow from investing activities | (83.3) | (143.0) | (373.0) |
| Cash flow from financing activities | 9.1 | (57.9) | 154.7 |
| Change in cash | 80.4 | (1.9) | 9.6 |
| Cash and cash equivalents as at 1 January | 10.8 | 12.7 | 3.1 |
| Cash and cash equivalents as at 31 December | 91.2 | 10.8 | 12.7 |

*Cash flow from operating activities*

In 2009, the Group's cash flow from operating activities decreased by € 44.4 million, or 22.3%, to € 154.6 million, compared to € 199.0 million in 2008. This decrease was due primarily to consolidation of properties acquired by the Group and the issuance of share capital. This negative effect was in part offset by lower financing expense as a result of lower interest rates and lower average amount of debt outstanding related to the Group's investment program and lower dividend in 2009 compared to 2008.

In 2008, the Group's cash flow from operating activities decreased by € 28.9 million, or 12.7%, to € 199.0 million, compared to € 227.9 million in 2007. This decrease was due primarily to higher financing expense as a result of higher average amount of debt outstanding related to the Group's investment program. This negative effect was in part offset by higher cash flow from operations (net result before tax adjusted for non-cash items), which increased by € 6.6 million, or 2.0%, from € 328.5 million in 2007 to € 335.1 million in 2008.

*Cash flow from investing activities*

In 2009, the Group's cash outflows from investing activities decreased by € 59.7 million, or 41.7%, to € 83.3 million, from cash outflows € 143.0 million in 2008. This decrease was due primarily to the sale of certain French offices and industrial properties, which contributed € 63.1 million to cash flows from investing activities, as well as lower acquisitions of investment property and investments in the development or redevelopment of the Group's portfolio, which together declined by € 678.7 million to € 212.7 million in 2009 from € 891.4 million in 2008. Acquisitions and investments in 2009 related principally to the following shopping centres: Príncipe Pío (Spain) and Tekira and Teras Park (both in Turkey).

In 2008, the Group's cash outflows from investing activities decreased by € 230.0 million, or 61.7%, to € 143.0 million from cash outflows of € 373.0 million in 2007. This decrease was due primarily to the sale of the Dutch offices and industrial portfolio, which contributed € 632.2 million to cash flows from investing activities. This effect was in part offset by higher acquisitions of investment property and the Group's investments in the development or redevelopment of its portfolio, which increased by € 438.4 million to € 891.4 million in 2008 from € 453.0 million in 2007. Acquisitions and investments in 2008 related principally to the following shopping centres: Grand Littoral (France), Pieter Vreedeplein and Eschmarke (the Netherlands) and AdaCenter and "365" (Turkey).

*Cash flow from financing activities*

In 2009, the Group's cash flow provided by financing activities was € 9.1 million, compared to cash flow used in financing investing activities of € 57.9 million in 2008. The change in 2009 resulted primarily from cash inflows from proceeds of € 254.0 million from the sale of the Group's shares in an accelerated book building in June 2009 and a lower dividend paid (effect of € 67.3 million), in part offset by lower proceeds from borrowings (effect of € 201.8 million) and higher debt repayments (€ 52.5 million).

In 2008, the Group's cash flow used in financing investing activities was € 57.9 million, compared to cash flow provided by financing activities of € 154.7 million in 2007. The cash outflows in 2008 were due primarily to lower proceeds from borrowings in 2008. In 2007, the Group received higher proceeds from loans and a private placement of debt in the United States.

## Contractual obligations and commercial commitments

The following is a summary of the Group's significant contractual obligations by year as at 31 December 2009.

| (€ million) | Total | Due within 1 year | Due between 1 and 5 years | Due after 5 years |
|---|---|---|---|---|
| | | (unaudited) | | |
| Interest-bearing loans and borrowings | 2,363.5 | 130.1 | 1,442.7 | 1,454.4 |
| Financial derivatives | 116.4 | (1.2) | 60.0 | 72.4 |
| Operating lease obligations | 243.2 | 8.0 | 27.3 | 207.9 |
| Purchase obligations(1) | 127.5 | 127.5 | — | — |
| Other long-term liabilities(2) | 623.4 | 248.9 | 374.5 | — |
| Total | 3,346.8 | 388.2 | 1,894.5 | 1,734.7 |

(1) Represents trade and other payables.

(2) Represents Pipeline commitments.

## Qualitative and quantitative disclosure about market risk

Operating in the retail property market subjects the Group to various market risks, including credit risk, liquidity risk, currency risk and interest rate risk. For additional qualitative and quantitative discussion of the market risks to which the Group is exposed in the normal course of its business, please refer to the Group's consolidated financial statements and related notes incorporated by reference in this Prospectus.

***Credit risk***

The Group's credit risk is defined as the unforeseen losses on assets if counterparties should default. The creditworthiness of tenants is closely monitored by checking their credit rating and keeping a close watch on the accounts receivable. Rents are in general payable in advance and part of the rent payable is secured by means of bank guarantees or guarantee deposits. The Group believes that it has no significant credit risk concentrations due to its diversified tenant base. Financial transactions are entered into only with financial institutions having a credit rating of at least A+ (Standard & Poor's). At 31 December 2009, the Group's provision for bad debts amounted to € 11.0 million (2008: € 8.4 million; 2007: € 7.1 million). For additional information, including an aging analysis of accounts receivable, see the notes to the Group's consolidated financial statements incorporated by reference in this Prospectus.

***Liquidity risk***

Managing the Group's liquidity risk involves ensuring the availability of adequate credit facilities. The greater part of the Group's long-term borrowings is provided by two U.S. private placements and unsecured bilateral loans and mortgage bank loans. Fluctuations in the liquidity requirement are accommodated by means of the € 600 million revolving credit facility. See "Operating and Financial Review—Liquidity and capital resources—Indebtedness".

Existing investment commitments are partly financed with future disposals. The Group aims to arrange its finances over a time horizon averaging at least five years. At 31 December 2009, the average maturity of the Group's debt was 5.8 years (2008: 5.7 years; 2007: 6.7 years). The Group must at all times meet obligations under its financing agreements by meeting certain financial covenants. Compliance with covenants is monitored periodically. The consolidated cash flow plan, which is updated on the basis of investment and disposal proposals and any fluctuations in income and expenditure, are the most important basis for this analysis. In addition, the Group must comply with certain financing limits due to its regulatory status. See "Operating and Financial Review—Liquidity and capital resources—Indebtedness—Financial covenants; limitation on borrowings".

***Currency risk***

With the exception of its operation in Turkey and a relatively small investment in Bulgaria, the Group operates only in euro countries. The Group's investments in Turkey are denominated in US dollars. Exchange risks on the net investments in US dollars are reduced by financing such investments with loans in the same currency or by making use of currency swaps. A $ 190 million U.S. private placement note (see "Operating and Financial Review—Liquidity and capital resources—Indebtedness—U.S. private placement notes") and cross currency swaps amounting to $ 81 million cover the Group's US dollar investments in the shopping centres Akmerkez and AdaCenter in Turkey. The value of these investments at 31 December 2009 was € 289.2 million. At 31 December 2009, a 10.0% depreciation of the US dollar would have resulted in a loss on the investments of € 18.2 million and in a gain on the combined hedge instruments thereon of € 17.1 million. At 31 December 2008, $ 304 million in loans covered investments of $ 309 million.

The US dollar denominated rental income from the shopping centres Akmerkez and AdaCenter, together with a US dollar denominated leasehold expense for the "365" shopping centre in Turkey, are hedged on a net basis at Group level. The Group seeks to absorb or delay movements in US dollar exchange rates by selling the greater part of the forecasted net US dollar cash flows for euros for at least five quarters forward on a rolling basis. In addition to swaps, non-euro denominated financing expenses are used to create offsetting cash outflows. At 31 December 2009, the annual US dollar interest expense of $ 10.8 million on the $ 190 million U.S. private placement note covers the greater part of the Group's forecasted net US dollar cash flows.

Net asset and liability positions in currency other than the functional currency per entity are kept to a minimum. Currency swaps may be used to achieve this. To hedge the currency risk on the US dollar private placement notes, the Group has made use of cross-currency swaps, except for the $ 190 million tranche, which is used as a net investment hedge.

A significant proportion of the Group's financial instruments was either contracted in euros or has been swapped for euros. Therefore, the sensitivity of the Group's results to exchange rate movements is limited. The following table shows the Group's currency exposure at 31 December 2009:

| | At 31 December 2009 | | |
|---|---|---|---|
| **(€ million)** | **US$** | **GBP** | **TRY** |
| | | **(audited)** | |
| Interest-bearings loans and borrowings | (990.0) | (64.0) | — |
| Cash and cash equivalents | — | — | — |
| Loans and receivables | — | — | — |
| Balance sheet exposure, gross | — | — | — |
| Cross-currency swaps | 801.9 | 64.0 | — |
| Net position | (188.1) | — | — |

### *Interest rate risk*

The Group's policy is to arrange between one-third and two-thirds of its borrowing requirements at fixed rates. See "Operating and Financial Review—Liquidity and capital resources—Indebtedness" for a discussion of the Group's exposure to interest rate risk, including information on debt maturities, fixed and variable rate debt and the use of derivatives to manage interest exposure and a sensitivity analysis.

## Subsequent events

For information on events that have taken place subsequent to 31 December 2009, please refer to "Business—Recent developments".

## Selected significant accounting policies

The following discussion relates to selected significant accounting policies that were used by the Company in preparing the consolidated financial statements incorporated by reference in this Prospectus. Certain of the Company's accounting policies are particularly important to the preparation and explanation of its results of operations. Both in selecting accounting policies for which alternative methods exist under IFRS and applying these accounting policies, the Company's management needs to make certain assumptions that require difficult, complex and subjective judgments, assumptions and estimates. The Company evaluates these judgments, assumptions and estimates based on an ongoing basis. These judgments, assumptions and estimates could subsequently prove to be incorrect, and thus lead to adjustments of the relevant financial information. For a discussion of these and additional accounting policies, see notes to the consolidated financial statements incorporated by reference in this Prospectus.

### *Portfolio valuation*

Investment property covers investments in property held for the purpose of generating rental income, for capital gain or for a combination of both and includes property held under finance leases and leased out under operating leases. Property held under operating leases may be classified as investment property on a property-by-property basis if the property meets the definition of investment property and the Group recognises it at fair value. Property under development for future use as investment property (development projects) is classified as investment property under development.

Investment property is carried at fair value. When the Group undertakes redevelopment of an existing investment property for continued future use as investment property, the property continues to be treated as investment property. From 1 January 2009, in compliance with IAS 40 (Investment Property), development projects are likewise carried at fair value. Gains and losses arising from changes in fair value are recognised in the profit and loss account.

The portfolio is appraised every six months (30 June and 31 December) by independent external valuers with recognised and relevant professional qualification and experience with the location and category of the property being appraised. External valuations are performed in compliance with the survey and valuation standards in the 'Red Book' of the Royal Institute of Chartered Surveyors (RICS) and the International Valuation Standards of the International Valuation Standards Committee (IVSC). At 31 March and 30 September, the properties are valued internally by the Group. The Group publishes information regarding valuations of its properties in its periodic and annual reports.

The fair value is based on fair market value, *i.e.* the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion. 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.

At 31 December 2009, the appraisal of the portfolio implied a net initial yield of 6.7% (2008: 6.1%). If the yields used for the appraisals had been 100 basis points higher than was the case at the appraisal date, the value of the investments would have decreased by 12.9% (2008: decreased by 14.0%). In this situation, the Group's shareholder equity would have been € 652 million lower (2008: € 715 million lower) and the debt ratio would have risen from 40.4% to 46.5% (2008: risen from 40.1% to 45.1%).

Depending on its extent, a revaluation loss or overvaluation may have a material adverse effect on the Group's financial condition and results of operations. See "Operating and Financial Review—Key Factors Affecting Results of Operations—Portfolio revaluations", "Risk Factors—The Group is exposed to the risk of revaluation losses with respect to its properties" and "Risk Factors—The valuation of the properties of the Group contained in the Valuation Reports is inherently subjective and uncertain".

***Derivative financial instruments***

The sole purpose of the derivative financial instruments contracted by the Group 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. On initial recognition, derivative financial instruments are carried at cost, with subsequent measurement at fair value. The fair value of interest rate and currency swaps is the estimated amount that would be received or paid by the Group to end the swap at balance sheet date, taking the current interest rate into account. Where derivative financial instruments are designated as hedging transactions, recognition of any gain or loss arising from the change in the fair value depends on the accounting method for the hedged item. At 31 December 2009, the Group held € (116.4) million in derivatives for hedging purposes (net position) as compared to € 6.6 million and € (85.7) million at 31 December 2008 and 2007, respectively. The movements between fair values of the derivative instruments are caused by fluctuations in interest and exchange rates.

See "Risk Factors—The Group is exposed to interest rate risks" and "Risk Factors—The Group is exposed to currency risks" for a discussion of the underlying risks to the Group.

***Deferred tax***

Deferred tax is recognised using the balance sheet method, reflecting temporary differences between the carrying amounts of assets and liabilities and the amounts used for tax purposes. The amount of deferred tax is based on the expected realisation or settlement of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax is not discounted. Movements in deferred taxes arising from revaluation of properties are recognised through profit and loss.

A deferred tax asset for unused tax losses is recognised only to the extent that it is probable that future taxable profits will be available against which the Group will be able to offset the unused tax loss. Significant management judgment is required in determining whether deferred tax assets will be recognised in full or in part. If future taxable profits are not or not fully in line with the Company's assumption, the Group's ability to utilise its future deferred tax assets would be jeopardised or delayed. Deferred tax assets are derecognised if it is no longer probable that they can be realised. Deferred tax assets at 31 December 2009 totalled € 20.6 million, compared to € 13.4 million and € 10.5 million at 31 December 2008 and 2007, respectively. Tax losses for which no deferred tax asset is recognised amounted to € 7.5 million at 31 December 2009, compared to € 4.7 million and € 8.2 million at 31 December 2008 and 2007, respectively.

Deferred tax liabilities at 31 December 2009 totalled € 251.3 million, compared to € 288 million and € 301.7 million at 31 December 2008 and 2007, respectively. The Group's deferred tax liabilities are driven primarily by valuations of properties, principally in Italy, Spain and Turkey. Valuation above an asset's cost basis will lead to higher tax payments if the asset is sold in the future. In the Netherlands and France, the Group benefits from tax regimes that cater for an effective tax rate of 0% on the investment profits realised on virtually the Group's entire investment portfolio and, as a result, property valuations in such jurisdictions do not generally affect deferred tax liabilities.

### *Rental income*

Rental income from investment property leased out under operating leases is recognised in the profit and loss account on a straight-line basis over the term of the lease. All incentives granted by the Group to tenants for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed, irrespective of the incentive's nature or form or the timing of payments. Aggregate cost of incentives exceeding € 500,000 per contract are recognised as a reduction of rental income over the lease term on a straight-line basis. Incentives lower than € 500,000 are recognised in rental income in the period in which they are granted.

Rents are generally payable in advance and part of the rental payable is secured by means of bank guarantees or guarantee deposits. In addition, the Group utilised direct debiting in some countries. For a discussion of the credit risk on unsecured rent payments, see "Risk Factors—The Group is exposed to credit risk on rent payments from its tenants".

Where there are service contracts with third parties, service charges are recovered from tenants. Service charges in respect of vacant property are expensed. Property operating expenses are expensed as incurred and comprise those costs that are directly attributable to the operation of properties, net of costs charged to the tenants.

### *Basis of consolidation*

The consolidated financial statements include the Company's accounts and those of controlled subsidiaries. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity. Investments in associates, in which the Company has significant influence over the financial and operating policies, are accounted for using the equity method of accounting. Joint ventures, entities over whose activities the Company has joint control with other shareholders on the basis of a contractual agreement, are accounted for by including the Company's proportionate share of the entities' assets, liabilities, income and expenses and items of a similar nature.

### *Impairment*

The carrying amounts of the Group's assets, other than investment property and deferred tax assets, are reviewed at the balance sheet date to determine whether there is any indication of impairment. If any such 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 profit and loss account. The recoverable amount of an asset is the higher of its net selling price and its value in use. In measuring value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The discounted cash flow method used in calculating value in use includes various estimates and assumptions, including long-term growth rate and discount rate, which are of a subjective nature.

Except in the case of goodwill, 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.

### *Intangible assets and goodwill*

Intangible assets relate solely to goodwill, being the difference between the purchase price of an acquisition and the fair value of the Group's share of the net assets of the acquired subsidiary, associate or joint venture at the effective date of acquisition, taking related costs into account. Goodwill is recognised in the balance sheet as an intangible asset or, for investments accounted for using the equity method, included in the carrying amount of the investments in associates. Negative goodwill is recognised in the profit and loss account immediately.

Goodwill is carried at cost less any accumulated impairment losses. An impairment test is performed annually, or more frequently if deemed necessary. Goodwill impairment losses are not reversed.

Goodwill which is the result of deferred tax purchased with the acquisition of an entity is tested for possible impairment by repeating the calculations underlying the deferred tax provision. Deferred tax relates to unrealised gains and losses on the properties in the entities. The amount of goodwill recognised for a given entity must not exceed the amount of the deferred tax purchased with that entity. With respect to other goodwill, the recoverable amount of cash-generating units included in goodwill must be equal to the higher of the value in use and the fair value less divestment costs.

# BUSINESS

## Overview

The Group is a retail property company. It specialises in the ownership, management, development and redevelopment of shopping centres. Currently, the Group has operations in five Home Markets: the Netherlands, France, Italy, Spain and Turkey. The Ordinary Shares are listed and traded on Euronext Amsterdam and Euronext Paris. The Ordinary Shares are included in the AEX-index which reflects the 25 most traded securities listed on Euronext Amsterdam.

The Group focuses on creating and managing shopping centres that are favourite meeting places for consumers and are dominant in their Catchment Area. These shopping centres present consumers with a full range of shops, convenience stores, restaurants, leisure and entertainment facilities, as well as event spaces and a wide range of services. The Group believes that this type of shopping centre enables it, with its local and professional in-house management, to create maximum value.

In addition to acquiring, developing and redeveloping shopping centres, the Group leases and manages its shopping centres in-house, making it an integrated and focused retail property group. The Group actively manages its operating shopping centres to increase their value. The Group believes that the success of a shopping centre depends on strong local management and therefore uses a decentralised business model where the local business units in each country are largely responsible for their own operating results. This decentralised management approach, among others, allows the Group to respond quickly to changing consumer demands and habits.

The Group operates its own property (re)development business in the Netherlands, within a separate legal entity, Corio Vastgoed Ontwikkeling B.V.

The Portfolio comprises operational properties that generate net rental income (the operational Portfolio) and investments in (re)development projects and land (the development Portfolio). At 31 December 2009, the total value of the Portfolio was approximately € 5,886 million (including the Group's investment in the shopping centre in Akmerkez in Turkey of € 175 million). At 31 December 2009, the Group owned and managed 105 operational properties, consisting of 92 retail properties (including a stand-alone parking garage), ten offices and three industrial properties, located in the Netherlands, France, Italy, Spain, Turkey and Germany, representing a total of approximately 1,451,200 m² Gross Leasable Area in retail and 204,000 m² Gross Leasable Area in offices and industrial properties. On this date, the value of the operational Portfolio was approximately € 5,691 million, 97 % of the value of the total Portfolio. 94% of the value of the operational Portfolio was invested in shopping centres, 5 % in offices and 1 % in industrial properties. Net rental income in 2009 amounted to € 337.0 million. The Occupancy Rate of the operational Portfolio at 31 December 2009 was 95%. The operational Portfolio is distributed across various economic regions in the Group's current five Home Markets. The Group is a party to approximately 5,700 lease contracts. The Group is seeking to divest its offices and industrial properties in France, on an asset by asset basis.

At 31 December 2009, the Group's total Pipeline of redevelopment and development projects represented a total (future) investment of € 2,265 million (including € 252 million already invested at 31 December 2009), of which € 703 million is or will be invested in the fixed committed Pipeline. The total Pipeline covers approximately 599,600 m² in 31 projects. 45% of the total projected investments in the Pipeline consists of planned extensions and redevelopments of operational shopping centres that the Group already owns.

The Company is a closed-end investment institution and has a licence from, and is supervised by, the AFM. DNB is responsible for prudential supervision of the Company.

The Company qualifies as a fiscal investment institution (*fiscale beleggingsinstelling*, FII) under Dutch law. Corio SA and almost all of the Group's other French subsidiaries have elected to be taxed on the basis of the *Société d'Investissement Immobiliers Cotées* (SIIC) tax regime.

## Recent developments

On or about 25 March 2010, the Group and the SPVs will have entered into the Sale and Purchase Agreement with Multi for the purchase of four operational shopping centres and three development projects and in respect of a put option and a call option for two other development projects. For more information see "Acquisition".

On 19 March 2010, the Group acquired Le Vele, a shopping centre that is part of Le Vele shopping gallery and Millenium Entertainment centre in Cagliari (Sardegna), Italy, for € 103.3 million. This shopping centre has a total Gross Leasable Area of approximately 31,900 $m^2$ and is part of the operational Portfolio as from 19 March 2010. The Le Vele shopping centre was opened to the public in 1998 and is located in the midst of four municipalities, 13 kilometres east from the city centre of Cagliari.

On 26 February 2010, the Group acquired 75% of the shares in SCI Sanoux which holds all shares in the factory outlet development Moulin de Nailloux in the Toulouse region, France, for € 44 million. The remainder of the shares in SCI Sanoux is owned by the development company COGEP SA (5%) and Novaoutlet SAS (20%). The Group has the possibility to acquire the remaining 25% of the shares at market value after six years from the date of the acquisition. The project will be part of the Group's fixed committed Pipeline.

On 15 February 2010, the Group acquired the newly built shopping centre Boulevard Nesselande in Rotterdam, the Netherlands, for € 30 million. This shopping centre was developed for the Group on a turn-key basis by Multi Vastgoed B.V. and was included in the fixed committed Pipeline on 31 December 2009 and is part of the operational Portfolio as from 15 February 2010. This shopping centre was opened to the public in November 2009 and is located in the residential, shopping and recreation district around the Zevenhuizerplas in Rotterdam, the Netherlands. Boulevard Nesselande has a total Gross Leasable Area of approximately 10,000 $m^2$.

On 29 January 2010, the Group sold the Bordeaux Megastore shopping centre in Bordeaux, France, for € 67.3 million, as the Group wants to focus on shopping centres with greater growth potential. The selling price was approximately at the book value of the property.

**History**

The Group's business was formed in a merger in December 2000 between VIB N.V., a listed real estate investment company, and Winkel Beleggingen Nederland B.V., a non-listed real estate investment company. VIB N.V. was founded in 1964 by six pension funds and associations and was listed in 1984. At the time of the merger, VIB N.V. owned a diversified portfolio of retail, office and industrial properties located in the Netherlands, France, Spain, Germany and the United States. Winkel Beleggingen Nederland B.V. was a subsidiary of Stichting Pensioenfonds ABP, the largest Dutch pension fund. At the time of the merger, the portfolio of Winkel Beleggingen Nederland B.V. existed mainly of shops and shopping centres in the Netherlands and a number of residential properties connected to these retail properties. The combined entity decided to focus entirely on retail within Europe and almost fully in-sourced its management. VIB N.V. decided to divest all assets in the United States prior to the merger and the Group, which resulted from the merger, sold the last remaining real estate property in the United States in 2001. The Group started with operations in three Home Markets: the Netherlands, France and Spain. As a result of the merger, Stichting Pensioenfonds ABP (the parent company of APG) became the Company's largest single shareholder.

At the end of 2001, the Group entered the Italian market. In 2004, the Company, which was already a fiscal investment institution (*fiscale beleggingsinstelling*) under Dutch law, decided to organise its French holding company under the French SIIC tax regime. Since 1 January 2005, almost all properties located in France have been subject to this tax regime, which means that the Group, provided certain conditions are met, is tax exempt for both rental income from French real estate and capital gains on the sale of French real estate (see also "Regulatory Matters and Tax Status of the Group").

In 2005, Turkey was added as a Home Market through the acquisition of a 47% share interest in Akmerkez GYO, a company listed on the Istanbul stock exchange, which owns 96.5% (measured by Gross Leasable Area) of the shopping center Akmerkez in Istanbul.

In November 2007, the Group decided to focus completely on investments in retail properties and as such to become a "pure play" retail investor and dispose of its office and industrial properties, with the exception of certain office properties that the Group will not divest for strategic reasons, such as where office properties form part of or are adjacent to retail properties. On 30 September 2008, the Group sold and transferred its Dutch office and industrial properties, except for four properties that were transferred later in 2008 and 2009 and three properties that were kept for strategic reasons as they are part of a shopping centre, to White Estate Investments for a total purchase price of approximately € 650 million. The related management organisation, until then operating under the name Corio Nederland Kantoren, was also transferred to White Estate Investments. The Group is seeking to divest the remaining offices and industrial properties in France and Germany on an asset by asset basis. The Group aims to conclude the sale of these properties by the end of 2012.

A change in the Dutch fiscal investment institutions (*fiscale beleggingsinstellingen*) tax regime as of August 2007 allowed the Group to create its own property development business. This business has been organised as a separate Group entity, Corio Vastgoed Ontwikkeling B.V.

## Competitive strengths

The Group believes that its key strengths are the following:

### *Sizeable, geographically diversified "pure play" retail portfolio*

The Group has a Portfolio that consists almost entirely of shopping centres located in its five Home Markets in Europe. It owns one of the few large size, retail focused portfolios in Europe, which the Group believes provides it with improved access to deal flow and capital markets. Following the Acquisition, the retail focus of the Group's investments will be heightened and its geographic spread more balanced. The Group's investors benefit from being exposed to one specific sector of the economy, retail real estate, while enjoying the benefits of being invested across geographic markets in different stages of development of the retail market. The Group believes this gives it a distinct advantage compared to investment companies with a portfolio invested in various types of real estate, or with a retail portfolio that is invested in only a few countries. The Group believes that the benefits of having a sizeable "pure play" retail portfolio include:

- The Group, as owner and manager of shopping centres, having a mutual interest with its tenants in the success of its shopping centres;
- Net rental income being relatively stable in comparison to other real estate segments, where tenants and lessors are less interdependent;
- Retail properties benefiting more from local management than other real estate sectors, because local management drives the development of a dominant shopping centre;
- The outlook for retail real estate presently being more positive than for other asset classes in most European markets, in particular in the Group's Home Markets; and
- There currently being a scarcity of supply of large size, quality shopping centres in most Western-European markets.

### *Shopping centre dominance in Catchment Areas*

The Group believes that it is well positioned to compete against other shopping centre operators because it deems the large majority of its shopping centres to be dominant in their Catchment Areas. Dominance of a shopping centre is its ability to draw a relatively large number of the consumers in its Catchment Area. The Group believes that dominance results from a variety of factors that are often interrelated, including location, scale, range of shops (tenant mix), scope for competing shopping centres in the vicinity, modern layout and design, atmosphere, and presence of leisure facilities and services. Typical examples of dominant shopping centres in the Portfolio are Grand Place in Grenoble (France) and Alexandrium in Rotterdam (the Netherlands). These shopping centres are district shopping centres that offer a wide range of products and shops and have good locations in terms of accessibility and visibility, enabling them to attract large numbers of consumers.

Dominance of the Group's properties in their Catchment Areas is supported by the high quality of the Group's Portfolio in each of its Home Markets. The economic downturn has caused real estate values to decrease globally across all asset classes over the past two years. Despite this, the Group believes that its Portfolio has proven resilient compared to the European retail property market in general, with revaluation losses (including result on sale of investment property) of € 339.4 million (negative 5.5 %) in 2008 and € 389.7 million (negative 6.3%) in 2009, which resilience is supported by strong operating performance. Management aims to maximise the quality of the Portfolio by:

- Active management of the Group's shopping centres through constant research to reinforce the shopping centres' competitiveness, strong relationships with large retailers and ongoing reviews of the tenant mix;
- Active policy on acquisitions and disposals. The Group continuously reviews acquisition opportunities, seeking good quality shopping centres with growth potential, whilst striving to dispose of lower performing assets, or assets with limited upside. Over the last three years (2007-2009), the Group sold properties for a total of € 916.4 million, among others the offices and industrial portfolio in the

Netherlands, and acquired properties for a total of € 1,369.5 million, among others Pieter Vreedeplein in Tilburg (Netherlands), Grand Littoral in Marseille (France), Campania in Naples (Italy), Príncipe Pío in Madrid (Spain) and Tekira in Tekirdağ (Turkey); and

- Careful management of development activities to deliver growth and superior asset performance: the Group's in-house expertise enables it to be active in development and redevelopment. The Group believes that this will help it obtain higher growth in exchange for a limited amount of additional risk. In-sourcing the development and redevelopment activities results in a Pipeline that can be better controlled by the Group (for instance, in terms of construction quality, design features and tenant mix) and provides the possibility to make use of additional opportunities within the letting market.

***Decentralised operations and strong position in Home Markets***

The Group's size and decentralised structure allow it to have professional staff at the Company level, in each of the Home Markets and at the level of the individual properties. The Group refers to this model as "Local+"—strengths of local management with coordination at Company level. Based on this model, the Group is able to devote a significant amount of time and resources to matters such as market research and close management of individual properties. The Group believes that local management expertise and strong operational teams in each Home Market allow leadership in both the letting and investment markets:

*Letting market*

The Group believes that it is one of the leading lessors in each of its Home Markets. This results from the optimal location of it properties, the dominance of its centres in their Catchment Areas, the size of its Portfolio (giving retailers the opportunity to gain access to multiple locations), and the Group's large operational teams (allowing for regular contact with all potential tenants in the market both at Group and local level).

*Investment market*

The Group believes that it is generally regarded as one of the leading operators in each of its Home Markets, based on its track record of past transactions and strong financial performance. This perception enhances the Group's access to relevant deal flow in these markets, which is demonstrated by the Group's recent acquisitions, such as the acquisition of the shopping centres Príncipe Pío in Madrid (Spain), Grand Littoral in Marseille (France) and Pieter Vreedeplein in Tilburg (the Netherlands).

***Diversified tenant base adapted to the Catchment Area***

The Group believes, based on years of experience of letting and managing its own shopping centres, that it has the ability to gear the tenant mix and product offering of a shopping centre to the characteristics of its Catchment Area. The Group believes that it is able to balance the offering of its centres in terms of products (food, fashion, services, leisure, etc), size of units (large, medium, small) and type of tenants (international, national, regional, local). This results in an attractive and diverse offering that can be tailored to the needs of each local Catchment Area.

The Group's diversified tenant base also means it does not rely on a small group of tenants to generate a substantial portion of its rental revenues. At 31 December 2009, the ten largest tenants accounted for 16.8% of net rental income. The performance and financial condition of these tenants are monitored by the Group on a quarterly basis, taking into account a number of key indicators, such as turnover, credit ratings, solvency and liquidity.

***Access to capital markets***

The Group believes that its size and distinctive positioning provide it with direct access to the capital markets to fund growth plans. The Group has an established track record of successfully raising capital, including through a € 417 million U.S. private placement in 2004, a € 600 million revolving syndicated credit facility in 2005, a € 980 million U.S. private placement in 2007 and a € 258 million accelerated bookbuild offering in 2009.

**Strategy**

The Group aims to be a leader in the European retail property market. Specifically, it wants to be:

- A vehicle to offer investors access to quality retail real estate in core markets in continental Europe;
- A preferred partner for retailers;

- A preferred partner for municipalities in developing large-scale, city centre projects;
- A top financial, environmental and social performer among sector peers;
- A company with a strong financial profile; and
- A preferred employer for professionals.

The Group's geographic focus is on Europe, a region with over 700 million inhabitants. Following the Acquisition, the Group will be present in six Home Markets, where it aims to improve the shopping experience of a growing share of approximately 340 million potential consumers (in 2009: approximately 260 million in the Group's current Home Markets: The Netherlands, France, Italy, Spain and Turkey, which will grow by approximately 80 million (2009) potential consumers in Germany following the Acquisition). The Group believes that shopping centres should perform an important social role, and its ambition is to create favourite meeting places. In striving towards the creation of such shopping centres, the Group recognises the importance of being alert to changes in social and demographic trends in each of its Home Markets and adapting to them.

In the beginning of 2008, the Group decided to change its strategy and improve its risk-return profile by in-sourcing development and redevelopment activities, pursuing a more active investment policy and investing up to 20% of its Portfolio in emerging markets with a maximum of 10% per market.

However, in light of the events in the financial markets and the wider economy in 2008, the Group decided—at least for the short term—not to enter any new emerging markets, focus on managing its cash flow and carefully evaluate its Pipeline. Furthermore, the Group decided to review acquisitions of operational shopping centres in mature markets opportunistically, as demonstrated, for example, by the Group's acquisition of the operational shopping centre Príncipe Pío in Madrid in 2009, and not to expand further in Turkey. Currently, the Group believes that it has begun to witness the first signs of positive changes in the real estate investment market, which should allow the Group to gradually resume the strategy it had defined in the beginning of 2008.

*Key elements of the Group's strategy*

- <u>Shopping centres that are dominant in their Catchment Areas:</u>

  Ownership and management of shopping centres that are perceived as leaders within their respective markets enable the Group to draw a large number of consumers from their Catchment Areas.

- <u>'Hands-on' management:</u>

  Management, letting and development, except in a very limited number of exceptions, are performed in-house, in order to stay in close contact with the shopping centre, the retailers and the consumers in the Catchment Areas, and to enhance the Group's ability to react to changes (for example, in consumer preferences) quickly and appropriately. Local management and operating teams are closely involved in the operation of their shopping centre. Reviews of shopping centres' operations are generally conducted every month on the basis of a number of key performance indicators, to assess each shopping centre's competitiveness and ability to draw consumers in its Catchment Area.

- <u>Decentralised organisational management model, with business units in each Home Market: "Local+"</u>

  Combination of local market knowledge in each of the Group's Home Markets with central checks and balances, best practices and professional support expertise and financing.

- <u>Critical mass in each Home Market</u>

  Critical mass enables the Group to maintain and reinforce its position in its Home Markets and to be an attractive partner for retailers from outside Europe, and facilitates the expansion of retailers within Europe. The Group will, in principle, only enter a new Home Market in which the Group sees a potential to achieve critical mass, based on size and number of participants in the market.

- <u>In-sourcing of development/redevelopment activities</u>

  Following the relaxation of the rules on development activities for FIIs, the Group has in-sourced the development and redevelopment function, to seek to optimise the quality of its Portfolio through redevelopment and capture new development opportunities in the market.

- Optimising growth of the Portfolio by an active acquisition and disposal policy

  The Group is pursuing an active policy on acquisitions and disposals, to support the Portfolio's quality and realise value on a continuous basis.

- Increase exposure to emerging markets to a maximum of 20%

  The Portfolio is diversified geographically across markets in various stages of development of the retail market. Whilst mature, stable markets and growth markets will continue to account for the bulk of the Portfolio, the Group aims to progressively grow the share of properties located in emerging markets to up to 20% of the Portfolio, with a maximum of 10% per market, in pursuit of sustainable profitable growth and a sound risk-return profile.

- Effective risk management

  Effective operational and financial risk management is underpinned by monthly key performance indicator reporting, monthly country CEO meetings and quarterly management and financial reporting by the Business Units.

- Corporate Social Responsibility ("**CSR**")

  CSR is incorporated in the Group's decision making process, its daily operations as well as investment and (re)development activities.

***Investment strategy***

Within the parameters of the Group's investment policy (see "Regulatory Matters and Tax Status of the Group—Regulatory matters—Investment policy"), the Group's current investment strategy includes the restriction that the Group shall not invest in:

- Open-end and/or closed-end collective investment undertakings;
- Physical commodities; and
- Derivative financial instruments, money market instruments or currencies, other than for the purposes of efficient portfolio management (*i.e.* solely for the purpose of reducing, transferring or eliminating investment risk in the underlying investments of the Group, including any technique or instrument used to provide protection against currency exchange and credit risks).

**Operational activities**

***Acquisition process***

Acquisitions of properties in the Group's Home Markets are initiated locally by the Business Units, who maintain good relationships with the relevant local parties in their respective markets (such as real estate agents, municipalities and tenants that occupy the largest spaces in a shopping centre and serve as the primary consumer traffic generator ("**Anchor Tenants**")). If a Business Unit identifies an opportunity to buy a property, it makes an investment proposal using a standard form and submits this proposal to the strategy and investment management department at Group level for approval. The strategy and investment management department, with input from other departments at Group level (such as the legal department, the tax department, the financing department and the accounting department), will then provide their input on the proposal for a Management Board decision, and, if required, Supervisory Board decision (see "Management and Employees—Management Board—Powers, composition and function"). If approval is obtained, the acquisition will be executed primarily by the local Business Unit, with the assistance of departments at Group level where required. For large acquisitions, an acquisition and project manager or team at Group level will be involved in the acquisition process.

***Leasing***

Leasing management teams and centre management teams are part of the Business Units in every Home Market. The task of the leasing management team is to keep the Occupancy Rates of all properties generally close to 100%. Both teams work closely together with the Group's tenants, which contributes to good relationships. In addition, the teams stay in close contact with potential tenants. Waiting lists exist for some shopping centres. Where useful, the Group will actively approach tenants from its network selected on the basis of analyses of the Catchment Area's needs and demands. Where the Group wishes to extend or renew a lease, the leasing team will usually start discussions with the tenant well in advance of the expiration of the lease.

***Shopping centre management***

The Group manages its properties according to its in-house developed 'hands-on' centre management philosophy. Each Business Unit has its own shopping centre management department with, depending on the size of the shopping centre, a shopping centre management team per shopping centre. By staying close to the consumers and the tenants and their business, the Group believes it is able to identify opportunities and threats sooner and respond swiftly to them. The philosophy is based on the following four cornerstones.

*Personal contact with tenants*

The Group aims to be in personal contact with the individual tenants, tenants' associations and local government authorities and to gain the trust of the tenants through fast and efficient processes leading to more management opportunities.

*Local shopping centre management*

Every Business Unit consists of shopping centre management teams, leasing management teams, facility managers and technical managers. Together, they are responsible for the entire operation of the shopping centre, from tenants to maintenance. The focus lies on service to tenants and consumers in order to create an attractive business climate and shopping environment: a favourite meeting place.

*Marketing and local community involvement*

Shopping centre management is supported by a promotional management team that is focussed on the marketing of one or more centres. It assists the shopping centre management in setting up, often in collaboration with large retailers and brands, marketing activities (events) that are tailored to the composition of the Catchment Area. These are aimed at drawing more consumers to the centres and creating a favourite meeting place in their community. The Group often shows its involvement with the local community by organising social events (for example, employment markets) and donating the proceeds of events to a local charity.

*Environmental responsibility*

The Group encourages environmentally responsible behaviour. It sets examples by reducing the use of natural resources in the common areas of the shopping centres and communicates this to consumers by means of advertisements in the shopping centre, newsletters and websites. The Group also involves tenants by discussing and sharing knowledge with them and attempting to generate innovative ideas in the field of environmentally responsible behaviour.

***Maintenance and refurbishment***

Each Business Unit has a technical department working together with centre and leasing management. This department prepares a five-year plan for maintenance and refurbishment of the shopping centres, as well as detailed yearly plans. These plans are reflected in the budget and must be first approved by local management. After that approval, the budgets are submitted to the Management Board and the Supervisory Board for final approval. The execution of these plans is put out to tender.

***Management techniques and instruments***

*Catchment Area analysis*

The Group actively manages its shopping centres on the basis of its knowledge of the centres' Catchment Areas. It makes use of consumer counting systems in its large and medium-sized shopping centres and uses turnover data from retailers for its analyses. For the more qualitative dimension of a Catchment Area, the Group conducts surveys (tenant and consumer satisfaction surveys) and uses consumer panels. In addition, qualitative data provide an insight into the types of households in the Catchment Area, which in turn helps identify the kind of customers visiting the shopping centre. The different types of households are identified on the basis of factors such as household composition, jobs, income and education, the type and location of the house and whether it is rented or owner-occupied. Other data, such as family background, religious faith, use of media, values and mentality, are also considered. Such data are analysed in-house.

These analyses provide an in-depth knowledge of the shopping centre and its Catchment Area. Combined with the Group's in-house shopping centre management, a shopping centre's quality in terms of design, tenant mix and marketing, can be matched effectively to the primary Catchment Area that it serves. This approach supports a long-term growth in the value of the Portfolio.

*Measuring shopping centre quality*

The Group has defined a set of criteria to assess the quality of individual shopping centres in the Portfolio on a continuing basis. This assessment includes six "current quality" aspects (Catchment Area quality, location quality, building quality, tenant mix, competitive position and legal aspects) aimed at identifying the current quality of a shopping centre in relation to its market and nine "potential quality" aspects (such as redevelopment and extension possibilities and environmental and commercial improvements) aimed at identifying the shopping centre's potential quality. These aspects are similar to those used by the shopping centre industry generally (such as the criteria of the International Council of Shopping Centres ("**ICSC**") for the European Shopping Centre Awards).

Location and Catchment Area quality are considered the most fundamental of the "current quality" criteria. The relative location is determined by the position of the shopping centre with respect to other (potential) competitive centres and potential consumers, together defining the potential Catchment Area. The absolute location is determined by accessibility and attractiveness of the immediate surroundings. The Catchment Area is the consumer base and, therefore, the income base of a shopping centre. It is essential that the shopping centre design and tenant mix are aligned with this consumer base in terms of both size and quality.

***Development activities***

A change in the Dutch tax regime regarding FIIs which came into effect in August 2007 allows an FII to indirectly conduct its own property (re)development business. Under these rules, the criteria for an FII undertaking (re)development activities are that such activities take place through a subsidiary which is ordinarily subject to corporate income tax and that the objectives and actual activities of such subsidiary are the (re)development of real estate for the benefit of itself, the FII or certain related entities. In line with these criteria, the (re)development business of the Group has been organised in a separate Dutch legal entity, Corio Vastgoed Ontwikkeling B.V., from the beginning of 2008. Corio Vastgoed Ontwikking B.V. is not allowed to engage in development business for third parties outside the Group. In the coming years, Corio Vastgoed Ontwikkeling B.V. intends to develop a mix of turn-key (re)development projects (*i.e.* projects developed by other developers) and own (re)development projects in the Netherlands. However, the number of turn-key projects is expected to decrease over time. Other companies within the Group may consult Corio Vastgoed Ontwikkeling B.V. on an ad hoc basis relating to (re)development activities.

The insourcing of (re)development activities is based on the trend in the real estate market towards increasing vertical integration between property owners and developers. It is also prompted by strategic reasons. The Group believes that combining (re)development and investment activities will enable it to respond more swiftly to (re)development opportunities in the real estate market and to create sustainable shopping centres with features and a tenant mix that suit the consumers in the Catchment Areas and, therefore, are attractive for a long-term investor. By insourcing the overall (re)development project management and taking the responsibility for the concept and design of the shopping centre and the leasing, the Group believes it can better control the project and monitor risks more effectively. The Group does in principle not take any zoning or construction cost risks with respect to its (re)developments. Therefore, the Group will subcontract the construction of (re)development projects and will not acquire land before the required zoning permits are in place.

**Overview of the operational Portfolio**

At 31 December 2009, the value of the operational Portfolio of € 5,691.0 million (97% of the value of the total Portfolio) consisted of real estate in the Netherlands (€ 1,867.8 million or 33 % of the operational Portfolio), France (€ 1,865.5 million or 33% of the operational Portfolio), Italy (€ 1,007.3 million or 18% of the operational Portfolio), Spain (€ 574.4 million or 10% of the operational Portfolio), Turkey, including associates (€ 362.5 million or 6% of the operational Portfolio) and Germany (€ 13.5 million or 0.2% of the operational Portfolio).

At 31 December 2009, the operational Portfolio consisted of retail (€ 5,356.8 million or 94% of the operational Portfolio) and offices and industrial properties (€ 334.2 million or 6% of the operational Portfolio). At 31 December 2009, the total Gross Leasable Area in the operational Portfolio amounted to 1,655,200 m².

The properties described in the discussion that follows are freehold properties, unless otherwise indicated. If the Group directly or indirectly owns less than a 100% interest in a property, the interest of the Group is stated between brackets following the name of the relevant property (see also "Important Information—Presentation of financial and other information—Information regarding Gross Leasable Area and Annual Rent").

***Retail properties in the operational Portfolio***

Retail properties account for the large majority of the Group's assets. At 31 December 2009, retail properties in the operational Portfolio were valued at € 5,356.8 million or 94 % of the total value of the operational Portfolio. At 31 December 2009, the Group's operational retail properties comprised 92 shopping centres and other retail properties (including a stand-alone parking garage) located in the Netherlands, France, Italy, Spain and Turkey, with an aggregated Gross Leasable Area of approximately 1,451,200 m². The table below shows the average Gross Leasable Area per retail property and the number of retail properties in the operational Portfolio per country for the years indicated.

| Country | Average Gross Leasable Area per property(1) (x 1.000 m²) | | | Number of properties | | |
|---|---|---|---|---|---|---|
| | 2009 | 2008 | 2007 | 2009 | 2008 | 2007 |
| Netherlands(2) | 13 | 12 | 9 | 44 | 51 | 63 |
| France | 17 | 16 | 13 | 25 | 23 | 25 |
| Italy | 30 | 28 | 27 | 7 | 7 | 7 |
| Spain | 13 | 12 | 12 | 10 | 9 | 9 |
| Turkey | 32 | 22 | 12 | 5 | 4 | 2 |
| **Total operational retail** | **17** | **14** | **12** | **91** | **94** | **106** |

(1) Where the Group has less than a 100% interest in a property, the full Gross Leasable Area was taken into account.
(2) Excluding one parking garage.

*The Netherlands*

As of 31 December 2009, the Group's operational retail properties in the Netherlands consisted of 45 properties (including a stand-alone parking garage) with a Gross Leasable Area of approximately 583,800 m². The Group's operational retail properties in the Netherlands represented 32% of the total value of the operational Portfolio as of 31 December 2009. The Group's operational retail properties in the Netherlands were valued at € 1,817.3 million as of 31 December 2009. As of 31 December 2009, the top five operational retail properties based on value in the Netherlands represented 14% of the total value of the operational Portfolio and are shown in the table below.

| City | Name of property | Year of acquisition | Year of construction/ renovation | Gross Leasable Area (m²) | Annual Rent in 2009 (€ million) | Parking income in 2009 (€ million) | Occupancy Rate as of 31 December 2009 (%) |
|---|---|---|---|---|---|---|---|
| Utrecht | Hoog Catherijne (ground lease) | 1973 | 1996 | 62,200(1) | 16.33 | 7.23 | 96 |
| Rotterdam | Alexandrium I (ground lease) | 1984 | 2002 | 44,900 | 14.05 | 1.81 | 99 |
| Nieuwegein | Cityplaza | 1983 | 1983 | 24,600 | 7.35 | — | 97 |
| Almere | Centrum | 1986 | 2009 | 26,900 | 6.73 | — | 99 |
| Heerhugowaard | Middenwaard | 1974 | 2009 | 25,600 | 6.67 | 0.57 | 99 |

(1) Including 3,300 m² retail space that was let as at 31 December 2010 and will be sold in the course of 2010.

*France*

As of 31 December 2009, the Group's operational retail properties in France consisted of 25 properties with a Gross Leasable Area of approximately 410,500 m². The Group's operational retail properties in France represented 28 % of the total value of the operational Portfolio as of 31 December 2009. The Group's operational retail properties in France were valued at € 1,595.2 million as of 31 December 2009. As of 31 December 2009, the top five operational retail properties based on value in France represented 16% of the total value of the operational Portfolio and are shown in the table below.

| City | Name of property | Year of acquisition | Year of construction/ renovation | Gross Leasable Area (m²) | Annual Rent in 2009 (€ million) | Occupancy Rate as of 31 December 2009 (%) |
|---|---|---|---|---|---|---|
| Marseille | C.C. Grand Littoral | 2008 | 2007 | 57,100 | 19.95 | 86 |
| Grenoble | C.C. Grand Place | 1998 | 2001 | 53,800(1) | 14.42 | 96 |
| Caen | C.C. Mondeville 2 | 1994 | 1995 | 15,900 | 7.75 | 100 |
| Nice | C.C. Nice TNL | 1996 | 2002 | 17,400 | 5.72 | 99 |
| Saint-Etienne | C.C. Centre Deux | 1979 | 1995 | 24,000 | 5.62 | 93 |

(1) Including ownership of Galerie Echirolles of 14,200 m² and excluding 1,600 m² of space in Galerie Echirolles that is leased by the Group.

*Italy*

As of 31 December 2009, the Group's operational retail properties in Italy consisted of seven properties with a Gross Leasable Area of approximately 182,200 m². The Group's operational retail properties in Italy represented 18% of the total value of the operational Portfolio as of 31 December 2009. The Group's operational retail properties in Italy were valued at € 1,007.3 million as of 31 December 2009. As of 31 December 2009, the top five operational retail properties based on value in Italy represented 15% of the total value of the operational Portfolio and are shown in the table below.

| City | Name of property | Year of acquisition | Year of construction/ renovation | Gross Leasable Area (m²) | Annual Rent in 2009 (€ million) | Occupancy Rate as of 31 December 2009 (%) |
|---|---|---|---|---|---|---|
| Naples | Campania | 2006 | 2007 | 64,000 | 17.97 | 99 |
| Turin | Shopville Le Gru | 2001 | 1994 | 32,900 | 17.03 | 99 |
| Modena | GrandEmilia | 2001 | 1996 | 19,800 | 8.39 | 99 |
| Busnago | Globo I-II | 2004 | 2006 | 21,900 | 7.14 | 100 |
| Udine | Citta' Fiera (49% Group interest) | 2007 | 2007 | 23,500 | 5.63 | 94 |

*Spain*

As of 31 December 2009, the Group's operational retail properties in Spain consisted of ten properties with a Gross Leasable Area of approximately 134,700 m². The Group's operational retail properties in Spain represented 10 % of the total value of the operational Portfolio as of 31 December 2009. The Group's operational retail properties in Spain were valued at € 574.4 million as of 31 December 2009. As of 31 December 2009, the top five operational retail properties based on value in Spain represented 8% of the total value of the operational Portfolio and are shown in the table below.

| City | Name of property | Year of acquisition | Year of construction/ renovation | Gross Leasable Area (m²) | Annual Rent in 2009 (€ million) | Parking income in 2009 (€ million) | Occupancy Rate as of 31 December 2009 (%) |
|---|---|---|---|---|---|---|---|
| Madrid | Príncipe Pío (95% Group interest/ ground lease) | 2009 | 2004 | 28,700 | 12.35 | 1.44 | 96 |
| Barcelona | Maremagnum (ground lease) | 2006 | 2005 | 20,400(1) | 5.74 | 1.63 | 98 |
| Valencia | Gran Turia | 2001 | 2000 | 20,700 | 5.43 | — | 78 |
| Madrid | Sexta Avenida | 2000 | 2007 | 16,000 | 5.42 | 0.37 | 92 |
| Madrid | Gran Via de Hortaleza | 2001 | 2001 | 6,000 | 3.74 | — | 93 |

(1) Including storage space and excluding the top floor which is currently being redeveloped.

*Turkey*

As of 31 December 2009, the Group's operational retail properties in Turkey consisted of five properties with a Gross Leasable Area of approximately 140,000 $m^2$. The Group's operational retail properties in Turkey represented 6% of the total value of the operational Portfolio as of 31 December 2009. The Group's operational retail properties in Turkey were valued at € 362.5 million as of 31 December 2009. These five operational retail properties are shown in the table below.

| City | Name of property | Year of acquisition | Year of construction/ renovation | Gross Leasable Area ($m^2$)[1] | Annual Rent in 2009 (€ million) | Occupancy Rate as of 31 December 2009 (%) |
|---|---|---|---|---|---|---|
| Istanbul | Akmerkez (47% Group interest)[2] | 2005 | 2008 | 16,100[3] | 17.77 | 95 |
| Ankara | 365 (ground lease) | 2008 | 2008 | 25,100 | 5.65 | 95 |
| Tekirdag | Tekira | 2009 | 2008 | 29,900 | 4.70 | 94 |
| Denizli | Teras Park (51% Group interest) | 2007 | 2009 | 45,500 | 3.92 | 91 |
| Adapazari | Adacenter | 2007 | 2007 | 23,400 | 3.52 | 96 |

(1) Excluding space for specialty leasing such as kiosks.

(2) The Group holds a 47% interest in the joint venture company holding Akmerkez, a shopping centre in Istanbul, Turkey. As for any other property in which the Group does not hold majority interest, the Group does not have operational or shareholder control over the Akmerkez shopping centre (see also "Risk Factors—The Group has limited control over its minority interests, including in joint venture companies"). As per the articles of association of the joint venture company holding Akmerkez, the Group's ability to sell its interest may be restricted.

(3) Including 900 m² of office space above shopping centre but excluding apartment hotel space.

### *Offices and industrial properties in the operational Portfolio*

At 31 December 2009, offices and industrial properties in the operational Portfolio comprised 13 properties in the Netherlands, France and Germany with an aggregated Gross Leasable Area of approximately 204,000 $m^2$ and accounted for 6% of the total value of the operational Portfolio. As of 31 December 2009, the Group's offices and industrial properties were valued at € 334.2 million.

*Netherlands*

As of 31 December 2009, the Group's operational offices portfolio in the Netherlands consisted of three properties with a Gross Leasable Area of approximately 51,600 $m^2$. These properties represented less than 1% of the total value of the operational Portfolio and were valued at € 50.4 million as of 31 December 2009. The operational office properties in the Netherlands are strategically held as they are all part of shopping centres owned by the Group. The operational office properties in the Netherlands as of 31 December 2009 are shown in the table below.

| City | Name of property | Type | Year of acquisition | Year of construction/ renovation | Gross Leasable Area ($m^2$) | Annual Rent in 2009 (€ million) | Occupancy Rate as of 31 December 2009 (%) |
|---|---|---|---|---|---|---|---|
| Utrecht | Hoog Catharijne (ground lease) | Office | 1973 | 1996 | 45,400 | 7.33 | 90 |
| Almere | Stationade | Office | 1986 | 1986 | 4,800 | 0.63 | 100 |
| Rotterdam | Alexandrium I (ground lease) | Office | 1984 | 2006 | 1,400 | 0.20 | 100 |

*France*

As of 31 December 2009, the Group's offices and industrial portfolio in France consisted of nine properties with a Gross Leasable Area of approximately 138,700 $m^2$. These properties represented 5% of the total value of the operational Portfolio and were valued at € 270.3 million as of 31 December 2009. The top five operational offices and industrial properties based on value in France as of 31 December 2009 are shown in the table below.

| City | Name of property | Type | Year of acquisition | Year of construction/ renovation | Gross Leasable Area ($m^2$) | Annual Rent in 2009 (€ million) | Occupancy Rate as of 31 December 2009 (%) |
|---|---|---|---|---|---|---|---|
| Courbevoie . . . . . . . . . | Le Balzac | Office | 1988 | 2000 | 15,200 | 7.56 | 100 |
| Rueil- Malmaison . . . | Clair de Ville | Office | 2000 | 1991 | 10,600 | 3.32 | 100 |
| Massy . . . . . . . . . . . . . | FNAC Warehouse | Warehouse | 1998 | 1998 | 56,000 | 3.20 | 100 |
| Nanterre . . . . . . . . . . . | MB 9 | Office | 1990 | 2000 | 9,200 | 3.19 | 100 |
| Puteaux . . . . . . . . . . . | Le Kupka (40% Group interest) | Office | 1990 | 1992 | 5,200 | 2.11 | 100 |

*Germany*

As of 31 December 2009, the Group owned one office property in Germany (Böblingen) with a Gross Leasable Area of approximately 13,700 $m^2$. This property represented less than 1% of the total value of the operational Portfolio as of 31 December 2009. The operational office property in Germany was valued at € 13.5 million as of 31 December 2009.

## Pipeline

### *Introduction*

The Group continually seeks to strengthen its retail Portfolio to enhance its total yield, while striving to improve its risk profile by selectively revitalising, renovating and expanding properties, as well as by initiating new developments and making appropriate acquisitions and disposals. These projects comprise the Pipeline. Despite the limited availability of prime retail properties with dominant positions in the Group's highly competitive Home Markets, as of 31 December 2009, there were 31 projects in the Group's Pipeline. A portion of the Group's Pipeline consists of (re)development projects that already form a part of the Group's development Portfolio and are included in the Group's consolidated balance sheet as "investment property under development", whereas the remainder of the Pipeline represents (re)development projects in which the Group has not yet invested any amounts, such as turn-key development projects, and which are not included in the balance sheet. The Pipeline projects are categorised as fixed and variable, depending on the status of the project. In addition, the Pipeline is divided into committed, deferrable and waivable projects, depending on the degree of the Group's commitment to the project.

Contrary to projects in the fixed Pipeline, projects in the variable Pipeline have a term or a condition with which the parties have to comply. Projects in the variable Pipeline have an element of uncertainty as to their timing, for example, due to the fact that a licence must be obtained before construction of the project can begin. Investments in existing operational properties are included in the variable Pipeline only if they are likely to generate additional income for that property, *i.e.* capital expenditures to improve the quality of a property, but without the possibility of generating additional income, are not included.

In order to provide an insight into the extent of the Group's commitment to a Pipeline project, an additional classification of the Pipeline was introduced: 'committed', 'deferrable' and 'waivable'. As a result, the Group classifies a Pipeline project in four ways:

- *Fixed committed*

  A project is fixed committed if:

  - the project is approved by the Management Board and, if required, the Supervisory Board (see "Management and Employees—Management Board—Powers, composition and function" for Management Board resolutions that are subject to Supervisory Board approval);
  - all parties in the project are committed;
  - on basis of the status of the project, the Management Board has a high degree of certainty that the project will be acquired and/or become operational within an agreed period; and
  - the Group can no longer withdraw from the project without a penalty becoming due and the project cannot be deferred.

- *Fixed deferrable*

  A project is fixed deferrable if:

  - the project is approved by the Management Board and, if required, the Supervisory Board;
  - all parties in the project are committed;
  - on the basis of the status of the project, the Management Board has a high degree of certainty that the project will be acquired and/or become operational within an agreed period; and
  - the Group can no longer withdraw from the project without a penalty becoming due, but the project can be deferred until more favourable times in terms of funding or letting.

- *Variable deferrable*

  A project is variable deferrable if:

  - the project is approved by the Management Board and, if required, the Supervisory Board, or the Management Board has given a mandate to negotiate to the relevant acquiring Business Unit;
  - the parties involved have signed an exclusive declaration of intent (in case of newly acquired projects); or
  - in case of redevelopments, refurbishments, extensions or revitalisations of existing properties in the Portfolio, the redevelopment, refurbishment, extension or revitalisation is considered a profitable investment because the Group believes it will generate additional income for that property; and
  - the Group can no longer withdraw from the project without a penalty becoming due, but the project can be deferred until more favourable times in terms of funding or letting.

- *Variable waivable (also referred to by the Group as waivable)*

  A project is variable waivable if:

  - the project is approved by the Management Board and, if required, the Supervisory Board, or the Management Board has given a mandate to negotiate to the relevant acquiring Business Unit;
  - the parties involved have signed an exclusive declaration of intent (in case of newly acquired projects); or
  - in case of redevelopments, refurbishments, extensions and revitalisations of existing properties in the Portfolio, the redevelopment, refurbishment, extension or revitalisation is considered a profitable investment because the Group believes it will generate additional income for that property; and
  - the project can be removed from the Pipeline at any time without a penalty becoming due or other consequences for the Group.

The risk-return profile of projects is continually evaluated in the light of changing market circumstances and the Group's short and long-term strategy. As a result, in 2008, two projects in France and in 2009, three projects in Turkey were cancelled and removed from the Pipeline. Due to the dynamics and long lead times of retail projects of this kind, the amounts to be invested, the completion dates and, therefore, the anticipated yields may change at any time. The Group constantly evaluates opportunities for possible inclusion as projects in the Pipeline.

***Overview of the Pipeline***

The division of the Pipeline projects at 31 December 2009 over the four categories outlined above and the amounts already invested were as follows:

| (€ million) | Fixed committed | Fixed deferrable | Variable deferrable | Waivable | Total |
|---|---|---|---|---|---|
| | | | (unaudited) | | |
| **Total already invested** | 121.2 | 15.1 | 114.3 | 1.3 | 252.0 |
| **Total excluding amounts already invested** | 581.5 | 41.9 | 1,126.0 | 263.5 | 2,013.0 |
| **Total investment** | 702.7 | 57.1 | 1,240.3 | 264.8 | 2,265.0 |
| **% of total** | 31.0 | 3.0 | 54.0 | 12.0 | 100.0 |

Projects in the fixed committed and fixed deferrable Pipeline at 31 December 2009 represented a total investment of € 759.8 million, including € 136.3 million already invested, consisting of 18 projects, of which six are new projects and 12 are redevelopments and extensions. At 31 December 2009, the yield on the total costs (projected net rental income as a percentage of total investments, including financing costs and management costs) of these projects was 6.8%. The Group does in principle not take any zoning or construction risks, so the actual return may be influenced only by the letting results and financing costs as a result of unforeseen changes in interest rates or delays in the project.

Projects in the variable deferrable and variable waivable Pipeline at 31 December 2009 represented a total investment of € 1,505.1 million, including € 115.6 million already invested, consisting of 12 projects, of which three are new projects and nine are redevelopments and extensions. At 31 December 2009, the yield on the total costs (defined above) of these projects was 7.4% for the variable deferrable Pipeline and 5.8% for the variable waivable Pipeline.

According to the classification of the Pipeline by the degree of commitment, at 31 December 2009, projects were fixed committed for a total sum of € 702.7 million (including € 121.2 million already invested), € 1,297.4 million could be deferred, both fixed and variable (including € 129.4 million already invested) and € 264.8 million could be waived (including € 1.3 million already invested). Security, such as bank guarantees, has been provided by the Group's project partners for amounts the Group already invested in projects that can be cancelled or waived. In case such a project is cancelled or waived, such parties will have to pay back any investments already made by the Group.

The amounts already invested in Pipeline projects are included at fair market value in the Group's consolidated balance sheet. The total value of amounts already invested in development properties was approximately € 118 million (61% of the total development Portfolio) at 31 December 2009, of which € 64.3 million is in the Netherlands (33% of the total development Portfolio), € 8.8 million in France (4% of the total development Portfolio), € 3.2 million in Italy (2% of the total development Portfolio), € 1.0 million in Spain (1% of the total development Portfolio) and € 40.7 million in Turkey (21% of the total development Portfolio).

The Group also owns several parcels of land in France (with a total value of € 25.4 million or 13% of the total development Portfolio as of 31 December 2009), Italy (with a value of € 38.0 million or 20% of the total development Portfolio as of 31 December 2009) and Bulgaria (with a value of € 12.6 million or 6% of the total development Portfolio as of 31 December 2009). These parcels of land are not included in the Pipeline.

***Overview of the fixed Pipeline projects***

At 31 December 2009, the Group's total planned investments for development projects in the fixed Pipeline were in the Netherlands € 275.9 million (36% of the total fixed Pipeline), Italy € 228.3 million (30% of the total fixed Pipeline), Spain € 21.8 million (3% of the total fixed Pipeline) and Turkey € 233.8 million (31% of the total fixed Pipeline).

*Netherlands*

As of 31 December 2009, the Group's fixed Pipeline in the Netherlands consisted of eight projects with an additional Gross Leasable Area of approximately 101,100 m$^2$. As of 31 December 2009, the Group's fixed Pipeline in the Netherlands represented € 275.9 million (36% of the total fixed Pipeline). The Group's total Pipeline (fixed and variable) in the Netherlands represented 45% of the total Pipeline (fixed and variable). The top five projects in terms of projected total investments in the fixed committed Pipeline in the Netherlands as of 31 December 2009 are shown in the table below.

| City | Name of project | Type | Additional Gross Leasable Area (m$^2$) | Total Gross Leasable Area (m$^2$) | Already invested (€ million) | Expected total investment (€ million) | Expected year of completion |
|---|---|---|---|---|---|---|---|
| Nieuwegein | Cityplaza | Extension and redevelopment | 32,900 | 57,500 | 3.6 | 116.9 | 2011/2013 |
| Spijkenisse | Stadsplein and Kolkplein | Development | 11,900 | 11,900 | 21.5 | 37.6 | 2011 |
| Zoetermeer | Oosterheem | Redevelopment | 12,000 | 12,000 | 0.5 | 32.1 | 2012 |
| Rotterdam | Nesselande(1) | Development | 10,000 | 10,000 | 27.1 | 30.9 | 2010 |
| Heerhugowaard | Middenwaard | Redevelopment | 7,800 | 33,400 | 17.5 | 28.4 | 2011 |

(1) This development project has been taken into operation and is part of the operational Portfolio as from 15 February 2010 (See "Business—Recent developments").

*France*

As of 31 December 2009, there were no projects in the Group's fixed Pipeline in France. The Group's total Pipeline (fixed and variable) in France represented 3% of the total Pipeline (fixed and variable).

*Italy*

As of 31 December 2009, the Group's fixed Pipeline in Italy consisted of five projects with an additional Gross Leasable Area of approximately 59,700 m$^2$. As of 31 December 2009, the Group's fixed Pipeline in Italy represented € 228.3 million (30% of the total fixed Pipeline). The Group's total Pipeline (fixed and variable) in Italy represented 36% of the total Pipeline (fixed and variable). The five projects in the fixed committed Pipeline in Italy as of 31 December 2009 are shown in the table below.

| City | Name of project | Type | Additional Gross Leasable Area (m$^2$) | Total Gross Leasable Area (m$^2$) | Already invested (€ million) | Expected total investment (€ million) | Expected year of completion |
|---|---|---|---|---|---|---|---|
| Venice | Marghera | Development | 30,000 | 30,000 | 0.5 | 145.5 | 2012 |
| Busnago | Globo III | Extension | 8,400 | 30,300 | 1.1 | 52.6 | 2011 |
| Udine | Città Fiera (49% Group interest) | Extension | 3,000 | 26,500 | 0 | 17.1 | 2010 |
| Turin | Le Gru II | Redevelopment | 13,900 | 46,800 | 0.3 | 9.6 | 2011 |
| Bologna | Gran Reno | Extension | 1,200 | 14,000 | 0.5 | 3.5 | 2010 |

*Spain*

As of 31 December 2009, the Group's fixed Pipeline in Spain consisted of two projects with an additional Gross Leasable Area of approximately 7,700 m$^2$. As of 31 December 2009, the Group's fixed Pipeline in Spain represented € 21.8 million (3% of the total fixed Pipeline). The Group's total Pipeline (fixed and variable) in Spain represented 1% of the total Pipeline (fixed and variable). The two projects in the fixed Pipeline in Spain as of 31 December 2009 are shown in the table below.

| City | Name of project | Type | Additional Gross Leasable Area (m$^2$) | Total Gross Leasable Area (m$^2$) | Already invested (€ million) | Expected total investment (€ million) | Expected year of completion |
|---|---|---|---|---|---|---|---|
| Jaén | La Loma | Extension | 4,900 | 14,600 | 1.0 | 15.3 | 2011 |
| Barcelona | Maremagnum | Redevelopment | 2,800 | 23,200 | 3.3 | 6.6 | 2010 |

*Turkey*

As of 31 December 2009, the Group's fixed Pipeline in Turkey consisted of two projects with a Gross Leasable Area of approximately 110,900 m$^2$. As of 31 December 2009, the Group's fixed Pipeline in Turkey represented € 233.8 million (31% of the total fixed Pipeline). The Group's total Pipeline (fixed and variable) in Turkey represented 15% of the total Pipeline (fixed and variable). The two projects in the fixed Pipeline in Turkey as of 31 December 2009 are shown in the table below.

| City | Name of project | Type | Additional Gross Leasable Area (m$^2$) | Total Gross Leasable Area (m$^2$) | Already invested (€ million) | Expected total investment (€ million) | Expected year of completion |
|---|---|---|---|---|---|---|---|
| Bursa | Anatolium | Development | 83,800 | 83,800 | 40.8 | 183.3 | 2010 |
| Tarsus | Tarsu | Development | 27,100 | 27,100 | 11.8 | 50.5 | 2011 |

## Tenant profile

At 31 December 2009, the Group's properties were leased to a wide variety of tenants under approximately 5,700 separate lease contracts, of which approximately 5,300 related to retail. The Group's tenants range from large multinational companies to small and medium-sized companies and operate in a wide range of retail sectors. Therefore, the Group believes that it is less vulnerable to negative economic trends or changing consumer preferences. Moreover, the Group does not rely on a small group of tenants to generate a substantial portion of its rental revenues.

At 31 December 2009, the Group's ten largest tenants by Annual Rent accounted in the aggregate for approximately 16.8% of the Group's total Annual Rent. These tenants are closely monitored by the Group on the basis of a number of key indicators (performance, rating, solvency ratio and liquidity ratio) on a quarterly basis. The Group has adopted policies with regard to credit risk assessments of its main tenants. Although local circumstances and, therefore, the policies may differ on a local level, all Business Units have credit procedures. Before entering into a lease, every tenant is reviewed by the leasing department of the Business Unit involved. The table below shows the top ten tenants of the Group by Annual Rent aggregated per group of affiliated businesses, as of 31 December 2009.

| (Parent company of) the tenant[(1)] | Brand names | Segments | Annual Rent as of 31 December 2009 (€ million) | Present in Group's Home Markets | Standard & Poor's rating of the parent company |
|---|---|---|---|---|---|
| Ahold N.V. | Albert Heyn, Etos, Gall & Gall | Retail | 10.4 | Netherlands | BBB |
| PPR Group | FNAC, Conforama | Retail, Industrial | 9.8 | Italy, France | BBB- |
| Inditex Group (Industria de diseño textil s.a.) | Zara, Bershka, Stradivarius, Pull and Bear | Retail | 9.2 | Netherlands, France, Italy, Spain, Turkey | No rating |
| H&M (Hennes & Mauritz AB) | H&M | Retail | 8.0 | Netherlands, France, Italy, Spain | No rating |
| CSC Computer Sciences | CSC Computer Sciences | Offices | 7.6 | France | BB |
| Metro AG | Media Markt, Media World, Saturn | Retail | 5.9 | Netherlands, Italy | BBB |
| Blokker B.V. | Blokker, Marskramer, Xenos, Bart Smit, Intertoys, | Retail | 5.1 | Netherlands | No rating |
| Carrefour S.A. | Carrefour, | Retail | 4.7 | France, Turkey | A |
| Schuitema B.V. | C1000 | Retail | 3.1 | Netherlands | No rating |
| Courir & Go Sport | Courir, Go Sport | Retail | 3.0 | France | No rating |
| **Total** | | | **66.8** | | |

(1) The lease contracts may be entered into with the parent company and/or one or more of its subsidiaries. The credit rating is the credit rating of the parent company and does not necessarily reflect the credit risk of the Group in respect of the relevant lease agreements.

**Leases and occupancy**

Since the Group, as the owner and manager of the shopping centres, and its tenants have a mutual interest in the success of the centre, the Group's net rental income is relatively stable in comparison to other real estate segments. The Group's lease contracts vary from one market to another as a result of differences in legal regimes, which affect lease terms and terminations and annual rent increases, as well as market practice. Except in Turkey, rents are typically subject to annual index-linked increases, however, whereas in most Home Markets such increases are based on the national CPI (the Netherlands, Italy and Spain), in France most increases are based on the commercial rent index for retail properties (composed of 50% CPI, 25% retail turnover index and 25% construction cost index) ("**ILC Index**"). Rents in Turkey are usually subject to a fixed index-linked increase of 3% per year. National differences go beyond regulations governing index-linked increases and can also be seen in the average term of leases and the ability to charge market rents when leases expire. For example, leases in the Netherlands are typically concluded for five or ten years and a rent review can take place every five years. In such rent reviews, rents are not adjusted to market rent. Instead, a new rent is determined on the basis of the average of rents charged for similar retail spaces in the five previous years. There may be a delay in the date on which the rent calculated during the rent review comes into effect. In France, leases normally have a term of nine years. In Italy, Spain and Turkey, leases tend to be concluded for five or ten years and market rents can be introduced when they expire. The table below gives an overview of the typical key lease terms in each of the Group's Home Markets.

**Typical leases for retail property**[1]

| Country | Lease terms | Break options | Security of tenure | Review/indexation |
|---|---|---|---|---|
| **The Netherlands** | Minimum duration by law: five years with a renewal option for another five years. | On a standard five + five-year contract or a contract for a multiple of five years, tenants have a break option after every five years. | By negotiation, a landlord generally has limited statutory grounds to cancel the lease, such as where landlord wishes to occupy or redevelop. | Rent is usually indexed annually with CPI. Rent is adjusted after initial term. Thereafter, at expiry of each extension period. |
| **France** | Standard retail leases: nine years. Shopping centres and new retail leases: usually ten to 12 years. | Tenant has the option after three years. | Tenant has the right to renew for further terms of nine, ten or 12 years. Landlord can refuse to renew, but will have to pay high eviction indemnities. | Rents are indexed annually with cost of construction index or the commercial rent index (ILC Index) for the shopping centre industry.<br><br>At the end of a lease of more than nine years (often ten or 12 years): market value. |
| **Italy** | Standard lease: minimum duration provided by law is six years, with a renewal option for another six years.<br><br>Business lease[2]: usually five to ten years (used in the majority of shopping centre contracts). | Standard lease: negotiable from three to five years.<br><br>Business lease: negotiable.<br><br>In a standard lease (*i.e.* lease of commercial assets), law 392/78 provides for a break option right of the tenant, at any time with six-month prior notice, for serious reasons. | Standard lease: after the first six years, tenant has an automatic renewal option for an additional six years on the same terms and conditions, after which the landlord and tenant can negotiate new rent.<br><br>Business lease: tenant does not have any right to compensation if the landlord decides not to renew. | Standard lease: annual increase set at 75% of CPI.<br><br>Business lease: annual increase set at 100% of CPI. |
| **Spain** | Usually five, ten or 15 years. | Negotiable, normally in high streets the minimum is three to five years and in shopping centres after five years. Big retailers always negotiate. | None. | Rent is usually indexed annually with CPI. Rent reviews normally take place after lease expiry. |
| **Turkey** | Usually between three and five years, but negotiable. It may extend to ten years for Anchor Tenants in shopping centres. | At the end of the contract, after three of five years: requiring four to six-month prior written notice. | None, unless stipulated in the lease. | Rent is usually indexed annually with a fixed percentage, usually 3%. Contracts are usually denominated in foreign currencies (US dollar or Euro). |

(1) These are standard terms typically seen across the markets. In some instances, certain aspects of lease terms will be open to negotiation (Source: Cushman & Wakefield and European Real Estate Publishers).

(2) Contrary to a standard lease in Italy, a business lease also includes the lease of everything that is related to the operation of a business; this is not only the property itself, but also licences, if required, furniture, etc.

The weighted average remaining term of the Group's retail leases, at 31 December 2009, was approximately four years. Lease contracts representing approximately 8.7% and 10.5%, of the Group's Annual Rent as of

31 December 2009 expire in 2010 and 2011, respectively. The table below sets forth, as of 31 December 2009, the amount of Annual Rent (absolute amount and as a percentage of total Annual Rent) for the operational Portfolio represented by leases subject to expiration in the years indicated:

| Expiration period | Aggregate Annual Rent (€) | % of total Annual Rent(1) |
|---|---|---|
| 2010 | 34,774,000 | 8.7% |
| 2011 | 41,826,000 | 10.5% |
| 2012 | 41,035,000 | 10.3% |
| 2013 | 47,668,000 | 11.9% |
| 2014 | 52,595,000 | 13.1% |
| 2015 | 26,487,000 | 6.6% |
| After 2015 | 106,490,000 | 26.6% |
| Perpetual / No end date | 9,598,000 | 2.4% |

(1) 5.2% is vacant (€ 20,794,000) and 4.7% (€ 18,856,000) is under negotiation.

The Group believes that on a like-for-like basis, Annual Rents per m² and Occupancy Rates of the Portfolio have proven resilient in its established Home Markets (the Netherlands, France, Italy and Spain) during the past years. In Turkey, the Group's Annual Rents per m² declined significantly from € 830 in 2007 to € 322 in 2008 (mainly due to a decline in Annual Rents per m² in the shopping centre Akmerkez and change of the composition of the Portfolio) and further to € 254 in 2009, which was the result of an expansion of the Turkish Portfolio and discounts that were given to retailers in line with market conditions. The year-end Occupancy Rate for France declined in 2009, mainly as a result of the restructuring of the recently acquired shopping centre Grand Littoral in Marseille and the redevelopment of shopping centres La Galerie in Mulhouse and Quais d'Ivry. The table below sets forth the Annual Rent per m² and the Occupancy Rates, at 31 December for the years indicated.

| | Annual Rent per m² | | | Year-end Occupancy Rate (%) | | |
|---|---|---|---|---|---|---|
| Country | 2009 | 2008 | 2007 | 2009 | 2008 | 2007 |
| Netherlands | 215 | 222 | 225 | 98% | 99% | 99% |
| France | 253 | 265 | 230 | 92% | 95% | 94% |
| Italy | 355 | 336 | 330 | 99% | 99% | 98% |
| Spain | 335 | 303 | 305 | 92% | 94% | 96% |
| Turkey(1) | 254 | 322 | 830 | 94% | 94% | 99% |
| **Total Retail** | **258** | **263** | **261** | **95%** | **97%** | **97%** |

(1) In 2007, the Portfolio in Turkey consisted only of the retail properties Akmerkez and AdaCenter.

### Material contracts

Other than material financial agreements (which are described in "Operating and Financial Review—Liquidity and capital resources—Indebtedness"), lease agreements (which are described in "Business—Leases and occupancy"), agreements described in "Business – Recent developments" and "Acquisition" and agreements in the ordinary course of business, the Group is a party to the following agreements that are material to it.

### *The Netherlands*

*Ground leases*

The Group is party to six ground leases in the Netherlands. The main features of these ground leases as agreed upon with the respective municipalities are set out in the table below.

| City | Name of property | Owner | Term of ground lease | Annual ground rent on 31 December 2009 |
|---|---|---|---|---|
| Utrecht | Hoog Catharijne | Municipality of Utrecht | 31 December 2069 | Approximately € 3,710,000 |
| Amsterdam | Reigersbos | Municipality of Amsterdam | Indefinite | Approximately € 411,000 |
| Amsterdam | ArenA Arcade | Municipality of Amsterdam | 31 December 2050 | Obligation to pay annual ground rent was bought out until 31 December 2050 |
| Amsterdam | Villa ArenA | Municipality of Amsterdam | Indefinite | Obligation to pay annual ground rent was bought out until 31 October 2048 |
| Rotterdam | Alexandrium | Municipality of Rotterdam | 31 March 2066 | Obligation to pay annual ground rent was bought out until 31 March 2066 |
| Alkmaar | De Mare (Europaboulevard) | Municipality of Alkmaar | 1 June 2034 | Obligation to pay annual ground rent was bought out until 1 June 2034 |

*Other material contracts*

On 17 February 2005, Corio Nederland entered into a turn-key agreement with Stadshart Nieuwegein C.V. (a partnership of Multi Development and ING Real Estate) regarding the development of an extension of the operational shopping centre Cityplaza in Nieuwegein, the Netherlands. Furthermore, the Group is redeveloping the operational Cityplaza shopping centre. These two Pipeline projects together represent a total investment of approximately € 116.9 million. The expected date of delivery of the first phase of the redevelopment project is spring 2011. The expected date of delivery of the extension project is mid 2013. The total additional Gross Leasable Area that will be constructed in these two projects is approximately 32,890 $m^2$. These two projects are included in the fixed committed Pipeline.

The Group is involved in the phased redevelopment of the railway station area in which the Group's shopping centre Hoog Catharijne in Utrecht, the Netherlands, is located. This project will lead to a gradual reconstruction and extension of the Hoog Catharijne shopping centre. The project is expected to be completed in phases from 2012 up to 2020. The four major parties that are involved in the project are: the Group (with respect to the Hoog Catharijne shopping centre), the Municipality of Utrecht (with respect to public areas and overall managing role), NS Vastgoed B.V. (with respect to the railway station and surroundings) and Jaarbeurs Utrecht N.V. (with respect to the conference centre Jaarbeurs Utrecht). The Group will redevelop the shopping centre in phases and has therefore entered into or will enter into development and/or construction agreements in phases. Approximately 40,000 $m^2$ additional retail Gross Leasable Area and approximately 5,000 $m^2$ additional leisure Gross Leasable Area are planned to be constructed as part of this redevelopment and extension project. Approximately 4% of the total investment of the Group in this project is included in the fixed committed Pipeline, involving an investment of approximately € 17 million. The other phases of this project are included in the variable deferrable Pipeline.

On 31 January 2008, the Group entered into a construction agreement with the Municipality of Utrecht regarding the acquisition of the retail properties that will be developed in the Centrumgebied Leidsche Rijn Centrum. Leidsche Rijn is a residential area that is currently being developed close to the city of Utrecht. The development will be done on a turn-key basis. After a tendering procedure, ASR Vastgoed Ontwikkeling has been selected as the developer for the first phase of the development. The Group expects to enter into a turn-key development contract with ASR Vastgoed Ontwikkeling with respect to the development of the retail properties. The Group currently expects the first phase of development of the retail properties (approximately 26,500 $m^2$ Gross Leasable Area) to start in the second quarter of 2012 and delivery of this phase to take place at the end of

2015. Phasing and timing of the development of the remainder of this project is still unknown. The total Gross Leasable Area of the retail properties that the Group plans to acquire in the Centrumgebied Leidsche Rijn Centrum will be approximately 45,000 m$^2$. This first phase of this project is included in the variable waivable Pipeline.

***Spain***

The Group is party to two ground leases in Spain. The main features of these ground leases are set out in the table below.

| City | Name of property | Owner | Term of ground lease | Annual ground rent on 31 December 2009 |
|---|---|---|---|---|
| Madrid | Príncipe Pío | ADIF (railway company) | 14 March 2050 | 1. Approximately € 302,000 (fixed); plus<br>2. a variable annual ground rent of 8.5% of the Group's annual earnings derived from Príncipe Pío before interest and taxes; plus<br>3. a variable annual ground rent of 15% of the Group's annual earnings derived from Príncipe Pío before taxes. |
| Barcelona | Maremagnum | Port of Barcelona | 31 December 2049 | 1. Approximately € 561,838 (fixed); plus<br>2. a variable annual ground rent of 3.5% of the Group's annual revenues derived from Maremagnum, with a minimum amount of € 339,896. |

(1) Please note that the Group owns 95% of the shares in Príncipe Pío Gestion S.A., the company that holds the ground lease of Príncipe Pío. Príncipe Pío Gestion S.A. is party to the ground lease and therefore obliged to pay the annual ground rents mentioned above.

***Italy***

On 2 October 2007, Corio Italia and BLO S.r.l. entered into a preliminary agreement regarding the acquisition by Corio Italia of all shares in a special purpose vehicle owned by BLO S.r.l. This special purpose vehicle, which has not yet been incorporated, is expected to be the owner of the development project for the shopping centre Marghera in Venice, Italy, that is currently under construction. Corio Italia expects to enter into a final agreement with BLO S.r.l. following completion of the shopping centre. The expected total Gross Leasable Area of the shopping centre is approximately 30,000 m$^2$. The Group's total planned investment is € 145.5 million. The opening of the Marghera shopping centre is planned for spring 2012. This project is included in the fixed committed Pipeline.

On 9 December 2008, the Group entered into a preliminary binding master sale and purchase agreement with Mercurio S.p.A. (the developer) regarding the acquisition of all shares in a special purpose vehicle that is the owner of the Globo III shopping centre located in Busnago, near Milan, Italy (see "Business—Pipeline—Overview of fixed pipeline projects—Italy"). This shopping centre is a further extension of a larger shopping centre that includes Globo I-II and has a total Gross Leasable Area of approximately 8,400 m$^2$. The Globo III project is included in the fixed committed Pipeline and the Group expects to acquire Globo III in the second quarter of 2011. The total investment of the Group in this project will be approximately € 52.6 million.

***Turkey***

*Ground lease*

The Group is party to one ground lease agreement in Turkey, in respect of the shopping centre 365 in Ankara. The Group pays a variable increasing ground rent starting at 25% and going up to 60% of the Group's annual net operating income derived from the 365 shopping centre, with a minimum rent which may increase subject to certain conditions. The ground lease agreement expires on 4 January 2027. The parties have agreed to negotiate a renewal of the agreement before the initial lease term ends.

*Other material contracts*

On 21 November 2007, Corio Türkiye entered into a share purchase commitment agreement with Maya for the purchase of all shares in a Turkish joint stock company (a special purpose vehicle), Erma Insaat Yatirim ve Ticaret AS, which owns the development project for the construction of the shopping centre Anatolium in Bursa, Turkey, against an agreed yield of 8%. Bursa is expected to have a total Gross Leasable Area of approximately 83,800 $m^2$. This turn-key development project is included in the fixed committed Pipeline for a total expected investment of € 183.3 million. Currently, this shopping centre is under development and the expected opening and delivery dates are in the third quarter of 2010.

On 17 June 2008, the Company and Acteeum Ltd. entered into a development agreement which sets forth the terms and conditions for development services for approximately four retail property development projects of Corio Türkiye. To date, two projects have been initiated; a project named Tarsu in the city of Tarsus and a project in the city of Malatya. However, on 14 December 2009, the parties jointly decided to restructure their cooperation by terminating the development agreement. The Group decided to continue in-house with the development of the Tarsu and Malatya development projects. The project in Malatya is part of the variable deferrable Pipeline and is temporarily on hold, awaiting better local market conditions. For Tarsu, which is included in the fixed Pipeline, the predevelopment work has nearly been completed and the pre-letting is progressing. Tarsu will have a total Gross Leasable Area of approximately 27,100 $m^2$ and an expected investment amount of € 50.5 million. Construction is scheduled to start in the second quarter of 2010, with expected delivery at the end of 2011.

**Insurance**

The Group seeks to maintain insurance policies covering its properties and employees with policy specifications and insured limits which the Group believes are customary for the real estate business in its markets. The Group's properties are largely covered against property damages and third party liability by means of corporate umbrella policies concluded with a syndicate of insurers lead by RSA Insurance Group. Insurance of property damages is based on the replacement costs of the properties, which are indexed yearly. Furthermore, loss of rent is covered for a period of two years. For certain damages, such as damages caused by flood, earthquake and volcanic eruption, a threshold amount in coverage is applicable, pursuant to which the Group must bear losses up to the applicable threshold amount. Certain risks are not covered by insurance, such as, amongst other things, war risks, malicious intent, civil riots and damages caused by natural heating and pollution.

The Group also has a directors and officers' liability insurance with a maximum coverage of, currently, approximately € 75 million per occurrence and per year. This policy also covers the liability of all directors and officers of subsidiaries of the Company, *i.e.* in which the Company has the majority of the voting rights.

**Intellectual property**

The Group believes that local branding is important in positioning its shopping centres. With its brand name, the Group believes that a shopping centre can distinguish itself from competition. The active use of brand names is not yet common practice in all retail property markets, but is becoming more important in communications with consumers and retailers.

The Group has several trademarks, trade names and domain names registered in its name. The Group's subsidiaries Corio Nederland, Corio France, Corio Türkiye, Corio España and Corio Italia have registered trademarks and trade names and/or domain names, which are mostly linked to specific projects or shopping centres in their respective countries.

Dutch intellectual property rights are registered and protected by two trademark houses. Once a month, the Group receives information with respect to the registered Dutch intellectual property rights, including whether the same or similar intellectual property rights are being registered by other companies, so that the Company has the opportunity to oppose any such new registrations.

The protection of local intellectual property rights is the responsibility of local management.

**Environmental matters**

The Group is committed to environmentally sustainable living conditions in the Catchment Area of its shopping centres. Therefore, it has a policy to reduce carbon dioxide emissions, the use of energy and water and the production of waste in and by its shopping centres. This commitment is the result of the Group's own ethical norms, the demands of tenants, consumer interests and the economic benefits to the Group in costs savings.

For its development and redevelopment projects, the Group aims for a sustainability qualification of BREEAM-development ("BRE Environmental Assessment Method" is an environmental assessment method for buildings, which results in a certification) and applies its own sustainability standard for its (re)developments and operational centres. The Group has drawn up a list of sustainability demands with which its properties must comply. This list is based on BREEAM, in anticipation of the applicability of this pan-European standard to existing and new buildings.

The Group's operations and properties are subject to various laws and regulations concerning the protection of the environment. Under certain of these laws, property owners may be responsible for investigation and clean-up of hazardous or toxic substances released at their properties, and property owners or operators may also be liable to the state or third parties for property damage or personal injuries due to any such contamination, sometimes regardless of whether the owner or operator had knowledge of the release of the substances or caused the release. Other environmental laws and regulations relate to asbestos-containing materials, lead paint, certain electrical equipment containing polychlorinated biphenyls (PCBs) and underground storage tanks.

The Group is not aware of any material environmental liabilities at its properties.

**Corporate social responsibility**

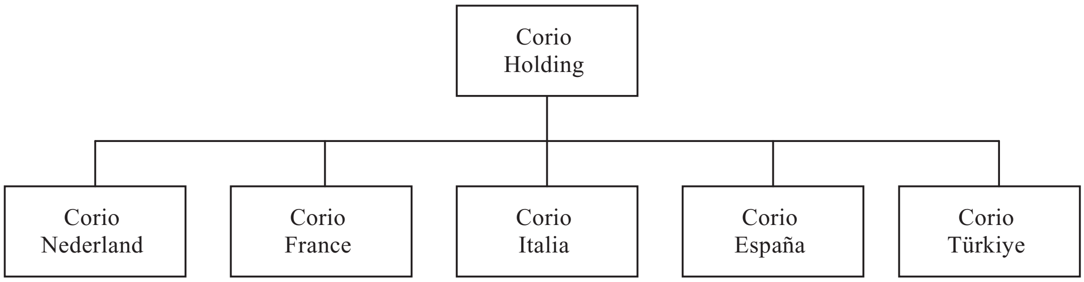
Since 2007, the Group has made corporate social responsibility an integral part of its long-term strategy. In its operational and strategic decision making, the Group takes into account not only economic, but also social and environmental issues. CSR has been imbedded in the organisation of the Group and its daily operations. As a result, the Group has been included in the FTSE4GOOD Index and has been selected for inclusion in the Ethibel Excellence Investment Register.

The Group believes that CSR performance needs to be transparent and measurable. Therefore, the Group has set ambitious targets for the coming years. With these targets, the Group aims to meet the environmental and social challenges which the Group faces in its real estate business, while also pursuing its economic objectives. By setting both short-term and long-term targets, the Group aims to create sustainable value in the long term and, at the same time, to safeguard its short-term objectives.

**Organisational structure**

The Group has a decentralised management structure, with Business Units in each Home Market. This enables the Group to maintain close and regular contacts with tenants and helps ensure a fast response to changes within the Catchment Areas, for example in consumer preferences. Central management provides checks and balances, defines best practices and adds expertise. Local management is responsible for the day-to-day management of the Portfolio. Local management is held accountable based on central management annual budgets, investment proposals, quarterly reports and monthly key performance indicators reports. Asset allocation, financing, fiscal matters, strategy and investor relations are the exclusive responsibility of central management. This model enables the Group to combine the strengths of local management with coordination on the Company level. The Group refers to this model as "Local+".

The Business Units in the Group's five Home Markets are Corio Nederland, Corio France, Corio Italia, Corio España and Corio Türkiye. The property located in Germany is managed by Corio Nederland. The property located in Bulgaria is managed by the Company. After the Acquisition, the properties in Germany will be managed by a new Business Unit Germany, which will consist of a combination of the existing experienced Multi management and the Group's management. The Group's management structure is summarily reflected in the organisational chart below.



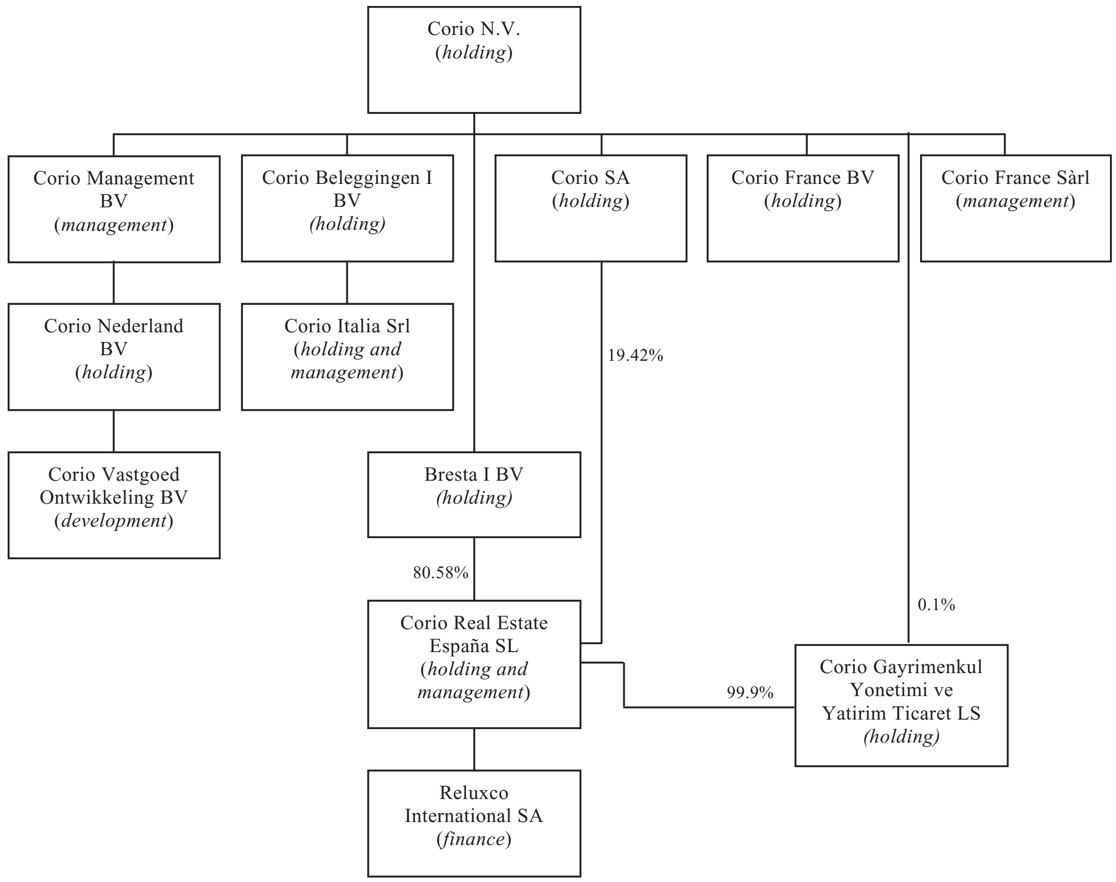

## Legal Structure

### *Introduction*

The legal structure of the Group consists of a large number of legal entities. The simplified legal structure chart below does not present all interests in companies that hold properties, but presents the structure of holdings in the Company's direct or indirect significant subsidiaries. Properties or interests in joint ventures holding properties are held either directly by the legal entities referred to in the table and simplified legal structure chart below or indirectly by subsidiaries of these legal entities. The Company considers the following entities to be significant within the Group: (i) entities which hold, on a consolidated basis, ten percent or more of the total Portfolio ("holding" entities), (ii) entities in which decisions that are important to the Group are taken ("management" entities), (iii) entities in which important financing activities of the Group take place ("finance" entities) and (iv) entities in which development activities take place ( "development" entities).

| Name of entity | Country of incorporation | Ownership interest of the Company |
|---|---|---|
| Corio N.V. | the Netherlands | Not applicable |
| Corio Management B.V. | the Netherlands | 100% |
| Corio Beleggingen I B.V. | the Netherlands | 100% |
| Corio Nederland B.V. | the Netherlands | 100% |
| Corio Vastgoed Ontwikkeling B.V. | the Netherlands | 100% |
| Bresta I B.V. | the Netherlands | 100% |
| Corio Italia Srl. | Italy | 100% |
| Corio S.A. | France | 100% |
| Corio France B.V. | the Netherlands | 100% |
| Corio France S.à.r.l. | France | 100% |
| Corio Real Estate España SL | Spain | 100% |
| Corio Gayrimenkul Yonetimi ve Yatirim Ticaret LS | Turkey | 100% |
| Reluxco International S.A. | Luxembourg | 100% |

### *Simplified legal structure chart*



## MARKET OVERVIEW AND COMPETITION

### Market Overview

***General***

The Group believes that, among other things, demographics, economic conditions, consumer market characteristics and business climate are important criteria that determine the attractiveness for investments in the retail property market. The Group monitors and evaluates the Home Markets in which it operates, as well as potential new Home Markets on the base of these criteria. In addition, the Group needs to be able to build critical mass in a potential Home Market—building a portfolio of sufficient size to set up a Business Unit in accordance with the Group's "Local +" business model (See "Business—Competitive strengths").

The Group focuses on Europe and selects potential Home Markets based on optimisation of its risk-return profile. The Group also analyses regional differences within a Home Market and uses this intelligence to optimise its investment allocation strategy. Specific features of a location, such as Catchment Area, are key when assessing investment opportunities. The Group's investment allocation to the various Home Markets is monitored on an annual basis.

***The Netherlands***

*Key data and Dutch retail market characteristics*

| | |
|---|---|
| Population (2009) | 16.5 million |
| Population growth (2004-2009) | 0.28% |
| GDP (2009) | € 505,873 million |
| GDP growth (2004-2009) | 1.32% |
| GDP per capita (2009) | € 30,637 |
| Unemployment (2009) | 4.9% |
| Consumer spending (2009) | € 235,870 million |
| Consumer spending growth (2004-2009) | 0.21% |
| Consumer spending per capita (2009) | € 14,285 |
| Retail sales (2009) | € 76,698 million |
| Retail sales growth (2004-2009) | 0.91% |
| Retail sales per capita | € 4,645 |

(Source: Experian Business Strategies, European regional forecast (December 2009) and retail sales forecast (July 2009), data for 2009 are forecasts. Financials are in 2005 prices, in purchasing power parities. Unemployment data are from CBS Netherlands Statistics Bureau (*Centraal Bureau voor de Statistiek*).

The largest Home Market of the Group is the Netherlands, where 33% of the Group's assets are located. The Netherlands ranks eighth in the EU based on population size and seventh based on economy. The country has shown a modest population growth over the past five years compared to the EU average, and is expected to continue to grow at the same pace over the next decade. The population is ageing, at a slower rate than some of the other Western European countries, such as Germany and Italy. The Group believes the high urbanisation rate and high population density are two key strengths of the Dutch market. Over the past five years, the Dutch economy has experienced above average growth compared to the other economies in the EU. The Netherlands has the second largest gross domestic product ("**GDP**") per capita in the EU. (Sources: Experian Business Strategies, 2009; Eurostat website, quoted in 2009).

Consumer behaviour is largely determined by disposable income. The average disposable income in the Netherlands is among the highest in the EU, and the country has one of the highest savings ratios in the EU. Retail sales per capita are above the EU average, although retail sales take up a more modest proportion of consumer spending than in most EU countries. This is partly due to other expenses (such as insurance costs) representing a higher proportion of the household spending than in other EU countries. With above-average usage of personal computers and internet access by Dutch households, economic commerce through the internet ("**E-commerce**") is playing a growing role in the Dutch retail market. As well as using the internet for online purchases, the internet is also used as a source of information on products and to compare product prices. The Group therefore believes that although E-commerce can be seen as a threat to traditional retail commerce, it is also a way to improve brand strength and recognition. (Sources: Experian Business Strategies, 2009; EC, the European consumer, 2009; Capgemini, trends in retail 2009-2010, 2009).

*Location and (re)development of shopping centres in the Netherlands*

The Dutch population is used to being in close proximity to shopping facilities, which results in a hierarchy among shopping locations whereby city centre locations are more prestigious than neighbourhood or regional shopping centres. In general, shopping centres of more than 80,000 $m^2$ of Gross Leasable Area are rare. Retail space per capita in the Netherlands is among the highest in the EU.

The strict planning regime in the Netherlands limits the development of new retail space. Development activities are therefore largely focused on redevelopments to keep retail properties up to date and competitive. The Group's own in-house development company is also focused on redevelopment, which is especially important in the light of the enhanced competition from E-commerce.

The global economic downturn has made the distinction between primary and secondary locations for shopping centres more important. Shopping centres in primary locations have been less affected by vacancies and declines in rents than shopping centres in secondary locations. (Sources: ICSC, towards a pan European shopping centre standard, 2005; Jones Lang LaSalle, Retail Market Special 2009; CBRE, Viewpoint Nederland, 2009).

*The Dutch retail real estate investment market*

The retail real estate investment market has slowed down considerably due to the economic crisis. Risk aversion and the limited availability of financing have played an important role in this trend, and caused an upward pressure on yields, resulting in negative revaluations of real estate assets. Primary shopping centres have been more in demand by investors, hence yields have increased less in primary locations compared to secondary locations. (Sources: Jones Lang LaSalle, On Point Dutch retail market bulletin, 2009; CBRE, Viewpoint Nederland, 2009).

***France***

*Key data and French retail market characteristics*

| | |
|---|---|
| Population (2009) | 62.5 million |
| Population growth (2004-2009) | 0.58% |
| GDP (2009) | € 1,624,964 million |
| GDP growth (2004-2009) | 0.91% |
| GDP per capita (2009) | € 25,984 |
| Unemployment (2009) | 9.4% |
| Consumer spending (2009) | € 961,487 million |
| Consumer spending growth (2004-2009) | 1.85% |
| Consumer spending per capita (2009) | € 15,374 |
| Retail sales (2009) | € 363,656 million |
| Retail sales growth (2004-2009) | 2.13% |
| Retail sales per capita | € 5,815 |

(Source: Experian Business Strategies, European regional forecast (December 2009) and retail sales forecast (July 2009), data for 2009 are forecasts. Financials are in 2005 prices, in purchasing power parities. Unemployment data are from Eurostat.)

France is the second largest Home Market of the Group, where 32% of its assets are located. France is one of Europe's largest markets: second in the EU based on population size, and third in the EU based on the size of its economy. France has one of the highest fertility rates in the EU; the population is aging more slowly than in some of its neighbouring countries like Italy and Germany. During the economic crisis in 2008 and 2009, the French economy has proven to be more resilient than other European markets, as evidenced by the lower economic decline in 2009 compared to other economies in the EU. GDP per capita in France is above the EU average in 2009 of € 22,838 per year (based on 2005 prices in purchasing power parities). (Sources: Experian Business Strategies, 2009; Eurostat website, quoted in 2009).

The disposable income of the French population is in line with the Western European average, as is its savings ratio. The retail sales per capita, however, are among the highest in the EU. A survey conducted among a number of EU countries shows that the French population spends more time on shopping than their fellow Europeans. (Source: EC, the European consumer, 2009)

Large hypermarkets, such as Carrefour, play an important role in the French retail sector. However, the hypermarket formats in France are currently being downsized and becoming more “convenience-oriented”, meaning that the hypermarkets are getting smaller and include fewer non-food related retailers. Carrefour is currently also diversifying its shopping centre formats and focuses on more supermarkets and true “convenience oriented” stores in addition to its hypermarkets. Discount retailers such as Aldi and Lidl are increasing the number of shops they run in France and gaining a larger market share of the French retail market. Although E-commerce is not yet as popular in France as in other EU countries (such as the Netherlands) online retailing is gaining popularity in France. (Sources: Experian Business Strategies, 2009; EC, the European consumer, 2009; Verdict, retailing in France, 2008).

*Location and (re)development of shopping centres in France*

A typical first generation shopping centre in France consists of a large hypermarket as the Anchor Tenant with a gallery of smaller shops and services located around the hypermarket. Besides playing the role of Anchor Tenants, hypermarket operators are sometimes also important players in the retail real estate investment market.

There are approximately 700 shopping centres in France. The shopping centre supply is slightly above the EU average with approximately 250 $m^2$ per 1,000 inhabitants. Like the Netherlands, France has a strict planning regime, restricting the opening of new retail space and thus protecting existing retail spaces against new competition, even though an important law liberalising the authorisations required to open new retail space, the *Loi Raffarin*, was promulgated at the beginning of 2009. Development activities are currently rather focussing on redevelopment of existing shopping centres instead of developing new ones. (Sources: ICSC, towards a pan European shopping centre standard, 2005; Verdict, Shopping centres in the EU, 2009).

Despite the weak economic climate, throughout 2009 demand for retail space in France remained relatively resilient. The focus of prospective tenants is on renting retail spaces in good quality locations, which, as in the Netherlands, has increased the distinction between primary and secondary locations of shopping centres. There has been limited downward pressure on the level of rents, but tenants have been able to negotiate incentives more often over the past year. (Sources: Cushman & Wakefield: France retail snapshot Q3 2009; Savills, Quarterly data bulletin, France commercial property market, Q3 2009).

*The French retail real estate investment market*

The real estate investment market in France has held up well compared to other EU countries with prime yields for retail stabilising, and, in some cases, under downward pressure recently. The economic climate has provided selected opportunities for investors, but opportunities for quality retail space remain limited as France and especially Paris remains popular among real estate investors. (Sources: Cushman & Wakefield: France retail snapshot Q3 2009; Savills, Quarterly data bulletin, France commercial property market, Q3 2009).

***Italy***

*Key data and Italian retail market characteristics*

| | |
|---|---|
| Population (2009) | 59.9 million |
| Population growth (2004-2009) | 0.59% |
| GDP (2009) | € 1,349,555 million |
| GDP growth (2004-2009) | (0.34)% |
| GDP per capita (2009) | € 22,534 |
| Unemployment (2009) | 7.9% |
| Consumer spending (2009) | € 814,891 million |
| Consumer spending growth (2004-2009) | 0.21% |
| Consumer spending per capita (2009) | € 14,285 |
| Retail sales (2009) | € 253,700 million |
| Retail sales growth (2004-2009) | (0.91)% |
| Retail sales per capita | € 4,236 |

(Source: Experian Business Strategies, European regional forecast (December 2009) and retail sales forecast (July 2009), data for 2009 are forecasts. Financials are in 2005 prices, in purchasing power parities. Unemployment data are fromEurostat.)

Italy is the Group's third largest Home Market where 18% of its assets are located. Italy is the fourth largest market in the EU, both in terms of population and economy size. Over the past couple of years the Italian population has grown at a rate above the EU average, an increase that is mainly attributable to immigration. Italy has an above-average population density (compared to the average population density in the EU countries). Italy has a lot of cities, which the Group considers attractive, as it creates opportunities to acquire or open quality shopping centres in a wide range of locations and obtain critical mass in the Italian retail market. However, the Italian economy, consumer spending and retail sales in general have shown disappointing growth over the past five years. GDP per capita is in line with the EU average. (Sources: Experian Business Strategies, 2009; Eurostat website, quoted in 2009; turnover growth figures of the Company's shopping centres; BCSC, Future of retail property, consumers over 55, silver shoppers provide a golden opportunity, 2006).

Nevertheless, the Company believes the Italian retail market to be attractive, because of the modernisation that has taken place over the past 20 years. Traditionally, boutiques and small independent shops have played an important role in the Italian retail sector and their share in that retail market used to be higher than in many other EU-15 countries. However, the shopping preferences of Italians have changed over the last few years and increasingly favour large retail chains (mainly for grocery and clothing) and the shopping centres where these chains are located.

Italians spend a far larger part of their household income on fashion than Europeans in other EU countries and are very focussed on quality and brand. In 2007, almost 25% of the total retail expenditure in Italy was spent on clothing. As the disposable income of most Italians has been recently under pressure and given the fact that retail clothing chains offer relatively cheap products, these type of retail chains have gained popularity in Italy. The Company believes that these ongoing changes in Italian retailing will provide further opportunities for the Italian shopping centre industry. The Italian population's preference for shopping in modern shopping centres is evidenced by the high sales growth in the Group's shopping centres in Italy over the last couple of years, which has markedly surpassed the growth of Italian retail sales in general. Aware that shopping centres that offer entertainment, activities and restaurants are gaining popularity, the Company has been able to attract a lot of consumer traffic by offering promotional and leisure activities, some of which have won awards. (Sources: Verdict, retailing in Italy, 2008; ICSC, Solal Marketing awards).

*Location and (re)development of shopping centres in Italy*

Like in France, hypermarkets have played an important role in the development of shopping centres in Italy. Up until now most shopping centres in Italy have had a large hypermarket as an Anchor Tenant. On average the Italian population has approximately 200 $m^2$ of shopping centre space per 1000 inhabitants, in line with the EU average. The Italian market has significant regional differences and the division between the southern and northern part of the country is also evidenced in the shopping centre sector. The development of the retail sector first started in the 1970s in the more prosperous North, and the current total amount of Gross Leasable Area in the Northern regions of Italy is larger than in the South. Development of shopping centres in the Southern regions started more recently, over the last decade. With the introduction of the "*Bersani law*" in 1996, planning became partly an issue for regional governments, leading to some regional differences in planning legislations. However, as in the Netherlands and France, the Italian planning regime is generally strict which restricts competition. (Sources: ICSC, towards a pan European shopping centre standard, 2005; Verdict, Shopping centres in the EU, 2009).

Following a significant growth in rents in recent years (now stabilising as a result of the economic crisis), the Italian shopping centre sector has performed relatively well over the past couple of years compared to other EU countries. Interest in the more prime locations has increased, while rents in secondary locations have decreased somewhat as a result of the current economic environment (Sources: Cushman & Wakefield, Italy retail snapshot Q3 2009; CBRE, Market view Italy Q3 2009).

*The Italian retail real estate investment market*

Shopping centres have remained popular investments in the Italian real estate market. Yields have softened in the Italian retail market but to a lesser extent than in some markets in EU-15 countries. Prime yields are currently stable, with some further softening expected in secondary locations. (Sources: Cushman & Wakefield, Italy retail snapshot Q3 2009; CBRE, Market view Italy Q3 2009).

***Spain***

*Key data and Spanish retail market characteristics*

| | |
|---|---|
| Population (2009) . . . . . . . . . . . . . . . . . . . . . . . . . | 45.8 million |
| Population growth (2004-2009) . . . . . . . . . . . . . . . . | 1.41% |
| GDP (2009) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | € 1,048,053 million |
| GDP growth (2004-2009) . . . . . . . . . . . . . . . . . . . | 1.63% |
| GDP per capita (2009) . . . . . . . . . . . . . . . . . . . . . . | € 22,894 |
| Unemployment (2009) . . . . . . . . . . . . . . . . . . . . . . . | 18.1% |
| Consumer spending (2009) . . . . . . . . . . . . . . . . . . . | € 588,242 million |
| Consumer spending growth (2004-2009) . . . . . . . . | 1.17% |
| Consumer spending per capita (2009) . . . . . . . . . . . | € 12,850 |
| Retail sales (2009) . . . . . . . . . . . . . . . . . . . . . . . . . | € 201,384 million |
| Retail sales growth (2004-2009) . . . . . . . . . . . . . . . | (0.91)% |
| Retail sales per capita . . . . . . . . . . . . . . . . . . . . . . . | € 4,399 |

(Source: Experian Business Strategies, European regional forecast (December 2009) and retail sales forecast (July 2009), data for 2009 are forecasts. Financials are in 2005 prices, in purchasing power parities. Unemployment data are fromEurostat.)

Spain is the Group’s fourth Home Market, where 10% of the Group’s assets are located. Spain ranks fifth in the EU, both in terms of population and economic size. Throughout the first part of the decade, both the Spanish population and the Spanish economy experienced growth above the European average. However, the country’s economy was hit more quickly and more profoundly by the ongoing 2008-2009 economic crisis than many other markets in Europe. This was mainly manifested in the rapid increase in unemployment. The construction sector, which is one of the most important sectors in the Spanish economy, was hit particularly heavily. GDP per capita is within the average range among EU countries. (Sources: Experian Business Strategies, 2009; Eurostat website, quoted in 2009).

Due to the economic crisis, the burst of the real estate bubble and an increase in unemployment, consumer confidence has dropped significantly. In addition, access to household credit, which had been an important driver for in consumption growth in the previous years, decreased materially. These factors led to a decline in retail sales. As a result, retailers that offer “value-for-money” and discount retailers have been gaining in popularity. Despite the economic crisis, the Spanish retail sector is nonetheless supported by positive drivers, such as social-demographic changes; children are moving out of their parents’ homes at an earlier age and multi-generation households are becoming less common. These trends are potential opportunities for retail operators. (Sources: Verdict, retailing in Spain, 2008; European Commission, Autumn economic outlook, 2009).

*Location and (re)development of shopping centres in Spain*

Traditionally, shopping centres with hypermarkets as Anchor Tenants have been predominant in Spain, as in France and Italy. Nevertheless, over the past couple of years, a growing number of large regional shopping malls have been developed and opened across the country, especially near large cities such as Madrid. The majority of Spanish shopping centres have a Gross Leasable Area of more than 40,000 m$^2$. Factory outlet shopping centres have also been gaining popularity, and despite the economic crisis, have been able to attract a lot of visitors.

The Spanish planning regime is regulated at a regional level. There are differences in the degree of difficulty in obtaining building permits, which directly influences the amount of Gross Leasable Area available in each region.

On average in Spain, the shopping centre space provision is around 300 m$^2$ per 1000 inhabitants, which is above the EU average. (Sources: ICSC, towards a pan European shopping centre standard, 2005; Verdict, Shopping centres in the EU, 2009).

The Spanish shopping centre industry, including the Group’s shopping centres, has been greatly affected by the economic crisis. Together with additional supply from the development of new shopping centres, it has weakened demand for retail space and caused an increase in vacancy, in turn putting rental levels under downward pressure. (Sources: CBRE, Market Outlook shopping centres, 2009, Cushman & Wakefield, Spain retail snapshot Q3 2009).

*The Spanish retail real estate investment market*

Spanish real estate development companies have been facing financial difficulties in this economic climate, which has led to distressed sales of development projects and operational assets. These distressed sales created opportunities for financially sound real estate investors. The Group's acquisition of the Príncipe Pío shopping centre in Madrid is an example of such a transaction. Yields have been under considerable upward pressure over the past 18 months, but are now stabilising with only marginal shifts being noticed in the second half of 2009. (Sources: CBRE, Market Outlook shopping centres, 2009, Cushman & Wakefield, Spain retail snapshot Q3 2009).

***Turkey***

*Key data and Turkish retail market characteristics*

| | |
|---|---|
| Population (2009) | 74.8 million |
| Population growth (2004-2009) | 1.27% |
| GDP (2009) | € 668,664 million |
| GDP growth (2004-2009) | 2.77% |
| GDP per capita (2009) | € 8,940 |
| Unemployment (2009) | 13.5% |
| Consumer spending (2009) | € 482,006 million |
| Consumer spending growth (2004-2009) | 2.77% |
| Consumer spending per capita (2009) | € 6,444 |
| Retail sales (2009) | n/a |
| Retail sales growth (2004-2009) | n/a |
| Retail sales per capita | n/a |

(Source: Experian Business Strategies, Turkey forecasts (July 2009), data for 2009 are forecasts. Financials are in 2005 prices, in purchasing power parities. Unemployment data are from Eurostat.)

The Group's youngest market is Turkey, which became a Home Market in 2005 with the acquisition of a 47% stake in Akmerkez; 7% of the Group's assets are located in Turkey. Compared to EU countries, only Germany has a larger population than Turkey. In terms of size of the economy, Turkey would rank sixth among the EU countries if it were part of the EU. The country has healthy demographics and high population growth. With high birth rates, the population is expected to continue to grow over the next few decades. Being an emerging market, the living standards and economy in Turkey are not yet at the same level as maturity as Western European markets. Nevertheless, the country is catching up and has experienced an economic growth over the past couple of years that is clearly above the EU average. The GDP per capita is below the average of the EU countries, but is growing quicker than the EU average. The country has also suffered from the effects of the 2008-2009 economic crisis, but is expected to recover more quickly than many European markets. (Sources: Experian Business Strategies, 2009; Eurostat website, quoted in 2009).

Due to a lack of available market data, the Group does not have data for retail sales in Turkey. However, the growth in consumer spending gives some insight to the Turkish retail market; estimates from Mintel show a healthy increase of retail sales over the past couple of years. The Turkish retail sector is undergoing a transformation: whilst traditionally Turks shopped in small shops, kiosks, bazaars and open air markets, especially for food, modernisation has accelerated over the past couple of years, with some domestic players like Migros (hypermarkets) as well as some fashion retailers playing an increasingly important role in the sector. The market has also been discovered by international players, and several international companies (such as Carrefour, Tesco, Media Market, H&M and Ikea) have entered the Turkish market over the past couple of years. (Sources: Mintel, Retailing in Emerging Markets, 2007).

*Location and (re)development of shopping centres in Turkey*

The Turkish shopping centre industry is still in its infancy, although it has undergone a rapid development during the past couple of years. There are still quite a few regions or cities without any shopping centres, but large Turkish cities, like Istanbul, Ankara and Izmir have a significant volume of leasable area available. Marked differences in the quality of the shopping centres can be observed; poor concepts, lay out and building quality are quite common. Nevertheless, the entrance of international players has brought higher standards to the market. Like in other EU markets, shopping centres often have a hypermarket as Anchor Tenants. "Do-It-Yourself" builder stores are often considered to be the Anchor Tenants in Turkish shopping centres.

The young Turkish population likes shopping in new modern places, such as shopping centres. Factory outlet shopping centres are also popular among Turks, offering brands for good prices and "value-for-money". The Group has observed that shopping centres are also considered as popular venues to meet and socialise, especially during lunchtime. A strong food court is therefore an important feature in Turkish shopping malls. (Sources: ICSC, towards a pan European shopping centre standard, 2005).

The Group has also observed volatility in the Turkish shopping centre sector. With retailers being hit by the economic crisis, both Occupancy Rates and rental levels have come under pressure. New rental contracts negotiated by the Group are at much lower levels than existing lease contracts. Incentives being offered to prospective tenants have become increasingly common and turnover related rents have increased. Considering the current economic climate, demand is now heavily geared towards the most attractive locations. (Sources: Colliers, Turkey commercial real estate market, first half 2009; Cushman & Wakefield, Turkey retail snapshot q3 2009).

*The Turkish retail real estate investment market*

Prime rents in Turkey have been recently stabilising. Investor demand has slowed down and international players in particular have become more risk adverse; some have completely exited their investments in Turkey. Yields have softened significantly and further small increases are expected, which may create opportunities for able and willing investors. (Sources: Colliers, Turkey commercial real estate market, first half 2009; Cushman & Wakefield, Turkey retail snapshot q3 2009).

***Germany***

*Key data and German retail market characteristics*

| | |
|---|---|
| Population (2009) | 82.1 million |
| Population growth (2004-2009) | (0.09)% |
| GDP (2009) | € 2,169,783 million |
| GDP growth (2004-2009) | 0.57% |
| GDP per capita (2009) | € 26,413 |
| Unemployment (2009) | 7.5% |
| Consumer spending (2009) | € 1,286,338 |
| Consumer spending growth (2004-2009) | 0.54% |
| Consumer spending per capita (2009) | € 15.658 |
| Retail sales (2009) | € 314,602 million |
| Retail sales growth (2004-2009) | (0.77)% |
| Retail sales per capita | € 4,099 |

(Source: Experian Business Strategies, European regional forecast (December 2009) and retail sales forecast (July 2009), data for 2009 are forecasts. Financials are in 2005 prices, in purchasing power parities. Unemployment data are from Eurostat.)

As a result of the Acquisition, Germany will be added as a new significant Home Market for the Group. Germany is the largest market of the EU, both in terms of population size and size of its economy. The population of Germany has started to decrease very slowly since its peak in 2004, although this decrease has been offset by migration. The population decline is due to the ageing population and to the birth rate in Germany being among the lowest in Western Europe. There are, however, regional differences: the biggest population declines are experienced in parts of the former German Democratic Republic, whereas most western German regions are still growing. The population is expected to stay more or less stable (zero growth) throughout the next decade. Economic growth has been below the EU average, but again, large regional differences are noticeable. As a large export based economy, Germany has been affected by the global economic crisis in 2008-2009, but the economy managed to recover earlier than expected. GDP per capita is above the EU average, as is consumer spending. (Sources: Experian Business Strategies, 2009; European Commission, Autumn economic forecast, 2009).

Like the Dutch, the Germans have above-average saving ratios compared to the EU average and the share of retail sales in consumer spending is below the EU average. Purchasing decisions by Germans tend to be very price sensitive. Many European discount retailers originate from Germany. The discount "boom" started in the grocery sector, with important players like Aldi and Lidl achieving market share, but has now spread to other sectors. For example, in consumer electronics, Metro's Media Market and Saturn are both marketed on price.

Nevertheless, consumers are increasingly expecting more and opportunities lie ahead for retailers offering more than discounts ("price and proposition" or "value for money"). This is especially the case for department stores, clothing retailers and the health and beauty sector. Environmental consciousness is also an important trend in the German retail sector; Germany's green retail offer is the most advanced in the EU. (Sources: Experian Business Strategies, 2009; EC, the European Consumer, 2009; Verdict, retailing in Germany, 2008).

*Location and (re)development of shopping centres in Germany*

Shopping centres play an increasingly important role in the German retail property market. Nevertheless, at approximately 150 $m^2$ per 1,000 inhabitants, shopping centre space in Germany is still below the European average. With a total supply of approximately 8.5 million $m^2$ of shopping centre space, and another approximately 1.2 million $m^2$ to be added by 2011, shopping centres of above 10,000 $m^2$ GLA represent less than 10% of the total retail space, highlighting the opportunities in this market. New projects focus on city-centre space, with extra attention drawn to the country's secondary cities. The most important trend in the market for shopping centres is the focus on prime city centre locations and peripheral locations. Roughly 90% of the 325 shopping centres with over 10,000 $m^2$ of retail space are situated in city centres or peripheral locations. Many of these centres are out of date and have potential for redevelopment and/or extension. Except for a few exceptions, all projects planned up until 2011 are located in city centres or peripheral locations. (Sources; Jones Lang LaSalle, The German retail property market—Overview, 2009, Verdict, Shopping centres in the EU, 2009).

As a result of the economic crisis, like in other Western European markets, demand for retail space has been increasingly focused on prime locations, large shopping centres and refurbished spaces. Overall, the market has benefited from a number of retailers willing to expand their business, such as like Aldi, C&A, H&M, DM drogeriemarkt and Esprit. This has helped rents to remain stable, although there has been some downward pressure on the rental level in shopping centres on secondary locations. (Sources: CBRE, Special Report, Einzelshandelmarkt Deutschland, 2009, Cushman & Wakefield, Germany retail snapshot q3 2009).

***The German retail real estate investment market***

In line with most other European countries, the German retail real estate investment market has witnessed a dramatic decrease in transaction volume over the last few years. Since the third quarter of 2009, however, the market has shown some signs of activity and yields have stabilised, after having risen around 125 base points since the lowest point in 2007. The Group believes that yields will not increase materially in the near future, provided there are no major external economic shocks. With an increasing number of transactions and a strong domestic investor base, the Group believes that investor confidence in Germany is returning. (Source: Jones Lang LaSalle, The German retail property market—Overview, 2009).

## Competition

The Group faces direct competition mainly from other real estate investors, property divisions of large (international) retailers and shopping centres.

***Real estate investors***

The Group competes with other real estate investors, mainly based in the Group's European Home Markets. The Group competes with these investors for the acquisition of new properties, including operational shopping centres, new developments and land. When disposing of properties, the Group competes in the market place with other real estate groups who have made properties available for sale.

The Group also competes with property divisions of large (international) retailers in the various markets. These retailers often invest in and/or develop their own shopping centres, in which they occupy space for their own retail activities and act as an Anchor Tenant.

***Other shopping centres***

The Group competes with other shopping centres for a share in total retail sales in a certain market or Catchment Area and potential tenants in the market for retail space. The degree of competition depends on the relative quality of the shopping centres in terms of location, buildings, tenant mix and commercial activities in the shopping centre.

# ACQUISITION

*For information in this Chapter with regard to Multi (including the assets forming part of the Acquisition), the Group has relied on information provided by Multi and, as to the valuation report regarding the assets to be acquired, by Jones Lang LaSalle, both of whom are to be regarded as a third party. The Group has conducted a due diligence investigation with respect to such information, but has not independently verified such information and cannot assure its accuracy.*

## The acquired assets

On or about 25 March 2010, the Company will have entered into the Sale and Purchase Agreement with Multi concerning the acquisition of one operational shopping centre in Spain, one operational shopping centre in Portugal, 94.988% interests in two operational shopping centres in Germany and 94.988% interests in three development projects in Germany (the First Acquisition). The Sale and Purchase Agreement also includes a put option and a call option through which the Company may acquire, provided certain conditions are met (see below), Multi's interest in two additional development projects in Germany (the Second Acquisition). The five development projects involved in the Acquisition include the refurbishment and extension of an existing shopping centre and the development of new shopping centres. These development projects will require a total expected investment of approximately € 660 million* (calculated based on midpoints of ranges with respect to the expected value at opening of some of the development projects). The total purchase price for the operational shopping centres amounts to approximately € 662 million* on a cash and debt free basis. The total consideration for the Acquisition and expected total investments in development projects taken together are expected to be approximately € 1.3 billion* (calculated based on midpoints of ranges with respect to the expected value at opening of some of the development projects) (see tables in "Acquisition – Description of properties" for details per property). At the closing of the First Acquisition (which is expected to take place at or shortly after the Settlement Date), the expected total amount to be paid is approximately € 770 million*. The total amount to be paid at the closing of the Second Acquisition will be approximately € 11 million* (this amount consists of sunk costs only).

Multi holds the shopping centre in Portugal through a separate vehicle and the Company will acquire this vehicle. In Spain, the Company will acquire the asset directly. Multi holds each German asset through the German Target Companies and the Company will acquire these German Target Companies through the SPVs. Each German Target Company will be held 84.988% by one SPV, 10% by the other SPV and 5.012% by Multi. The Company will finance 90% of the 5.012% interest of Multi in the German Target Companies through a loan to Multi. The SPVs will also be a party to the Sale and Purchase Agreement.

Two of the development projects included in the First Acquisition (in Berlin and Bamberg) are structured as turn-key projects, whereby the assets will be acquired only upon completion of the respective project (the Turn-key Projects). With respect to the development project in Berlin, the Company will provide a € 60 million loan at the closing of the First Acquisition. The future development costs in Berlin will be financed through an existing bank facility. The SPVs will acquire the project upon completion at a pre-agreed net initial yield of 6.0%. Upon the occurrence of certain default events, the SPVs have the right to demand the immediate transfer of the Turn-key Project in Berlin against payment of a purchase price of € 1.00. With respect to the development project in Bamberg, the Company will fund the project through a loan with drawings in the amount of development costs from time to time. At completion of this development project, the SPVs will acquire the asset at a pre-agreed net initial yield. The Group expects the project in Bamberg to be valued at opening at between € 30 million and 40 million. The Group's interest in the Turn-key Projects will become part of the Group's fixed committed Pipeline (Berlin) and variable deferrable Pipeline (Bamberg).

The remaining three development projects (one in Hildesheim, one in Duisburg and another project in Germany that will be included in the Group's variable waivable Pipeline) that form part of the Acquisition will or would be structured as profit sharing projects, under a profit sharing agreement (the Profit Sharing Projects). The SPVs will acquire the Profit Sharing Project in Duisburg at closing of the First Acquisition.

The Second Acquisition relates to Multi's interest in the remaining two Profit Sharing Projects (a 50% interest in the project in Hildesheim and an interest in a project in Germany that will be included in the Group's variable waivable Pipeline), and is, amongst others, subject to: (i) Multi having exercised the put option it has

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* Calculated as if the Company had also acquired Multi's remaining interest of 5.012% in the German Target Companies upon the closing of the Acquisition.

been granted under the Sale and Purchase Agreement by the SPVs no later than six months after the closing of the First Acquisition or the SPVs having exercised the call option they have been granted under the Sale and Purchase Agreement by Multi in the six subsequent months and (ii) merger clearance in Germany having been obtained. The put and call options are combined with an exclusivity period of 12 months after the closing of the First Acquisition for the SPVs with respect to the sale and purchase of these development projects. In case Multi acquires the remaining interest from the joint venture partner in these two development projects, this interest will also be subject to the put and the call option. In principle, the Group intends to acquire the remaining interests later on. Each of the joint venture partners in these two development projects has a right to acquire Multi's interests on the same terms and conditions as those offered by the SPVs. However, the Group does not expect that they will exercise this right. Upon the above conditions being fulfilled, the Company, through the SPVs, will acquire these two Profit Sharing Projects.

Under the profit sharing agreement, the SPVs will, subject to certain exceptions, upon completion of a Profit Sharing Project split the development profit (meaning the appraisal value of the project at completion minus the total investments made) or the part of that profit to which they are entitled (in case such profit is to be shared with a joint venture partner) with Multi on a 50/50 basis. The future development costs of these projects will be financed through a combination of existing bank financing and loans provided by the Group. The Group's interest in the Profit Sharing Projects in Duisburg and Hildesheim will become part of its fixed deferrable Pipeline.

**Strategic rationale of the Acquisition**

The Group believes that the Acquisition is value enhancing and fully aligned with its current strategy for the following reasons:

- Through the Acquisition, the Group will increase the proportion of retail in its Portfolio to approximately 95% (for the avoidance of doubt, this does not include the effects of transactions after 31 December 2009 other than the Acquisition (See "Business – Recent developments")), in line with the Group's strategy to build a sizeable, "pure play" retail portfolio;
- The shopping centres that will be acquired are of excellent quality, relatively new and mostly based in city-centre locations in key cities, supporting the Group's focus on shopping centres that are dominant in their Catchment Areas;
- With the Acquisition, the Group plans to create a leading platform in a new mature Home Market—Germany. The Group believes that it will benefit from the significant experience and investment that Multi has dedicated in creating the German platform, which supports the Group's strategy of building strong positions in Home Markets, combined with a 'hands on' management approach;
- The Acquisition further reinforces the Group's competitive position in Europe, particularly vis-à-vis large retailers to whom the Group can offer additional development opportunities and an expanded geographic presence. As a consequence, the Group's pan-European tenant management capabilities will be improved further;
- Given the relatively low availability of high quality commercial space in good locations in Germany, the Group believes that the locations of the German operational and development assets present a unique opportunity to invest in a sizeable portfolio;
- The Group will strengthen its position in the Spanish retail market by adding one operational shopping centre to its Portfolio and receiving an option for a future development project in Madrid, thereby supporting the Group's objective to strengthen its presence in its Home Markets;
- The Group believes that the Acquisition is executed at an attractive point in the real estate cycle, considering where yields and values are in historic terms, and that the initial yield of 6.7 % implied by the purchase price for the acquisition of the operational assets represents an attractive return, as compared to market yields for retail assets with similar characteristics; and
- The Acquisition brings about a strong partnership between the Company and Multi, combining development, management and funding activities.

**Other elements of the Acquisition**

The Group and Multi plan to jointly develop the Profit Sharing Projects (insofar as the project in Hildesheim and the project that will be included in the variable waivable Pipeline are concerned, this is contingent upon the

Second Acquisition closing), on the basis of development project management services agreements to be entered into at or following the closing of the First Acquisition and the Second Acquisition, respectively. For the Turn-key Projects, the Company and the SPVs will enter into turn-key agreements with Multi. This allows the Group to benefit from Multi's long-standing expertise in the development of shopping centres.

The Sale and Purchase Agreement also provides the Company with an option to acquire from Multi two additional development projects: the Forum Roma project in Rome, Italy and the Espacio Cañavaral project in Madrid, Spain. Within two years after the closing of the First Acquisition, the Company will conduct a due diligence investigation on these projects and decide whether to acquire one, both or neither. These development projects would, in principle, be acquired on terms similar to those for the Profit Sharing Project in Duisburg.

The Company will charge the funding costs related to the initial payment and future funding to the Turn-key Projects. The funding costs related to the sunk costs and future capital expenditures will be charged to the Profit Sharing Projects. The funding charge differs per project and reflects the risk and stage of development associated with the respective projects.

The First Acquisition also comprises a transfer of Multi's local German centre management organisation consisting of approximately 18 employees in Duisburg and Dresden that will, together with four employees of Multi at central level in Germany, be integrated into the Group's existing Business Units structure and form the basis of the Group's new German Business Unit. This new Business Unit will be involved in the asset and property management of the operational properties in Germany. The property manager function will conduct the day-to-day operations of these properties. The asset manager will (i) conduct the asset management, (ii) supervise and manage the principal day-to-day operation of the properties conducted by the property manager function, (iii) analyse information relating to the German Target Companies delivered by the property manager function, and (iv) prepare and/or advise the (management boards of the) German Target Companies on periodic reports (including annual business plans and annual budgets) and policy proposals.

The Company and Multi are considering to set-up a joint venture for providing reletting and marketing services to the Company and Multi.

Corio España will manage the shopping centre Espacio Torrelodones in Madrid, Spain and will perform asset management activities for the shopping centre Espacio Guimarães in Portugal.

Under the Sale and Purchase Agreement, the Group and Multi have agreed to involve each other in future (re-)development projects in Germany (including the acquisition of standing assets with a redevelopment potential) and keep each other informed in respect thereof, for a period of five years. Furthermore, the Group and Multi will have reciprocal rights of first offer to participate or be involved in such future (re-)developments projects in Germany, also for a period of five years.

The Sale and Purchase Agreement provides the Company with a call option to acquire all shares in the German Target Companies held by Multi, that is exercisable, in whole and not in part, at any time between the closing and five years thereafter.

The Sale and Purchase Agreement provides, subject to certain exceptions, for a 100% rental guarantee by Multi for a period of two years following the closing of the acquisition of each of the operational shopping centres and for a period of two years following completion of each of the Turn-key Projects. Furthermore, the Sale and Purchase Agreement provides, subject to certain exceptions, for a 50% rental guarantee for two years following the completion of each of the Profit Sharing Projects (with respect to the Profit Sharing Project in Hildesheim and the additional Project Sharing Project that will be included in the Group's variable waivable Pipeline subject to the closing of the Second Acquisition). Under this guarantee, Multi guarantees to the SPVs the rent and service charges for any vacant units and units leased by temporary tenants and will supplement the step-up rent (being a lower minimum guaranteed rent at the beginning of a lease increasing over time to a certain agreed rental level) and income from the shopping centre up to the (rental) level projected by Multi.

**Further conditions to closing of the Acquisition**

The closing of the Acquisition is subject to the Company having obtained financing for the Acquisition, including the refinancing of certain existing debt of the acquired assets, on terms and from sources that are reasonably satisfactory to the Company. This condition will be deemed satisfied if the Offering as envisaged by the Company is successful in the reasonable opinion of the Company. In addition, the closing of the Acquisition is subject to certain conditions, including conditions that are specific to certain shopping centres or development projects. In case of non-satisfaction of a closing condition in respect of a specific shopping centre or development project, the Company can exclude such shopping centre or development project from the Acquisition or, in case it concerns the shopping centres Forum Duisburg (in Duisburg, Germany) or Centrum Galerie Dresden (in Dresden, Germany) or the development projects Schloßstraße Phase 1&2 (in Berlin, Germany) or Königsgalerie (in Duisburg, Germany), the Company can terminate the entire Sale and Purchase Agreement without proceeding to closing of the Acquisition.

**Consolidation**

Following the closing of the Acquisition, the Company expects to fully consolidate the German Target Companies (except for the German Target Companies in respect of the Turn-key Projects) and the Portuguese entity through which the Espaçio Guimarães project is held, in its financial statements. The Espacio Torrelodones shopping centre will be acquired through an asset transaction by a fully-owned subsidiary of the Group which is also consolidated.

**Financing of the Acquisition**

At the closing of the First Acquisition, the total amount to be paid, consisting of the purchase price for the four operational assets, sunk costs for the development project in Duisburg, the loan in relation to the project in Berlin and the first drawing under the loan in respect of the project in Bamberg and working capital adjustments, is approximately € 770 million*. If the Second Acquisition closes, the expected amount to be paid for the sunk costs of these two Profit Sharing Projects will be approximately € 11 million*.

The total consideration for the Acquisition and expected total investments in development projects taken together are expected to be approximately € 1.3 billion* (calculated based on midpoints of ranges with respect to the expected value at opening of some of the development projects). The total amounts expected to be paid in addition to the total consideration are expected to be paid from 2010 to 2014. The Company intends to use the net proceeds of the Offering to partially finance this amount (see "Use of Proceeds") and will use existing bank facilities available to the Group to finance the amounts payable upon the closing of the First Acquisition and the Second Acquisition. The Company intends to finance the Acquisition (which includes future construction costs for the Turn-key Projects and Profit Sharing Projects) in line with its current leverage ratio of approximately 40%.

Except for the debt related to the Turn-key Project in Berlin, the Group intends to refinance the majority of the debt it will take over from Multi in the Acquisition. The Group expects to be able to refinance in line with the Group's financing policy shortly after the closing of the First Acquisition, and therefore the Group believes that neither the weighted average cost nor the maturity of the Group's net debt will materially change as a result of the Acquisition.

The Company will provide certain debt financing to the German Target Companies owning the operational shopping centres in Duisburg and in Dresden, in an amount, to be decided by the borrower, of between 85% and 100% of the fiscal optimal leverage (as determined by the borrower) but not exceeding 55% of the borrower's balance sheet.

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* Calculated as if the Company had also acquired Multi's remaining interest of 5.012% in the German Target Companies upon the closing of the Acquisition.

**Description of properties**

The acquisition prices, expected total investment, expected value at opening and joint ownership interests shown in the tables below reflect the combined Group and Multi ownership interests in the respective assets.

***Operational shopping centres***

| Name of property and country | City | Opening date | Joint ownership interest | Acquisition price (€ million) | Net initial yield[(1)] | Occupancy Rate at 1 March 2010 (excluding rental guarantees[(2)]) | Total Gross Leasable Area (m²) | Annual Rent at 1 March 2010[(2)] (€ thousand) |
|---|---|---|---|---|---|---|---|---|
| **Germany** | | | | | | | | |
| Forum Duisburg . . . . | Duisburg | September 2008 | 100% | 228 | 6.4% | 100% | 58,500 | 15,047 |
| Centrum Galerie Dresden . . . . . . . . . | Dresden | October 2009 | 100% | 278 | 6.6% | 93% | 64,500 | 18,677 |
| **Total Germany** | | | | **506** | **6.5%** | | **123,000** | **33,724** |
| **Spain** | | | | | | | | |
| Espacio Torrelodones . . . . . | Madrid | November 2006 | 100% | 65 | 7.3% | 93% | 22,000 | 5,716 |
| **Portugal** | | | | | | | | |
| Espaçio Guimarães . . | Guimarães | November 2009 | 100%[(3)] | 91 | 7.5% | 86% | 32,500 | 7,504 |
| **Total operational properties** | | | | **662** | **6.7%** | | **177,500** | **46,944** |

(1) Net initial yield is calculated as net operating income in the first year divided by the purchase price.
(2) Does not reflect the effects of the two-year 100% rental guarantee to be provided by Multi with respect to these properties (See "Acquisition – Other elements of the Acquisition"). As a result of this rental guarantee, the effective Occupancy Rate of these properties at 1 March 2010 would be 100%.
(3) At the date of this Prospectus, Multi holds a 50% interest in the Espaçio Guimarães shopping centre. At the closing of the First Acquisition, Multi will transfer its 50% interest to the Group; the Group expects the remaining 50% interest to be transferred by Multi's joint venture partner in this shopping centre at the same time, as agreed with Multi in the Sale and Purchase Agreement.

***Development projects –Turn-key Projects***

| Name of property and country | City | Expected opening date | Joint ownership interest | Expected value at opening[(1)] (€ million) | Pre-agreed net initial yield[(2)] | Total Gross Leasable Area (m²) | Cost of funding charged | Pipeline status |
|---|---|---|---|---|---|---|---|---|
| **Germany** | | | | | | | | |
| Schloßstraße Phase 1&2 . . . . . . . . . . . . . | Berlin | March 2012 | 100% | 360-375 | 6.0% | 80,000 | 8.0% | Fixed committed |
| Quartier an der Stadtmauer . . . . . . . . | Bamberg | March 2013 | 100% | 30-40 | N.D.[(3)] | 12,500 | 12 months Euribor plus 350 basis points | Variable deferrable |
| **Total** | | | | **390-415** | | | | |

(1) Includes estimated valuation upon opening less funding charge earned.
(2) Net initial yield is calculated as net operating income in the first year divided by the purchase price.
(3) Not disclosed.

*Development projects – Profit Sharing Projects*

| Name of property and country | City | Expected opening date | Joint ownership interest | Expected total investment(1) (€ million) | Pre-agreed valuation | Total Gross Leasable Area (m²) | Cost of funding charged | Pipeline status |
|---|---|---|---|---|---|---|---|---|
| **Germany** | | | | | | | | |
| Königsgalerie . . . . . . . . . . . | Duisburg | September 2011 | 100% | 62 | 50/50 at market + profit share | 17,900 | 5.0% | Fixed deferrable |
| Arneken Galerie . . . . . . . . | Hildesheim | March 2012 | 50% | 56 | 50/50 at market + profit share | 27,200 | N.A.(2) | Fixed deferrable |
| Variable waivable development project . . . | | | | 139 | | | | Variable waivable |
| **Total** | | | | **257** | | | | |

(1) Includes estimated sunk cost, future development costs and profit sharing payments, less funding charge earned.
(2) Not applicable.

The expected total investment for all development properties (Profit Sharing Projects and Turn-key Projects) included in the Acquisition is € 660 million* (calculated based on midpoints of ranges with respect to the expected value at opening of some of the development projects).

## Valuation Report

At the request of the Company, Jones Lang LaSalle prepared a valuation report in relation to the market value of the operational shopping centres to be acquired in the First Acquisition. Subject to the valuation methods, assumptions and qualifications set out in the valuation report, Jones Lang LaSalle valued the operational shopping centres at € 662,670,000 as at 1 March 2010 (see "Valuation Reports").

## Impact of the Acquisition on the Group

The Acquisition is expected to affect the Group's operational Portfolio and Pipeline, as well as its leases and tenant profile, as detailed below.

### *Investment Portfolio and Pipeline*

The Group's Portfolio will increase from approximately € 5.9 billion at 31 December 2009 to approximately € 6.5 billion* immediately following the Acquisition. The Group's fixed committed Pipeline will increase from approximately € 0.7 billion to approximately € 1.1 billion* immediately following the Acquisition. The future estimated Portfolio and Pipeline spreads are outlined in the table below. Please note, for the avoidance of doubt, that these tables do not reflect the effects of acquisitions (other than the Acquisition), disposals, investments in Pipeline projects and Pipeline projects being included in the Group's operational Portfolio after 31 December 2009.

* Calculated as if the Company had also acquired Multi's remaining interest of 5.012% in the German Target Companies upon the closing of the Acquisition.

The future estimated Portfolio geographical spread is outlined in the table below.

| Geographical spread | Value of Portfolio at 31 December 2009 (€ million) | Spread (%) | Acquisition operational Portfolio (€ million) | Value of Portfolio immediately following Acquisition and including operational properties in the Acquisition only (€ million) | Spread (%) | Acquisition development projects (€ million) | Estimated value of Portfolio after Acquisition including development projects upon completion (€ million) | Spread (%) |
|---|---|---|---|---|---|---|---|---|
| Netherlands | 1,932 | 33% | — | 1,932 | 30% | — | 1,932 | 27% |
| France | 1,900 | 32% | — | 1,900 | 29% | — | 1,900 | 26% |
| Italy | 1,049 | 18% | — | 1,049 | 16% | — | 1,049 | 15% |
| Spain / Portugal | 576 | 10% | 156 | 732 | 11% | — | 732 | 10% |
| Turkey | 403 | 7% | — | 403 | 6% | — | 403 | 6% |
| Germany | 14 | 0% | 506 | 520 | 8% | 660(1) | 1,179(1) | 16% |
| Other | 13 | 0% | — | 13 | 0% | — | 13 | 0% |
| **Total** | **5,886** | **100%** | **662** | **6,548** | **100%** | **660(1)** | **7,208(1)** | **100%** |

(1) Calculated based on midpoints of ranges with respect to the expected value at opening of some of the development projects.

The future estimated Portfolio sector spread is outlined in the table below.

| Sector spread | Value of Portfolio at 31 December 2009 (€ million) | Spread (%) | Acquisition operational Portfolio (€ million) | Value of Portfolio immediately following Acquisition and including operational properties in the Acquisition only (€ million) | Spread (%) | Acquisition development projects (€ million) | Estimated value of Portfolio after Acquisition including development projects upon completion (€ million) | Spread (%) |
|---|---|---|---|---|---|---|---|---|
| Retail | 5,535 | 94% | 662 | 6,197 | 95% | 660(1) | 6,857(1) | 95% |
| Offices | 299 | 5% | | 299 | 4% | | 299 | 4% |
| Industrial | 52 | 1% | — | 52 | 1% | — | 52 | 1% |
| **Total** | **5,886** | **100%** | **662** | **6,548** | **100%** | **660(1)** | **7,208(1)** | **100%** |

(1) Calculated based on midpoints of ranges with respect to the expected value at opening of some of the development projects.

The future estimated Pipeline status spread is outlined in the table below.

| Pipeline status spread | Value of Pipeline at 31 December 2009 (€ million) | Spread (%) | Acquisition development projects (€ million) | Value of Pipeline immediately following Acquisition (€ million) | Spread (%) |
|---|---|---|---|---|---|
| Fixed committed | 703 | 31% | 368(1) | 1,071(1) | 36% |
| Fixed deferrable | 57 | 3% | 118 | 175 | 6% |
| Variable deferrable | 1,240 | 54% | 35(1) | 1,275(1) | 44% |
| Variable waivable | 265 | 12% | 139 | 404 | 14% |
| **Total** | **2,265** | **100%** | **660(1)** | **2,924(1)** | **100%** |

(1) Calculated based on midpoints of ranges with respect to the expected value at opening of some of the development projects.

The future estimated Pipeline geographical spread is outlined in the table below.

| Geographical spread | Value of Pipeline at 31 December 2009 (€ million) | Spread (%) | Acquisition development projects (€ million) | Value of Pipeline immediately following Acquisition (€ million) | Spread (%) |
|---|---|---|---|---|---|
| The Netherlands | 1,012 | 45% | — | 1,012 | 35% |
| Italy | 823 | 36% | — | 823 | 28% |
| Turkey | 340 | 15% | — | 340 | 12% |
| France | 68 | 3% | — | 68 | 2% |
| Spain | 22 | 1% | — | 22 | 1% |
| Germany | 0 | 0% | 660(1) | 660(1) | 22% |
| **Total** | **2,265** | **100%** | **660(1)** | **2,924(1)** | **100%** |

(1) Calculated based on midpoints of ranges with respect to the expected value at opening of some of the development projects.

As a result of the Acquisition, the total Pipeline is expected to increase from approximately € 2,265 million at 31 December 2009 to approximately € 2,924* million (calculated based midpoints of ranges with respect to the expected value at opening of some of the development projects) immediately following the Acquisition.

**Leases and tenants**

The table below sets forth, as of 31 December 2009, the amount of Annual Rent (absolute amount and as a percentage of total Annual Rent) for the operational properties included in the First Acquisition represented by leases subject to expiration in the years indicated. Please note that this table does not include the effects of the rental guarantee to be provided by Multi (See "Acquisition – Other elements of the Acquisition").

| Expiration period | Aggregate Annual Rent(€) | % of total Annual Rent[1] |
|---|---|---|
| 2010 | 0 | 0.0% |
| 2011 | 2,836,000 | 6.2% |
| 2012 | 89,400 | 0.2% |
| 2013 | 952,900 | 2.1% |
| 2014 | 3,264,200 | 7.1% |
| 2015 | 3,745,200 | 8.1% |
| After 2015 | 31,730,400 | 69.0% |
| Perpetual / No end date | 0 | 0.0% |

(1) 6.8% is vacant (€ 3,189,400) and 0.5% (€ 208,000) is under negotiation.

**Tax aspects**

The Group has aimed at minimising as much as possible all transaction related taxes in the Acquisition, such as real estate transfer tax and stamp duties. For this reason, all assets except for the one located in Spain, will be acquired by acquiring an interest in the property company holding the real estate, rather than the real estate itself. In Spain, the real estate will be acquired directly. The purchase price of the acquired shares and assets reflects a negotiated reduction of the value of the existing deferred tax liabilities as reported in Multi's balance sheet at the time of the Acquisition.

At the time of the Acquisition, the assets are subject to CIT at normal statutory rates in their respective countries. In line with the Group's tax strategy, the Group expects to structure the acquired assets in an optimal manner to reduce the potential tax burden to a minimum. Any tax structuring will be done in a manner that does not affect the Group's status under the FII and SIIC regimes.

**Outlook**

The Company expects to consolidate the operational shopping centres as of April 2010. Although the Group cannot forecast its IFRS net result for 2010, it does expect that its direct result will increase significantly in 2010 compared with 2009 as a result of the Acquisition. On a direct result per share basis, the Acquisition is expected to be accretive from the start.

* Calculated as if the Company had also acquired Multi's remaining interest of 5.012% in the German Target Companies upon the closing of the Acquisition.

## REGULATORY MATTERS AND TAX STATUS OF THE GROUP

### Regulatory matters

The Group is subject to various laws and regulations in the countries in which it operates.

#### *Investment institution license*

In the Netherlands, the Company qualifies as a closed-end investment institution. It has no obligation to redeem or to issue Ordinary Shares. The Company has held an investment institution licence from the AFM since 2006. For the purposes of the FMSA, the Company is self-managed and therefore does not have a separate management company (*beheerder*). The Company is supervised by the AFM with regard to conduct of business and by the Dutch Central Bank (*De Nederlandsche Bank N.V.*) with regard to prudential rules.

On 30 April 2009, the European Commission proposed an EU Directive on Alternative Investment Fund Managers with the objective to create a framework for the direct regulation and supervision of alternative investment fund managers at the European level. This directive may come into force in 2011 and could affect the investment institution supervision framework in the Netherlands. It could also affect the Company's regulatory position. However, since the directive is still in its initial stage, it is uncertain whether or to what extent this will be the case.

#### *Investment policy*

The Company may amend its investment policy only in compliance with the FMSA. This means that, in principle, a proposal to change this policy must be published in a Dutch newspaper with a nationwide circulation and on the Company's website. The AFM must be separately notified of any such proposal. The change may, in principle, not be given effect until three months have passed after the date of publication of the proposed change.

Pursuant to a press release of the Group dated 22 November 2007 (which is available on the Company's website (www.corio-eu.com)), the Group's stated investment policy is to invest at least 80% of the value of its real estate portfolio in retail real estate and no more than 20% in other real estate sectors.

### Tax status

The Company qualifies as, and has opted for the status of, a fiscal investment institution, FII, as described in article 28 of the Dutch Corporate Income Tax Act (*Wet op de vennootschapsbelasting 1969*, "**DCITA**") and qualifies under, and has opted for application of, the SIIC regime in France. The paragraphs below provide a general description of the main aspects of the FII and SIIC regimes.

#### *FII regime in the Netherlands*

*General*

Pursuant to the FII regime, an FII is subject to corporate income tax ("**CIT**") in the Netherlands at a rate of zero per cent. The taxable profit of an FII is in principle determined on the basis of the normal rules applicable to CIT payers. The following exceptions, among others, apply:

- certain amounts which are non-deductible for companies that are ordinarily subject to Dutch CIT are taken into account in calculating the taxable profit of an FII;
- an FII can form a so-called reinvestment reserve (*herbeleggingsreserve*) as described in article 4 Investment Institutions Decree (*Besluit beleggingsinstellingen*) and as further explained below;
- an FII can form a rounding-off reserve (*afrondingsreserve*) up to a maximum amount of 1% of its paid-up capital as described in article 5 Investment Institutions Decree;
- an FII cannot benefit from the participation exemption as described in article 13 DCITA.

An FII must distribute its profits, calculated for Dutch tax purposes, annually, within eight months after the end of the relevant financial year (*doorstootverplichting*), except for realised and unrealised gains on securities and gains realised in connection with the disposal of other investments, which it may add to its reinvestment reserve as described above. The balance of the reinvestment reserve is treated as paid-in capital for Dutch dividend withholding tax purposes, rather than as distributable earnings.

As an FII is in principle subject to Dutch CIT, albeit at a rate of zero per cent, an FII is entitled to the benefits of the Dutch tax treaties. Hence, foreign withholding tax on payments made to an FII can often be reduced pursuant to the relevant tax treaty.

Dividend distributions made by an FII are subject to Dutch withholding tax at a statutory rate of 15%. Foreign shareholders may be entitled to a reduction of withholding tax pursuant to an applicable tax treaty. Dutch resident tax payers and exempted entities, such as pension funds, are generally entitled to either a credit of the withholding tax and/or a refund (see "Shareholder Taxation").

Given the zero per cent rate of CIT, it is not possible for an FII to credit Dutch or foreign withholding tax incurred by it. However, an FII is, subject to certain conditions and limitations, entitled to set off (part of) the Dutch and/or foreign withholding tax withheld for its account, against its obligation to pay Dutch withholding tax on dividend distributions made by the FII to its shareholders (*afdrachtvermindering*).

A summary is provided below of the main conditions of the FII regime based on current law.

*Conditions under the FII regime*

In order to maintain its FII status, the Company must meet a number of conditions. The main conditions are:

- Activity restrictions

  The statutory objectives and the actual activities of an FII must be the making of portfolio investments; *i.e.* it may not carry on an "active business" for Dutch corporate income tax purposes, not even in part. The making of portfolio investments is defined as the acquiring and owning of assets with the aim of an increase in value and realisation of a return that can be expected in the case of ordinary investment management.

  An FII investing in real estate is not allowed to conduct real estate trading activities, or to carry on a real estate services business with third parties as clients. It may, however, actively manage its own rental real estate portfolio to the extent that this does not exceed "normal" portfolio investment activities. It is possible to invest in real estate via domestic or foreign subsidiary companies, as long as the shares held in these subsidiaries are qualified investments. The mere fact that foreign subsidiaries fall under a special investment regime similar to the FII regime in their home jurisdictions is not decisive.

  Project development activities are allowed under specific conditions. An FII is allowed to hold the shares in, and manage, a subsidiary, *e.g.*, Corio Vastgoed Ontwikkeling B.V., whose statutory objectives and actual activities are to engage in real estate development activities for the benefit of itself, the FII, an affiliated FII or another affiliated entity. The term affiliated entity is defined in article 10a paragraph 4 DCITA. If such development subsidiary is Dutch resident, its profits and/or losses will be taxed at the ordinary Dutch CIT rates. It is explicitly not permitted for the taxable subsidiary to develop properties for third parties.

- Leverage restrictions

  The FII regime provides for specific restrictions as to the leverage of an FII. The aggregate borrowings of an FII may not exceed:

  - 60% of the book value for tax purposes of the aggregate of (i) real estate and (ii) subsidiaries the assets of which almost exclusively consist of real estate; and
  - 20% of the book value for tax purposes of all other investments.

  As an exception, certain third party borrowings of an FII are ignored if the FII uses the funds borrowed to make loans to affiliated entities, the assets of which consist almost exclusively of real estate.

- Shareholder requirements

  The Company qualifies as a so-called public FII. As a public FII, the Company must also meet the following shareholder requirements:

  - no corporate entity that is subject to any form of profit tax (except if that entity is itself a public FII) or a tax transparent entity (*i.e.* an entity the profits of which are taxed in the hands of its beneficiaries) may hold, either separately or together with affiliated entities, an equity interest of

45% or more (taking into account any shares which are not actually held by these entities but in respect of which these entities are able to exercise voting rights, whether or not on the basis of voting agreements);

- no Dutch resident entity may hold an interest of 25% or more in the Company through a non-Dutch resident mutual fund or corporate entity with a capital divided into shares; and
- no individual may hold an interest of 25% or more in the Company.

- Profit distributions obligation

  Within eight months after the end of each financial year, the profit of an FII must be distributed in full (except for the amounts that are added, and are allowed to be added, to the reinvestment reserve as described above).

- Management and control restrictions

  Certain restrictions apply to managing and supervisory board members of a qualifying public FII in respect of positions as managing board member or supervisory board member in other entities.

*Exit of FII regime*

If the Company fails to qualify as an FII or loses the FII status in a certain fiscal year, it becomes a regular corporate taxpayer as from the beginning of that fiscal year or, if such disqualification or loss of status results from a violation of the profit distribution obligation, as from the beginning of the fiscal year to which the distributable profits relate. This results in, among others, profits derived from going concern income and/or capital gains being taxed at the general Dutch CIT rate of up to 25.5% as from the beginning of the relevant fiscal year.

***SIIC regime in France***

*Conditions for election of the SIIC regime by a SIIC*

The specific regime for exemption of French CIT of listed real estate companies (SIIC) is available to companies that meet the following requirements:

(i) the company is listed on a regulated market pursuant to EU Directive (2004/39/EC);

(ii) the company has a minimum share capital of € 15 million represented by stock;

(iii) the company's main purpose is the purchase or construction of real estate for rental purposes and/or direct or indirect shareholding in companies with the same purpose (the performance of ancillary activities is allowed, provided that no more than 20% of the company's assets are allocated to such activities);

(iv) 60% or more of the company's share capital and/or voting rights must be held by one shareholder or shareholders acting jointly (de concert) (companies that elected the SIIC status before 1 January 2007 must comply with this condition continuously as from 1 January 2010); and

(v) at least 15% of the company's share capital and/or voting rights must be held by shareholders who hold separately less than 2% of the company's share capital and/or voting rights (companies must comply with this condition on the first day of application of the SIIC regime).

*Conditions for election of the SIIC regime by a subsidiary of an SIIC*

The regime is available to SIICs and those of their subsidiaries that are subject to CIT, of which the SIIC owns, directly or indirectly, at least 95% and which have the same corporate purpose as the SIIC.

*French CIT exemption pursuant to the SIIC regime*

A company that elects the SIIC regime will benefit from a CIT exemption on the income derived from its real estate activity (rental income, capital gains and dividends), provided it complies with the following distribution obligations:

- 85% of the SIIC's rental income must be distributed before the end of the following fiscal year;
- 50% of the SIIC's capital gains realised on the sale of real estate, shares of tax transparent real estate subsidiaries whose purpose is identical to the SIIC and shares of real estate subsidiaries that also elected the SIIC regime, must be distributed before the end of the second following fiscal year; and

- 100% of the dividends distributed to the SIIC by subsidiaries that elected the SIIC regime must be distributed before the end of the following fiscal year.

The amount of required distributions with respect to each type of the tax exempt income (rental income, capital gains and dividends) in a fiscal year is limited to the total net tax profit corresponding to the tax exempt incomes (rental income, capital gains and dividends) in such fiscal year, determined after deduction of tax deductible expenses pursuant to French standard corporate income tax rules. Moreover, the amount of required distributions pursuant to the above limitation is capped according to the distribution capacity of the company under relevant applicable laws (including company law), with the difference being carried over to subsequent fiscal years.

Since 1 January 2009, electing the SIIC regime entails the payment of a 19% exit tax, computed on latent capital gains on real estate and shareholdings in tax transparent real estate subsidiaries. This tax is payable in four instalments on 15 December of the year the election is made and the following three years.

*Exit of SIIC regime*

If one or more of the conditions outlined above is not fulfilled during a fiscal year of application of the SIIC regime, the SIIC (and its subsidiaries) must exit the regime and are subject to regular CIT as from the first day of the fiscal year concerned. However, in some circumstances where condition (iv) outlined above under "Conditions for election of the SIIC regime by a SIIC" is not fulfilled, the SIIC (and its subsidiaries) do not definitively exit from the SIIC regime, but do so only for the fiscal year concerned.

The exit of the SIIC regime during a ten-year period following the election entails an additional taxation on the latent capital gains which were subject to the 19% exit tax, and on capital gains accrued during the period of application of the SIIC regime.

*The Group's application of the SIIC regime*

As from 1 January 2005, the Company, which through its French permanent establishment holds shares in the Group's French subsidiaries (including Corio S.A.) and the Group's French properties, elected the SIIC regime. The French subsidiaries that are subject to CIT and of which the Company held at least 95% also elected the SIIC regime (i) as from 1 January 2005, in case of French subsidiaries held by the Group on 1 January 2005, such as Corio SA, and (ii) as from the beginning of a fiscal year in case the Group's French subsidiaries incorporated or purchased in such fiscal year, such as Corio Marseille Grand Littoral SAS.

## MANAGEMENT AND EMPLOYEES

Set out below is a summary of certain information concerning the Management Board, the Supervisory Board and the Company's employees and a summary of certain provisions of the Company's current Articles of Association in respect of the Management Board and Supervisory Board. The summary of the above-mentioned provisions of the Articles of Association is based on, and qualified in its entirety by reference to, the full text of the Articles of Association, which are incorporated by reference herein.

### Two-tier board structure and structure regime

The Company qualifies as a "large" company, as a result of which is subject to the provisions in the Dutch Civil Code (*burgerlijk wetboek*; "**DCC**") normally referred to as the "structure regime" (*structuurregime*). A "large" company is usually referred to as a "structure company" (*structuurvennootschap*). Every Dutch company is required to have a management board. For structure companies, it is also mandatory to have a supervisory board with at least three members. Thus, the Company has a two-tier board structure consisting of the Management Board (*raad van bestuur*) and the Supervisory Board (*raad van commissarissen*). Due to being a structure company, the members of the Supervisory Board are appointed according to a special procedure (described below), in which not only the Supervisory Board and General Meeting, but also the Company's group works council (*ondernemingsraad*; the "**Works Council**") plays an important role. For structure companies, a number of important resolutions of the Management Board are mandatorily subject to the Supervisory Board's approval. Furthermore, in structure companies it is the Supervisory Board that has the right to appoint and dismiss the members of the Management Board after consulting the General Meeting.

### Management Board

#### *Powers, composition and function*

The Management Board is responsible for the day-to-day management of the Company's operations, as well as the operations of the Group, under the supervision of the Supervisory Board. In performing its duties, the Management Board is required to act in the interests of the Company and its affiliated enterprise, taking into consideration the interests of the Company's stakeholders (which include but are not limited to the Company's Shareholders). The Management Board is required to provide the Supervisory Board in a timely manner with all information necessary for the Supervisory Board to carry out its duties. The Management Board must also submit certain resolutions to the Supervisory Board for approval, as more fully described below.

The Management Board as a whole, as well as two members of the Management Board acting jointly, a member of the Management Board and a general attorney (*algemeen procuratiehouder*) acting jointly or two general attorneys acting jointly (in the case of general attorneys, within the limits of the authority vested in them), are entitled to represent the Company in the conduct of its business.

Pursuant to the Articles of Association, in the event of a conflict of interest between the Company and one or more members of the Management Board, the Company shall be represented as set forth above. In addition, under Dutch law the General Meeting should at all times have the power to appoint a person to represent the Company in the event of a conflict of interest. Pursuant to the Articles of Association, in the event of a conflict of interest between the Company and a member of the Management Board in private capacity, the resolution of the Management Board to perform a transaction requires the approval of the Supervisory Board. The absence of such approval will not affect the representative authority of the Management Board or its members as set forth in the Articles of Association. The Management Board Rules (as defined below) provide for further rules regarding conflicts of interest between the Company and a member of the Management Board. A member of the Management Board will not take part in the discussion of and decision-making on a subject or transaction in which he/she has a conflicting interest.

The Supervisory Board determines the number of the members of the Management Board.

The Supervisory Board appoints the members of the Management Board. The Supervisory Board shall notify the General Meeting and the Works Council of an intended appointment of a member of the Management Board. The Supervisory Board can designate one of the members of the Management Board as chairman of the Management Board.

Members of the Management Board are appointed for a maximum term of four years, provided that, unless a member of the Management Board resigns at an earlier date, his or her term of office lapses on the day of the first annual General Meeting to be held in the fourth year after the year of his or her appointment. A retiring member of the Management Board can be reappointed for subsequent maximum periods of four years. The Supervisory Board may draw up a retirement schedule for members of the Management Board.

The Supervisory Board has the power to suspend or dismiss a member of the Management Board. If the Supervisory Board has suspended a member of the Management Board, the Supervisory Board shall, within three months after the suspension has taken effect, resolve either to dismiss that member of the Management Board or to terminate or continue the suspension. The suspension will lapse automatically if the Supervisory Board fails to take a decision about this issue within these three months. A member of the Management Board who has been suspended shall be given the opportunity to account for his actions at the relevant meeting of the Supervisory Board and may be assisted by an adviser.

Pursuant to the Articles of Association, the Management Board may adopt rules regarding the functioning and internal organisation of the Management Board, as well as regarding the allocation of its tasks. Such rules require the approval of the Supervisory Board. In accordance with the Articles of Association, the Management Board has adopted the *Rules of Management Board of Corio N.V.* (the "**Management Board Rules**"), approved by the Supervisory Board in 2004. The Management Board Rules were last amended through a resolution of the Management Board on 8 September 2008, approved by the Supervisory Board on 17 November 2008**.** The Management Board Rules can be downloaded from the Company's website (www.corio-eu.com). Each member of the Management Board declared himself bound by the obligations in the Management Board Rules, in so far as they apply to the Management Board and its individual members.

Under the Management Board Rules, the members of the Management Board are collectively responsible for the management of the Company and the general course of affairs concerning the Group. The members of the Management Board will allocate their duties among themselves by agreement, which allocation requires the prior approval of the Supervisory Board. Each member of the Management Board is obliged to report regularly to the Management Board. The Management Board can, in principle, only adopt resolutions if at least a majority of the members are present. Resolutions are, if possible, adopted unanimously. If this is not possible, a resolution will be adopted by majority vote. In the event of a tie, the chairman of the Management Board will cast the deciding vote. Resolutions can also be adopted without holding a meeting, provided that such resolutions are adopted in writing and all members of the Management Board have expressed themselves in favour of the proposal concerned.

The Management Board must obtain the approval of the General Meeting and of the Supervisory Board for resolutions regarding a significant change in the identity or nature of the Company or its business. This includes in any event: (i) the transfer of all or substantially all business to a third party; (ii) entering into or terminating a long-term collaboration by the Company or a subsidiary with another legal person or company or as fully liable partners in a limited or general partnership, if the collaboration or the termination of the collaboration is of material importance to the Company; (iii) the Company's or a subsidiary's taking or divesting a participating interest in the capital of a company to the value of at least a third of the amount of its assets according to its consolidated balance sheet with notes according to its most recently adopted annual accounts.

Pursuant to the Articles of Association, resolutions relating to the following matters are also subject to the approval of the Supervisory Board:

- issuance and acquisition of shares in the capital of the Company and debt instruments issued by the Company, or of debt instruments issued by a limited or general partnership of which the Company is a fully liable partner;
- cooperation in the issuance of depository receipts for shares (*certificaten van aandelen*);
- application for admittance on a regulated market or a multilateral trading facility of these securities;
- entry into or termination of a lasting cooperation between the Company or a dependent company (*afhankelijke maatschappij*) and another legal entity or partnership or as fully liable partner in a public partnership, if such cooperation or termination thereof is of far-reaching significance for the Company;
- acquisition, by the Company or a dependent company, of a participating interest in the capital of another company, the value of which equals at least one quarter of the sum of the issued share capital and the reserves of the Company as shown in its balance sheet with explanatory notes, and any far-reaching increase or decrease of such participating interest;
- investments requiring an amount equal to at least one-quarter of the sum of the issued share capital and the reserves of the Company as shown in its balance sheet with explanatory notes;

- a proposal to amend the Articles of Association;
- a proposal to dissolve the Company;
- application for bankruptcy or for suspension of payments;
- termination of the employment of a considerable number of employees of the Company or of a dependent company at the same time or within a short timeframe;
- a material change in the working conditions of a considerable number of employees of the Company or of a dependent company; and
- a proposal to reduce the issued share capital.

In addition and without prejudice to the provisions of the law or the Articles of Association, pursuant to the Management Board Rules, resolutions of the Management Board to enter into the following transactions are subject to the approval of the Supervisory Board:

- directly or indirectly entering into long-term cooperation agreements;
- participating, directly or indirectly, in combination with other legal entities by way of entering into joint ventures, in legal acts where the Company's interests exceed a value of 1% of the total value of the Portfolio at the end of the preceding financial year or where the term exceeds five years;
- making investments in deviation from the amounts set forth in the policy plans or budgets;
- entering into financing transactions with an interest or value exceeding EUR 100 million;
- entering into any other transactions with an interest or interest exceeding 1% of the total value of the Portfolio at the end of the preceding financial year or where the term exceeds five years.

The Management Board will also submit to the Supervisory Board for its approval the Company's operational and financial targets, the proposed strategy to achieve the targets and the preconditions to which the strategy is subject (such as the financial ratios).

Pursuant to the Articles of Association, the Supervisory Board may provide that other resolutions of the Management Board will be subject to its approval. The Supervisory Board must clearly specify those resolutions and notify the Management Board thereof in writing.

***Members of the Management Board***

At the date of this Prospectus, the Management Board is composed of the following three members:

| Name | Date of birth | Position | Member as of | Term |
|---|---|---|---|---|
| Gerard Groener . . . . | 12 October 1958 | Chairman and Chief Executive Officer | 1 May 2006 | 1 May 2012 |
| Fréderic Fontaine . . . | 11 July 1958 | Member | 1 May 2006 | 1 May 2012 |
| Jan Haars . . . . . . . . . | 22 September 1951 | Chief Financial Officer | 1 May 2007 | 1 May 2011[1] |

(1) Mr. Haars has indicated that he wishes to retire and will hand in his resignation as CFO during the General Meeting of 23 April 2010. To guarantee continuity and transfer of responsibility, Mr. Haars has agreed to act as advisor to the Group until 1 May 2011 at the latest. The Company expects to shortly announce the name of the new CFO who will replace the current CFO, Mr Haars.

The Company intends to expand the Management Board with a fourth member of the Management Board being the Chief Operational Officer ("**COO**"). The COO's main responsibilities will be managing the Pipeline at holding level and supporting the Business Units in the implementation of the Company's operating strategy. The Company expects to shortly announce the name of the new COO.

The Company's registered address serves as the business address for all members of the Management Board (see "Description of Share Capital and Corporate Governance—General").

*Gerard Groener*

Ing. Gerard H.W. Groener, the chief executive officer and chairman of the Management Board, is a Dutch national. Mr. Groener has a Bachelors degree in building engineering from the *Hoge Technische School Arnhem* (1982), a Bachelors degree in business studies from the Gelderse Leergangen (1993) and a Masters degree in

Real Estate from the University of Amsterdam (1997). He started his professional career in 1985 working for AKZO N.V. in several functions and ultimately as acquisition manager real estate for the AKZO pension fund until 1993. Between 1993 and 1996, Mr. Groener worked for Van Wijnen, a contractor / developer, as a developer. In 1996, Mr. Groener started with WBN and he joined the management board of WBN in 1998. Since the merger between VIB N.V. and Winkel Beleggingen Nederland B.V. in 2000 (see "Business—History"), Mr. Groener was Managing Director of Corio Nederland Retail B.V. (currently Corio Nederland B.V.). On 1 May 2006, Mr. Groener joined the Management Board and he was appointed chief executive officer of the Company as of 1 May 2008. Mr. Groener also served as chairman for the Dutch Council of shopping centres (*Nederlandse Raad van Winkelcentra*), and currently chairs the Dutch district council of Urban Land Institute and is vice-chair to the EPRA executive board.

*Fréderic Fontaine*

Fréderic.Y.M.M. Fontaine, member of the Management Board, is a French national. Mr. Fontaine has a Masters degree from the *Ecole supériere de commerce de Nantes* (1981). He started his professional career in 1983 in France Construction (Bouygues) as a project manager. Between 1985 and 1993, Mr. Fontaine worked for COPRA SA, a multi products developer, as a regional director. Mr. Fontaine specialised in retail development in 1994, when he joined Trema SA. Between 1998 and 2003, Mr. Fontaine worked with Hammerson France SA in the position of retail development director. As of May 2003, Mr. Fontaine was appointed Managing Director of Corio SA. He joined the Management Board as of 1 May 2006. Mr. Fontaine also serves as a member of the board of CNCC (*Conseil National des Centres Commerciaux de France*) and FSIF (*Fédération de Sociétés Immobilières et Foncières*).

*Jan Haars*

Ir. Jan G. Haars, chief financial officer in the Management Board, is a Dutch national. Mr. Haars has a degree in applied mathematics from the University of Twente (1975). He started his professional career in 1976 as a treasury management consultant with AMRO-Bank. In 1979, Mr. Haars joined the Thyssen Bornemisza Group where he was appointed treasurer of Thyssen Bornemisza Group Europe in 1983. Between 1987 and 1994, Mr. Haars worked for the Royal Boskalis Westminster, where he joined the Group Committee as Chief Financial Officer in 1990. Thereafter, he worked with Rabobank Nederland and was appointed as Head of Financial Markets Division Investment Banking Rabobank International in 1995. Between 1997 and 2002, Mr. Haars worked as Group Treasurer of Unilever. In 2002, he joined TNT as chief financial officer on the management board and worked there until 2006. In October 2006, Mr. Haars joined the Company, and was appointed as chief financial officer and member of the Management Board on 1 May 2007. Mr. Haars also serves as member of the supervisory board of Delta Lloyd N.V. and as chairman of its audit committee. He is also a member of the supervisory board of AFC Ajax N.V.

## Supervisory Board

### *Powers, composition and function*

The Supervisory Board supervises the policies of the Management Board and the general course of affairs of the Company and its business enterprise. The Supervisory Board also provides advice to the Management Board. In performing their duties, the members of the Supervisory Board are required to act in the interests of the Company and its affiliated enterprise, taking into consideration the interests of the Company's stakeholders (which includes but is not limited to the Company's shareholders).

The Supervisory Board determines the number of the members of the Supervisory Board. The Supervisory Board consists of at least three members.

The members of the Supervisory Board are appointed by the General Meeting on the basis of the then existing Supervisory Board's nomination. In the event the General Meeting does not appoint the person nominated and does not resolve to reject the nomination, the Supervisory Board shall appoint the person nominated. The Supervisory Board shall notify the General Meeting and the Works Council simultaneously of its nomination. The General Meeting and the Works Council may recommend to the Supervisory Board persons to be nominated as members of the Supervisory Board. With regard to one-third of the members of the Supervisory Board, the Supervisory Board shall nominate a person recommended by the Works Council, unless the Supervisory Board objects to the recommendation on the grounds that the person recommended is expected to be unsuitable for the fulfilment of the duties of a member of the Supervisory Board or that the Supervisory Board will not be suitably composed when the appointment is made as recommended. If the Supervisory Board raises an objection against a person recommended by the Works Council, it will have to inform the Works Council of that objection and the underlying reasons. The Supervisory Board shall institute consultations with the Works Council without delay with a view to reaching an agreement on the nomination. If the Supervisory Board determines that no agreement can be reached, a representative of the Supervisory Board designated for that purpose shall apply to the Enterprise Chamber of the Court of Appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) (the "**Enterprise Chamber**") to uphold the objection. The application may not be filed until four weeks have lapsed since the consultations with the Works Council commenced, if the Enterprise Chamber declares the objection unfounded, the Supervisory Board shall place the person recommended on the nomination. If the Enterprise Chamber upholds the objection, the Works Council may make a new nomination. The General Meeting may reject the nomination by the Supervisory Board with an absolute majority of the votes cast representing at least one-third of the issued share capital. If the General Meeting withholds its support from the candidate by an absolute majority of the votes, but such majority does not represent at least one-third of the issued share capital, a new meeting of Shareholders may be convened at which the nomination may be rejected by an absolute majority of the votes.

The members of the Supervisory Board are appointed for a maximum term of four years, provided that, unless a member of the Supervisory Board retires at an earlier date, his or her term lapses on the day of the first annual General Meeting to be held in the fourth year after the year of his or her appointment. A retiring member of the Supervisory Board can be re-appointed. A member of the Supervisory Board may be a member of the Supervisory Board for a total of no longer than 12 years, which period may or may not be interrupted, unless the General Meeting resolves otherwise. The Supervisory Board shall draw up a rotation schedule for members of the Supervisory Board.

On application by the Company, represented for such purpose by the Supervisory Board or a designated representative of the General Meeting or the Works Council, the Enterprise Chamber may remove a member of the Supervisory Board for dereliction of his duties, for other important reasons or on account of any material change of circumstances, a result of which the Company cannot reasonably be required to maintain him or her as a member of its Supervisory Board. The Supervisory Board may suspend a member of the Supervisory Board. The General Meeting may withdraw its confidence in the Supervisory Board by an absolute majority of the votes cast, representing at least one-third of the issued share capital, which results in the immediate dismissal of the members of the Supervisory Board.

Pursuant to the Articles of Association, the Supervisory Board may adopt rules regarding the holding of meetings, the convening of meetings and decision making in meetings, as well as the division of its tasks and the Supervisory Board's committees as well as their procedures. In accordance with the Articles of Association, the Supervisory Board has adopted the *Rules of the Supervisory Directors of Corio N.V.* (the "**Supervisory Board Rules**"). The Supervisory Board Rules, adopted on 23 April 2004, can be downloaded from the Company's website (www.corio-eu.com).

Pursuant to the Supervisory Board Rules, the Supervisory Board can, in principle, only adopt resolutions if the majority of the members are present or represented, on the understanding that any member of the Supervisory Board that has a conflict of interest (as specified in the Supervisory Board Rules) (a "**Conflicted Member**") does not count in calculating this quorum. Resolutions can also be adopted without holding a meeting, provided that the subject concerned has been brought to the attention of all members of the Supervisory Board, none of the members of the Supervisory Board has opposed to this decision-making procedure and all members have participated in the decision-making, on the understanding that Conflicted Members do not participate in the decision-making. A resolution adopted in this way, shall be recorded in writing and signed by the chairman. The Supervisory Board can adopt resolutions, whether adopted in a meeting or without holding a meeting, by majority vote. In the event of a tie, the chairman of the Supervisory Board will cast the deciding vote.

Pursuant to the Dutch Corporate Governance Code (see "Description of Share Capital and Corporate Governance—Corporate Governance") and the Supervisory Board Rules, a Conflicted Member of the Supervisory Board will not take part in the discussion and in the decision-making. Resolutions to enter into transactions, under which a member of the Supervisory Board would have a conflict of interest, require the approval of the Supervisory Board.

Pursuant to Article 3.1 of the Supervisory Board Rules the Supervisory Board adopted a profile of the size and composition of the Supervisory Board, on 23 April 2004. This profile is an appendix to the Supervisory Board Rules.

***Members of the Supervisory Board***

At the date of this Prospectus, the Supervisory Board is composed of the following five members:

| Name[1] | Date of birth | Position | Member as of | Term |
|---|---|---|---|---|
| Bas Vos . . . . . . . . . . . . | 30 August 1939 | Chairman | 21 December 2000 | Annual General Meeting 2012 |
| Robert van der Meer . . | 11 June 1949 | Vice-Chairman | 23 April 2004 | Annual General Meeting 2012 |
| Wim Borgdorff . . . . . . | 29 March 1960 | Member | 21 December 2000 | Annual General Meeting 2012 |
| Derk Doijer . . . . . . . . . | 9 October 1949 | Member | 1 January 2005 | Annual General Meeting 2013 |
| Gobert Beijer . . . . . . . . | 5 March 1950 | Member | 17 April 2009 | Annual General Meeting 2013 |

(1) With the exception of Mr. W. Borgdorff, all members of the Supervisory Board are independent within the meaning of best practice provision III.2.1 of the Updated Code (see “Description of Share Capital and Corporate Governance—Corporate governance”)

The Company’s registered address serves as the business address for all members of the Supervisory Board (see “Description of Share Capital and Corporate Governance—General”).

*Bas Vos*

Drs Bas Vos, chairman of the Supervisory Board, is a Dutch national. Mr. Vos serves as chairman of the supervisory board of the following companies: MEI-Tsjechië en Slowakije Fonds N.V. (Czech and Slovakia Fund), MEI-Roemenië en Bulgarije Fonds N.V. (Romania and Bulgaria Fund), MEI-Rusland Midcap Fonds N.V. (Russia Midcap Fund), MEI-Middle Europe Opportunity Fund N.V., Middle Europe Opportunity Fund II N.V., Middle Europe Opportunity Fund III N.V. and Kempen Capital Management Beleggingsfondsen. In addition, he is vice-chairman of the supervisory board of Koninklijke Reesink N.V. and member of the supervisory board of MEI-Real Estate N.V. (Middle Europe Real Estate) and The Human Network Group B.V. (THN).

In the past Mr. Vos has served as independent consultant and general manager of Taxicentrale Amsterdam B.V. (TCA) (terminated in 2009), chairman of the supervisory board of LHV Declaratie Direct B.V. (LDD) (terminated in 2009), member of the supervisory board of Protopics B.V. (terminated in 2008), member of the management board of Henderson French Property Fund B.V. (terminated in 2007) and chairman of the management board of the Landelijke Huisartsen Vereniging (LHV) (terminated in 2006).

Until 2010 Mr. Vos served as chairman of the supervisory board of Orange Europe Property Fund N.V. an investment fund of Kempen & Co. On 1 January 2010, Kempen & Co’s investment funds, including Orange Europe Property Fund N.V., were put under the supervision of Kempen & Co’s Kempen Capital Management Beleggingsfondsen. Since then Mr. Vos serves as the chairman of the supervisory board of Kempen Capital Management Beleggingsfondsen.

*Robert van der Meer*

Prof. Dr. Robert A.H. van der Meer, vice-chairman of the Supervisory Board, is a Dutch national. Since 1989, Mr. Van der Meer holds a chair as Professor of Finance with the University of Groningen. Since 2002, he is a director of Lesuut Finance B.V.\P & C B.V. He is advisor of the Pension Fund Nederlandse Bisdommen and director of the Catharijne Stichting, Stichting Von Freiburg, Stichting Corpus and Stichting GITP International.

Since 2004, Mr. Van der Meer furthermore serves as deputy justice (raadsheer-plaatsvervanger) with the Enterprise Chamber (High Court Amsterdam). Mr. Van der Meer also serves as a member of the supervisory board of the following listed entities: European Asset Trust N.V., BNP Paribas OBAM N.V., Kas Bank N.V. and the following unlisted companies: Stadsherstel Den Haag N.V., Robein Leven N.V., JP Morgan (SICAV) and Teslin Capital Management N.V.

In the past five years, Mr Van der Meer has also held positions in supervisory boards of the following companies, which he currently no longer holds: Fortis Investment Management N.V. (until June 2009), Van Hoogevest Groep N.V. (until November 2008) and International Insurance Company N.V. (until 2005)

*Wim Borgdorff*

Ir.Drs. Wim Borgdorff, member of the Supervisory Board, is a Dutch national. Since 2000, he has served as managing partner fund investment of AlpInvest Partners N.V. Mr. Borgdorff also serves as a member of the investment advisory committee of BPF Bouw (*Stichting Bedrijfstakpensioenfonds voor de Bouwnijverheid*), the pension fund for the construction industry. In addition he is a member of the advisory board of Permira I, II, III and IV Limited Partnerships and Apax IV, V, VI and VII Limited Partnerships. In the past, Mr. Borgdorff has served as a member of the advisory board of Industri Kapital 2000 Limited Partnership (until 2006) and as a member of the supervisory board of Kantoren Fonds Nederland B.V. (until 2007).

*Derk Doijer*

Derk C. Doijer, member of the Supervisory Board, is a Dutch national. Since 2004, he has held the position of general manager of DCD Holding B.V. Mr. Doijer is a member of the supervisory board of Koninklijke Ahold N.V. In addition Mr Doijer serves as chairman of the supervisory board of Lucas Bols Holding B.V. and as member of the supervisory board of North Sea Petroleum Beheer B.V., De Stiho Group B.V. and De ZBG Group.

*Gobert Beijer*

Ir. G.A. Beijer, member of the Supervisory Board, is a Dutch national. He is an independent advisor and has been an associate of Boer & Croon since 2009. Mr Beijer also serves as supervisory director with Staedion (a housing association in The Hague). Mr Beijer was a partner with Boer & Croon (until 2009) and served as a supervisory director with Nijenrode Business University.

**Supervisory Board committees**

The Supervisory Board has an Audit committee, a Remuneration committee and a Selection and Appointment committee. Each of these committees is set up by the Supervisory Board and made up of its members. In accordance with the Supervisory Board Rules, the Supervisory Board has drawn up rules on each committee's principles and best practices, which were adopted on 23 April 2004.

***Audit committee***

The Audit committee advises the Supervisory Board in the exercise of its duties and prepares decisions of the Supervisory Board in this regard. The duties of the Audit committee include the supervision and monitoring as well as the advising of the Management Board regarding the operation of the Company's internal risk management and audit systems. It also supervises the financial information to be disclosed by the Company, the compliance with recommendations of internal and external accountants, the Company's policy on tax planning, the Company's financing arrangements, the Company's information and communications technology. It furthermore maintains regular contact with and supervises the external accountant and it periodically nominates an external accountant for appointment by the General Meeting. The Audit committee also issues a preliminary advice to the Supervisory Board regarding the approval of the annual accounts and the three sets of quarterly figures. The Audit committee meets at least four times annually.

The Audit committee consists of at least two members. At least one of its members must have relevant knowledge and experience in bookkeeping and the financial administration of listed companies or other large companies. All members of the Audit committee except one must be independent (as specified in the Supervisory Board Rules). The Supervisory Board appoints a chairman of the Audit committee from among its members. Neither the chairman of the Supervisory Board nor any of the current or former members of the Management Board may be the chairman of the Audit committee. The Audit committee is currently composed of Mr. Van der Meer (chairman), Mr. Vos and Mr. Doijer.

The rules for the Audit committee are an appendix to the Supervisory Board Rules.

***Remuneration committee***

The Remuneration committee advises the Supervisory Board in the exercise of its duties regarding the remuneration of the members of the Management Board and prepares decisions of the Supervisory Board in this regard. The duties of the Remuneration committee include the preparation of proposals of the Supervisory Board on the remuneration policy for the members of the Management Board to be adopted by the General Meeting, and on the remuneration of the individual members of the Management Board to be determined by the Supervisory Board. The Remuneration committee also prepares a remuneration report on the remuneration policy for the Management Board to be adopted by the Supervisory Board. The Remuneration committee meets at least annually.

The Remuneration committee consists of at least two members. All members of the Remuneration committee except one must be independent (as specified in the Supervisory Board Rules). None of its members except for one may at the same time serve as a member of the management board of another Dutch listed company. The Supervisory Board appoints a chairman of the Remuneration committee from among its members. Neither the chairman of the Supervisory Board nor any of the current or former members of the Management Board nor any member of the management board of another listed company may (at the same time) be the chairman of the Remuneration committee. The Remuneration committee is currently composed of Mr. Borgdorff (chairman), Mr. Doijer and Mr. Beijer.

The rules for the Remuneration committee are an appendix to the Supervisory Board Rules.

***Selection and Appointment committee***

The Selection and Appointment committee advises the Supervisory Board in the exercise of its duties regarding the selection and appointment of members of the Management Board and members of the Supervisory Board and prepares decisions of the Supervisory Board in this regard. The duties of the Selection and Appointment committee include the drafting of proposals for selection criteria and appointment procedures for members of the Management Board and members of the Supervisory Board, and proposing profiles for the Supervisory Board. The Committee also periodically assesses the size and composition of the Management Board and the Supervisory Board, and the performance of their individual members. The Selection and Appointment committee furthermore makes proposals on appointments and reappointments. It supervises the Management Board's policy on criteria and appointment procedures for senior management. The Selection and Appointment committee meets at least once annually.

The Selection and Appointment committee consists of at least two members. All members of the Selection and Appointment committee except one must be independent (as specified in the Supervisory Board Rules). None of its members except for one may at the same time be a member of the Management Board of another Dutch listed company. The Selection and Appointment committee is currently composed of Mr Vos (chairman), Mr Doijer and Mr Beijer.

The rules for the Selection and Appointment committee are an appendix to the Supervisory Board Rules.

## Conflicts of interest

As of the date of this Prospectus, there are no potential conflicts of interest between the private interests or other duties of the members of the Management Board and the Supervisory Board (as defined in the Rules of each Board) which are relevant for the Group's business and their duties to the Company.

## Remuneration

***Management Board remuneration information***

In accordance with the Articles of Association, the Company has a policy on remuneration of the Management Board. The General Meeting adopts this policy upon a proposal of the Supervisory Board. Simultaneously with the offering of the Supervisory Board's proposal to the General Meeting, it is provided in writing to the Works Council for information purposes only. The Supervisory Board determines the remuneration of the individual members of Management Board in accordance with the remuneration policy. The Supervisory Board shall submit to the General Meeting for its approval any proposal regarding arrangements for remuneration in the form of shares or rights to subscribe for shares. The Remuneration Committee is responsible for preparing the proposal to the General Meeting on the remuneration policy and preparing a proposal for adoption by the Supervisory Board on the remuneration of individual members of the Management Board.

***Remuneration and benefits for the Management Board***

The table below shows the remuneration of each member of the Management Board for the financial year 2009.

| Name | Fixed Salary (€ 000) | Bonus (€ 000) | Pension (€ 000) | Other (€ 000) | Total (€ 000) |
|---|---|---|---|---|---|
| Gerard Groener | 361 | 140 | 70 | 7 | 578 |
| Fréderic Fontaine | 248 | 100 | 75 | 85 | 508 |
| Jan Haars | 359 | 140 | 72 | 5 | 576 |

Under the Company's 'Performance Phantom Share Plan', conditional share units are awarded annually. This plan was adopted in 2008. Under the plan, three years after the award date, vested units are paid out in cash. The number of units that vest depends on the 'total shareholder return' generated by the Company during the three-year period, compared to the total shareholder returns generated by companies in a pre-defined peer group. The amount payable per vested units is the market price of a share as at the payment date. Unvested units forfeit. In 2009, conditional units were awarded retroactively under the plan rules to Mr Groener, relating to the years 2008 and 2009 (see table below). Other members of the Management Board will receive units relating to the years 2008 and 2009 retroactively in 2010. The units will vest three years following the year in relation to which they are awarded.

| Name | Units awarded in year | Awarded units (#) | Maximum vesting (#) | Award date value (€) |
|---|---|---|---|---|
| Gerard Groener | 2008 | 2,549 | 3,823 | 141,215 |
| Gerard Groener | 2009 | 6,784 | 10,177 | 223,126 |

### *Supervisory Board remuneration information*

Pursuant to the Articles of Association, the General Meeting determines the remuneration of the members of the Supervisory Board. According to the Supervisory Board Rules, the Supervisory Board will periodically submit proposals to the General Meeting in respect of the remuneration of the chairman, the vice-chairman and the other members of the Supervisory Board. The remuneration of the Supervisory Board may not be made dependent on the Company's results. None of the members of the Supervisory Board may receive Ordinary Shares, options for Ordinary Shares or similar rights to acquire Ordinary Shares as part of their remuneration. None of the members of the Supervisory Board may hold Ordinary Shares, options for Ordinary Shares or similar securities other than as a long-term investment. The members of the Supervisory Board may also not hold such securities other than in accordance with the Rules on Investment of the Members of the Managing Board and Supervisory Board of Corio N.V., unless he or she holds the securities as an investment in listed investment funds or through discretionary portfolio management. None of the members of the Supervisory Board may accept personal loans or guarantees from the Company, other than in the normal course of business and subject to the prior approval of the Supervisory Board.

### *Remuneration and benefits for the Supervisory Board*

The table below provides the remuneration of each member of the Supervisory Board for the financial year 2009.

| Name | Annual Remuneration[(1)] | Allowances for committee meetings attended / Other | Total |
|---|---|---|---|
| | (€) | (€) | (€) |
| Bas Vos | 40,000 | 5,000 | 45,000 |
| Robert van der Meer | 35,000 | 8,000 | 43,000 |
| Wim Borgdorff | 30,000 | 2,000 | 32,000 |
| Derk Doijer | 30,000 | 6,000 | 36,000 |
| Gobert Beijer | 20,000 | 9,000 | 29,000 |

(1) Annual remuneration includes an annual expense compensation of € 600 p/p

## Equity holdings

As of the date of this Prospectus, none of the current and appointed members of the Management Board and of Supervisory Board hold any of the Ordinary Shares or options for Ordinary Shares.

## Employment agreements and severance agreements

There is currently no employment or service contract which provides benefits to current and appointed members of the Supervisory Board upon termination of service. The full terms and conditions of employment of the members of the Management Board are recorded in individual employment contracts. The members of the Supervisory Board do not have an employment or service contract with the Company. If the Company terminates an individual's contract before the end of his or her four-year period, that person's severance pay is capped at one year's salary. If, after an individual has been first appointed to the Management Board for the first four-year period, severance pay of up to one year's fixed salary is considered unreasonably low, the relevant member of the Management Board may be eligible for severance pay of up to two years' annual salary.

### Indemnification and insurance

Members of the Management Board, Supervisory Board and certain other officers may be held liable for damages in the event of improper or negligent performance of their duties. Under Dutch law, they may also be held jointly and severally liable for damages to the Company and to third parties for infringement of the Articles of Association or of certain provisions of the Dutch Civil Code. In certain circumstances, they may also incur additional specific civil and criminal liabilities. Members of the Management Board, Supervisory Board and certain other officers are insured under an insurance policy taken out by the Company against damages resulting from their conduct when acting in their capacities as such members or officers.

### Other information relating to the Management Board or Supervisory Board

During the last five years, none of the members of the Management Board or the Supervisory Board (i) has been convicted in relation to fraudulent offences, (ii) has served as a director or officer of any entity subject to bankruptcy proceedings, receivership or liquidation, except for Mr Vos who was a member of the management board of Henderson French Property Fund B.V. of which the liquidation ended on 6 March 2008 and resulted in distributions to the shareholders, (iii) has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer or from acting in the management or conduct of affairs of any issuer.

### Employees

Throughout 2009, the Company employed an average of 29.9 temporary full time equivalents ("**Fte**"). As of 31 December in each of the last three years, the Company employed the following numbers of Fte:

| Country | As at 31 December 2007 | As at 31 December 2008 | As at 31 December 2009 |
|---|---|---|---|
| | (Fte) | (Fte) | (Fte) |
| Netherlands | 169.2 | 170.7 | 182.0 |
| France | 64.2 | 71.2 | 80.0 |
| Italy | 43.6 | 48.1 | 49.1 |
| Spain | 25.7 | 26.7 | 31.8 |
| Turkey | 12.0 | 70.0 | 68.0 |
| **Total** | **314.7** | **386.7** | **410.9** |

# MAJOR SHAREHOLDER AND RELATED PARTY TRANSACTIONS

## Major Shareholder

According to the shareholder notifications in the AFM major shareholder register, APG is the only Shareholder with a substantial interest (*substantiële deelneming*, a holding of at least 5% of the share capital or voting rights) in the Company (see "Description of Share Capital and Corporate Governance—Obligations to disclose holdings"). According to the aforementioned register the capital and voting interest of APG attached to the Company's issued share capital was 36.77% as at 3 February 2010. APG informed the Company that its interest in the Company is 36.78% prior to the Offering.

APG does not have specific voting rights.

The Company is not directly or indirectly owned or controlled by another corporation or by any foreign government. The Company does not know of any arrangement that may, at a subsequent date, result in a change of control.

APG has agreed to subscribe for up to approximately € 220.7 million of Offer Shares, pro-rata to its interest in the share capital of the Company of 36.78% prior to the Offering (see "Plan of Distribution—Commitment of Major Shareholder").

## Related party transactions

Except as disclosed below, no Shareholder or member of the Management Board, Supervisory Board or senior management team has any material interest in any transactions of the Group which are or were unusual in their nature or conditions or significant to the Group's business.

As set out in more detail in "Operating and Financial Review—Liquidity and capital resources—Indebtedness", the Company entered into a € 200 million inflation-linked facility agreement with Stichting Depositary APG Index Linked Bonds Pool in August 2009. Stichting Depositary APG Index Linked Bonds Pool is the depositary (*bewaarder*) of an investment fund which is managed by a group entity of Stichting Pensioenfonds ABP (the parent company of APG). Furthermore, Mr. Borgdorff, member of the Supervisory Board, is a managing partner at AlpInvest Partners N.V., in which APG holds 50% of the shares (See "Management and Employees—Supervisory Board—Members of the Supervisory Board—Wim Borgdorff").

## DESCRIPTION OF SHARE CAPITAL AND CORPORATE GOVERNANCE

### General

The Company is a closed-end investment company with variable capital (*beleggingsmaatschappij met veranderlijk kapitaal)* and has the legal form of a limited liability company (*naamloze vennootschap*). The Company was incorporated under the laws of the Netherlands on 12 September 1978. The corporate seat of the Company is in Utrecht, the Netherlands and its registered office is at 3511 BT Utrecht, St.-Jacobsstraat 200, the Netherlands with the following telephone number: +31 (0)30 2346464. The Company is registered in the Commercial Register of the Chamber of Commerce for Midden-Nederland (*handelsregister van de Kamer van Koophandel en Fabrieken voor Midden-Nederland*) under number 30073501. The Articles of Association were last amended by notarial deed on 20 April 2009 before J.D.M. Schoonbrood, civil law notary in Amsterdam. The certificate of no objection of the Minister of Justice to that amendment was issued on 7 March 2009, number N.V. 200.163.

Set forth below is a summary of certain provisions of the Company's Articles of Association and of Dutch law. This summary does not purport to be complete, and is qualified in its entirety by reference to the full text of the Articles of Association, which are incorporated by reference herein, Dutch law and the Updated Code (as defined below).

### Corporate purpose

Pursuant to the Articles of Association, the Company is an investment company with variable capital (*beleggingsmaatschappij met veranderlijk kapitaal)*. Pursuant to article 3 of the Articles of Association, the corporate object of the Company is to invest in assets.

### Share capital

#### *Authorised and issued share capital of the Company*

The Company's authorised capital is € 1,200,000,000 which is divided into 120,000,000 Ordinary Shares, each with a nominal value of € 10. Immediately prior to the closing of the Offering, 76,363,025 Ordinary Shares were issued and outstanding.

The following table sets forth the Company's issued share capital as at 31 December 2007, 31 December 2008 and 31 December 2009.

| | Number of Ordinary Shares issued at 31 December 2007 | Number of Ordinary Shares issued at 31 December 2008 | Number of Ordinary Shares issued at 31 December 2009 | Nominal value per Ordinary Share (€) |
|---|---|---|---|---|
| Ordinary Share(s) ............ | 67,252,184(1) | 67,252,184(1) | 76,363,025 | 10 |

(1) including 998,482 treasury shares not entitled to dividend

The total number of issued Ordinary Shares over the financial year ended 31 December 2009 increased by 13.5% from 67,252,184 Ordinary Shares to 76,363,025, reflecting the payment of dividend in Ordinary Shares (for the financial year ended 31 December 2008), the issue of Ordinary Shares by an accelerated book-building offering in June 2009.

Immediately prior to the closing of the Offering, all issued and outstanding Ordinary Shares were listed on Euronext Amsterdam and Euronext Paris.

Currently, none of the issued Ordinary Shares are held by the Company or any of its subsidiaries. All Ordinary Shares that are outstanding at the date of this Prospectus are fully paid up.

### Issue of Ordinary Shares

The Management Board is authorised to issue Ordinary Shares at such times and on such terms as the Management Board may determine, subject to the approval of the Supervisory Board. This also applies to the granting of rights to subscribe for Ordinary Shares, such as options. No corporate action is required for an issue of Ordinary Shares pursuant to the exercise of a previously granted right to subscribe for Ordinary Shares.

## Pre-emption rights

Holders of Ordinary Shares will not have pre-emption rights with respect to any issue of Ordinary Shares or the granting of rights to subscribe for Ordinary Shares.

## Capital reduction

Subject to the provisions of Dutch law and the Articles of Association of the Company, the General Meeting may resolve to reduce the issued share capital by (i) cancelling Ordinary Shares or (ii) reducing the nominal value of the Ordinary Shares through an amendment of the Articles of Association. A resolution to cancel Ordinary Shares may only relate to Ordinary Shares held by the Company itself or with respect to Ordinary Shares of which it holds the depositary receipts. If the Management Board proposes to the General Meeting to reduce the issued share capital, such proposal of the Management Board is subject to the approval of the Supervisory Board.

A resolution of the General Meeting to reduce the share capital requires a majority of at least two-thirds of the votes cast, if less than half of the issued and outstanding share capital is represented.

Dutch law contains detailed provisions regarding the reduction of capital. A resolution to reduce the issued share capital shall not take effect as long as creditors have legal recourse against the resolution. The provision in the DCC (Section 2:100 DCC) with respect to legal recourse of the creditors against the resolution to reduce the issued capital does not apply in case of a cancellation of Ordinary Shares, as referred to above.

## Acquisition and disposal by the Company of its own shares

The Management Board may acquire Ordinary Shares on behalf of the Company. The acquisition of Ordinary Shares for valuable consideration is not permitted if, and to the extent that, the nominal issued capital less the amount of the Ordinary Shares which the Company holds would thereby be reduced to less than one-tenth of the authorised capital. Own Ordinary Shares acquired by the Company may be disposed of by the Management Board at such times and on such terms as the Management Board may determine.

## Form and transfer of Ordinary Shares

The Ordinary Shares are in bearer or registered form, at the holder's option. Bearer shares will be embodied in a single share certificate ("**Share Certificate**"), which share certificate is currently held in custody with Euroclear Nederland on behalf of the holders of these bearer shares.

For Ordinary Shares in registered form, no share certificates will be issued. The names and addresses of the holders of Ordinary Shares in registered form and usufructuaries (*vruchtgebruikers)* and pledgees (*pandhouders*) in respect of such shares are recorded in the register of shareholders of the Company and any other information prescribed by Dutch law.

The transfer of an Ordinary Share in registered form shall be effected by means of a deed and, if the Company is not a party to the transfer, a written acknowledgment by the Company of the transfer. Currently, the Company has 137,269 Ordinary Shares in registered form issued and outstanding.

## Dividends and other distributions

Distribution of profits only takes place following the adoption of the annual accounts if the shareholders' equity exceeds the sum of the paid-up share capital plus the statutory reserves required to be maintained by Dutch law.

Pursuant to the Articles of Association, the profits and the freely distributable reserves will be available to the General Meeting.

The Management Board is authorised to decide to make interim distributions subject to the prior approval of the Supervisory Board, subject to Dutch law and the Articles of Association. These interim distributions may be made payable in shares or marketable rights in respect of shares.

On the proposal of the Management Board, which proposal is subject to the approval by the Supervisory Board, the General Meeting may resolve not to make distributions on Ordinary Shares in cash but entirely or partially (at the Shareholder's option or otherwise) (i) in Ordinary Shares or marketable rights in respect of Ordinary Shares or (ii) in securities issued by or marketable receivables from the Company. The Management Board may only propose that dividends are to be fully or partly paid in the form of securities issued by or marketable receivables from the Company after consultation with Euronext Amsterdam.

Dividends and other distributions shall be made payable not later than the date determined by the Management Board. Entitlement to a distribution lapses five years from the date on which the distribution became payable.

**Dissolution and liquidation**

The General Meeting may resolve to dissolve the Company. In the event of dissolution of the Company, it will be liquidated by the Management Board under the supervision of the Supervisory Board, unless the General Meeting appoints alternative liquidators. During liquidation, the Articles of Association will remain in force to the extent possible. If the Management Board proposes to the General Meeting to dissolve the Company, such proposal of the Management Board is subject to the approval of the Supervisory Board.

Any balance remaining after payment of all debts and liquidation expenses will be distributed to the Shareholders and others entitled thereto in proportion to their entitlement.

**General Meetings of Shareholders and voting rights**

***General Meeting of Shareholders***

General Meetings of Shareholders are held in Utrecht, Amsterdam, Rotterdam, Schiphol Airport (municipality Haarlemmermeer), Noordwijk or The Hague, the Netherlands. The annual General Meeting must be held within four months of the end of each financial year. Additional extraordinary General Meetings may also be held whenever considered appropriate by the Management Board or the Supervisory Board or in compliance with a written request to that effect, addressed to the Management Board or the Supervisory Board, by persons who are entitled to attend meetings and represent shares amounting to at least € 10 million in nominal value. Such a request must state precisely the matters which they wish to discuss. If such General Meeting has not been called within thirty days or is not held within sixty days following such request, the persons requesting such General Meeting are authorised to call such General Meeting themselves.

The convocation of the General Meeting shall be notified to persons who are entitled to attend the General Meeting pursuant to Ordinary Shares in registered form by letter to the addresses entered in the Company's register of shareholders; if such a person agrees the written notice on the General Meeting may be replaced by a legible and reproducible message sent by e-mail to the address notified to the Company for such purpose. Holders of Ordinary Shares in bearer form will be notified of the convocation of the General Meeting by announcements made public by electronic means that remain directly and permanently accessible until the General Meeting. All notices on the convocation of the General Meeting shall be in accordance with applicable stock exchanges regulations. Such notice shall be published no later than the fifteenth day before the day of the General Meeting. The agenda for the annual General Meeting must contain certain subjects as specified in the Articles of Association, including, among other things, the adoption of the annual accounts, the discharge of the members of the Management Board for the relevant financial year and the appropriation of the profits of the Company. In addition, the agenda shall include such items as have been included therein by the Management Board. The agenda shall also include such items as one or more Shareholders and others entitled to attend General Meetings, representing at least one-hundredth of the issued share capital or representing a nominal value of at least € 50 million, have requested the Management Board to include in the agenda, at least sixty days before the day of the convocation. The Management Board may decide not to place items so requested on the agenda if they are of the opinion that doing so would be detrimental to vital interests of the Company. No resolutions shall be adopted on items other than those which have been included in the agenda.

The General Meeting is chaired by the chairman of the Supervisory Board or, in his absence, by the vice chairman of the Supervisory Board and, if the latter is also absent, by a member of the Supervisory Board appointed by the members of the Supervisory Board who are present. If the chairman is not appointed as referred to above, the meeting appoints a chairman itself. The chairman appoints the secretary. Members of the Management Board and the Supervisory Board may attend a General Meeting. In these meetings, they have an advisory vote. The chairman of the meeting may decide at its discretion to admit other persons to the meeting.

All holders of Ordinary Shares and others entitled to attend General Meetings are authorised to attend the General Meeting, to address the meeting and, in so far as they have such right, to vote.

The Management Board may determine that such will apply to those who are a shareholder (or are entitled to attend General Meetings) as per a registration date, determined by the Management Board.

The convocation of the General Meeting will contain the time, the place of meeting and the procedures for registration and/or notification.

### *Voting rights*

Each Ordinary Share is entitled to one vote. Subject to certain exceptions provided by Dutch law or the Articles of Association, resolutions of the General Meeting are passed by an absolute majority of votes cast. Pursuant to Dutch law, no votes may be cast at a General Meeting in respect of Ordinary Shares which are held by the Company. Nonetheless, the holders of a right of usufruct and the holders of a right of pledge in respect of Ordinary Shares held by the Company are not excluded from any right they may have to vote on such Ordinary Shares, if the right of usufruct or the right of pledge was granted prior to the time such Ordinary Share became held by the Company. The Company may not cast votes in respect of an Ordinary Share in respect of which it holds a right of usufruct or a right of pledge. Ordinary Shares which are not entitled to voting rights pursuant to the preceding sentences will not be taken into account for the purpose of determining the number of Shareholders that vote and that are present or represented, or the amount of the share capital that is provided or that is represented at a General Meeting.

Holders of a material number of Ordinary Shares do not have other voting rights than other holders of Ordinary Shares.

### Amendment of Articles of Association

Upon the proposal of the Supervisory Board, the General Meeting may resolve to amend the Articles of Association. If the Management Board proposes to the General Meeting to dissolve the Company, such proposal of the Management Board is subject to the approval of the Supervisory Board.

### Financial reports and rules on ongoing disclosure and filing requirements

The Company prepares consolidated annual financial statements and consolidated semi-annual financial statements in accordance with IFRS. The financial statements are prepared by the Management Board. The Company's annual financial statements are audited by an independent accounting firm under International Auditing Standards. The financial year of the Company coincides with the calendar year.

On 1 January 2009, the Dutch Act implementing the remainder of European Directive 2004/109/EC relating to transparency requirements (the "**Dutch Transparency Act**") came into force. The majority of the provisions of the Dutch Transparency Act are included in the FMSA. Pursuant to the FMSA, the Company is required to make the following periodic financial information generally available:

- its annual reports, within four months after the end of each financial year;
- its semi-annual reports, within two months after the end of the first six months of each financial year; and
- interim management statements during the first and the second half of each financial year between ten weeks after the beginning and six weeks before the end of the relevant six-month period.

The Company may publish this periodic information by means of a press release that refers to the Company's website where the information is available in full.

### Rules governing obligations of Shareholders to make a public offer

European Directive 2004/25/EC of 21 April 2004 (the "**Takeover Directive**") relating to public takeover bids has been implemented in the FMSA and rules promulgated thereunder and in Book 2 of the DCC.

Pursuant to the FMSA, any shareholder who (individually or when acting in concert with others) directly or indirectly obtains control of a Dutch listed company is required to make a public offer for all issued and outstanding shares or depositary receipts of shares in that company's capital. Such control is deemed present if a (legal) person is able to exercise, alone or acting in concert, at least 30% of the voting rights in the general meeting of shareholders of such listed company. Currently, APG (subsidiary of Stichting Pensioenfonds ABP) holds such control over the Company within the meaning of the FMSA (see "Major Shareholder and Related Party Transactions"). However, as Stichting Pensioenfonds ABP already held such control over the Company on 28 October 2007, the date of implementation of the Takeover Directive in the Netherlands, it is not under an obligation to make a mandatory offer. This also applies in the event that Stichting Pensioenfonds ABP through its subsidiary, APG, increases its (pre-existing) control over the Company.

Furthermore, it is prohibited to launch a public offer for shares of a listed company, such as the Ordinary Shares, unless an offer document has been approved by the AFM. A public offer will be launched by way of publication of the approved offer document. The public offer rules are intended to ensure, among other things, that in the event of a public offer, sufficient information will be made available to the holders of the Ordinary Shares, the holders of the Ordinary Shares will be treated equally and that there will be a proper and timely offer period.

**Squeeze out procedures**

Pursuant to Section 2:92a DCC, a shareholder who for his own account provides at least 95% of the Company's issued capital may institute proceedings against the Company's minority shareholders jointly for the transfer of their shares to him or her. The proceedings are held before the Enterprise Chamber of the Amsterdam Court of Appeal and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim to buy out all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value of the shares. Once the order to transfer becomes final, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him. Unless the addresses of all of them are known to him, he shall also publish this information in a daily newspaper with a national circulation.

With the implementation of the Takeover Directive, the rules for squeeze out procedures have been supplemented. Section 2:359c DCC provides that the offeror under a public offer is also entitled to start a squeeze out procedure if, following the public offer, the offeror holds shares for at least 95% of the share capital and at least 95% of the total voting rights. The claim of a takeover squeeze out needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer. The Enterprise Chamber may grant the claim to buy out all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value of the shares. In principle, the offer price is considered reasonable as long as 90% or more of the shares have been acquired at that price.

Section 2:359c DCC also entitles those minority shareholders that have not previously tendered their shares under an offer to transfer their shares to the offeror, provided that the offeror has acquired shares for at least 95% of the share capital and at least 95% of the total voting rights. As there are different classes of shares, the claim may only be instituted with regard to the class of ordinary shares for which the offeror alone or jointly with group companies holds at least 95% of the issued capital and 95% of the voting rights. As regards price, the same procedure as for takeover squeeze out proceedings initiated by an offeror applies. The claim also needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer.

**Obligations to disclose holdings**

***Shareholding disclosure obligations under Dutch law***

Shareholders may be subject to notification obligations under the FMSA. Shareholders are advised to seek professional advice on these obligations.

*Shareholders*

Pursuant to the FMSA, any person who, directly or indirectly, acquires or disposes of an interest in the capital or voting rights of the Company must immediately notify the AFM by means of a standard form, if, as a result of such acquisition or disposal, the percentage of capital interest or voting rights held by such person in the Company reaches, exceeds or falls below any of the following thresholds: 5% (a bill is being prepared to reduce this threshold to 3%), 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95% of the voting rights or capital interests in the issued capital of the Company.

A notification requirement also applies if a person's capital interest or voting rights reaches, exceeds or falls below the abovementioned thresholds as a result of a change in the Company's total share capital or voting rights. Such notification has to be made no later than the fourth trading day after the AFM has published the Company's notification as described below.

The Company is required to notify the AFM immediately of the changes to its total share capital or voting rights if its share capital or voting rights changes by 1% or more since the Company's previous notification. The Company must notify the AFM, in the event its share capital or voting rights have changed by less than 1% in that quarter, within eight days after the relevant quarter.

Furthermore, every holder of 5% or more of the Company's share capital or voting rights whose interest at 12 midnight on 31 December differs from a previous notification to the AFM, as a result of certain acts (including but not limited to the exchange of Ordinary Shares for depository receipts and the exercise of a right to acquire Ordinary Shares) must notify the AFM within four weeks.

Controlled entities, within the meaning of the FMSA, do not have notification obligations under the FMSA, as their direct and indirect interests are attributed to their (ultimate) parent. Any person may qualify as a parent for purposes of the FMSA, including an individual. A person who has a 5% or larger interest in the Company's share capital or voting rights and who ceases to be a controlled entity for these purposes must immediately notify the AFM. As of that moment, all notification obligations under the FMSA will become applicable to the former controlled entity.

For the purpose of calculating the percentage of capital interest or voting rights, among other elements, the following interests must be taken into account: (i) the Ordinary Shares or voting rights on the Ordinary Shares directly held (or acquired or disposed of) by a person; (ii) the Ordinary Shares or voting rights on the Ordinary Shares held (or acquired or disposed of) by such person's subsidiaries or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement (including a discretionary power of attorney); and (iii) the Ordinary Shares or voting rights on the Ordinary Shares which such person, or any subsidiary or third party referred to above, may acquire pursuant to any option or other right held by such person (including, but not limited to, convertible bonds).

Special rules apply with respect to the attribution of Ordinary Shares or voting rights on the Ordinary Shares which are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct (*vruchtgebruik*) in respect of the Ordinary Shares can also be subject to the notification obligations of the FMSA, if such person has, or can acquire, the right to vote on the Ordinary Shares or, in the case of depository receipts, the underlying Ordinary Shares. The acquisition of (conditional) voting rights by a pledgee or usufructuary may also trigger the FMSA notification obligations as if the pledgee or beneficial owner were the actual legal holder of the Ordinary Shares or voting rights on the Ordinary Shares.

*Management Board, Supervisory Board and certain others*

Pursuant to the FMSA, any member of the Management Board or Supervisory Board must give immediate written notice of any change in the Ordinary Shares or voting rights on the Ordinary Shares which it has at its disposal, to the AFM by means of a standard form.

Any other person who has (co)managerial responsibilities in respect of the Company or who has the authority to make decisions affecting the Company's future developments and business prospects and who may have regular access to inside information relating, directly or indirectly, to the Company, must give written notice to the AFM by means of a standard form of any transactions conducted for his own account relating to the Ordinary Shares or in financial instruments the value of which is also based on the value of the Ordinary Shares. Furthermore, in accordance with the FMSA and the regulations promulgated thereunder, certain persons who are closely associated with members of the Management Board, Supervisory Board or any of the other persons as described above, are required to notify the AFM of any transactions conducted for their own account relating to the Ordinary Shares or in financial instruments the value of which is also based on the value of the Ordinary Shares. The FMSA and the regulations promulgated thereunder determine the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse; (ii) dependent children; (iii) other relatives who have shared the same household for at least one year at the relevant transaction date; and (iv) any legal person, trust or partnership whose, among other things, managerial responsibilities are discharged by a person referred to under (i), (ii) or (iii) above or by the relevant member of the Management Board, Supervisory Board or other person with any authority in respect of the Company as described above. The AFM must generally be notified within five days following the relevant transaction date. Under certain circumstances, notification may be postponed until the date the value of the transactions amounts to € 5,000 or more per calendar year.

*Non-compliance*

Non-compliance with the notification obligations under the FMSA could lead to criminal fines, administrative fines, imprisonment or other sanctions being imposed. In addition, non-compliance with some of the notification obligations under the FMSA may lead to civil sanctions, including suspension of the voting rights relating to the Ordinary Shares held by the offender for a period of not more than three years and a prohibition applicable to the offender to obtain any Ordinary Shares or voting rights on the Ordinary Shares for a period of not more than five years.

*Public registry*

The AFM does not issue separate public announcements of notifications received by it. It does, however, keep a public register of all notifications under the FMSA on its website (www.afm.nl). Third parties can request to be notified automatically by e-mail of changes to the public register in relation to a particular company's shares or a particular notifying party.

***Shareholding disclosure obligations under French law***

Shareholders may be subject to notification obligations under the AMF General Regulations (*Règlement Général de l'AMF*) and French Company Law. Shareholders are advised to seek professional advice on these obligations.

*Shareholders*

Any individual or entity, acting alone or in concert with others, that becomes the owner, directly or indirectly of more than 5%, 10%, 15%, 20%, 25%, 33 1/3%, 50%, 66 2/3%, 90% or 95% of the outstanding Ordinary Shares or the voting rights attached to the Ordinary Shares, or that increases or decreases its shareholding or voting rights to any of the above percentages must notify the number of shares or voting rights, and the number of securities giving access directly or indirectly, to Ordinary Shares and/or voting rights, that it holds to the Company and the AMF by registered letter, with return receipt, no later than four trading days of crossing that threshold.

In addition, every shareholder who, directly or indirectly, acting alone or in concert with others, acquires ownership or control of shares representing 10%, 15%, 20% or 25% of the Company's share capital must notify no later than five trading days of crossing that threshold, the Company and the AMF of its intentions for the six months following such acquisition. The AMF makes this notice public. The acquirer may amend its stated intentions by filing a new report.

*Non-compliance*

In the event of failure to comply with the legal notification requirements, the shares or voting rights in excess of the relevant threshold will be deprived of voting rights for all shareholders' meetings until the end of a two-year period following the date on which the owner thereof complies with the notification requirements. In addition, any shareholder who fails to comply with these requirements or fails to comply with the content of the statement of intent may have all or part of its voting rights suspended by the Commercial Court at the request of the Chairman of our management board, any shareholder or the AMF for a maximum period of five years following the date of publication of the statement of intent and may be subject to a € 18,000 fine.

**Market abuse regulation**

The FMSA provides for specific rules intended to prevent market abuse, such as insider trading, tipping and market manipulation. Pursuant to these rules, the Company has adopted rules governing the holding and carrying out of transactions in: (i) (depositary receipts for) Ordinary Shares; (ii) other listed financial instruments issued by the Company; or (iii) financial instruments the value of which is determined based partly on the value of the Company's securities, as well as rules on compliance and suspected abuse for its employees. These rules are contained in the "Rules on Investment of the Members of the Managing Board and Supervisory Board of Corio N.V." and the "Corio Group Compliance Code" which are available from the Company's website (www.corio-eu.com).

**Corporate governance**

The Management Board and the Supervisory Board acknowledge the importance of good corporate governance. For many years the Company has maintained a clear dividing line between the responsibilities of the Management Board and those of the Supervisory Board. Disclosures to Shareholders and other stakeholders are as transparent as possible. The Company considers recommendations by Shareholders and acts upon these, provided that such recommendations promote the Company's interest and take into account the interests of all stakeholders.

In 2003, the Dutch Corporate Governance Committee, also known as the *Tabaksblat* Committee, released the Dutch corporate governance code (the "**Dutch Corporate Governance Code**"). The Dutch Corporate Governance Code contains a number of principles and best practice provisions for listed companies in respect of their managing boards, supervisory boards, shareholders and general meetings of shareholders, financial reporting, auditors, disclosure, compliance and enforcement standards and uses a "comply or explain" approach. In December 2008, the Netherlands Corporate Governance Code Monitoring Committee (*Frijns Committee*) proposed an amended and updated Dutch Corporate Governance Code (the "**Updated Code**"). The Updated Code is applicable for annual reports of listed companies, including the Company, in connection with the financial year starting on or after 1 January 2009.

The Company is therefore required under Dutch law to disclose in its annual report whether or not it applies the provisions of the Updated Code and, if it does not apply those provisions, to explain why it does not. The Company has disclosed in its annual report relating to the financial year ended 31 December 2009 that it has complied with all the applicable principles and best-practice provisions, except for best practice provision III.3.1 with regard to the profile of the Supervisory Board.

Principle III.3.1. states the following: The supervisory board shall prepare a profile of its size and composition, taking account of the nature of the business, its activities and the desired expertise and background of the supervisory board members. The profile shall deal with the aspects of diversity in the composition of the supervisory board that are relevant to the company and shall state what specific objective is pursued by the board in relation to diversity. In so far as the existing situation differs from the intended situation, the supervisory board shall account for this in the report of the supervisory board and shall indicate how and within what period it expects to achieve this aim. The profile shall be made generally available and shall be posted on the company's website.

In 2010, the Supervisory Board will review its profile taking into account the requirements of the Updated Code. In 2010, the Company intends to comply with all applicable principles and best-practice provisions of the Updated Code.

## CERTAIN BENEFIT PLAN INVESTOR CONSIDERATIONS

Section 406 of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "**Revenue Code**") prohibit employee benefit plans and certain other retirement plans, accounts and arrangements that are subject to Title I of ERISA and/or Section 4975 of the Revenue Code ("**ERISA Plans**") from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest" within the meaning of ERISA, or "disqualified persons" within the meaning of Section 4975 of the Revenue Code, unless an exemption is available. A party in interest or disqualified person who engaged in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and/or the Revenue Code. In addition, the fiduciary of an ERISA Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and/or the Revenue Code. The acquisition and/or holding of Offer Shares by an ERISA Plan with respect to which the Company, the selling shareholders or the underwriters are considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Revenue Code unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption, such as Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Revenue Code, which exempts certain transactions with a non-fiduciary service provider to an ERISA Plan, prohibited transaction class exemption, or "PTCE," 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. There can be no assurance that all of the conditions of any such exemptions will be satisfied.

Governmental plans, certain church plans and non-United States plans (each a "**Non-ERISA Plan**" and together with ERISA Plans, "**Plans**"), while not subject to Title I of ERISA or Section 4975 of the Revenue Code, may nevertheless be subject to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the Revenue Code ("**Similar Laws**"). Fiduciaries of any such plans should consult with their counsel before purchasing any of the Ordinary Shares.

In addition, ERISA and the regulations promulgated under ERISA by the U.S. Department of Labor (the "**Plan Asset Regulations**") generally provide that when an ERISA Plan acquires an equity interest in an entity that is neither a "publicly-offered security" nor a security issued by an investment company registered under the Investment Company Act, the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity unless it is established either that less than 25% of the total value of each class of equity interest in the entity is held by "benefit plan investors" as defined in Section 3(42) of ERISA, or that the entity is an "operating company", as defined in the Plan Asset Regulations.

It is not anticipated that the Offer Shares will constitute "publicly offered securities" for purposes of the Plan Asset Regulations, or that the Company will be deemed to be an investment company registered under the Investment Company Act. There can be no assurance that equity participation in us by benefit plan investors will not be significant. Although no assurances can be given, the Company believes that it qualifies as an "operating company".

If the Company's assets were deemed to be "plan assets" under ERISA, this would result, among other things, in (i) the application of the prudence and other fiduciary responsibility standards of ERISA to investments made by the Company, and (ii) the possibility that certain transactions in which the Company might seek to engage could constitute "prohibited transactions" under ERISA and the Revenue Code.

By its acceptance of Offer Shares or any interest therein, each purchaser and subsequent transferee of Offer Shares will be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or subsequent transferee to acquire or hold the Offer Shares constitutes the assets of any Plan or (ii) the acquisition and holding of the Offer Shares by such purchaser or transferee will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Revenue Code or a similar violation under any applicable Similar Laws.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering purchasing Offer Shares on behalf of, or with the assets of, any employee benefit plan or other retirement plan, account or arrangement, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Revenue Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the Offer Shares.

## SHAREHOLDER TAXATION

### Taxation in the Netherlands

The following is intended as general information only and it does not purport to present any comprehensive or complete description of all aspects of Dutch tax law which could be of relevance to a Shareholder. For Dutch tax purposes and for the purpose of the Dutch tax disclosure below, a Shareholder may include an individual or entity who does not have legal title of the Ordinary Shares, but to whom nevertheless the Ordinary Shares are attributed based either on such individual or entity holding beneficial interest in the Ordinary Shares or on specific statutory provisions, including statutory provisions pursuant to which Ordinary Shares are attributed to an individual who is, or who has directly or indirectly inherited from a person who was, the settlor, grantor or similar originator of a trust, foundation or similar entity that holds the Ordinary Shares. Shareholders should consult their tax adviser regarding the tax consequences of any purchase, ownership, disposal, gift or inheritance of Ordinary Shares.

The following summary is based on Dutch tax law as applied and interpreted by Dutch tax courts and as published and in effect on the date hereof, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

For the purpose of this paragraph, "**Dutch Taxes**" shall mean taxes of whatever nature levied by or on behalf of the Netherlands or any of its subdivisions or taxing authorities.

Any reference hereafter made to a treaty for the avoidance of double taxation concluded by the Netherlands, includes the Tax Regulation for the Kingdom of the Netherlands (*Belastingregeling voor het Koninkrijk*).

The Company is a FII as defined in article 28 of the DCITA. As a result, the participation exemption (*deelnemingsvrijstelling*) and the participation credit (*deelnemingsverrekening*), each as defined in the DCITA, shall not be applicable to benefits derived from Ordinary Shares by a Shareholder under any circumstances.

### Withholding tax

A Shareholder is generally subject to Dutch dividend withholding tax at a rate of 15% on dividends distributed by the Company. Generally, the Company is responsible for the withholding of such dividend withholding tax at source; the dividend withholding tax is for the account of the Shareholder.

Dividends distributed by the Company include, but are not limited to:

- distributions of profits in cash or in kind, whatever they be named or in whatever form;
- proceeds from the liquidation of the Company, or proceeds from the repurchase of Ordinary Shares by the Company, in excess of the average paid-in capital recognised for Dutch dividend withholding tax purposes;
- the par value of the Ordinary Shares issued to a Shareholder or an increase in the par value of Ordinary Shares, to the extent that no contribution, recognised for Dutch dividend withholding tax purposes, has been made or will be made; and
- partial repayment of paid-in capital, that is
  - not recognised for Dutch dividend withholding tax purposes, or
  - recognised for Dutch dividend withholding tax purposes, to the extent that the Company has net profits (*zuivere winst*), unless the General Meeting has resolved in advance to make such repayment and the par value of the Ordinary Shares concerned has been reduced with an equal amount by way of an amendment to the Articles of Association.

Subject to conditions and limitations, the Company will not be required to transfer to the Dutch Revenue Service the entire amount of Dutch dividend withholding tax withheld in respect of dividends distributed by the Company to its Shareholders, if the Company itself has received one or more profit distributions from a Dutch and/or foreign company and the Company has been subject to Dutch and/or foreign withholding tax in respect to these distributions. The Company will upon request provide shareholders with information regarding the portion of the Dutch withholding tax that was retained by the Company.

If a Shareholder is resident or deemed to be resident in the Netherlands or, in case of an individual, has opted to be treated as if resident in Netherlands, such Shareholder is generally entitled to a full credit for any

Dutch dividend withholding tax against his Dutch (corporate) income tax liability and to a refund of any residual Dutch dividend withholding tax. The same facilities generally apply to a Shareholder that is neither resident nor deemed to be resident in the Netherlands if and to the extent that the holder is subject to Dutch Taxes on income and capital gains with respect to the ownership and disposal of Ordinary Shares as described in subsection "Non-residents in the Netherlands".

If a Shareholder is resident in a country other than the Netherlands under the provisions of a treaty for the avoidance of double taxation between the Netherlands and such country, such Shareholder may, depending on the terms of such treaty, be entitled to a reduction in or refund of Dutch dividend withholding tax on dividends distributed by the Company.

According to Dutch domestic anti-dividend stripping rules, no credit against Dutch (corporate) income tax, exemption from, reduction in or refund of, Dutch dividend withholding tax will be granted if the recipient of the dividend paid by the Company is not considered to be the beneficial owner (*uiteindelijk gerechtigde*) of such dividends as meant in these rules.

**Taxes on income and capital gains**

This section does not purport to describe the possible Dutch Tax considerations or consequences that may be relevant to a Shareholder:

- who is an individual and receives the Ordinary Shares or has received the Ordinary Shares or benefits from the Ordinary Shares as income from employment or deemed employment or otherwise as compensation;
- that is an entity that is not subject to Dutch CIT or is in full or in part exempt from Dutch CIT, such as a pension funds;
- that is a fiscal investment institution (*fiscale beleggingsinstelling*) as defined in article 28 DCITA; or
- who has a (fictitious) substantial interest.

Generally, a Shareholder has a substantial interest (*aanmerkelijk belang*) in the Company if such Shareholder, alone or together with his partner, directly or indirectly:

- owns, or holds certain rights on, shares representing 5% or more of the total issued and outstanding capital of the Company, or of the issued and outstanding capital of any class of shares of the Company;
- holds rights to acquire shares, whether or not already issued, representing 5% or more of the total issued and outstanding capital of the Company, or of the issued and outstanding capital of any class of shares of the Company; or
- owns, or holds certain rights on, profit participating certificates that relate to 5% or more of the annual profit of the Company or to 5% or more of the liquidation proceeds of the Company.

Generally, a Shareholder will also have a substantial interest if his partner or one of certain relatives (including, but not limited to, foster children) of such Shareholder or of his partner has a substantial interest in the Company.

Generally, a Shareholder has a fictitious substantial interest (*fictief aanmerkelijk belang*) in the Company if, without having an actual substantial interest in the Company:

- an enterprise has been contributed to the Company in exchange for Ordinary Shares on an elective non-recognition basis;
- the Ordinary Shares have been obtained under inheritance law or matrimonial law, on a non-recognition basis, while the disposing holder of such Ordinary Shares had a substantial interest in the Company;
- the Ordinary Shares have been acquired pursuant to a share merger, legal merger or legal demerger, on an elective non-recognition basis, while such Shareholder prior to this transaction had a substantial interest in an entity that was party thereto; or
- the Ordinary Shares held by such Shareholder, prior to dilution, qualified as a substantial interest and, by election, no gain was recognised upon disqualification of these Ordinary Shares.

***Residents of the Netherlands***

The description of certain Dutch Tax consequences in this subparagraph is only intended for the following Shareholders:

- individuals who are resident or deemed to be resident in the Netherlands for purposes of Dutch income tax and individuals who opt to be treated as resident in the Netherlands for purposes of Dutch income tax ("**Dutch Individuals**"); and
- entities that are resident or deemed to be resident in the Netherlands for the purposes of the DCITA ("**Dutch Corporate Entities**").

*Dutch Individuals engaged or deemed to be engaged in an enterprise or in miscellaneous activities*

Dutch Individuals are generally subject to income tax at statutory progressive rates with a maximum of 52% with respect to any benefits derived or deemed to be derived from Dutch Enterprise Shares (as defined below), including any capital gains realized on the disposal thereof.

"**Dutch Enterprise Shares**" are Ordinary Shares or any right to derive benefits from Ordinary Shares:

- which are attributable to an enterprise from which a Dutch Individual derives profits, whether as an entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder); or
- of which the benefits are taxable in the hands of a Dutch Individual as benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*) including, without limitation, activities which are beyond the scope of active portfolio investment activities (*normaal, actief vermogensbeheer*).

*Dutch Individuals not engaged or deemed to be engaged in an enterprise or in miscellaneous activities*

Generally, a Dutch Individual who holds Ordinary Shares, excluding Dutch Enterprise Shares, will be subject annually to an income tax imposed on a fictitious yield on such Ordinary Shares under the regime for savings and investments (*inkomen uit sparen en beleggen*). Irrespective of the actual income or capital gains realised, the annual taxable benefit of all the assets and liabilities of a Dutch Individual that are taxed under this regime, including the Ordinary Shares, is set at a fixed amount. The fixed amount equals four per cent of the average fair market value of the assets reduced by the liabilities measured, in general, at the beginning and end of every calendar year. The tax rate under the regime for savings and investments is a flat rate of 30 per cent.

*Dutch Corporate Entities*

Dutch Corporate Entities are generally subject to CIT at statutory rates up to 25.5 percent with respect to any benefits derived or deemed to be derived (including any capital gains realized on the disposal) of the Ordinary Shares.

***Non-residents of the Netherlands***

A Shareholder that is not resident or deemed to be resident in the Netherlands and, in case of an individual, has not opted to be treated as resident in the Netherlands, will not be subject to any Dutch Taxes on income or capital gains with respect to the ownership and disposal of Ordinary Shares, other than dividend withholding tax as described above, except if:

- the Shareholder derives profits from an enterprise, whether as entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise other than as an entrepreneur or a Shareholder, which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands, to which such Ordinary Shares are attributable;
- the Shareholder is an individual and derives benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*) carried out in the Netherlands in respect of such Ordinary Shares, including, without limitation, activities which are beyond the scope of active portfolio investment activities (*normaal, actief vermogensbeheer*); or
- the Shareholder is entitled, other than by way of the holding of securities, to a share in the profits of an enterprise effectively managed in the Netherlands to which such Ordinary Shares are attributable.

### Real estate transfer tax

No Dutch real estate transfer tax will be due by or on behalf of a Shareholder in respect or in connection with acquisition of Ordinary Shares.

### Gift and inheritance tax

No Dutch gift or inheritance tax is due in respect of any gift of Ordinary Shares by, or inheritance of Ordinary Shares on the death of, a Shareholder, except if:

- at the time of the gift or death of the Shareholder, the Shareholder is resident, or is deemed to be resident, of the Netherlands;
- the Shareholder passes away within 180 days after the date of the gift of Ordinary Shares and is not, or not deemed to be, at the time of the gift, but is, or is deemed to be, at the time of his death, resident in the Netherlands; or
- the gift of Ordinary Shares is made under a condition precedent and the Shareholder is a resident, or is deemed to be resident, of the Netherlands at the time the condition is fulfilled.

For the purpose of Dutch gift or inheritance tax, an individual who is of Dutch nationality will be deemed to be resident of the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. For purposes of Dutch gift tax, any individual, irrespective of his nationality, will be deemed to be resident of the Netherlands if he has been resident in the Netherlands at any time during the 12 months preceding the date of the gift.

### Other taxes and duties

No other Dutch Taxes, including turnover tax and taxes of a documentary nature, such as capital tax, stamp or registration tax or duty, are payable by or on behalf of a Shareholder by reason only of the purchase, ownership and disposal of Ordinary Shares.

### Residency

Subject to the exceptions mentioned above, a Shareholder will not become resident, or a deemed resident, in the Netherlands for tax purposes, or become subject to Dutch Taxes, by reason only of the acquisition, by way of issue or transfer to it, or the disposal of the Ordinary Shares by the Shareholder or the ownership of the Ordinary Shares held by the Shareholder.

## Taxation in France

The following is intended as general information only and it does not purport to present any comprehensive or complete description of all aspects of French tax law which could be of relevance to a Shareholder. This paragraph does not deal with the tax treatment of any actual or deemed gift or inheritance of (any interest in) Ordinary Shares for French gift and inheritance tax purposes. Shareholders should consult their tax advisers regarding the tax consequences of any purchase, ownership, disposal, gift or inheritance of Ordinary Shares.

The following summary is based on the French tax law as applied and interpreted by French tax administration and French tax courts and as published and in effect on the date hereof, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

For the purpose of this paragraph, "**French Taxes**" shall mean taxes of whatever nature levied by or on behalf of France or any of its subdivisions or taxing authorities.

The Company is a French corporate income tax exempted SIIC (*société d'investissements immobiliers cotée*) as defined in article 208 C of the French Tax Code (*Code Général des Impôts*, "**CGI**"). As a result, the French participation exemption regime shall not be applicable to SIIC and FII exempted benefits derived from Ordinary Shares by a Shareholder under any circumstances.

### Withholding tax

A Shareholder not having his tax domicile or its registered office in France is generally subject to French dividend withholding tax at a rate of 25% (or 50% if paid in a "non-cooperative country" pursuant to new article 238-0 A CGI) for tax profits realised in France and distributed by a non-French company.

Generally, the Company is responsible for the withholding of such dividend withholding tax at source; the dividend withholding tax is for the account of the Shareholder.

Notwithstanding the above, no French withholding tax is due pursuant to the tax treaty between France and the Netherlands.

**Taxes on income and capital gains**

This section does not purport to describe the possible French Tax considerations or consequences that may be relevant to a Shareholder:

- who is an individual and receives the Ordinary Shares or has received the Ordinary Shares or benefits from the Ordinary Shares as income from employment or deemed employment or otherwise as compensation;
- that is an entity that is not subject to Dutch or French CIT, respectively or is in full or in part exempt from Dutch or French CIT, such as a pension funds;
- that is an entity subject to French personal income tax pursuant to section 8 CGI;
- that is a Sppicav (*société à prépondérance immobilière à capital variable*) or a SIIC as defined in article 208 C CGI ; or
- that holds directly or indirectly at least 5% of the share capital and/or of the dividend rights of the Company.

***Residents in France***

The description of certain French Tax consequences in this subparagraph is only intended for the following Shareholders:

- individuals who are resident or deemed to be resident in France for purposes of French personal income tax ("**French Individuals**");
- entities that are resident or deemed to be resident in France for the purposes of the French corporate income tax ("**French Corporate Entities**").

*French Individuals*

French Individuals are subject to personal income tax at statutory progressive rates with a maximum of 40% for 2010 with respect to dividend and other profit distributed by a non-French corporation.

The amount of the dividend subject to personal income tax:

- includes the amount of the tax credit applicable pursuant to the relevant tax treaty;
- is decreased by a 40% rebate if the non-French corporation is subject to corporate income tax (even if exempted);
- is decreased by the costs paid by the tax payer for the collection of the dividend; and
- is decreased by an annual lump rebate amounting to € 1,525 for a single tax payer and € 3,050 for a married couple or assimilated (*Pacs*).

Moreover, the dividends entails a French tax credit equal to 50% of the profit received, limited to € 115 for a single tax payer and € 230 for a married couple or assimilated (*Pacs*).

French Individuals are also subject to social contributions at a 12.1% rate with respect to dividend and other profit distributed by a non-French corporation.

French individuals can elect for a 18% withholding tax, computed on dividend including tax credit applicable pursuant to the relevant tax treaty, and discharging from personal income tax on said dividend.

French Individuals are subject to personal income tax at a specific rate of 18% with respect to capital gain upon disposal of shares into a non-French corporation, provided that the annual amount of sale prices of investment securities by the tax payer exceeds € 25,830.

The capital gain upon disposal of shares into an EU corporation is reduced by a 1/3 rebate per shareholding year, as from the sixth year of shareholding.

French Individuals are also subject to social contributions at a 12.1% rate with respect to capital gain upon sale of shares into a non-French corporation.

Notwithstanding the above, no French tax is due with respect to capital gain upon the disposal of Ordinary Shares of the Company, pursuant to the tax treaty between France and the Netherlands, in the case where the assets of the Company mainly consist of immovable property situated in the Netherlands.

*French Corporate Entities*

French Corporate Entities are generally subject to CIT at a 34.43% rate with respect to any profit (including capital gain) deriving from a non-French corporation.

Notwithstanding the above, no French tax is due with respect to capital gain upon the disposal of Ordinary Shares into the Company, pursuant to the tax treaty between France and the Netherlands, in the case where the assets of the Company mainly consist of immovable property situated in the Netherlands.

***Non-residents in France***

Assuming that the assets of the Company do not mainly consist of immovable property situated in France, a Shareholder that is not resident in France is not subject to French personal income tax or CIT on profits deriving from the Company considering that it is subject to Dutch law.

**Real estate transfer tax**

Assuming that the assets of the Company do not mainly consist of immovable property situated in France, no French real estate transfer tax will be due by or on behalf of a Shareholder in respect or in connection with acquisition of Ordinary Shares, unless a disposal agreement is concluded in France.

**Other Taxes and Duties**

No other French Taxes, including turnover tax and taxes of a documentary nature, such as capital tax, stamp or registration tax or duty, are payable by or on behalf of a Shareholder by reason only of the purchase, ownership and disposal of Ordinary Shares. In particular, the French 3% tax is not due by Shareholders considering that the Company is listed pursuant to article 990 E CGI.

**Residency**

Assuming that the assets of the Company do not mainly consist of immovable property situated in France, a Shareholder will not become resident in France for tax purposes, or become subject to French Taxes, by reason only of the acquisition, by way of issue or transfer to it, or the disposal of the Ordinary Shares by the Shareholder or the ownership of the Ordinary Shares held by the Shareholder.

## Certain U.S. Federal Income Tax Considerations

**This disclosure is limited to the U.S. federal tax issues addressed herein. Additional issues may exist that are not addressed in this disclosure and that could affect the U.S. federal tax treatment of the Ordinary Shares. This tax disclosure was written in connection with the promotion or marketing of the Ordinary Shares by the Company and it cannot be used by any holder for the purpose of avoiding penalties that may be asserted against the holder under the Internal Revenue Code of 1986, as amended (the "Revenue Code"). Holders should seek their own advice based on their particular circumstances from an independent tax adviser.**

The following is a description of certain U.S. federal income tax consequences to the U.S. Holders described below of owning and disposing of Ordinary Shares, but it does not purport to be a comprehensive description of all tax considerations that may be relevant to a particular person's decision to acquire Ordinary Shares. This discussion applies only to a U.S. Holder that holds Ordinary Shares as capital assets for U.S. federal income tax purposes. In addition, it does not describe all of the tax consequences that may be relevant in light of the U.S. Holder's particular circumstances, including alternative minimum tax consequences and tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- dealers or traders in securities who use a mark-to-market method of tax accounting;
- persons holding Ordinary Shares as part of a hedging transaction, straddle, wash sale, conversion transaction or integrated transaction or persons entering into a constructive sale with respect to the Ordinary Shares;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities classified as partnerships for U.S. federal income tax purposes;
- tax-exempt entities, including "individual retirement accounts" or "Roth IRAs";
- persons that own or are deemed to own ten percent or more of the Company's voting stock; or
- persons holding Ordinary Shares in connection with a trade or business conducted outside of the United States.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds Ordinary Shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships holding Ordinary Shares and partners in such partnerships should consult their tax advisers as to the particular U.S. federal income tax consequences of holding and disposing of the Ordinary Shares.

This discussion is based on the Revenue Code, administrative pronouncements, judicial decisions, and final, temporary and proposed Treasury regulations, all as of the date hereof, any of which is subject to change, possibly with retroactive effect.

A "**U.S. Holder**" is a beneficial owner of Ordinary Shares that is, for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organised in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

U.S. Holders should consult their tax advisers concerning the U.S. federal, state, local and foreign tax consequences of owning and disposing of Ordinary Shares in their particular circumstances.

**Taxation of Distributions**

Subject to the discussion under "Passive Foreign Investment Company Rules" below, distributions paid on Ordinary Shares, other than certain pro rata distributions payable only in ordinary shares, will be treated as dividends to the extent paid out of the Company's current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because the Company does not maintain calculations of its earnings and profits under U.S. federal income tax principles, it is expected that distributions generally will be reported to U.S. Holders as dividends. Subject to applicable limitations, dividends paid to certain non-corporate U.S. Holders in taxable years beginning before January 1, 2011 may be taxable at favourable rates, up to a maximum rate of 15%. U.S. Holders should consult their tax advisers regarding the availability of the reduced tax rate on dividends. The amount of a dividend will include any amounts withheld by the Company in respect of Dutch income taxes. The amount of the dividend will be treated as foreign-source dividend income to U.S. Holders and will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Revenue Code. Dividends will be included in a U.S. Holder's income on the date of the U.S. Holder's receipt of the dividend. The amount of any dividend income paid in Euros will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt.

Subject to applicable limitations, some of which vary depending upon the U.S. Holder's circumstances, Dutch income taxes withheld from dividends on Ordinary Shares will be creditable against the U.S. Holder's

U.S. federal income tax liability. However, the Dutch dividend withholding tax will likely not be creditable to the extent that the Company is allowed to reduce the amount of the withholding tax that it actually transfers to the Netherlands tax authorities, as described in "Shareholder Taxation—Taxation in the Netherlands—Withholding tax". The rules governing foreign tax credits are complex, and U.S. Holders should consult their tax advisers regarding the creditability of foreign taxes in their particular circumstances. In lieu of claiming a foreign tax credit, U.S. Holders may, at their election, deduct foreign taxes, including any Dutch income tax, in computing their taxable income, subject to generally applicable limitations under U.S. law. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all foreign taxes paid or accrued in the taxable year.

**Sale or Other Taxable Disposition of Ordinary Shares**

Subject to the discussion under "Passive Foreign Investment Company Rules" below, gain or loss realized on the sale or other taxable disposition of Ordinary Shares will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the Ordinary Shares for more than one year. The amount of the gain or loss will equal the difference between the amount realised on the disposition and the U.S. Holder's tax basis in the Ordinary Shares disposed of, in each case as determined in U.S. dollars. This gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. The deductibility of capital losses is subject to limitations.

**Passive Foreign Investment Company Rules**

Based upon the manner in which the Group currently operates its business, the Company does not believe that it should be treated as a PFIC for its taxable year ended on December 31, 2009. However, whether the Company is a PFIC for any taxable year will depend on the character of the Group's income and assets and the value of its assets in such year. In general, a non-U.S. corporation will be considered a PFIC for any taxable year in which (i) 75% or more of its gross income consists of passive income or (ii) 50% or more of the average quarterly value of its assets consists of assets that produce, or are held for the production of, passive income. For purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation. Although passive income generally includes rents, certain rental income derived in the active conduct of a trade or business is not considered passive income for purposes of determining whether a company is a PFIC. However, there are uncertainties as to how to apply the active rental exception to companies such as the Company, including uncertainties as to the application of the exception where management, operational and marketing services are provided through subsidiaries. In addition, the proportion of the Group's income and assets which may qualify under the active rental exception will depend, in part, on the nature of assets acquired in future acquisitions and the extent to which such assets are managed by the Group. Because PFIC status depends on the character of the Group's income and assets and the value of its assets from time to time, and because of the uncertainties in the application of the active rental exception to companies such as the Company, there can be no assurance that the Company will not be a PFIC for the current or any other taxable year.

Under attribution rules, if the Company is a PFIC, U.S. Holders will be deemed to own their proportionate share of any other PFIC in which the Company holds an equity interest (a "Lower-Tier PFIC") and will be subject to U.S. federal income tax according to the rules described in the following two paragraphs on (i) certain distributions by a Lower-tier PFIC and (ii) a disposition of shares of a Lower-tier PFIC, in each case as if the U.S. Holder held such shares directly, even though holders have not received the proceeds of those distributions or dispositions directly.

If the Company were a PFIC for any taxable year during which a U.S. Holder held its Ordinary Shares, the U.S. Holder could be subject to adverse tax consequences. Generally, gain recognized upon a disposition (including, under certain circumstances, a pledge) of Ordinary Shares by the U.S. Holder would be allocated ratably over the U.S. Holder's holding period for such shares. The amounts allocated to the taxable year of disposition and to years before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and an interest charge would be imposed on the resulting tax liability. Further, to the extent that any distribution received by a U.S. Holder on its Ordinary Shares exceeds 125% of the average of the annual distributions on such Ordinary Shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain, as described immediately above.

If the Company were a PFIC for any year during which a U.S. Holder held Ordinary Shares, it generally would continue to be treated as a PFIC with respect to that U.S. Holder for all succeeding years during which the U.S. Holder held the Ordinary Shares, even if the Company ceased to meet the threshold requirements for PFIC status.

Alternatively, if the Company were a PFIC and if the Ordinary Shares were "regularly traded" on a "qualified exchange," a U.S. Holder could make a mark-to-market election that would result in tax treatment different from the general tax treatment for PFICs described above. The Ordinary Shares would be treated as "regularly traded" in any calendar year in which more than a de minimis quantity of the Ordinary Shares were traded on a qualified exchange on at least 15 days during each calendar quarter. A non-U.S. exchange is qualified for this purpose if it is regulated by a governmental authority in the jurisdiction in which the exchange is located and with respect to which certain other requirements are met.

If a U.S. Holder makes the mark-to-market election, the U.S. Holder generally will recognize as ordinary income any excess of the fair market value of the Ordinary Shares at the end of each taxable year over their adjusted tax basis, and will recognize an ordinary loss in respect of any excess of the adjusted tax basis of the Ordinary Shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. Holder makes the election, the U.S. Holder's tax basis in the Ordinary Shares will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of Ordinary Shares in a year when the Company is a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election).

In addition, if the Company were a PFIC or, with respect to particular U.S. Holder, were treated as a PFIC for the taxable year in which it paid a dividend or for the prior taxable year, the 15% dividend rate discussed above with respect to dividends paid to certain non-corporate U.S. Holders would not apply.

If a U.S. Holder owns Ordinary Shares during any year in which the Company is a PFIC, the U.S. Holder generally must file an IRS Form 8621 with respect to the Company, generally with the U.S. Holder's federal income tax return for that year.

U.S. Holders should consult their tax advisers regarding whether the Company is a PFIC and the potential application of the PFIC rules.

**Information Reporting and Backup Withholding**

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding.

The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the Internal Revenue Service.

## THE OFFERING

### Introduction

The Company is offering up to € 600,000,000 in newly issued Ordinary Shares. The Offering consists of a private placement to certain institutional investors in various jurisdictions. The Offer Shares are being offered: (i) within the United States, to QIBs as defined in Rule 144A under the US Securities Act, pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable U.S. state securities laws, and (ii) outside the United States, in accordance with Regulation S. The Offering is made only in those jurisdictions where, and only to those persons to whom, offers and sales of the Offer Shares may be lawfully made.

### Timetable

Subject to acceleration or extension of the timetable for, or withdrawal of, the Offering, the timetable below sets forth certain expected key dates for the Offering:

| Event | Expected Date and Time |
|---|---|
| Date of this Prospectus | 25 March 2010 |
| Start of Offering Period | 25 March 2010, time of publication of the Prospectus |
| End of Offering Period | 26 March 2010, 17:00 CET |
| Pricing of Offer Shares | 26 March 2010, prior to close of trading on Euronext Amsterdam |
| Allotment of Offer Shares | 26 March 2010, prior to close of trading on Euronext Amsterdam |
| Commencement of trading in Offer Shares on Euronext Amsterdam and Euronext Paris | 31 March 2010 |
| Settlement (payment and delivery of Offer Shares) | 31 March 2010 |

The Company may adjust the dates, times and periods given in the timetable and throughout this Prospectus. If the Company should decide to adjust dates, periods or times, this will be announced through a press release.

### Offering Period

Subject to acceleration or extension of the timetable for the Offering, prospective institutional investors will be approached to subscribe for Offer Shares during the period commencing at time of publication of the Prospectus on 25 March 2010 and ending at 17:00 CET on 26 March 2010. In the event of an acceleration or extension of the Offering Period, pricing, allotment, admission and first trading of the Offer Shares as well as payment for and delivery of the Offer Shares in the Offering may be advanced or extended accordingly. If a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Offer Shares arises or is noted before the Settlement Date, a supplement to this Prospectus will be made available to the public in the EEA (for purposes of the Admission only), the Offering Period will be extended and investors who have already agreed to purchase Offer Shares may withdraw their subscriptions within two business days following the publication of the supplement.

### Acceleration and extension

Any acceleration of the timetable for the Offering will be published in a press release before the proposed termination of the accelerated Offering Period. Any extension of the timetable for the Offering will be published in a press release before the end of the original Offering Period.

### Offer Price and number of Offer Shares

The Offer Price, the total amount of the Offering and the exact number of Offer Shares offered will be determined by the Company and the Joint Bookrunners after the end of the Offering Period on the basis of the quoted share price and the results of the bookbuilding process and taking into account market conditions, a qualitative assessment of demand for the Offer Shares and other factors deemed appropriate. The Offer Price and the exact number of Offer Shares will be stated in the Pricing Statement which will be published on the Company's website and be deposited with the AFM. The Company reserves the right to increase the maximum number of Offer Shares before the end of the Offering Period. Any such increase will be announced in a press release prior to the end of the Offering Period.

### Allotment

The allotment of the Offer Shares is expected to take place after termination of the Offering Period on or about 26 March 2010, subject to acceleration or extension of the timetable for the Offering. In the event that the Offering is over-subscribed, investors may receive fewer Offer Shares than they applied to subscribe for. The Managers may, at their own discretion and without stating the grounds, reject any subscriptions wholly or partly. Allotment of the Offer Shares to investors will be determined by the Company together with the Managers. The Managers will notify investors of any allotment of Offer Shares to them.

### Payment

Payment (in Euros) for the Offer Shares will take place on the Settlement Date. Taxes and expenses, if any, must be borne by the investor. Investors must pay the Offer Price in immediately available funds on or before the Settlement Date (or earlier in the case of an early closing of the Offering Period and consequent acceleration of pricing, allocation, commencement of trading and Settlement).

### Delivery, Clearing and Settlement

The Ordinary Shares are issued in bearer or registered form, at the holder's option. All Ordinary Shares in bearer form are embodied in a Share Certificate, a single global share certificate, which the Company deposited with Euroclear Nederland for safe-keeping on behalf of the parties entitled to the Ordinary Shares represented by the Share Certificate. For Ordinary Shares in registered form, no share certificates are issued. Currently, 137,269 of the Company's Ordinary Shares are held in registered form.

The Offer Shares will be in bearer form and will be credited to the Share Certificate.

Delivery (including issue) of the Offer Shares is expected to take place on or about the Settlement Date through the book-entry facilities of Euroclear Nederland, Euroclear and Clearstream Luxembourg, in accordance with their normal settlement procedure applicable to equity securities and against payment for such shares in immediately available funds in accordance with the requirements set forth under "Payment" above.

Subject to acceleration or extension of the timetable for the Offering, the Settlement Date, is expected to occur on or about 31 March 2010. Settlement may not take place on the Settlement Date as planned or at all if certain conditions referred to in the Placement Agreement (see "Definitions") are not satisfied or not waived, or if certain events occur on or prior to such date. Such conditions will include the receipt of officers' certificates and legal opinions and such events will include the suspension of trading on Euronext Amsterdam and Euronext Paris, a material adverse change in the Group's financial condition or business affairs or the closing of the Acquisition not taking place. See "Plan of Distribution". If Settlement does not take place on the Settlement Date as planned or at all, the Offering may be withdrawn, all subscriptions for Offer Shares will be disregarded, any allotments made will be deemed not to have been made, any subscription payments made will be returned without interest or other compensation. Any dealings in the Offer Shares prior to settlement and delivery are at the sole risk of the parties concerned.

### Admission and trading

Application has been made for admission of the Offer Shares to trading on Euronext Amsterdam and Euronext Paris. Subject to acceleration or extension of the timetable for the Offering, trading in the Offer Shares is expected to commence on Euronext Amsterdam and Euronext Paris on or about 31 March 2010.

### Share trading information

The Ordinary Shares are traded on Euronext Amsterdam and Euronext Paris under the symbol "CORA" and with the ISIN NL0000288967.

### Paying and Listing Agent

The Royal Bank of Scotland N.V. is the paying and listing agent with respect to the Ordinary Shares on Euronext Amsterdam and Euronext Paris.

**Dividends and ranking**

Offer Shares will, upon issue, rank equally in all respects with the currently outstanding Ordinary Shares. The Offer Shares will be eligible for any dividend payment which the Company may declare on the Ordinary Shares following the issuance of the Offer Shares. See “Dividends and Dividend Policy”.

**Governing law and competent courts**

The Offering is governed by Dutch law. All disputes arising in connection with the Offering shall be subject to the non-exclusive jurisdiction of the courts in Amsterdam, the Netherlands.

# PLAN OF DISTRIBUTION

J.P. Morgan Securities Ltd. Is the Sole Global Coordinator and J.P. Morgan Securities Ltd., Deutsche Bank AG, London Branch and The Royal Bank of Scotland N.V. are the Joint Bookrunners for the Offering. BNP PARIBAS, ING Bank N.V. and Kempen & Co N.V. are Joint Lead Managers for the Offering. The commission to be paid by the Company to the Managers is expected to amount to up to approximately € 12 million (including a discretionary fee). The Company will pay certain costs and expenses incurred in connection with the Offering (see "General Information—Expenses of the Offering").

Subject to certain conditions set forth in the Placement Agreement, the Company agrees in the Placement Agreement to issue and offer the Offer Shares to subscribers procured by the Managers, and the Managers severally and not jointly agree to use their best efforts to procure subscribers who will subscribe for the Offer Shares. In the event the Managers do not procure subscribers to subscribe for any and all Offer Shares, the Managers shall not be obliged to subscribe for any Offer Shares and any and all such unplaced Offer Shares will continue to remain unissued.

## Percentage of Placement Commitments

If and to the extent that the Offer Shares in respect of which the Managers procure subscribers are not paid for by such subscribers on the Settlement Date, the Managers shall severally and not jointly, subject to the satisfaction or waiver of the conditions set forth in the Placement Agreement, subscribe for such Offer Shares at the Offer Price, pro rata to their respective placing commitments as set out below:

| Manager | Placing Commitment of Offer Shares |
|---|---|
| J.P. Morgan Securities Ltd. | 37.0% of any Offer Shares subscribed for but not paid for by subscribers in the Offering. |
| Deutsche Bank AG, London Branch | 24.0% of any Offer Shares subscribed for but not paid for by subscribers in the Offering. |
| The Royal Bank of Scotland N.V. | 24.0% of any Offer Shares subscribed for but not paid for by subscribers in the Offering. |
| BNP PARIBAS | 5.0% of any Offer Shares subscribed for but not paid for by subscribers in the Offering. |
| ING Bank N.V. | 5.0% of any Offer Shares subscribed for but not paid for by subscribers in the Offering. |
| Kempen & Co N.V. | 5.0% of any Offer Shares subscribed for but not paid for by subscribers in the Offering. |

## Addresses of the Managers

The addresses of the Managers are:

J.P. Morgan Securities Ltd., 125 London Wall, London EC2Y 5AJ, United Kingdom

Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom

The Royal Bank of Scotland N.V., Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands

BNP PARIBAS, 16 Boulevard des Italiens, 75009 Paris, France

ING Bank N.V., Bijlmerplein 888, 1102 MG, Amsterdam, the Netherlands

Kempen & Co N.V., Beethovenstraat 300, 1077 WZ, Amsterdam, the Netherlands

## Commitment of Major Shareholder

APG has agreed to subscribe for up to approximately € 220.7 million of Offer Shares, *pro-rata* to its interest in the share capital of the Company of 36.78% prior to the Offering.

**Placement Agreement—Representations and warranties, indemnities and termination**

In the Placement Agreement, the Company makes certain representations and warranties. In addition, the Company will indemnify the Managers against certain liabilities in connection with the Offering. The Placement Agreement provides that the obligations of the Managers are subject to certain conditions precedent, including the absence of any material adverse change in the Company's financial condition or business affairs and no condition for closing of the Acquisition having become incapable of satisfaction (without waiver). The Joint Bookrunners (for themselves and on behalf of the Managers) have the right to waive the satisfaction of any such conditions or part thereof, except the condition that prior to settlement it is confirmed that the Offer Shares will be admitted to trading on Euronext Amsterdam and Euronext Paris.

Upon the occurrence of certain events, such as any of the conditions precedent not being satisfied or waived, the suspension of trading on Euronext Amsterdam or Euronext Paris, the Placement Agreement may be terminated. In this event, the Offering will be withdrawn, all subscriptions for the Offer Shares will be disregarded, any allotments made will be deemed not to have been made, any subscription payments made will be returned without interest or other compensation. Any dealings in the Offer Shares prior to settlement and delivery are at the sole risk of the parties concerned.

**Lock-up**

The Company agrees with the Managers, save for certain customary exceptions such as the payment of dividend for the financial year ended 31 December 2009 which may be paid in Ordinary Shares at the Shareholder's option, not to, among others, issue, offer, pledge, sell, contract to sell, grant any option to purchase or otherwise dispose of, any Ordinary Shares (or any securities convertible into or exchangeable for Ordinary Shares or which carry rights to subscribe or purchase Ordinary Shares) or enter into a transaction (including a derivative transaction) having a similar effect on the market in the Ordinary Shares, during the period commencing on the date of the Placement Agreement and ending three months after the Settlement Date, without the prior written consent of the Joint Bookrunners (for themselves and on behalf of the Managers), in accordance with or pursuant to the Placement Agreement.

**Relationships and transactions with directly interested parties**

Some or all of the Managers and their respective affiliates have from time to time engaged in, and may in the future engage in, commercial banking, investment banking and financial advisory transactions and services in the ordinary course of their business with the Company or any parties related to the Company. With respect to certain of these transactions and services, the sharing of information is generally restricted for reasons of confidentiality, internal procedures or applicable rules and regulations (including those issued by the AFM). The Managers have received and will receive customary fees and commissions for these transactions and services and may come to have interests that may not be aligned or could potentially conflict with an investor's and/or our interests. J.P. Morgan Securities Ltd. is advising the Company on the Acquisition and ING Bank N.V., BNP PARIBAS and The Royal Bank of Scotland N.V. are lenders under the Group's existing credit facilities and have or will have extended loans to us under such facilities.

**Selling restrictions**

The Managers have agreed to restrictions on where and to whom they and any dealer purchasing from them may offer and sell Offer Shares as part of the distribution of the Offer Shares. See "Selling and Transfer Restrictions".

**Non-Dutch stamp taxes**

Purchasers of the Offer Shares may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the Offer Price.

## SELLING AND TRANSFER RESTRICTIONS

No action has been taken by the Company or the Managers that would permit, other than under the Offering, an offer of the Offer Shares or possession or distribution of this Prospectus or any other offering material in any jurisdiction where action for that purpose is required. The distribution of this Prospectus and the offer of the Offer Shares in certain jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

### United States

The Offer Shares have not been and will not be registered under the US Securities Act and may not be offered or sold within the United States, except pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state securities laws.

Each purchaser of the Offer Shares outside the United States will, pursuant to Regulation S, be deemed to have represented and agreed that it has received a copy of the Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- the purchaser acknowledges that the Offer Shares have not been and will not be registered under the US Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to significant restrictions on transfer;
- the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares, were located outside the United States at the time the buy order for such Offer Shares was originated and continue to be located outside the United States and has not purchased the Offer Shares for the benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares to any person in the United States;
- the purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S as described in this Prospectus;
- either (i) no portion of the assets used by such purchaser or subsequent transferee to acquire or hold the Offer Shares constitutes the assets of any Plan or (ii) the acquisition and holding of the Offer Shares by such purchaser or transferee will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Revenue Code or a similar violation under any applicable Similar Laws; and
- the Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.

Each purchaser of the Offer Shares within the United States pursuant to Rule 144A will be deemed to have represented and agreed that it has received a copy of the Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- the purchaser acknowledges that neither the Offer Shares have been and/or will be registered under the US Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer;
- the purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and (iii) is acquiring such Offer Shares for its own account or for the account of a QIB;
- the purchaser is aware that the Offer Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the US Securities Act;
- either (i) no portion of the assets used by such purchaser or subsequent transferee to acquire or hold the Offer Shares constitutes the assets of any Plan or (ii) the acquisition and holding of the Offer Shares by such purchaser or transferee will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Revenue Code or a similar violation under any applicable Similar Laws;

- if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Offer Shares, such Offer Shares may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S, or (iii) in accordance with Rule 144 (if available), in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction;
- the Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Offer Shares; and
- the purchaser will not deposit or cause to be deposited such Offer Shares into any depository receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3).

**European Economic Area**

For the purposes of the Prospectus Directive, this Prospectus is made available to the public in connection with the Admission only (and not in connection with any offer of Offer Shares to the public in the EEA).

Any offers of the Offer Shares in the EEA will be made pursuant to an exemption under the Prospectus Directive, as implemented in EEA States, from the requirement to produce a prospectus for offers of these securities. Accordingly, any person making or intending to make any offer within the EEA of the Offer Shares should only do so in circumstances in which no obligation arises for the Company or the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Company nor Managers have authorised, nor do they authorise, the making of any offer of Ordinary Shares through any financial intermediary, other than offers made by the Company or Managers in the Offering described in this Prospectus.

In relation to each EEA State which has implemented the Prospectus Directive (a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), an offer to the public of any Offer Shares which are the subject of the Offering contemplated by this Prospectus may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any Offer Share may be made at any time with effect from and including the Relevant Implementation Date under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than € 43,000,000 and (3) an annual net turnover of more than € 50,000,000, as shown in its last annual or consolidated accounts;

(c) by the Managers to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of one Manager for any such offer; or

(d) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Offer Shares shall require the Company or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Share in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and any Offer Share to be offered so as to enable an investor to decide to purchase any Offer Share, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Each subscriber for or purchaser of Offer Shares located within a Relevant Member State will be deemed to have represented, acknowledged and agreed that it is a qualified investor within the meaning of the Prospectus Directive (a "**Qualified Investor**"). In the case of any Offer Shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, warranted to and agreed with the Managers and the Company that: (i) the Offer Shares acquired by it have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors, or in circumstances in which the prior consent of the Managers has been obtained to each such proposed offer or resale; or (ii) where Offer Shares have been acquired by it or on behalf of persons in any Relevant Member State other than Qualified Investors, the offer of those Offer Shares to it is not treated under the Prospectus Directive as having been made to such persons. The Company and the Managers, each of their respective affiliates and others will rely upon the truth and accuracy of the foregoing representation, warranty and agreement.

Notwithstanding the above, a person who is not a Qualified Investor and who has notified the Managers of that fact in writing may, with the consent of the Managers, be permitted to subscribe for or purchase Offer Shares.

This EEA selling restriction is in addition to any other selling restrictions set out in this Prospectus.

**Japan**

The Offer Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan, as amended (the "**Financial Instruments and Exchange Law**"). The Offer Shares that any Manager subscribes will be subscribed by it as principal and that, in connection with the offering made hereby, it will not, directly or indirectly, offer or sell any Offer Shares in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and other relevant laws and regulations of Japan.

**Australia**

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the "**Corporations Act**")) in relation to the Offer Shares has been or will be lodged with the Australian Securities and Investments Commission ("**ASIC**") or Australian Stock Exchange Limited and:

- an invitation or offer of the Offer Shares for issue, sale or purchase in Australia (including an offer or invitation which is received by a person in Australia) may not be made; and
- any draft or final form prospectus, advertisement or any other offering material relating to any Offer Shares may not be distributed or published in Australia, unless:
    - the aggregate consideration payable by each offeree is at least A$500,000 (or its equivalent in other currencies but disregarding moneys lent by the Company or its associates (as defined in the Corporations Act) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 of the Corporations Act;
    - such action complies with all applicable laws and regulations; and
    - such action does not require any document to be lodged with, or registered by, ASIC.

In addition, any Offer Shares issued by the Company may not be sold in circumstances where employees of an underwriter aware of, or involved in, the sale know, or have reasonable grounds to suspect, that the Offer Shares or an interest in or right in respect of the Offer Shares, was being or would later be, acquired either directly or indirectly by an Offshore Associate of the Company acting other than in the capacity of a dealer, manager or underwriter in relation to the placement of the Offer Shares or a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act.

"**Offshore Associate**" means an associate (as defined in section 128F of the Income Tax Assessment Act 1936 of Australia and any successor legislation) of the issuer that is either a non-resident of Australia which does not acquire the Offer Shares in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires the Offer Shares in carrying on business at or through a permanent establishment outside of Australia.

## INDEPENDENT AUDITORS

The Company's consolidated financial statements as of and for the three years ended 31 December 2009, 2008 and 2007 incorporated by reference in this Prospectus have been audited by KPMG Accountants N.V., independent auditors with their address at Laan van Langerhuize 1, 1186 DS, Amstelveen, the Netherlands, as stated in their reports thereon appearing in such financial statements. Such auditors have given, and not withdrawn, their written consent to the incorporation by reference in this Prospectus of their auditor's reports. The auditor signing the auditor's reports on behalf of KPMG Accountants N.V. is a member of the Royal Dutch Institute of Chartered Accountants (*Koninklijk Nederlands Instituut voor Registeraccountants*).

The Company confirms that the information in the auditor's reports which are incorporated by reference in this Prospectus has been accurately reproduced and that as far as the Company is aware and able to ascertain from information published by the auditors, no facts have been omitted which would render the auditor's reports inaccurate or misleading.

## GENERAL INFORMATION

### Corporate resolutions

On 19 March 2010, the Supervisory Board has given its prior approval of a resolution of the Management Board to issue the Offer Shares, subject to the chairman of the Supervisory Board approving the exact number of Offer Shares and Offer Price. The Management Board is expected to adopt a resolution for the issuance of the Offer Shares and the chairman of the Supervisory Board is expected to approve the exact number of Offer Shares and the Offer Price at the end of the Offering Period, unless the Offering is terminated.

No approval of the General Meeting is necessary for the issue of the Offer Shares.

### Legal and arbitration proceedings

Neither the Company, nor any of its group companies, are, or during the 12 months preceding the date of this Prospectus have been, aware of any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened), which may have, or have had in the recent past a material adverse effect on the Group's financial position or profitability, except for litigation in Italy regarding VAT deductions with respect to Comes Srl. (an indirect subsidiary of the Company) for the years 2002, 2003 and 2004 with an amount at stake, including penalties and interest, of approximately € 14 million.

### Significant changes in the Company's financial or trading position or in the value of the Portfolio

No significant change in the financial or trading position of the Company or its group companies has occurred since 31 December 2009. Furthermore, no material change in the value of the Portfolio has occurred since the date of valuation of the Group's properties included in the Valuation Reports (31 December 2009), except a decrease in value of the shopping centre Villa Arena as described in the Valuation Report of DTZ Zadelhoff v.o.f. (see "Valuation Reports—5. Valuation Report of DTZ Zadelhoff v.o.f.").

### Publication of the results of the Offering

The results of the Offering are expected to be published through the Pricing Statement and a press release which will be distributed through the usual channels and a publication on the Company's website (www.corio-eu.com) on or about 26 March 2010.

### Expenses of the Offering

The expenses related to the Offering are estimated at up to € 15 million and include, amongst others, the commission for the Managers, the fees due to the AFM and Euronext Amsterdam and Euronext Paris and legal and administrative expenses, as well as publication costs and applicable taxes, if any.

### Availability of documents

Subject to applicable laws, the following documents (or copies thereof) may be obtained free of charge from the Company's website (www.corio-eu.com):

- this Prospectus;
- the Articles of Association;
- the audited consolidated financial statements, including the notes thereto, for the financial years ended 31 December 2009, 2008 and 2007.

In addition, copies of the Company's audited consolidated financial statements including the notes thereto, for the financial years ended 31 December 2009, 2008 and 2007 and the Articles of Association will be available free of charge at the Company's offices during normal business hours from the date of this Prospectus until at least the Settlement Date.

<u>Company's contact details:</u>
Jacobsweerd
St. Jacobsstraat 200
P.O. Box 8243, 3503 RE Utrecht
The Netherlands

T: +31 (0)30 234 64 64
F: +31 (0)30 233 35 78
E: corio@nl.corio-eu.com

The Company has agreed that, for so long as any Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act, the Company will, during any period in which it is neither subject to Section 13 or 15(d) of the U.S. Exchange Act 1934 (the "**US Exchange Act**"), as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted Offer Shares or to any prospective purchaser of such restricted Offer Shares designated by such holder or beneficial owner, upon request of such holder, beneficial owner or prospective purchaser, the information to be required to be provided by Rule 144(d)(4) under the US Securities Act.

The Company is not currently subject to the periodic reporting and other information requirements of the US Exchange Act and does not intend to become subject to such requirements.

**Appraisal entities**

The Portfolio was valued by appraisers mentioned in "Valuation Reports" beginning on page V-1 and they have given their written consent to the inclusion of their Valuation Reports in this Prospectus. The appraisers are:

Jones Lang LaSalle
22 Hanover Square
London W1S 1JA
United Kingdom

Cushman & Wakefield LLP
43-45 Portman Square
London W1A 3BG
United Kingdom

The Retail Consulting Group Expertise
103, Boulevard Haussmann
75008 Paris
France

DTZ Zadelhoff v.o.f.
Apollolaan 150
1077 BG Amsterdam
The Netherlands

EVA Gayrimenkul Değerleme Danişmanlik
Atatürk Cd. Esin Sk. Yazgan Iş Merkeze
No: 3/13 34710 Kozyatagi Istanbul
Turkey

CB Richard Ellis Professional Services Spa
Via del Lauro 5/7
20121 Milano
Italy

PricewaterhouseCoopers Belastingadviseurs N.V.
De Entree 201
1101 HG Amsterdam Zuidoost
The Netherlands

Kemp Nadorp Weatherall
Schiefbaanstraat 29
2596 RC Den Haag
The Netherlands

TSKB Gayrimenkul Değerleme A.Ş.
Ankara Şubesi: Aziziye Mah. Piyade Sok.
No: 3-B/7 Çankaya / Ankara
Turkey

Simonelli Associati
Piazza Cavour, 3
20121 Milano
Italy

Apollo Valuation Advisory GmbH
Berliner Allee 51-53
D-40212 Düsseldorf
Germany

## DEFINITIONS

The following definitions are used in this Prospectus:

| | |
|---|---|
| **Acquisition** | The First Acquisition and Second Acquisition |
| **AFM** | The Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) |
| **Admission** | Admission of the Offer Shares to trading on Euronext Amsterdam and Euronext Paris |
| **AMF** | The French Authority for the Financial Markets (*Autorité des marchés financiers*) |
| **Anchor Tenant** | Tenants that occupy the largest spaces in a shopping centre and serve as the primary consumer traffic generator |
| **Annual Rent** | Annualised contractual rent (*i.e.* not including turnover based rent and other income) with current market rent being added in case of unlet space/vacancy. |
| **APG** | APG Algemene Pensioen Groep N.V. |
| **Articles of Association** | Articles of association of the Company |
| **ASIC** | Australian Securities and Investments Commission |
| **Business Unit** | The Group's local management organisation in each country |
| **Catchment Area** | The geographic area and population in this area from which a shopping centre attracts visitors or customers |
| **CGI** | French Tax Code (*Code Général des Impôts*) |
| **CIT** | Corporate income tax |
| **Clearstream Luxembourg** | Clearstream Banking, société anonyme |
| **Dutch Corporate Governance Code** | The Dutch corporate governance code issued on 9 December 2003 |
| **Co-Managers** | Managers |
| **Company** | Corio N.V. |
| **Conflicted Member** | A member of the Supervisory Board that has a conflict of interest as specified in the Supervisory Board Rules |
| **COO** | Chief Operational Officer |
| **Corio España** | The Company's Business Unit in Spain |
| **Corio France** | The Company's Business Unit in France |
| **Corio Italia** | The Company's Business Unit in Italy |
| **Corio Nederland** | The Company's Business Unit in the Netherlands |
| **Corio Türkiye** | The Company's Business Unit in Turkey |
| **Corporations Act** | Corporations Act 2001 of Australia |

| | |
|---|---|
| **CPI** | Consumer Price Index |
| **CSR** | Corporate social responsibility |
| **DCC** | Dutch Civil Code (*Burgerlijk Wetboek*) |
| **DCITA** | Dutch Corporate Income Tax Act (*Wet op de Vennootschapsbelasting 1969*) |
| **Dutch Corporate Entities** | Entities that are resident or deemed to be resident in the Netherlands for the purposes of the DCITA |
| **Dutch Enterprise Shares** | Ordinary Shares or any right to derive benefits from Ordinary Shares |
| **Dutch Individuals** | Individuals who are resident or deemed to be resident in the Netherlands for purposes of Dutch income tax and individuals who opt to be treated as resident in the Netherlands for purposes of Dutch income tax |
| **Dutch Taxes** | Taxes of whatever nature levied by or on behalf of the Netherlands or any of its subsidiaries |
| **Dutch Transparency Act** | The Dutch act effective as of 1 January 2009 implementing the remainder of European Directive 2004/109/EC relating to transparency requirements |
| **€ or EUR or Euro** | The lawful currency of the European Monetary Union |
| **E-commerce** | Economic commerce through the internet |
| **EEA** | European Economic Area |
| **EEA State** | A state which is party to the agreement relating to the European Economic Area |
| **Enterprise Chamber** | The Dutch enterprise chamber of the court of appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) |
| **EPRA** | European Public Real Estate Association |
| **ERISA** | U.S. Employee Retirement Income Security Act, as amended |
| **ERISA Plans** | Plans, accounts and arrangements that are subject to Title I of ERISA and/or Section 4975 of the Revenue Code |
| **EU** | The European Union |
| **EU-15** | The EU before 2004, consisting of the following 15 countries: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and the United Kingdom |
| **Euroclear** | Euroclear Bank S.A. /N.V. as operator of the Euroclear System |
| **Euroclear Nederland** | Centraal Instituut voor Giraal Effectenverkeer B.V. |
| **Euronext Amsterdam** | Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext Amsterdam N.V. |
| **Euronext Paris** | Euronext Paris by NYSE Euronext, the regulated market of Euronext Paris S.A. |

| | |
|---|---|
| **Eurozone** | Economic and Monetary Union, pursuant to the Treaty establishing the European Economic Community, as amended by the Treaty on the European Union |
| **FII** | Fiscal Investment Institution under Dutch law (*fiscale beleggingsinstelling*) |
| **Financial Instruments and Exchange Law** | Financial Instruments and Exchange Law of Japan, as amended |
| **First Acquisition** | The acquisition of one operational shopping centre in Spain, one operational shopping centre in Portugal and a 94.988% interest in two operational shopping centres in Germany and three development projects in Germany |
| **FMSA** | Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) |
| **French Corporate Entities** | Entities that are resident or deemed to be resident in France for the purposes of the French corporate income tax |
| **French Individuals** | Individuals who are resident or deemed to be resident in France for purposes of French personal income tax |
| **French Taxes** | Taxes of whatever nature levied by or on behalf of France or any of its subdivisions or taxing authorities |
| **Fte** | Full-time equivalent |
| **GBP** | The lawful currency of the United Kingdom |
| **GDP** | Gross domestic product |
| **German Target Companies** | The operational shopping centres and development projects in Germany (or Multi's interest therein) that are part of the Acquisition through special purpose vehicles |
| **General Meeting** | The general meeting of Shareholders |
| **Group** | The Company and its group companies |
| **Gross Leasable Area or GLA** | The total floor area (expressed in $m^2$) in a property available for exclusive use and occupancy by a tenant |
| **Home Markets** | The geographic markets where the Group's operations are primarily focused, currently comprising the Netherlands, France, Spain, Italy and Turkey, and, after the closing of the Acquisition, Germany |
| **IAS** | International Accounting Standards |
| **ILC Index** | Commercial rent index used in France for retail rent that is calculated based on the CPI (50%), the four quarter average of the Construction Cost Index (25%) and the French retail turnover index (25%) |
| **ICSC** | International Council of Shopping Centres |
| **IFRS** | International Financial Reporting Standards as adopted in the European Union |
| **Investment Company Act** | The U.S. Investment Company Act of 1940, as amended |

| | |
|---|---|
| **Joint Bookrunners** | J.P. Morgan Securities Ltd., Deutsche Bank AG, London Branch and The Royal Bank of Scotland N.V. |
| **Joint Lead Managers** | BNP PARIBAS, ING Bank and Kempen & Co N.V. |
| **M²** | Square meter |
| **Managers** | The Joint Bookrunners and the Joint Lead Managers |
| **Management Board** | The management board (*raad van bestuur*) of the Company |
| **Management Board Rules** | The rules adopted by the Management Board regarding its functioning and internal organisation |
| **Multi** | Multi Corporation B.V. and its group companies |
| **Non-ERISA Plan** | Governmental plans, certain plans and non-United States plans not subject to Title I of ERISA and/or Section 4975 of the Revenue Code |
| **Occupancy Rate** | The total Annual Rent at any date minus the annualised market rent for unlet space/vacancy at such date, expressed as a percentage of total Annual Rent at such date |
| **Offer Price** | The offer price per Offer Share |
| **Offer Shares** | Ordinary Shares that will be offered in the Offering |
| **Offering** | The global offering of the Offer Shares consisting of a private placement to certain institutional investors in various jurisdictions |
| **Offering Period** | The period during which the Offering will take place, commencing on 25 March 2010 and ending on 26 March 2010, subject to acceleration or extension of the timetable for the Offering |
| **Ordinary Shares** | Ordinary shares in the capital of Corio N.V., each with a nominal value of € 10 |
| **PFIC** | Passive foreign investment company for U.S. federal income tax purposes |
| **Pipeline** | The Group's total pipeline of redevelopment and development projects, as further explained in "Business—Pipeline—Introduction" |
| **Placement Agreement** | The placement agreement dated on or about 25 March 2010 among the Company and the Managers for the placement of the Offer Shares |
| **Plan Asset Regulations** | The regulations promulgated under ERISA by the U.S. Department of Labor |
| **Plans** | ERISA Plans and Non-ERISA Plans |
| **Portfolio** | The Group's real estate portfolio that comprises operational properties that generate net rental income (the operational Portfolio) and investments in (re)development projects (the development Portfolio) |
| **Pricing Statement** | The pricing statement of the Offer Price and the exact number of Offer Shares, which will be deposited with the AFM |
| **Profit Sharing Projects** | The three development projects which are structured as profit sharing projects that form part of the Acquisition |

| | |
|---|---|
| **Prospectus** | This prospectus dated 25 March 2010 |
| **Prospectus Directive** | Directive 2003/71/EC |
| **Qualified Investor** | Each subscriber for or purchaser of Offer Shares located within a Relevant Member State, who will be deemed to have represented, acknowledged and agreed that it is a qualified investor within the meaning of the Prospectus Directive |
| **QIB** | Qualified institutional buyers as defined in Rule 144A |
| **Regulation S** | Regulation S under the US Securities Act |
| **Relevant Implementation Date** | In relation to a Relevant Member State, the date on which the Prospectus Directive is implemented in that Relevant Member State |
| **Relevant Member State** | Each EEA State which has implemented the Prospectus Directive |
| **Revenue Code** | United States Internal Revenue Code of 1986, as amended |
| **Rule 144A** | Rule 144A under the US Securities Act |
| **Sale and Purchase Agreement** | The share and asset sale and purchase agreement among the Company, the SPVs and Multi dated on or about 24 March 2010 for the acquisition of four operational shopping centres and in respect of five development projects, as further described in "Acquisition" |
| **Second Acquisition** | A put option and a call option through which the Company may acquire Multi's interest in two development projects in Germany |
| **Settlement** | Payment for and issue and delivery of the Offer Shares |
| **Settlement Date** | The date on which Settlement is expected, being on or about 31 March 2010, subject to acceleration or extension of the timetable for the Offering |
| **Shareholder** | A holder of Ordinary Shares |
| **Share Certificate** | All Ordinary shares in bearer form embodied in a single share certificate |
| **SIIC** | *Société d'Investissement Immobiliers Cotées* |
| **Similar Laws** | Laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the Revenue Code |
| **Sole Global Coordinator** | J.P. Morgan Securities Ltd. |
| **SPVs** | The two special purpose vehicles, CCA German Retail I B.V. and CCA German Retail II B.V. |
| **Supervisory Board** | The supervisory board (*raad van commissarissen*) of the Company |
| **Supervisory Board Rules** | The rules adopted by the Supervisory Board regarding its functioning and internal organisation |
| **Takeover Directive** | European Directive 2004/25/EC of 21 April 2004 |
| **TRY** | The lawful currency of Turkey |

| | |
|---|---|
| **Turn-key Projects** | The two development projects which are structured as turn-key projects that form part of the Acquisition |
| **Updated Code** | The update of the Dutch Corporate Governance Code |
| **U.S.** | United States of America |
| **US dollar, US $ or $** | The lawful currency of the United States of America |
| **US Exchange Act** | The United States Exchange Act 1934, as amended |
| **U.S. Holder** | A beneficial owner of Ordinary Shares that is, for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation, or other entity taxable as a corporation, created or organised in or under the laws of the United States, any state therein or the District of Columbia, or (iii) an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source |
| **US Securities Act** | The United States Securities Act of 1933, as amended |
| **Valuation Reports** | The valuation reports included in this Prospectus in "Valuation Reports" |
| **Works Council** | The group works council of the Company |

## DOCUMENTS INCORPORATED BY REFERENCE

The information on the pages mentioned below of the following documents which have previously been published is incorporated in this Prospectus by reference and, as such, forms part of this Prospectus. The incorporation by reference extends only to the pages indicated below only. Non-incorporated parts of the documents listed below are either not relevant for the investor or covered elsewhere in this Prospectus. For the availability of these documents, see "General Information—Availability of documents".

- The Company's consolidated financial statements prepared in accordance with IFRS as of and for the fiscal year ended 31 December 2007, and the Auditor's Report dated 26 March 2008 relating thereto, attached as pages 132-160, respectively page 167, to the Company's 2007 annual report as filed with the AFM;
- The Company's consolidated financial statements prepared in accordance with IFRS as of and for the fiscal year ended 31 December 2008, and the Auditor's Report dated 20 March 2009 relating thereto, attached as pages 149-177, respectively page 185, to the Company's 2008 annual report as filed with the AFM;
- The Company's consolidated financial statements prepared in accordance with IFRS as of and for the fiscal year ended 31 December 2009, and the Auditor's Report dated 18 February 2010 relating thereto, attached as pages 83-116, respectively page 125, to the Company's 2009 annual report as filed with the AFM; and
- The Company's Articles of Association as at the date of this Prospectus.

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## INDEX TO VALUATION REPORTS


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Deutsche Bank AG, London Branch **("DB")**
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London EC2N 2DB
United Kingdom

The Royal Bank of Scotland NV **("RBS")**
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

JPM, DB and RBS, on their own behalf as Joint Bookrunners and as representatives of the Co-Managers defined in the prospectus produced by Corio NV.

**23 March 2010**

Dear Sirs,

**Valuation of Freehold and Leasehold Properties acquired as part of 'Project Mikado'.**

**Introduction**

In accordance with our engagement letter with Corio N.V. (the "**Company**"), we, Jones Lang LaSalle Limited, Chartered Surveyors, have considered the properties referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests (as appropriate) of Corio N.V. in each of these properties (the "**Properties**" and each a "**Property**") (the "**Valuation**").

The effective date of the valuation is 01 March 2010.

**Purpose of Valuation**

We understand that this valuation report and schedule (together, the "**Valuation Report**") are required for inclusion in the prospectus (the "**Prospectus**") that has been prepared in connection

Jones Lang LaSalle Limited
Registered in England and Wales Number 1188567
Registered Office 22 Hanover Square London W1A 2BN

with the global offering by the Company (the "**Offering**") of newly issued ordinary shares (the "**Offer Shares**") and on which investors will rely on in making their decision to invest in the Offer Shares and we hereby give our consent for such inclusion.

The Valuation Report will be relied upon by the Joint Bookrunners and the Co-Managers in their capacity as underwriters in connection with the Offering.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

**Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in Germany, Portugal and Spain ("**Countries**" and each a "**Country**") . Attached to this Valuation Report is Appendix A comprising a schedule of the individual Properties. The schedule highlights where minority interests are owned by the Company.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements ("**PS**"), and United Kingdom Practice Statements ("**UKPS**") contained within the RICS Valuation Standards, 6th Edition (the "**Red Book**"). This is an internationally accepted method of valuation.

Market Value is defined as:

*"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in each Country. Our Valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) and related guidance and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and developments and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Values.

The Market Value contained in this Valuation Report reflects a 100% ownership of all Properties including those Properties in which the Company have a minority interest.

**Valuation approach**

We have adopted an income approach discounted cash flow technique for the valuation of the standing retail assets, analysed over a ten-year period. The cash flow assumes a 10-year hold period with the exit value calculated on the 11th year's income. For the purpose of our cash flows we have been instructed to rely upon the Experian CPI forecasts and rental growth rates provided to us by Corio. We have also increased retail sales by these rental growth forecasts.

**Valuation**
On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the individual Market Values as at 01 March 2010 of the freehold and long leasehold interests subject to and with the benefit of various occupational leases, as summarised in the attached Schedule is:

**Total - € 662,670,000**
(SIX HUNDRED AND SIXTY TWO MILLION, SIX HUNDRED AND SEVENTY THOUSAND EUROS)

**Value per Tenure Typology**

| | |
|---|---|
| Freehold Properties (3 properties) | € 434,270,000 |
| Part Freehold / Part Leasehold Properties (1 property) | € 228,400,000 |
| Long Leasehold Properties | € 0 |
| Total (4 properties) | € 662,670,000 |

There are no negative values to the Valuation Report.

**Realisation Costs**

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our Valuation is, however, net of purchaser's acquisition costs which vary between countries.

**Assumptions and Sources of Information**

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

**Inspections**

We have inspected the properties internally during January 2010 and we have met with representatives of the Vendor at each property.

**Information**

We have made an assumption that the information which Corio N.V. and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

**Title**

We have read legal due diligence reports for the properties where provided and have considered the available information in the valuation of the properties. Where legal due diligence reports have not been provided we have relied on other relevant information from the data room and have assumed where necessary that title is good and marketable and that the properties are free from encumbrances, mortgages and charges.

**Floor Areas**
We have not measured the Properties and we have relied on the areas which have been supplied to us.

**Plant and Machinery**
Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

**Environmental Investigations and Ground Conditions**
We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

**Planning**
We have not seen planning consents or any planning reports and have assumed that the properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations.

**Tenancies**
We have read lease summaries prepared by De Brauw Blackstone Westbroek N.V. on the Top 5 leases (by income) in each standing asset and we have otherwise relied on the tenancy schedules and rent rolls provided in the data room for the purposes of our Valuation.

We have conducted credit enquires into the financial status of the Top 5 tenants and in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

**Special Assumptions**

*Rental Guarantees*

For all standing assets, we have valued the properties with the special assumption that the vendor will provide a rental guarantee on all vacant and certain leased accommodation as at the valuation date for a period of two years. This guarantee is assumed to include base rent, service charge shortfalls, letting fees related to those vacant units, existing discounts already granted to existing tenants and discounts granted to the new tenants who lease up the vacant units. We consider the rental guarantee to consist of a total sum drawn upon when rent and service charge would normally be demanded until the earlier of two years or the unit becomes let and income producing. If any unit is let at a rent below the level of the rental guarantee we consider that the difference will be drawn upon until the expiration of the rental guarantee two years after the valuation date. The vendor will also provide the rental guarantee for the additional turnover income and mall income assumed for the centres for a period of two years.

**Defined Terms**
In the Valuation Report (as defined below):
"passing rent" means the projected net operating income for the 12 month period commencing 1$^{St}$ January 2010. Headings are for ease of reference only and shall not affect their interpretation.

**Responsibility**
This Valuation and the Schedule are provided to the addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The addressees of the Valuation Report may rely on it, as may investors in Offer Shares.

Jones Lang LaSalle®

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not Jones Lang LaSalle is referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) the French Authority for the Financial Markets (*Autorité des marchés financiers*), the Netherlands Central Bank (*De Nederlandsche Bank N.V.*), the French Central Bank (*Banque de France*) or any other competent authority or judicial authority.

Disclosure of this Valuation Report by the addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully,

**Dermot Charleson**
**Director**
**For and on behalf of**
**Jones Lang LaSalle Limited**

## APPENDIX A: Property Schedule

| Country | Property | Address | Location and Description | Date of Inspection | Floor Area Sq m (Rounded) | Tenure | Effective Ownership Corio % | Passing Rent EUR per annum (Rounded) |
|---|---|---|---|---|---|---|---|---|
| Germany | Forum Duisburg | Duisburg | Inner City Shopping Centre | Jan-10 | 58,600 | Part Freehold / Part Leasehold | 100% | 14,530,900 |
| Germany | Centrum Galerie | Dresden | Inner City Shopping Centre | Jan-10 | 64,400 | Freehold | 100% | 18,260,500 |
| Spain | Espacio Torrelodones | Madrid | Suburban Shopping Centre | Jan-10 | 22,100 | Freehold | 100% | 4,791,100 |
| Portugal | Espaco Guimaraes | Guimaraes | Out of Town Shopping Centre | Jan-10 | 32,500 | Freehold | 50% | 6,873,500 |
| **Totals** | | | | | **177,600** | | | 44,456,000 |

## APPENDIX B: Description of Assets in excess of €100 million

| Country | Property | Property Description |
| --- | --- | --- |
| Germany | Forum Duisburg | Forum Duisburg is a newly-built shopping centre located in the centre of the city of Duisburg, approximately 17 km west of Essen and 25 km north of Düsseldorf. The centre has six levels including a basement level as well as a second basement level containing the two parking garages. The centre provides a net lettable area of 58,552 sq m with a total of 80 retail units, 25 storage units, 1 office unit, a day care centre and 1,154 parking spaces. 556 of the parking spaces are leased in two car parks adjoining the centre and owned by the municipality. Anchor tenants include Karstadt, H&M, C&A, Saturn, The Sting, Mayersche Buchhandlung, New Yorker and the parking garage operator. |
| Germany | Centrum Galerie | Centrum-Galerie Dresden is a newly constructed, inner-city shopping centre located on the prime shopping street “Prager Straße” in the city of Dresden. The current Centrum-Galerie site was originally developed in 1978 and contained the former Centrum department store as well as a former Restaurant International. The total shopping centre comprises 114 shops over three levels with a total net floor area of 64,444 sq m and 1,057 car park spaces. Anchor tenants include Peek & Cloppenburg, The Sting, Next Directory, Müller, Media Markt, Karstadt Sport and Leiser. |

**Report and Regulated Purpose Valuation for**

**Corio N.V.**
**St. Jacobsstraat 200**
**3511 BT Utrecht**
**The Netherlands**

**J.P. Morgan Securities Ltd. ("JPM")**
**125 London Wall**
**London EC2Y 5AJ**
**United Kingdom**

**Deutsche Bank AG, London Branch ("DB")**
**1 Great Winchester Street**
**London EC2N 2DB**
**United Kingdom**

**The Royal Bank of Scotland N.V. ("RBS")**
**Gustav Mahlerlaan 10**
**1082 PP Amsterdam**
**The Netherlands**

**JPM, DB, and RBS, each on its own behalf as Joint Bookrunner and on behalf of the Joint-Lead Managers defined in the Prospectus produced by Corio N.V.**

**of the properties known as:**

# CORIO N.V. PROPERTIES LOCATED IN THE NETHERLANDS, FRANCE, ITALY AND SPAIN

**AS AT**
**31ST DECEMBER 2009**

**Prepared by**
**Cushman & Wakefield LLP**
**43-45 Portman Square**
**London**
**W1A 3BG**

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Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

JPM, DB, and RBS, each on its own behalf as Joint Bookrunner and on behalf of the Joint–Lead Managers defined in the Prospectus produced by Corio N.V.

("the Addressees")

23rd March 2010

Dear Sirs

**CORIO N.V. (THE "COMPANY")**
**PROPERTY VALUATION AS AT 31ST DECEMBER 2009**
**VALUATION OF VARIOUS PROPERTIES LOCATED IN FRANCE, ITALY, THE NETHERLANDS AND SPAIN IN CONNECTION WITH AN OFFER OF SHARES IN CORIO N.V.**

We have pleasure in reporting to you as follows:

## 1 INSTRUCTIONS

In accordance with our engagement letter with the Company dated 22nd March 2010, we have considered each property referred to in the attached schedule (the "Schedule"), which we understand are held by the Company or its subsidiaries.

We have been instructed to prepare this valuation report in order to advise you of our opinion of the Market Value of the freehold or leasehold interests (as appropriate) in each of those properties (the "Properties" and each a "Property"). For the avoidance of doubt we have valued a 100% share of the legal interest identified in each Property (the "Valuations" and each a "Valuation").

The effective date of each valuation is 31st December 2009.

We understand that this valuation report and the Schedule (together, the “Valuation Report”) are required for inclusion in a prospectus (the "Prospectus") that has been prepared in connection with the global offering by the Company (the “Offering”) of newly issued ordinary shares (the "Offer Shares") and on which investors will rely on in making their decision to invest in the Offer Shares (the "Transaction") and we hereby give our consent for such inclusion.

Each Valuation has been prepared by an appropriate valuer who conforms to the requirements as set out in the Red Book, acting in the capacity of External Valuer. We confirm that each Valuation is a “Regulated Purpose Valuation” as defined in the Red Book.

## 2 BASIS OF VALUATION, AND DEFINED TERMS

We confirm that, as instructed, the Valuation of each Property has been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements (“PS”), and United Kingdom Practice Statements (“UKPS”) contained within the RICS Valuation Standards, 6th Edition (the “Red Book”). Market Value is defined in the Red Book, as follows:

*“The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”*

Market Value is an internationally accepted basis of valuation, entirely consistent with the normal valuation basis followed in each country where the Properties are located. The Properties are held either as, properties held as investments, or properties held for development, and we have therefore used the appropriate property investment and development valuation methodology to calculate each Market Value.

Our Valuation Report is also in accordance with the relevant rules and recommendations of The Netherlands Authority for the Financial Markets (Autoriteit Financiele Markten – AFM) paragraphs 128 to 130 of Committee of European Security Regulators (CESR), recommendations for the consistent implementation of the European Commission’s Regulation on Prospectus no. 809/2004 (the Prospectus Directive Regulation) and EU Directive 2003/71/EC.

In this Valuation Report:

“Effective Ownership Corio (%)” means the percentage stake that you have told us that Corio has in the legal entity by which the Property is held. For the avoidance of doubt we have valued a 100% share of the legal interest identified in each Property; and

“Gross Leasable Area (GLA)” means the total floor area (expressed in sqm) in a property available for exclusive use and occupancy by a tenant. Upon your instructions, floor areas are reported rounded to the nearest hundred; and

“Passing rent per annum” means the annualised contractual rent (i.e. not including turnover based rent and other income, and gross of any irrecoverable outgoings, but including known indexation) as per the valuation date (i.e. the amount to be received in the next year starting from the valuation date). Upon your instructions, passing rent is reported rounded to the nearest hundred. For the avoidance of doubt we have considered a 100% share of the passing rent for each Property.

Headings are for ease of reference only and shall not affect its interpretation.

## 3 ASSUMPTIONS AND SOURCES OF INFORMATION

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("assumption"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our Valuations are referred to below.

We have made an assumption that the information which the Company and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

## 4 TENURE AND TENANCIES

We have had access to the public title deeds or lease documentation in respect of the Properties but these do not always reveal all aspects relating to title. Our Valuations have been based on those public title deeds and lease documentation and the information which you or your advisers have supplied to us as to tenure, tenancies and statutory notices.

Unless disclosed to us to the contrary and recorded in the Schedule, our Valuations are on the basis that:

a) each Property possesses a good and marketable title, free from any unusually onerous restrictions, covenants or other encumbrances;

b) in respect of each leasehold Property, there are no unreasonable or unusual clauses which would affect value and no unusual restrictions or conditions governing the assignment or disposal of the interest;

c) leases to which the Properties are subject are on typical local market terms, and contain no unusual or onerous provisions or covenants which would affect value;

d) in respect of leases subject to impending or outstanding rent reviews and lease renewals, we have assumed that all notices have been served validly and within appropriate time limits;

e) the Properties exclude mineral rights, if any; and

f) vacant possession can be given of all accommodation which is unlet, or occupied either by the Company or by its employees on service occupancies.

## 5 ENVIRONMENTAL INVESTIGATIONS AND GROUND CONDITIONS

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Each Property has been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the buildings at the Properties.

## 6 TOWN PLANNING

We have not made formal searches, but have generally relied on verbal enquiries and any informal information received from the Local Planning Authority.

Unless disclosed to us to the contrary and referred to in the Schedule, our valuation is on the basis that:

a) each Property is not affected by proposals for road widening or Compulsory Purchase;

b) each Property has been erected either prior to planning control or in accordance with a valid planning permission and is being occupied and used without any breach of planning or building regulations;

c) there are no outstanding obligations or liabilities arising out of the provisions of the Defective Premises Act 1972 or the Disability Discrimination Act 1995;

d) there are no unutilised building rights.

## 7 STRUCTURE

We have neither carried out a structural survey of any of the Properties, nor tested any services or other plant or machinery. We are therefore unable to give any opinion on the condition of the structure and services. However, our valuation takes into account any information supplied to us and any defects noted during our inspection. Unless stated in the Schedule, our Valuations are on the basis that there are no latent defects, wants of repair or other matters which would materially affect our Valuations.

We have not inspected those parts of the Properties which are covered, unexposed or inaccessible and, except where referred to in the Schedule, our valuations are on the basis that they are in good repair and condition.

We have not investigated the presence or absence of high alumina cement, calcium chloride, asbestos or other deleterious materials. We have taken into account any information which you have supplied to us on these aspects. Unless disclosed to us to the contrary and referred to in the Schedule, our valuations are on the basis that no hazardous or suspect materials and techniques have been used in the construction of the Properties.

## 8 SITE AND CONTAMINATION

We have not investigated ground conditions/stability and, unless advised to the contrary, our valuations are on the basis that all buildings have been constructed having appropriate regard to existing ground conditions. In respect of the Properties with development potential, our valuations are on the basis that there are no adverse ground conditions which would affect building costs. However, where you have supplied us with a building cost estimate, we have relied on it being based on full information regarding existing ground conditions.

We have not carried out any investigations or tests, nor been supplied with any information from you or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject or any other land (including any ground water). Accordingly, unless disclosed to us to the contrary and referred to in the Schedule, our Valuation have been prepared on the basis that there are no such matters that would materially affect our Valuations.

## 9 PLANT AND MACHINERY

In respect of the freehold Properties, usual landlord's fixtures such as lifts, escalators and central heating have been treated as an integral part of the building and are included within the asset valued. In the case of leasehold Properties, unless advised to the contrary, these items have been treated as belonging to the landlord upon reversion of the lease.

Process related plant/machinery and tenants' fixtures/trade fittings have been excluded from our Valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

## 10 INSPECTIONS

We have valued each Property in the past for accounts purposes and have inspected them at various intervals internally.

We have been advised by the Company that there have been no material changes to any of the Properties since our inspections.

## 11 FLOOR AREAS

In accordance with normal market practice in the Countries where the properties are located, we have not measured the Properties and, for the purpose of our Valuations, we have relied on floor areas provided to us by the Company, which we rely upon as being an accurate and correct estimation of the Gross Leasable Area (GLA) of each Property. Upon the Company's instructions, floor areas are reported rounded to the nearest hundred.

## 12 GENERAL PRINCIPLES

In respect of tenants' covenants, while we have taken into account information of which we are aware, we have not received a formal report on the financial status of the tenants. We have not been supplied with any information to indicate that there are material arrears or that the occupiers are unable to meet their commitments under the leases. Our Valuations are on the basis that this is correct.

The Valuation of each Property has been undertaken by Cushman & Wakefield and overseen by Rupert Dodson, FRICS and Stuart Logan, MRICS.

Our opinion of value is derived from the analysis of recent market transactions, together with our market knowledge derived from the Firm's agency coverage. A valuation is a prediction of price, not a guarantee, and different valuers can properly arrive at a different opinion of value. The definition of Market Value requires a valuer to arrive at the top of a range. Historically it has generally been considered that valuers can be within a range of possible values.

We have made subjective judgements during our valuation approach in arriving at our opinion and whilst we consider these to be both logical and appropriate they are not necessarily the same as would be made by a purchaser. The purpose of the Valuations does not alter the approach to the Valuations.

Property values can change substantially, even over short periods of time, and so our opinion of value could differ significantly if the date of valuation was to change. If you wish to rely on our Valuations as being valid on any other date you should consult us first. Should you contemplate a sale, we strongly recommend that the Property is given proper exposure to the market. We recommend that you keep the valuation of each Property under frequent review.

## 13 SPECIAL ASSUMPTIONS, RESERVATIONS AND DEPARTURES

We can confirm that our Valuations are not made on the basis of any special assumptions or any departures from the Practice Statements contained in the Red Book. Subject to the general limitations of our inspections and sources of information set out above, our Valuations are not subject to any specific reservations in relation to restricted information or property inspection.

## 14 DISCLOSURE

The members of The Royal Institution of Chartered Surveyors who are named in Section 9 above have not previously been the signatory to the Valuations provided to the Company for the same purposes as this Valuation Report. Cushman & Wakefield has not previously carried out these Valuations for the same purpose as this Report on behalf of the Company.

Cushman & Wakefield, from time to time, provides other professional or agency services to the Company and has done so for a period of more than 5 years. In relation to the preceding financial year of Cushman & Wakefield, the proportion of the total fees payable by the Company to the total fee income of the firm is less than 5 per cent.

This Valuation Report has been prepared for inclusion in the Prospectus. We hereby consent to inclusion of this Valuation Report in the Prospectus.

## 15 VALUATION APPROACH

In arriving at our opinion of Market Value, we have employed one or more valuation methodologies according to our assessment of that most appropriate. The valuation methodologies include, Discounted Cash Flow, Income Capitalisation, Residual Valuation and Direct Comparison. Our choice of methodology may be influenced by factors including, most likely purchaser, type of property, local valuation convention, income stabilisation, availability of market comparisons etc.

## 16 VALUATION

We are of the opinion that the aggregate of the Market Values as at 31st December 2009 of the freehold and long leasehold interests in the Properties, as set out in the Schedule, is the total sum of:

**€ 2,659,900,000**
**(Two Billion Six Hundred and Fifty Nine Million Nine Hundred Thousand Euros)**

| | | |
|---|---|---|
| | 44 freehold properties: | € 2,418,330,000 |
| | 4 leasehold properties: | € 241,570,000 |
| Total: | 48 properties: | € 2,659,900,000 |

The figures stated above represent the aggregate of the values attributable to the individual Properties and should not be regarded as valuations of the portfolio as a whole in the context of a sale as a single lot or lots of properties.

There are no negative values to report.

The Market Value figures in this Valuation Report are consistent with the valuation outcomes in our previous valuation reports prepared for the Company for the purposes of the accounts for the financial year ended 31 December 2009.

## 17 REALISATION COSTS

Our Valuations are exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our Valuations are, however, net of purchaser's acquisition costs which vary between countries.

## 18 MATERIAL CHANGE

We hereby confirm that as at the date of this Valuation Report:

We have not become aware of any material change since 31 December 2009 in any matter relating to any specific Property covered by our Valuation Report which in our opinion would have a material effect on the Market Values as at today's date, or

In relation to market conditions and movements in the property markets in which the Properties covered by our Valuation Report are located, we do not consider that any movement in respect of the Properties constitutes material change since 31 December 2009.

## 19 CONFIDENTIALITY, DISCLOSURE AND PUBLICATION

No reliance may be place upon the contents on the Valuation Report by any party for any purpose other than in connection with the Transaction.

You must not modify, alter (including altering the context in which the report is displayed) or reproduce the contents of this valuation report (or any part) without first obtaining our written approval. Any person who contravenes this provision shall be responsible for all of the consequences of the same, including indemnifying Cushman and Wakefield LLP against all consequences of the contravention. Cushman & Wakefield LLP accepts no liability for any use of the Report that is in contravention of this section.

The Valuation Report are provided to the Addressees as set out on the first page of the Valuation Report for the specific purpose to which they refer. The Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The Addressees of the Valuation Report may rely on it, as may investors in the Offer Shares. No reliance may be placed upon the contents on the Valuation Report by any party for any purpose other than in connection with the Transaction.

Neither the whole nor any part of the Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not Cushman and Wakefield LLP are referred to by name and whether or not the contents of the Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the Addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report (without any reliance) in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten) the French Authority for the Financial Markets (Autorité des marchés financiers), the Netherlands Central Bank (De Nederlandsche Bank N.V.), the French Central Bank (Banque de France) or any other competent authority or judicial authority. Disclosure of this Valuation Report by the Addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any Addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the Addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully
Signed for and on behalf of Cushman & Wakefield LLP

**RUPERT DODSON (FRICS)**
Partner

**STUART LOGAN (MRICS)**
Partner

THE SCHEDULE

## APPENDIX A: Property Schedule

| Country | Property | Address | Location and Description | Gross Leasable Area (GLA) (sqm rounded) | ownership Interest | Effective Ownership Corio (%) | Passing rent per annum (€ rounded) |
|---|---|---|---|---|---|---|---|
| France | CC Mondeville 2 | RN13 - 14124 Mondeville, Normandy | Regional shopping centre located in periphery of Caen, opened in June 1995. It comprises 85 units on a total area of 82,500 m² and is anchored by a Carrefour hypermarket. It is supported by a large retail zone and is the dominant centre in the Caen agglomeration. | 15,900 | Freehold | 100% | € 7,736,100 |
| France | CC Côte de Nacre | 1-5 boulevard du Maréchal Juin - 14000 Caen | Local shopping centre in an urban area, anchored by a Carrefour hypermarket, opened in 1970. | 30,200 | Freehold | 100% | € 3,584,100 |
| France | CC Mayol | Rue du Mûrier, 83000 Toulon, South of France | Regional shopping centre in city centre, opened in April 1990. It comprises 100 units on a total area of 42,500 m² and is anchored by a Carrefour hypermarket. | 18,700 | Freehold | 40% | € 7,410,400 |
| France | CC Grand Place | 55 Grand Place, 38000 Grenoble | Regional shopping centre on the edge of the city centre, comprising 140 retail and storage units on a total area of approximately 40,000 m², and is anchored by FNAC, Darty, H&M and Zara. It is physically linked to two other legal entities, namely the Galerie Echirolles (also owned by Corio) and a Carrefour mall and hypermarket. The centre opened in July 1975, and was re-structured and extended to its current area in 2001-2002. It is now the largest and dominant centre in the Grenoble agglomeration. | 39,600 | Freehold | 100% | € 13,529,500 |
| France | Galerie Echirolles | 55 Grand Place, 38130 Echirolles | Small gallery at the boundary of the town, linking the Grand Place shopping centre to the Carrefour mall and hypermarket. The gallery was completed in 1975 and has not been renovated. | 14,100 | Freehold | 100% | € 286,600 |
| France | Galerie Echirolles | 55 Grand Place, 38130 Echirolles | Small gallery at the boundary of the town, linking the Grand Place shopping centre to the Carrefour mall and hypermarket. The gallery was completed in 1975 and has not been renovated. | 1,600 | Leasehold | 100% | € 410,200 |
| France | Galerie des Clefs | 13/15/17 rue des Clefs, 68000 Colmar, Alsace | Small gallery in the prime shopping street of Colmar. | 5,000 | Freehold | 100% | € 397,000 |
| France | La Galerie | 54 rue du Sauvage, 68100 Mulhouse, Alsace | Small gallery in the prime shopping street, anchored by a FNAC store. The gallery was last restructured in 1989. | 7,500 | Freehold | 100% | € 1,314,600 |
| France | CC Grand Littoral | 11 avenue Saint-Antoine, 13015 Marseille | Regional shopping centre to the North of Marseille, which opened on 29th October 1996. It comprises approximately 200 units on a total area of 120,000 m² and is anchored by a Carrefour hypermarket, Darty, Maxi Toys, Leroy Merlin, H&M, Zara and Intersport. It is the fourth largest shopping centre in France. | 57,200 | Freehold | 100% | € 17,022,800 |
| France | Coulée Verte | ZAC Saint-André, 13015 Marseille | Land for development, contiguous to Grand Littoral shopping centre, Marseille | n/a | Freehold | 100% | € 0 |
| France | Brie Comte Robert Retail Park | Z.I. La Haie Passart, 77170 Brie Comte Robert | 9 retail units constructed circa 1988, and located within the Brie Comte Robert retail zone, in the outer suburbs of Paris | 6,800 | Freehold | 33% | € 678,700 |
| France | Sainte-Geneviève-des-Bois Retail Park | Rue du Hurepoix, 91700 Sainte-Geneviève-des-Bois | 8 retail units built in the 1980s and located in the Ste-Geneviève retail zone, south of Paris, which is one of the largest and best retail zones in the Paris region. | 6,600 | Freehold | 100% | € 1,078,200 |
| France | Metz Megastore | Rue Serpenoise, 57000 Metz | Retail building let to H&M and Zara, in the prime shopping street | 13,100 | Freehold | 100% | € 1,719,500 |
| France | Monoprix store | 37-39 rue du Sauvage, 68100 Mulhouse | Retail building dating back to the 18th century, in the prime shopping street. Currently vacant. | 6,200 | Freehold | 100% | € 0 |
| France | Warehouse Conforama Mondeville | RN13, 14124 Mondeville | Warehouse on the Mondeville retail zone, let to Conforama | 1,400 | Freehold | 100% | € 85,800 |
| France | Land Mondeville | RN 13, 14124 Mondeville | Land of 103,346 sq.m. held for development on the retail zone of Mondeville | n/a | Freehold | 100% | € 0 |

## APPENDIX A: Property Schedule

| Country | Property | Address | Location and Description | Gross Leasable Area (GLA) (sqm rounded) | ownership Interest | Effective Ownership Corio (%) | Passing rent per annum (€ rounded) |
|---|---|---|---|---|---|---|---|
| France | Land Côte de Nacre | Avenue de la Côte de Nacre, 14000 Caen | Land of 67,132 sq.m. held for development next to Côte de Nacre shopping centre | n/a | Freehold | 100% | € 0 |
| France | Bureau de Nacre (NXP) | 2 rue de la Girafe, 14000 Caen | An office and industrial complex of 33,096 sqm in an urban area, next to Côte de Nacre shopping centre. The properties comprises approximately 20 buildings built between 1957 and 2004. | 33,100 | Freehold | 100% | € 715,000 |
| France | Land Echirolles Le Stratège | Rue d'Alsace, 38130 Echirolles, Grenoble | Land of 4,310 sqm, held for development situated behind the Grand Place shopping centre | n/a | Freehold | 100% | € 0 |
| France | Le Stratège Office building | 19 rue d'Alsace, 38130 Echirolles, Grenoble | Office building dating back to the 1980s, situated behind the Grand Place shopping centre. Almost entirely vacant | 1,400 | Freehold | 100% | € 49,900 |
| Spain | Gran Turia Shopping Centre | Plaza Europa, 1. Barrio de la Luz cp46950 Xirivella, Valencia. | A shopping centre opened in 1993, comprising around 101 units, and forming part of a larger centre including a Carrefour hypermarket. | 20,700 | Freehold | 100% | € 4,240,000 |
| Spain | Gran Vía Hortaleza Shopping Centre | Calle Gran Via de Hortaleza, s/n, cp28043 Madrid. | A shopping centre opened in 1992, comprising around 72 units, and forming part of a larger centre which includes a Carrefour hypermarket. | 6,100 | Freehold | 100% | € 3,599,200 |
| Spain | Txingudi Shopping Centre | Ventas Auzoa nº 80 cp 20305 Irun, Guipuzcoa | A shopping centre opened in 1997, comprising around 60 units, and forming part of a larger centre which includes an Alcampo hypermarket. | 10,000 | Freehold | 100% | € 2,737,800 |
| Spain | Las Huertas Shopping Centre | Avenida Madrid 37, cp34004 Palencia | A shopping centre opened in 1989, comprising around 46 units, and forming part of a larger centre which includes a Carrefour hypermarket | 6,600 | Freehold | 100% | € 1,065,600 |
| Italy | Shopping Gallery within Campania Shopping Centre | Località Aurno, Marcianise (Caserta) | Shopping Gallery within Campania Shopping Centre in Marcianise (30 km north of Naples) opened in 2007 spread over the two level retail gallery with 174 units, plus the ground floor parts of three adjacent 'big box' stores. Main anchors are the Carrefour Hypermarket (not part of the Property) and Saturn, H&M, Zara, Conbipel and Upim. | 63,900 | Freehold | 100% | € 18,205,900 |
| Italy | Shopping Gallery within Shopville Le Gru Shopping Centre | Via Crea 10, Grugliasco (Turin) | Shopping Gallery within Campania Shopping Centre opened in 1994 and is located at six kilometres to the west of Turin. The Property comprises a two-storey shopping gallery providing 164 unitswith exclusion of the Carrefour hypermarket and the OBI anchor store on the ground floor. Main anchors are Media World, Fnac, Zara and Cisalfa. | 32,900 | Freehold | 100% | € 16,854,000 |
| Italy | Shopping Gallery within Grandemilia Shopping Centre | Via Emilia Ovest 1480, Modena | Shopping Gallery within Campania Shopping Centre opened in 1996 comprising a single level gallery of 87 units. The Centre is anchored to a Ipercoop hypermaket (not part of the Property) and to Media World, Oviesse, Game Seven and Flunch. | 19,700 | Freehold | 100% | € 8,399,100 |
| Italy | Shopping gallery within Shopville Gran Reno Shopping Centre | Via Marilyn Monroe 2, Casalecchio di Reno (Bologna) | Shopping Gallery within Campania Shopping Centre opened in 1993 comprising a two-storey gallery with 74 units. Main anchors are Carrefour hypermarkt (not part of the Property) and Media World and Cisalfa Sport. | 12,800 | Freehold | 100% | € 6,162,400 |
| Netherlands | Almere, Stadhuisplein, Stadhuisstraat | Stadhuisplein, Stadhuisstraat, Almere | 13 retail units in the prime shopping area of Almere | 2,200 | Freehold | 100% | € 766,300 |
| Netherlands | Shopping Centre "´t Circus" | Schutterstraat, Stadhuisstraat, Stadhuisplein, Almere | A shopping centre, comprising around 15 units, and forming part of the city centre of Almere. | 12,200 | Freehold | 100% | € 1,971,300 |
| Netherlands | Shopping Centre "De Aarhof" | De Aarhof, Van Manderslootstraat, Alphen aan den Rijn | A shopping centre, comprising around 51 units, and forming part of the city centre of Alphen aan den Rijn. | 9,200 | Freehold | 100% | € 3,178,100 |

## APPENDIX A: Property Schedule

| Country | Property | Address | Location and Description | Gross Leasable Area (GLA) (sqm rounded) | ownership Interest | Effective Ownership Corio (%) | Passing rent per annum (€ rounded) |
|---|---|---|---|---|---|---|---|
| Netherlands | Shopping Centre "Middenwaard" | Middenwaard, Heerhugowaard | Regional shopping centre in the North of Noord-Holland, comprising approximately 115 units. | 25,600 | Freehold | 100% | € 6,637,300 |
| Netherlands | Parking garage "Middenwaard" | Middenwaard, Heerhugowaard | Parking garage of around 1.370 places and forming part of the Shopping Centre Middenwaard. | n/a | Freehold | 100% | € 574,500 |
| Netherlands | Shopping Centre " Getsewoud" | Händelplein, Nieuw Vennep | Local shopping centre in an urban area, anchored by two supermarkets. | 7,900 | Freehold | 100% | € 1,551,700 |
| Netherlands | Shopping Centre "Kopspijker" | Nieuwstraat, Spijkenisse | A shopping centre, comprising around 24 units, and forming part of the city centre of Spijkenisse. | 5,000 | Freehold | 100% | € 1,024,500 |
| Netherlands | Shopping Centre "Parkwijk" | Verlengde Houtrakgrach, Utrecht | Local shopping centre in an urban area, anchored by a two supermakets. | 5,500 | Freehold | 100% | € 1,197,700 |
| Netherlands | Shopping Centre "Stadshagen" | Belvédèrelaan, Wade, Werkerlaan, Zwolle | Local shopping centre in an urban area, anchored by a two supermakets. | 11,500 | Freehold | 100% | € 2,456,500 |
| Netherlands | Shopping Centre "Schelfhorst" | Binnenhof, Almelo | Local shopping centre in an urban area, anchored by two supermarkets | 6,600 | Freehold | 100% | € 1,030,000 |
| Netherlands | Shopping Centre "Corio Center" | Corio Center, Heerlen | A shopping centre, comprising around 45 units, and forming part of the city centre of Heerlen and including HEMA, H&M, C&A | 18,300 | Freehold | 100% | € 3,865,300 |
| Netherlands | Parking garage "Alexandrium I" | Parkeergarage Alexandrium, Rotterdam | Parking garage of around 1.018 places and forming part of the Shopping Centre Alexandrium I. | n/a | Leasehold | 100% | € 1,776,800 |
| Netherlands | Shopping Centre "Alexandrium I" | Poolsterstraat, Korte Poolsterstraat, Poolsterplein, Watermanweg, Kleine Beer, Rotterdam | Regional shopping centre to the Northeast of Rotterdam, comprising approximately 180 units, appr. 49.700 m² lettable floor area and is anchored by a H&M, Zara, Hema. It is one of the largest shopping centres in the Netherlands. Vacancy rate is 1% comprising only some storage area´s and vacancy due to changes of tenants. The shopping centre is part of a larger shopping area with also a large scale retail establishments and a home furnishings mall. | 44,900 | Leasehold | 100% | € 14,078,600 |
| Netherlands | Office "Alexandrium I" | Poolsterstraat, Rotterdam | An office which is part of the Alexandrium I shopping centre | 1,400 | Leasehold | 100% | € 196,500 |
| Netherlands | Tegelen, Kerkstraat | Kerkstraat, Tegelen | 10 retail units and parking garage of 85 places in the city centre of Tegelen | 2,800 | Freehold | 100% | € 492,700 |
| Netherlands | Shopping Centre "Emmapassage" | Emmapassage, Tilburg | Gallery in the prime shopping area of Tilburg | 6,000 | Freehold | 100% | € 1,798,800 |
| Netherlands | Tilburg, Heuvelstraat 36, 38 | Heuvelstraat 36, 38, Tilburg | Single retail unit in the high street of Tilburg | 200 | Freehold | 100% | € 89,200 |
| Netherlands | Shopping Centre "Pieter Vreedeplein" | Pieter Vreedestraat, Pieter Vreedeplein, Tilburg | A shopping centre opened in 2008, comprising around 26 units, and forming part of the shopping area in Tilburg. | 23,100 | Freehold | 100% | € 3,954,200 |
| Netherlands | Cinema "Must See" | Pieter Vreedeplein, Tilburg | A cinema in the city centre of Tilburg. | 5,000 | Freehold | 100% | € 1,001,700 |
| Netherlands | Shopping Centre "City Passage" | Meent, Veldhoven | A shopping centre, comprising around 50 units, and forming part of the city centre of Veldhoven. | 7,400 | Freehold | 100% | € 2,213,900 |

## APPENDIX B: Portfolio Schedule

| Country | Portfolio Description | Total Gross Leasable Area (GLA) (sqm rounded) | Total passing rent per annum (€ rounded) | Market Value as at 31 December 2009 (€) | | |
|---|---|---|---|---|---|---|
| | | | | of freehold property | of leasehold property | Totals |
| France | There are 16 properties categorised as held for investment, comprising 9 shopping centres/galleries, 2 retail parks, 2 high street retail properties, 1 warehouse, and 2 office/light industrial properties. There are 4 properties categorised as held for developement, comprising 4 land plots. | 258,400 | € 56,018,400 | € 1,007,770,000 | € 300,000 | € 1,008,070,000 |
| Spain | There are 4 properties categorised as held for investment, comprising 4 shopping centres/galleries. | 43,400 | € 11,642,600 | € 159,950,000 | € 0 | € 159,950,000 |
| Italy | There are 4 properties categorised as held for investment, comprising 4 shopping centres. | 129,300 | € 49,621,400 | € 760,530,000 | € 0 | € 760,530,000 |
| Netherlands | Comprises 15 shopping centres/ galleries, 1 high street retail property, 1 cinema, 1 office and 2 parking properties | 194,800 | € 49,855,600 | € 490,080,000 | € 241,270,000 | € 731,350,000 |

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Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

JPM, DB, and RBS, on their own behalf as Joint Bookrunners and as representatives of the Co-Managers defined in the Prospectus produced by Corio N.V.

**23 March 2010**

Dear Sirs,

**Valuation of Freehold and Long Leasehold Properties owned by Corio N.V.**

**Introduction**

In accordance with our engagement letter with Corio N.V. (the "**Company**"), we, Jones Lang Lasalle Limited, Chartered Surveyors, have considered the properties referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests (as appropriate) of Corio N.V. in each of these properties (the "**Properties**" and each a "**Property**") (the "**Valuation**").

The effective date of the valuation is 31 December 2009.

Jones Lang LaSalle Limited
Registered in England and Wales Number 1188567
Registered Office 22 Hanover Square London W1S 1JA

JONES LANG LASALLE

**Purpose of Valuation**

We understand that this valuation report and schedule (together, the "**Valuation Report**") are required for inclusion in the prospectus (the "**Prospectus**") that has been prepared in connection with the global offering by the Company (the "**Offering**") of newly issued ordinary shares (the "**Offer Shares**") and on which investors will rely on in making their decision to invest in the Offer Shares and we hereby give our consent for such inclusion.

The Valuation Report will be relied upon by the Joint Bookrunners and the Co-Managers in their capacity as underwriters in connection with the Offering.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

**Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in France, Spain and Bulgaria ("**Countries**" and each a "**Country**") . Attached to this Valuation Report is Appendix A comprising a schedule of the individual Properties. The schedule highlights where minority interests are owned by the Company.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements ("**PS**"), and United Kingdom Practice Statements ("**UKPS**") contained within the RICS Valuation Standards, 6$^{th}$ Edition (the "**Red Book**"). This is an internationally accepted method of valuation.

Market Value is defined as:
*"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in each Country. Our Valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) and related guidance and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and developments and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Values.

The Market Value contained in this Valuation Report reflects a 100% ownership of all Properties including those Properties in which the Company have a minority interest.

**Material Change**

We hereby confirm that as at the date of this Valuation Report:

- we have not become aware of any material changes between 31 December 2009 and the date of this Valuation Report in any matter relating to any specific Property covered by our Valuation Report which in our opinion would have a material effect on the value as at today's date,

- in relation to market conditions and movements in the property markets in which the properties covered by our Valuation Report are located, we do not consider that the movement in respect of the Properties constitutes a material change between 31 December 2009 and the date of this Valuation Report.

**Valuation approach**

Standing Investments:

We have adopted an income approach discounted cash flow technique for the valuation of the standing retail assets. The cash flow assumes either a 10-year or 15-year hold period with the exit value calculated on the 11th year's income. For non retail assets we have carries out a traditional investment approach based on capitalisation of the projected net operating income at a market derived yield.

Developments:

For the developments we have generally adopted a residual or direct comparison approach. For the residual approach total costs including outstanding construction costs, fees, contingency, finance costs and developer's profit are deducted from our estimate of the net development value upon completion to arrive at a surplus which reflects the current Market Value.

**Valuation**

On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the individual Market Values as at 31 December 2009 of the freehold and long leasehold interests subject to and with the benefit of various occupational leases, as summarised in the attached Schedule is:

Total - € 744,046,000
(SEVEN HUNDRED AND FORTY FOUR MILLION, FORTY SIX THOUSAND EUROS)

**By Country**
Spain - € 414,466,000
(FOUR HUNDRED AND FOURTEEN MILLION, FOUR HUNDRED AND SIXTY SIX THOUSAND EUROS)

France - € 316,940,000
(THREE HUNDRED AND SIXTEEN MILLION, NINE HUNDRED AND FORTY THOUSAND EUROS)

Bulgaria - € 12,640,000
(TWELVE MILLION, SIX HUNDRED AND FORTY THOUSAND EUROS)

**By Tenure**

| | |
|---|---|
| Freehold Properties (12 properties) | € 330,216,000 |
| Leasehold Properties (4 properties) | € 413,830,000 |
| Total (16 Properties) | € 744,046,000 |

There are no negative values to the Valuation Report.

The Market Value is consistent with valuation outcomes carried out for purposes of the accounts for the financial year ended 31 December 2009.

**Realisation Costs**

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our net valuation is, however, net of purchaser's acquisition costs which vary between countries.

**Assumptions and Sources of Information**

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

**Inspections**

We have valued the Properties in the past for accounts purposes and have inspected them at various intervals internally.

We have been advised by the Directors of the Company that there have been no material changes to any of the Properties since our inspections.

**Information**

We have made an assumption that the information which Corio N.V. and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

**Title**

During the course of our prior valuation instructions for the subject properties we have relied upon information from the Company with regard to the quality and marketability of the Title held at each Property. Where we have not been provided with legal reports or title deeds we have assumed, unless advised to the contrary that the properties benefit from good and marketable title and that the properties are free from encumbrances, mortgages and charges. Our valuations are based on information sourced from third parties including title information which we have not independently verified in our appointment to provide valuations for accounts purposes for Corio and have assumed the information provided to be accurate.

**Floor Areas**

We have not measured the Properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain Properties to verify floor areas.

**Plant and Machinery**

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our Valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

**Environmental Investigations and Ground Conditions**

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

**Planning**

We have made verbal Town Planning enquiries only. In the course of our enquiries, we are advised by the Local Planning Authority that there are no adverse Town Planning, Highway or other schemes or proposals. Information supplied to us by Planning Officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have not seen planning consents and have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

**Tenancies**

We have relied upon tenancy information with regard to lease terms, contractual rent, indexation, turnover, additional income, non-recoverable costs and capital expenditure provided by the Company for the purposes of our Valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

**Defined Terms**

In the Valuation Report (as defined below):

"passing rent" means the projected net operating income for the 12 month period commencing 1st January 2010. Headings are for ease of reference only and shall not affect their interpretation.

**Responsibility**

This Valuation and the Schedule are provided to the addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The addressees of the Valuation Report may rely on it, as may investors in Offer Shares.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not Jones Lang LaSalle is referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) the French Authority for the Financial Markets (*Autorité des marchés financiers*), the Netherlands Central Bank (*De Nederlandsche Bank N.V.*), the French Central Bank (*Banque de France*) or any other competent authority or judicial authority.

Disclosure of this Valuation Report by the addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully,

**Michael Morris**
**Director**
**For and on behalf of**
**Jones Lang LaSalle Expertises SAS**

**Nizar Zakarni**
**Director**
**For and on behalf of**
**Jones Lang LaSalle España, S.A.**

**Dermot Charleson**
**Director**
**For and on behalf of**
**Jones Lang LaSalle Limited**

## APPENDIX A: Property Schedule

| Country | Property | Address | Location and Description | Date of Inspection | Floor Area Sq m (Rounded) | Tenure | Effective Ownership % | Passing Rent EUR per annum (Rounded) |
|---|---|---|---|---|---|---|---|---|
| Spain | Sexta Avenida | Autovía A-6, km. 12.7. Av.de la victoria, 2 (El Plantío / Madrid) | Suburban Shopping Centre | Jun-09 | 16,300 | Freehold | 100% | 4,555,600 |
| Spain | El Ferial | Pinto s/n (Parla / Madrid) | Suburban Shopping Centre | Dec-09 | 8,700 | Freehold | 100% | 2,808,300 |
| Spain | Ruta de la Plata | Londres, 1 (Cáceres) | Inner City Shopping Centre | Dec-09 | 8,400 | Freehold | 100% | 2,753,300 |
| Spain | La Loma | Ctra. Bailén-Motril 323, km. 37.7 (Jaén) | Suburban Shopping Centre | Jun-09 | 9,800 | Freehold | 100% | 2,366,700 |
| Spain | Principe Pio Shopping Center | Madrid | Inner City Shopping Centre | Dec-09 | 28,700 | Leasehold | 95% | 12,276,400 * |
| Spain | Maremagnum Shopping Center | Barcelona | Inner City Shopping Centre | Jun-09 | 23,200 | Leasehold | 100% | 8,681,800 |
| Bulgaria | Shopping Center Site | Sofia | Shopping Centre Development | Jan-09 | 48,700 | Freehold | 100% | n/a |
| France | Bretigny | Rue de Poitou 91220 Bretigny-sur-Orges | Warehouse, Paris Region | Jul-09 | 19,400 | Freehold | 100% | - |
| France | Clamart | 1, avenue Newton 92140 Le petit Clamart | Office Development Site, Paris Region | Jul-09 | 26,200 | Freehold | 100% | n/a |
| France | Kupka C | 14, rue Hoche 92800 Puteaux | Offices, La Défense | Dec-09 | 12,900 | Leasehold | 40% | 5,281,900 * |
| France | Le Balzac | 10, place des Voges 92400 Courbevoie | Offices, La Défense | Dec-09 | 15,200 | Leasehold | 100% | 7,557,400 |
| France | FNAC Massy | 2-32, rue des champarts 91742 Massy | Warehouse, Paris region | Jul-09 | 56,000 | Freehold | 100% | 3,200,000 |
| France | MB9 | 65, rue des Trois Fontanots 92000 Nanterre | Offices, Nanterre | Dec-09 | 9,300 | Freehold | 100% | 3,193,200 |
| France | Rueil - Clair de Ville | 8-10, rue Henri Sainte Claire Deville 92500 Rueil Malmaison | Offices, Paris Region | Aug-09 | 10,600 | Freehold | 100% | 3,319,500 |
| France | TNT - Clamart | 3, avenue Newton 92140 Clamart | Warehouse, Paris region | Jul-09 | 10,600 | Freehold | 100% | 405,900 |
| France | Parc des Sangliers | 1, rue Jacques Monod 78000 Guyancourt | Offices, Paris Region | Jul-09 | 10,600 | Freehold | 100% | 2,427,400 |
| **Total** | | | | | **314,600** | | | **58,827,400** |

* 100% of Passing Rent Reported

## APPENDIX B: Description of Assets in excess of €100 million

| Country | Property | Property Description |
|---|---|---|
| Spain | Príncipe Pío | Príncipe Pío is a prime shopping centre in Marid which opened in October 2004. It has a total GLA of 28,680 sq m comprising 117 retail units and storage areas arranged over six floors. The Centre is one of the few shopping centres in Spain to benefit from Sunday opening hours. It also benefits from the train station being situated in close proximity to the Centre. This results in strong footfall (about 12 million visitors per year). The Centre has a strong fashion retailer presence with approximately 10,779 sq m designated for fashion retail. This represents 37.58% of the total GLA. Key anchor tenants include Zara, Mango, Benetton, H&M, Massimo Dutti. There is also a cinema complex with a GLA of 5,475 sq m and operated by Warner. The cinema represents 19.09% of the total GLA. Restaurants total 6,861 sq m arranged as 21 units (23.92% of the total GLA) with operators such as Sagardi, McDonald's and Burger King. The parking lot has approximately 1,000 chargeable car parking spaces. The total gross income for the car park in 2010 is estimated by Corio to be €1.5m. |
| Spain | Maremagnum | Maremagnum was opened in May 1995 and extended in 2005. It has a total GLA of 23,197 sq m comprising 195 units over three floors. The Centre is one of the few shopping centres in Spain to benefit from Sunday opening hours further reinforcing its position as a leading shopping centre in Barcelona. Maremagnum is a prime shopping centre and its retail offer is provided in two buildings. The first building has a total GLA of approximately 20,015 sq m and is configured as two malls over three trading levels. In addition to the main building there is a separate free standing cinema complex totalling 3,182 sq m and operated by Cinesa. The Centre has a strong fashion presence with approximately 7,043 sq m GLA representing 30.36% of the total GLA. Anchor tenants include retailers such as Inditex Group, Mango, Cortefiel and H&M. The leisure offer totals 3,182 sq m, representing 13.72% of the total GLA and is anchored by a Cinema Complex operated by Cinesa. Restaurants comprise 39 units and a total GLA of 5,940 sq m (25.61% of the total GLA). The main restaurant operators include Ginos, Starbucks, Wok, McDonald's and Fresco.<br>The parking lot has approximately 850 chargeable car parknig spaces. The total gross income for the car park in 2010 is estimated by Corio to be €1.8m |

## APPENDIX C: Portfolio Schedule

| Country | Portfolio Description | Total Floor Area sq m | Total Passing Rent € per annum | Total Market Value in € as at 31 December 2009 |
|---|---|---|---|---|
| Bulgaria | The Bulgarian portfolio comprises one retail development. | 48,700 | n/a | 12,640,000 |
| France | The French portfolio comprises six offices including two office developments and three warehouse properties. | 170,800 | 25,385,300 | 316,940,000 |
| Spain | The Spanish portfolio comprises six shopping centres. Three of the centres are classified as inner city centres and three are suburban shopping centres. | 95,100 | 33,442,100 | 414,466,000 |

| | |
|---|---|
| Total | 12 Freehold Properties |
| Total | 4 Leasehold Properties |

# CORIO N.V.
# SUMMARY VALUATION REPORT
# AS AT 31st December 2009

Prepared for:

Corio N.V.

THE RETAIL CONSULTING GROUP EXPERTISE
103, boulevard Haussmann – 75008 Paris
Tél. 01.43.12.95.00 – Fax 01.43.12.95.10

THE RETAIL CONSULTING GROUP
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Summary Valuation Report as at 31 December 2009

Corio N.V.
St. Jacobsstraat 200
3511 BT Utrecht
The Netherlands

J.P. Morgan Securities Ltd. ("**JPM**")
125 London Wall
London EC2Y 5AJ
United Kingdom

Deutsche Bank AG, London Branch ("**DB**")
1 Great Winchester Street
London EC2N 2DB
United Kingdom

The Royal Bank of Scotland N.V. ("**RBS**")
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

JPM, DB, and RBS, on their own behalf as Joint Bookrunners and as representatives of the Co-Managers defined in the Prospectus produced by Corio N.V.

**Paris, 23rd march 2010**

Dear Sirs,

**Valuation of Freehold and Long Leasehold Properties owned by Corio NV.**

## Introduction

In accordance with our engagement letter as at 28th January 2010 with Corio N.V. (the "**Company**") and with our valuation report as at 6th January 2010, we, The Retail Consulting Group Expertise (RCGE), Chartered Surveyors, have considered the properties referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests of Corio N.V. in each of these properties (the "**Properties**" and each a **"Property"**) (the **"Valuation"**).

The effective date of the valuation is 31 December 2009.

**Purpose of Valuation**

We understand that this valuation report and schedule (together, the "**Valuation Report**") are required for inclusion in the prospectus (the "**Prospectus**") that has been prepared in connection with the global offering by the Company (the "**Offering**") of newly issued ordinary shares (the "**Offer Shares**") and on which investors will rely on in making their decision to invest in **Offer Shares,** and we hereby give our consent for such inclusion.

The Valuation Report will be relied upon by the Joint Bookrunners and the Co-Managers in their capacity as underwriters in connection with the Offering.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

**Basis of Valuation and Assumptions**

We set out below the main basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the **Properties** which are located in France ("**Countries**" and each a "**Country**"). Attached to this Valuation Report is a detailed schedule (the "**Schedule**") of the individual properties.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements ("**PS**"), and United Kingdom Practice Statements ("**UKPS**") contained within the RICS Valuation Standards, 6th Edition (the "**Red Book**"). This is an internationally accepted basis of valuation.

Market Value is defined as: *"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in France. Our Valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) and related guidance and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and developments and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Values.

**Valuation Approach**

We have adopted the direct income capitalization method.

The Capitalisation Method estimates the value of the Property through the capitalisation of its income at a certain rate of return. This procedure assumes that there is an equivalence between the market value of a Property and the sum of its ordinary incomes discounted to the present. In the direct income capitalisation method the estimated income stream from the Property has been capitalizes using a market supported yield to arrive into a value indication for the property.

Our valuations have been carried out according to the Valuation Principles set out in appendix mentioned in our report as at 31 December 2009. These principles have generally been applied, except where specifically mentioned in our report as at 31 December 2009. Our methodology is mentioned as an appendix to our Summary Valuation Report as at 31 December 2009.

## Valuation

On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the individual Market Values as at 31 December 2009 of the freehold and long leasehold interests subject to and with the benefit of various occupational leases, as summarised in the attached schedule is:

Net € 620,442,580

*Six hundred and twenty millions, four hundred and forty-two thousand, five hundred and eighty Euros net (excluding transfer taxes and VAT)*

| | |
|---|---|
| 14 Freehold Properties in France: | € 620,442,580 |
| No leasehold properties in France | € 0 |
| Total 14 Properties: | € 620,442,580 |

There are no negative values to the Valuation Report.

The Market Value is consistent with valuation outcomes carried out for purposes of the accounts for the financial year ended 31 December 2009.

## Material Change

We hereby confirm that as at the date of this Valuation Report:

- we have not become aware of any material change since 31st December 2009 in any matter relating to any specific Property covered by our Valuation Report which in our opinion would have a material effect on the value as at today's date,

- in relation to market conditions and movements in the property markets in which the Properties covered by our Valuation Report are located, we do not consider that the movement in respect of the subject Properties constitutes material change since 31st December 2009.

## Realisation Costs

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation, which might arise in the event of a disposal of any property. Our net Valuation is, however, net of purchaser's acquisition costs which vary between countries.

## Assumptions and Sources of Information

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

## Inspections

We have valued the properties in the past for accounts purposes and have inspected them at various intervals internally.

We have been advised by the Directors of the Company that there have been no material changes to any of the Properties since our inspections.

## Information

We have made an assumption that the information which Corio N.V. and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

## Title

We have not had access to the title deeds of the Properties and we have assumed that the properties are held in unencumbered freehold ownerships without onerous restrictions in the co-ownership agreements, and that the units with the tenancy schedule are included within the above. We have assumed that there has been no new information with regard to the title deeds and that when title deed information was not made available the title is marketable and that the Properties are free from encumbrances, mortgages and charges.

## Floor Areas

We have not measured the properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain Properties to verify floor areas.

## Plant and Machinery

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our Valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

## Environmental Investigations and Ground Conditions

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the properties.

We were not instructed to carry out structural surveys of the properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

## Planning

We have made verbal Town Planning enquiries only. In the course of our enquiries, we are advised by the Local Planning Authority that there are no adverse Town Planning, Highway or other schemes or proposals. Information supplied to us by Planning Officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have not seen planning consents and have assumed that the properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

## Tenure and Tenancies

We have read copies of sample of the leases and have relied on the tenancy summaries provided by the Company for the purposes of our Valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

## Exchange rates

We have indicated the Market Values of the Properties in the attached valuation schedule in Euros.

## Defined Terms

In the Valuation Report (as defined below):

**Effective Ownership Corio (%)**: The percentage stake that Corio N.V. has in the legal entity by which the property is held.

**Gross Leasable Area (GLA):** The total floor area (expressed in sqm) in a property available for exclusive use and occupancy by a tenant.

**Market Value**: The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Market Value is understood as the value of a property estimated without regard to costs of sale or purchase, and without offset for any associated taxes.

**Passing rent per annum**: Annualised contractual rent (i.e. not including turnover based rent and other income) as per valuation date.

## Responsibility

This Valuation and the Schedule are provided to the addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The addressees of the Valuation Report may rely on it, as may investors in Offer Shares.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not The Retail Consulting Group Expertise (RCGE) are referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) the French Authority for the Financial Markets (*Autorité des marchés financiers*), the Netherlands Central Bank (*De Nederlandsche Bank N.V.*), the French Central Bank (*Banque de France*) or any other competent authority or judicial authority. Disclosure of this Valuation Report in full by the addressees of this Valuation Report is not prohibitted if reasonably required (i) in any legal proceedings or for the purpose of resolving any actual dispute or (ii) in communications to insurers in connection with an actual dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully,

**Christopher M. Wicker, BA FRICS**
**Chairman**
**The Retail Consulting Group Expertise**

For and on behalf of The Retail Consulting Group Expertise

**APPENDIX 1**

**APPENDIX A: Property Schedule**

| Country | Property | Address | Location and Description | Date last Inspection | Floor Area ($m^2$ GLA) | Ownership Interest | Effective Ownership % | Passing Rent € per annum |
|---|---|---|---|---|---|---|---|---|
| France | La Grande Porte | 235 rue Etienne Marcel, 93100 Montreuil | Shopping center in City Centre | May 2008 (formal inspection) / June 2009 (informal inspection) | 6,217 | Freehold | 100% Corio SA | 2,893,797 |
| France | Cotentin | 1 avenue de cherbourg, 50100 Cherbourg | Shopping center in City Centre | Second half 2007 | 5,970 | Freehold | 100% Corio SA | 2,466,679 |
| France | La Mayenne | 46 avenue Lattre de Tassigny, 53000 Laval | Shopping center in City Centre | Second half 2007 | 7,179 | Freehold | 100% Corio SA | 2,347,891 |
| France | Les 3 Moulins | 3 allée Sainte Lucie, 92130 Issy-Les-Moulineaux | Shopping center in City Centre | Second half 2007 / September 2009 (informal inspection) | 7,382 | Freehold | 100% SCI 3 Moulins (Group Corio) | 3,570,625 |
| France | Quais d'Ivry | 30 boulevard Paul Vaillant Couturier, 94200 Ivry-Sur-Seine | Shopping center in City Centre | May 2008 (formal inspection) / June 2009 (informal inspection) | 29,581 | Freehold | 100% Corio SA | 5,623,960 |
| France | Art de Vivre | Route Nationale 13, 78630 Orgeval | Shopping Center in Retail Park | Second half 2007 | 20,573 | Freehold | 100% SNC Les Falaises (Group Corio) | 3,872,918 |
| France | Capteor | Route Nationale 13, 78630 Orgeval | Retail Park | Second half 2007 | 8,634 | Freehold | 100% Corio SA | 762,721 |
| France | Marques Avenue | Rue du bocage, 49280 La Seguinière | Shopping Center in ZI | Second half 2007 / 2008 (informal inspection) | 7,083 | Freehold | 100% Corio SA | 1,575,828 |
| France | Charras | rue de bezons, 92400 Courbevoie | Shopping center in City Centre | Second half 2007 / June 2009 (informal inspection) | 6,578 | Freehold | 100% Corio SA | 1,575,868 |
| France | Les Portes de Chevreuse | 78310 Coignières | Retail Park | Second half 2007 / December 2009 (informal inspection) | 36,246 | Freehold | 100% SNC Les Chevreuses (Group Corio) | 3,721,120 |
| France | Passage de Provence | 92-98 rue de Provence, 75008 Paris | Shopping Gallery in City Center | June 2009 (formal inspection) | 2,200 | Freehold | 100% Corio SA | 1,315,753 |
| France | Espace du palais | 8 Allée Eugène Delacroix, 76000 Rouen | Shopping center in City Centre | June 2009 (formal inspection) | 9,433 | Freehold | 100% Corio SA | 1,790,457 |
| France | Nice TNL | 15 Boulevard Général Louis Delfino, 06300 Nice | Shopping center in City Centre | June 2009 (formal inspection) | 17,384 | Freehold | 100% Corio SA | 5,663,446 |
| France | Centre Deux | 1-7 rue des docteurs Charcot, 42000 Saint-Etienne | Shopping center in City Centre | December 2009 (formal inspection) | 24,049 | Freehold | 100% SNC Centre Deux (Group Corio) | 5,242,146 |

## APPENDIX B: Portfolio Schedule

| Country | Portfolio Description | Total Floor Area in m² | Total Passing Rent € per annum | Total Market Value in € as at 31 December 2009 |
|---|---|---|---|---|
| France | The portfolio includes 12 shopping centres and 2 retail parks, 650 retail units, 5 offices and 70 parking spaces | 188 509 | 42 423 209 | 620 442 580 |

DTZ Zadelhoff

Corio N.V.
St. Jacobsstraat 200
3511 BT Utrecht
The Netherlands

J.P. Morgan Securities Ltd. ("**JPM**")
125 London Wall
London EC2Y 5AJ
United Kingdom

Deutsche Bank AG, London Branch. ("**DB**")
1 Great Winchester Street
London EC2N 2DB
United Kingdom

The Royal Bank of Scotland N.V. ("**RBS**")
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

JPM, DB, and RBS, on their own behalf as Joint Bookrunners and as representatives of the Co-Managers defined in the Prospectus produced by Corio N.V.

**23 March 2010**

Dear Sirs,

**Valuation of Freehold and Long Leasehold Properties owned by Corio N.V.**

**Introduction**

In accordance with our engagement letter with Corio N.V. (the "**Company**"), we, DTZ Zadelhoff v.o.f.., Chartered Surveyors, have considered the properties referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests (as appropriate) of Corio N.V. in each of these properties (the "**Properties**" and each a "**Property**") (the "**Valuation**").

The effective date of the valuation is 31 December 2009.

DTZ Zadelhoff

**Purpose of Valuation**

We understand that this valuation report and schedule (together, the "**Valuation Report**") are required for inclusion in the prospectus (the "**Prospectus**") that has been prepared in connection with the global offering by the Company (the "**Offering**") of newly issued ordinary shares (the "**Offer Shares**") and on which investors will rely on in making their decision to invest in the Offer Shares and we hereby give our consent for such inclusion.

The Valuation Report will be relied upon by the Joint Bookrunners and the Co-Managers in their capacity as underwriters in connection with the Offering.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

**Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in The Netherlands ("**Countries**" and each a "**Country**") . Attached to this Valuation Report is a detailed schedule of the individual Properties.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements ("**PS**"), and United Kingdom Practice Statements ("**UKPS**") contained within the RICS Valuation Standards, 6th Edition (the "**Red Book**"). This is an internationally accepted method of valuation.

Market Value is defined as:
*"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in each Country. Our Valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) and related guidance and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and developments and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Values.

**Valuation approach**

We have adopted the direct income capitalization method.

The Capitalisation Method estimates the value of the property through the capitalisation of its income at a certain rate of return. This procedure assumes that there is an equivalence between the market value of a property and the sum of its ordinary incomes discounted to the present. In the direct income capitalisation method the estimated income stream from the property has been capitalizes using a market supported yield to arrive into a value indication for the property.

In case of Properties under construction/ development projects the Residual Value Method has been applied. In this method the market value of the property upon completion has been determined using either the DCF or the Capitalization Method and subsequently the estimated remaining cost of the development at valuation date have been subtracted to arrive at the market value of the development project.

**Valuation**

On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the individual Market Values as at 31 December 2009 of the freehold and long leasehold interests subject to and with the benefit of various occupational leases, as summarised in the attached Schedule is:

€ 518.855.000

Five hundred eighteen million eight hundred and fifty five thousand euro

| | |
|---|---|
| 18 Freehold Properties : | € 395.155.000 |
| 7 Long Lease hold Properties | € 123.700.000 |
| Total 25 properties | € 518.855.000 |

There are no negative values to the Valuation Report.

The Market Value is consistent with valuation outcomes carried out for purposes of the accounts for the financial year ended 31 December 2009.

**Material Change**

We hereby confirm that as at the date of this Valuation Report:

- we have not become aware of any material change since 31 December 2009 in any matter relating to any specific Property covered by our Valuation Report which in our opinion would have a material effect on the value as at today's date, except for property Villa Arena.

- in relation to market conditions and movements in the property markets in which the properties covered by our Valuation Report are located, we do not consider that the movement in respect of the Properties constitutes a material change since 31 December 2009.

Due to recent letting developments and an increasing vacancy rate the passing rent as of 31 December 2009 changed with approximately a decrease of 2.9%. Because of this change in the tenancy schedule the value of the property decreased with approximately 2.4 %. On a leasehold level, including all leasehold properties valued by DTZ Zadelhoff v.o.f., the decrease in value is approximately 1.5%. In this matter we do not consider that, in relation to market conditions and movements in the property markets in which Villa Arena is covered by our Valuation Report, the movement in respect of the Property has changed since 31 December 2009. The decrease in value is solely due to the alteration in the tenancy schedule and an increasing vacancy rate. Therefore this can be considered as a material change as of 31 December 2009.

**Realisation Costs**

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our net Valuation is, however, net of purchaser's acquisition costs which vary between countries.

**Assumptions and Sources of Information**

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

**Inspections**

We have valued the Properties in the past for accounts purposes and have inspected them at various intervals internally.

We have been advised by the Directors of the Company that there have been no material changes to any of the Properties since our inspections.

**Information**

We have made an assumption that the information which Corio N.V. and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

**Title**

We have only had access to the title deeds of the Properties while conducting prior valuations of the Properties in this Valuation Report for Corio N.V. for the purpose of the accounts. We have considered the available information in the valuation of the Properties. We have assumed that there has been no new information with regard to the title deeds and that when title deed information was not made available the title is marketable and that the Properties are free from encumbrances, mortgages and charges.

**Floor Areas**

We have not measured the Properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain Properties to verify floor areas.

**Plant and Machinery**

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

**Environmental Investigations and Ground Conditions**

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

**Planning**

We have made verbal Town Planning enquiries only. In the course of our enquiries, we are advised by the Local Planning Authority that there are no adverse Town Planning, Highway or other schemes or proposals. Information supplied to us by Planning Officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have not seen planning consents and have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

**Tenure and Tenancies**

We have read copies of the leases and have relied on the tenancy summaries provided by the Company for the purposes of our Valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our Valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

**Defined Terms**
In the Valuation Report (as defined below):

**Effective Ownership Corio (%)**
The percentage stake that Corio has in the legal entity by which the property is held.

**Gross Leasable Area (GLA)**
The total floor area (expressed in sqm) in a property available for exclusive use and occupancy by a tenant.

**Market Value**
The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Market Value is understood as the value of a property estimated without regard to costs of sale or purchase, and without offset for any associated taxes.

**Passing rent per annum**
Annual contractual rent (i.e. not including turnover based rent and other income) as per valuation date.

**Responsibility**
This Valuation and the Schedule are provided to the addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The addressees of the Valuation Report may rely on it, as may investors in Offer Shares.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not DTZ Zadelhoff v.o.f. are referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) the French Authority for the Financial Markets (*Autorité des marchés financiers*), the Netherlands Central Bank (*De*

*Nederlandsche Bank N.V.*), the French Central Bank (*Banque de France*) or any other competent authority or judicial authority. Disclosure of this Valuation Report by the addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully,

G.J.H. Boeve MRE MRICS RT
Partner

For and on behalf of
DTZ Zadelhoff v.o.f.

DTZ Zadelhoff

## APPENDIX A: Property Schedule

| Country | Property | Address | Location and Description | Date last inspection | Gross Leasable Area m² | Ownership Interest | Effective Ownership Corio % | Passing Rent € per annum |
|---|---|---|---|---|---|---|---|---|
| The Netherlands | Stationade | Almere-stad, Stationslaan 1 e.v. | Retail units in city centre | nov-09 | 12.633 | Freehold | 100% | 2.942.637 |
| The Netherlands | Maaswijk | Spijkernisse, Hadewychplaats 2-62 | Shopping center in district centre | mei-09 | 6.077 | Freehold | 100% | 1.240.980 |
| The Netherlands | Emiclaer | Amersfoort, Emiclaerhof 2 e.v. | Shopping center in urban district shopping centre | nov-09 | 19.677 | Freehold | 100% | 4.333.301 |
| The Netherlands | In den Bogaard | Rijswijk, Prinsenpassage | Shopping center in main shopping area | nov-09 | 19.876 | Freehold | 100% | 5.010.327 |
| The Netherlands | De Mare Supermarket | Alkmaar, Europaboulevard 26-28 | Supermarketin an urban district shopping centre | nov-09 | 3.259 | Leasehold | 100% | 575.661 |
| The Netherlands | Reigersbos | Amsterdam-Zuidoost, Reigersbos | Shopping centre in districe centre | nov-09 | 12.538 | Leasehold | 100% | 2.654.180 |
| The Netherlands | ArenA Arcade | Amsterdam-Zuidoost, Arena Boulevard 51-77 | Large scale retail area in Amsterdam-Zuidoost | nov-09 | 4.098 | Leasehold | 100% | 548.785 |
| The Netherlands | Villa ArenA | Amsterdam-Zuidoost,Arena Boulevard | Large scale retail in Amsterdam-Zuidoost | nov-09 | 50.380 | Leasehold | 100% | 5.924.649 |
| The Netherlands | De Mare II Supermarket | Alkmaar, Europaboulevard 461-465 | Supermarket in urban district shopping centre | nov-09 | 1.483 | Leasehold | 100% | 230.051 |
| The Netherlands | Europaboulevard | Alkmaar, Europaboulevard 314-316 | Retail unit in urban district shopping centre | mei-09 | 270 | Leasehold | 100% | 46.339 |
| The Netherlands | Office Stationade A | Almere-Stad, Stationsplein 5-12 | Office Stationade A - M 113 in city centre | nov-09 | 2.532 | Freehold | 100% | 335.492 |
| The Netherlands | Office Stationade B | Almere-Stad, Stationsplein 35-42 | Office Stationade B - M 114 in city centre | nov-09 | 2.309 | Freehold | 100% | 273.538 |
| The Netherlands | Soendapelin 18 | Haarlem, Soendaplein 18 | Supermarket in neighbourhood centre | nov-09 | 3.170 | Leasehold | 100% | 547.685 |
| The Netherlands | De Mare | Alkmaar, WC De Mare | Extension of an urban district shopping centre | nov-09 | 5.441 | Freehold | 100% | 1.447.084 |
| The Netherlands | Theater de Metropole | Almere-Stad, Stationsstraat/metropolestraat | Redevelopment Theater de Metropole in city centre | nov-09 | 3.700 | Freehold | 100% | 693.750 |
| The Netherlands | Martinus Nyhofflaan | Delft, Martinus Nyhofflaan 13-19 | Supermarket centre on the edge of a inner urban shopping street | mei-09 | 3.770 | Freehold | 100% | 809.127 |
| The Netherlands | Groenhof | Amstelveen, Groenhof 113-164 | Shopplg centre in district centre | mei-09 | 6.699 | Freehold | 100% | 1.537.671 |
| The Netherlands | Presikhaaf | Arnhem, Presikhaaf | Shopping centre in an urban district shopping centre | mei-09 | 31.870 | Freehold | 100% | 4.707.312 |
| The Netherlands | Meubelplein | Leiderdorp, Meubelplein | Home furnishing boulevard along motorway (A4) | mei-09 | 13.758 | Freehold | 100% | 1.218.241 |
| The Netherlands | Vliethof | Wateringen, Vliethof 1 e.v. | Shopping centre in city centre | mei-09 | 4.228 | Freehold | 100% | 835.745 |
| The Netherlands | Velserbroek | Velsen, Galle Promenade e.o. | Shopping centre in city Centre | mei-09 | 8.650 | Freehold | 100% | 1.754.172 |
| The Netherlands | De Hovel | Goirle, De Hovel 19 - Supermarkt (AH) | Supermarket in shopping centre in city centre | mei-09 | 1.914 | Freehold | 100% | 356.560 |
| The Netherlands | De Weiert | Emmen, Baander 165 | Supermarket in city centre | mei-09 | 2.700 | Freehold | 100% | 472.613 |
| The Netherlands | Het Paradijs | Hoofddorp, Mulderbos 92 e.v. | Shopplg centre in district centre | mei-09 | 5.962 | Freehold | 100% | 1.136.471 |
| The Netherlands | De Hovel 3 | Goirle, De Hovel 14-16, 17, 23, 44, 51, 60, 63 | Part of shopping centre in city centre | mei-09 | 3.300 | Freehold | 100% | 702.109 |

DTZ Zadelhoff

## APPENDIX B: Portfolio Schedule

| Country | Portfolio Description | Total Floor Area in m² | Total Passing Rent € per annum | Total Market Value in € as at 31 December 2009 |
|---|---|---|---|---|
| The Netherlands | *The portfolio includes 10 shopping centres, 4 highstreet retail estates, 2 office buildings, 3 warehouses and 6 supermarkets of wich 22 are in operation and 1 is in development.* | 230.294 | 40.334.480 | 518.855.000 |
| | | | | |
| Total | 18 Freehold Properties | | | 395.155.000 |
| Total | 7 Leasehold Properties | | | 123.700.000 |

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eva GAYRİMENKUL DEĞERLEME DANIŞMANLIK

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1 Great Winchester Street
London EC2N 2DB
United Kingdom

The Royal Bank of Scotland N.V. ("**RBS**")
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

JPM, DB, and RBS, on their own behalf as Joint Bookrunners and as representatives of the Co-Managers defined in the Prospectus produced by Corio N.V.

**23 March 2010**

Dear Sirs,

**Valuation of Freehold and Long Leasehold Properties owned by Corio N.V.**

**Introduction**

In accordance with our engagement letter with Corio N.V., we, EVA Gayrimenkul Değerleme Danışmanlık A.Ş., Chartered Surveyors, have considered the properties referred to in the attached schedule, in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests (as appropriate) of Corio N.V. in each of these properties.

The effective date of the valuation is 31 December 2009.

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**Purpose of Valuation**

We understand that this valuation report and schedule are required for inclusion in the prospectus that has been prepared in connection with the global offering by the Company of newly issued ordinary shares and on which investors will rely on in making their decision to invest in the Offer Shares and we hereby give our consent for such inclusion.

The Valuation Report will be relied upon by the Joint Bookrunners and the Co-Managers in their capacity as underwriters in connection with the Offering.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

**Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in Turkey. Attached to this Valuation Report is a detailed schedule of the individual Properties.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements ("**PS**"), and United Kingdom Practice Statements ("**UKPS**") contained within the RICS Valuation Standards, 6th Edition (the "**Red Book**"). This is an internationally accepted method of valuation.

Market Value is defined as:
*"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in each Country. Our valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) and related guidance and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and developments and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Values.

**Valuation approach**

We have adopted the Discounted Cash Flow (DCF) Method and/or the direct income capitalization method for existing shopping centers and in development shopping center projects.

The DCF method is based upon an explicit forecast of the likely net income to be generated by the subject property over a defined forecast period, until the property has been optimalised. The Exit Value is then calculated applying an appropriate capitalisation rate. The cash flow is discounted at a target rate that is deemed to be appropriate for the investment to produce a Present Value; the discount rate is adjusted to reflect the risk entailed in the investment, and the cost of finance. The exit capitalisation rate is derived from comparable investment transaction evidence.

For the DCF method we have adopted a 10/15 year cash flow period in which all future cash flows from the property have been estimated and discounted applying market-supported assumptions for variables such as the rental growth, the discount rate and exit yield to arrive at a present value indication.

The Capitalisation Method estimates the value of the property through the capitalisation of its income at a certain rate of return. This procedure assumes that there is an equivalence between the market value of a property and the sum of its ordinary incomes discounted to the present. In the direct income capitalisation method the estimated income stream from the property has been capitalizes using a market supported yield to arrive into a value indication for the property.

**Valuation**

On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the individual Market Values as at 31 December 2009 of the freehold and long leasehold interests subject to and with the benefit of various occupational leases, as summarised in the attached Schedule is:

€ 479.552.000
Four hundred seventy nine million five hundred fifty two thousand

| | |
|---|---|
| 4 Freehold Properties: | € 479.552.000 |
| 0 Long Lease hold Properties | € 0 |
| Total 4 properties | € 479.552.000 |

There are no negative values to the Valuation Report.

The Market Value is consistent with valuation outcomes carried out for purposes of the accounts for the financial year ended 31 December 2009. Tekira Shopping Center, Ada Center Shopping Center, Tarsu Shopping Center in Development ended 31 December 2009, **Akmerkez (1 shopping center with 445 units, 1 residence&apart hotel building with 27 units and 1 office floor) ended 01 January 2010[1].**

[1] Due to Capital Markets Board of Turkey regulation.

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**Material Change**
We hereby confirm that as at the date of this Valuation Report:

- we have not become aware of any material change since 31 December 2009 in any matter relating to any specific Property covered by our Valuation Report which in our opinion would have a material effect on the value as at today's date,

- in relation to market conditions and movements in the property markets in which the properties covered by our Valuation Report are located, we do not consider that the movement in respect of the Properties constitutes a material change since 31 December 2009.

**Realisation Costs**
Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our net Valuation is, however, net of purchaser's acquisition costs which vary between countries.

**Assumptions and Sources of Information**
An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true". Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

**Inspections**
We have valued the Properties in the past for accounts purposes and have inspected them at various intervals internally.

We have been advised by the Directors of the Company that there have been no material changes to any of the Properties since our inspections.

**Information**
We have made an assumption that the information which Corio N.V. and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

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**Title**

We have only had access to the title deeds of the Properties while conducting prior valuations of the Properties in this Valuation Report for Corio N.V. for the purpose of the accounts. We have considered the available information in the valuation of the Properties. We have assumed that there has been no new information with regard to the title deeds and that when title deed information was not made available the title is marketable and that the Properties are free from encumbrances, mortgages and charges.

**Floor Areas**

We have not measured the Properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain Properties to verify floor areas.

**Plant and Machinery**

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our Valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

**Environmental Investigations and Ground Conditions**

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

**Planning**

We have made verbal Town Planning enquiries only. In the course of our enquiries, we are advised by the Local Planning Authority that there are no adverse Town Planning, Highway or other schemes or proposals. Information supplied to us by Planning Officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have not seen planning consents and have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

**Tenure and Tenancies**

We have read copies of the leases and have relied on the tenancy summaries provided by the Company for the purposes of our Valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

**Exchange rates**

We have indicated the Market Values of the Properties in the attached valuation schedule in Euros. We have used the following exchange rates against the Euro to report our Valuations:

Turkey: 1 EUR = 1,44 USD for Ada Center Shopping Center and Akmerkez (1 shopping center with 445 retail units, 1 residence&apart hotel building with 27 units and 1 office floor)

**Defined Terms**

In the Valuation Report (as defined below):

**Effective Ownership Corio (%)**

The percentage stake that Corio has in the legal entity by which the property is held.

**Gross Leasable Area (GLA)**

The total floor area (expressed in sqm) in a property available for exclusive use and occupancy by a tenant.

**Market Value**

The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Market Value is understood as the value of a property estimated without regard to costs of sale or purchase, and without offset for any associated taxes.

**Passing rent per annum**

Annual contractual rent (i.e. not including turnover based rent and other income) as per valuation date.

Headings are for ease of reference only and shall not affect its interpretation.

Atatürk Cd., Esin Sk. Yazgan İş Merkezi.
No: 3/13 34710 Kozyatağı İstanbul
Tel. 0216 385 20 25 Faks. 0216 355 04 47
www.evagyd.com



**Responsibility**

This Valuation and the Schedule are provided to the addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The addressees of the Valuation Report may rely on it, as may investors in Offer Shares.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not EVA Gayrimenkul Değerleme Danışmanlık A.Ş. is referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) the French Authority for the Financial Markets (*Autorité des marchés financiers*), the Netherlands Central Bank (*De Nederlandsche Bank N.V.*), the French Central Bank (*Banque de France*) or any other competent authority or judicial authority. Disclosure of this Valuation Report by the addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully

eva GAYRİMENKUL DEĞERLEME DANIŞMANLIK A.Ş.
Atatürk Cd. Esin Sk. Yazgan İş Mrk. No:3/13 34710
Tel: +90 216 385 20 25 Kozyatağı / İSTANBUL
www.evagyd.com info@evagyd.com

Cansel Şirin Yazıcı
General Manager

For and on behalf of
EVA Gayrimenkul Değerleme Danışmanlık A.Ş.

Atatürk Cd.,Esin Sk. Yazgan İş Merkezi.
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EVA GAYRİMENKUL DEĞERLEME DANIŞMANLIK

## APPENDIX A: Property Schedule

| Country | Property | Address | Location and Description | Date last Inspection | Gross Leasable Area $m^2$ | Ownership Interest | Effective Ownership Corio % | Passing Rent € per annum |
|---|---|---|---|---|---|---|---|---|
| Turkey | Ada Center Shopping Center | Yeni Sakarya Caddesi, No: 244, Ada Center Shopping Center, Erenler / Sakarya | Shopping center in City Centre | 04.12.2009 | 25.400 | Freehold | 100 | 3.277.000 |
| Turkey | Tarsu Shopping Center | Fevzi Çakmak Mahallesi Adana Bulvarı Tarsus/MERSİN | Shopping center in City Centre | 11.12.2009 | 29.000 | Freehold | 100 | 2.120.000 |
| Turkey | Tekira Shopping Center | Aydoğdu Neighborhood, Hükümet Street, No: 304, Tekira Shopping Center, Tekirdağ | Shopping center in City Centre | 03.12.2009 | 32.600 | Freehold | 100 | 5.066.000 |
| Turkey | Akmerkez REIC (1 shopping center with 445 retail units, 1 residence&apart hotel building with 27 units and 1 office floor) | Akmerkez AVM, Nispetiye Cd. Ulus Etiler 34337 Beşiktaş İstanbul | Shopping center in City Centre | 29.12.2009 | 39.400 | Freehold | 47* | 31.727.000 |

**According to the information given by Corio, %47 public offering part of Akmerkez REIC belongs to Corio.*

Atatürk Cd., Esin Sk. Yazgan İş Merkezi.
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EVA GAYRİMENKUL DEĞERLEME DANIŞMANLIK

## APPENDIX B: Portfolio Schedule

| Country | Portfolio Description | Total Floor Area in $m^2$ | Total Passing Rent € per annum | Total Market Value in € as at 31 December 2009 |
|---|---|---|---|---|
| Turkey | The portfolio includes 2 shopping centres 168 retail units, 1 shopping center in development, 1 shopping center with 445 retail units, 1 residence&apart hotel building with 27 units and 1 office floor.(*) | 126.400 | 42.190.000 | 479.552.000 |

Total 4 Freehold Properties
Total 0 Leasehold Properties

(*) Ada Center Shopping Center has 81 units, Tekira Shopping Center has 87 units, Tarsu Shopping Center in development and Akmerkez REIC's whole portfolio.

CBRE
CB RICHARD ELLIS
PROFESSIONAL SERVICES
CB Richard Ellis
Professional Services SpA
Via del Lauro 5/7
20121 Milano
Tel. 02.655670.1
Fax 02.655670.50
milan@cbre.com
www.cbre.com

Corio N.V.
St. Jacobsstraat 200
3511 BT Utrecht
The Netherlands

J.P. Morgan Securities Ltd. ("JPM")
125 London Wall
London EC2Y 5AJ
United Kingdom

Deutsche Bank AG, London Branch ("DB")
1 Great Winchester Street
London EC2N 2DB
United Kingdom

The Royal Bank of Scotland N.V. ("RBS")
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

JPM, DB, and RBS, on their own behalf as Joint Bookrunners and as representatives of the Co-Managers defined in the Prospectus produced by Corio N.V.

**Milano, 23.03.2010**

**Valuation of Freehold and Long Leasehold Properties related to Corio NV interests**

**Introduction**

In accordance with our engagement letter with Corio NV (the "**Company**"), we, CB Richard Ellis Professional Services S.p.A, have considered the properties referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold tenure (as appropriate) of Properties (the "**Properties**" and each a **"Property")** , in which Corio NV holds an interest (the "**Valuation**").

The effective date of the valuation is 31 December 2009.

**Purpose of Valuation**

We understand that this valuation report and schedule (together, the "**Valuation Report**") are required for inclusion in the prospectus (the "**Prospectus**") that has been prepared in connection with the global offering by the Company (the "**Offering**") of newly issued ordinary shares (the "**Offer Shares**") and on which investors will rely on in making their decision to invest in the Offer Shares and we hereby give our consent for such inclusion.

The Valuation Report will be relied upon by the Joint Bookrunners and the Co-Managers in their capacity as underwriters in connection with the Offering.

Sede Legale e Direzione: Via del Lauro 5/7, 20121 Milano Tel.: 02.655670.1 Fax: 02.655670.50
Sedi Secondarie: Via L. Bissolati 20, 00187 Roma Tel.: 06.45238501 Fax: 06.45238531
Palazzo Paravia P.zza Statuto 18, 10122 Torino Tel.: 011.227290.1 Fax: 011.2272905
iscriz. reg. imprese presso c.c.i.a.a. n. 04319600153 - cod. fisc./partita i.v.a. 04319600153 cap. soc. € 500.000
c.c.i.a.a. Milano 1004000
Società soggetta all'attività di direzione e coordinamento da parte della Società CB Richard Ellis Ltd

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

**Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the properties described in the Schedule and located in Italy (**"Country"**). Attached to this Valuation Report is a detailed schedule of the individual Properties.

We confirm that the value of the Properties have been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements ("**PS**"), and United Kingdom Practice Statements ("**UKPS**") contained within the RICS Valuation Standards, 6th Edition (the "**Red Book**"). This is an internationally accepted method of valuation.

Market Value is defined as: *"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in each Country. Our Valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) and related guidance and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and developments and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Values.

**Valuation approach**

We have adopted the Discounted Cash Flow (DCF) Method and/or the direct income capitalization method.

The DCF method is based upon an explicit forecast of the likely net income to be generated by the subject property over a defined forecast period, until the property has been optimalised. The Exit Value is then calculated applying an appropriate capitalisation rate. The cash flow is discounted at a target rate that is deemed to be appropriate for the investment to produce a Present Value; the discount rate is adjusted to reflect the risk entailed in the investment, and the cost of finance. The exit capitalisation rate is derived from comparable investment transaction evidence.

For the DCF method we have adopted a 15 year cash flow period in which all future cash flows from the property have been estimated and discounted applying market-supported assumptions for variables such as the rental growth, the discount rate and the exit yield to arrive at a present value indication.

The Capitalisation Method estimates the value of the property through the capitalisation of its income at a certain rate of return. This procedure assumes that there is an equivalence between the market value of a property and the sum of its ordinary incomes discounted to the present. In the direct income capitalisation method the estimated income stream from the property has been capitalized using a market supported yield to arrive into a value indication for the property.

In case of properties under construction/ development projects the Residual Value Method has been applied. In this method the market value of the property upon completion has been determined using either the DCF or the Capitalisation Method and subsequently the estimated remaining cost of the development at valuation date have been subtracted to arrive at the market value of the development project.

**Valuation**

On the basis outlined in this Report, we are of the opinion that the aggregate of the individual Market Values as at 31 December 2009 of the freehold tenure of the Properties in which Corio NV holds an interest, subject to and with the benefit of various occupational leases, as summarised in the attached Schedules is:

**€ 345.972.000**
**[three hundred forty five million nine hundred seventy two thousand Euro]**

| | |
|---|---|
| # 4 Freehold Properties | € 345.972.000 |
| Long Lease hold Properties | none |
| **Total** | **€ 345.972.000** |

There are no negative values to the Valuation Report.

The Market Value is consistent with valuation outcomes carried out for purposes of the accounts for the financial year and 31 December 2009.

**Material Change**

We hereby confirm that as at the date of this Valuation Report:

- we have not become aware of any material change since 31 December 2009 in any matter relating to any specific Property covered by our Valuation Report which in our opinion would have a material effect on the value as at today's date,

- in relation to market conditions and movements in the property markets in which the properties covered by our Valuation Report are located, we do not consider that the movement in respect of the Properties constitutes a material change since 31 December 2009.

**Realisation Costs**

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any property. Our net Valuation is, however, net of purchaser's acquisition costs which vary between countries.

**Assumptions and Sources of Information**

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a Valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

**Inspections**

We have valued the properties in the past for accounts purposes and have inspected them at various intervals internally.

We have been advised by the Directors of the Company that there have been no material changes to any of the properties since our inspections.

**Information**

We have made an assumption that the information which Corio NV and its professional advisers have supplied to us in respect of the properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

**Title**

We have only had access to the title deeds of the properties while conducting prior valuations of the subject properties in this Valuation Report for Corio NV for the purpose of the accounts. We have considered the available information in the valuation of the properties. We have assumed that there has been no new information with regard to the title deeds and that when title deed information was not made available the title is marketable and that the properties are free from encumbrances, mortgages and charges.

**Floor Areas**

We have not measured the properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain properties to verify floor areas.

**Plant and Machinery**

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute by-law or regulation.

**Environmental Investigations and Ground Conditions**

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the properties.

We were not instructed to carry out structural surveys of the properties but we have reflected any apparent needs of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the

Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

**Planning**

We have made verbal Town Planning enquiries only. In the course of our enquiries, we were advised by the Local Planning Authority that there are no adverse Town Planning, Highway or other schemes or proposals. Information supplied to us by Planning Officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have not seen planning consents and have assumed that the properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

**Tenure and Tenancies**

We have read copies of the leases and have relied on the tenancy summaries provided by the Company for the purposes of our Valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

**Exchange rates**

We have indicated the Market Values of the subject properties in the attached valuation schedule in Euros.

**Defined Terms**

In the Valuation Report (as defined below):

**Effective Ownership Corio (%)**

The percentage stake that Corio has in the legal entity by which the property is held.

**Gross Leasable Area (GLA)**

The total floor area (expressed in sqm) in a property available for exclusive use and occupancy by a tenant.

**Market Value**

The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Market Value is understood as the value of a property estimated without regard to costs of sale or purchase, and without offset for any associated taxes.

**Passing rent per annum**

Annual contractual rent (i.e. not including turnover based rent and other income) as per valuation date.

Headings are for ease of reference only and shall not affect its interpretation.

**Responsibility**

This Valuation and the schedule are confidential to the addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The addressees of the Valuation Report may rely on it, as may investors in Offer Shares.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not CB Richard Ellis Professional Services S.p.A. is referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten) the French Authority for the Financial Markets (Autorité des marchés financiers), the Netherlands Central Bank (De Nederlandsche Bank N.V.), the French Central Bank (Banque de France) or any other competent authority or judicial authority. Disclosure of this Valuation Report by the addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully,

**Francesco Abba Legnazzi**
**(Managing Director)**

**For and on behalf of**
**CB Richard Ellis Professional Services SpA**

## APPENDIX A: Property Schedule

| Country | Property | Address | Location and Description | Date last Inspection | Floor Area (*) | ownership Interest | Passing Rent € per annum (*) (**) | Effective Ownership (% of vehicle) |
|---|---|---|---|---|---|---|---|---|
| **Italy** | **Globo 1** | Busnago (MI) | Located in the Municipality of Busnago, in Via Italia 197, approximately 30 km to the North-East of Milan. The centre stands approximately 4 km away from the A4 Turin-Trieste Motorway and 9 km from the A51 Highway (Tangenziale Est). The area surrounding the centre is a very strong commercial venue with several medium-size units facing the main street. The Globo 1 portion (the oldest one) of the whole Globo shopping centre consists of a single level mall (55 shops and restaurants), an hypermarket (c.a. 11.500 sq m ) with parking on the above deck roof and two floors for administrative offices.The whole shopping centre has a GLA of around 40,000 sq m. with about 130 shops and is one of the largest shopping centres of Italy. The first phase (Il Globo 1) opened in 1993 and has been extended in the year 2000 (Il Globo 2) and 2004 (Il Globo 3). The latter extension (Il Globo 4) is under development. Globo 1 is arranged over the ground floor, and there are also some portions in the basement used as storage (Conbipel), fitness centre and car parking. The parking area expands for the whole surface of the shopping centre. | june 2009 | 11.700 | Freehold | 4.062.200 | 100% |
| **Italy** | **Globo 2** | Busnago (MI) | Located in the Municipality of Busnago, in Via Italia 197, approximately 30 km to the North-East of Milan. The centre stands approximately 4 km away from the A4 Turin-Trieste Motorway and 9 km from the A51 Highway (Tangenziale Est). The area surrounding the centre is a very strong commercial venue with several medium-size units facing the main street. The Globo 2 portion of the whole Globo shopping centre consists of a single level mall (34 shops and restaurants, corresponding to 10,160 sq m) with parking on the above deck roof and two floors for administrative offices. The whole shopping centre has a GLA of around 40,000 sq m. with about 130 shops and is one of the largest shopping centres of Italy. The first phase (Il Globo 1) opened in 1993 and has been extended in the year 2000 (Il Globo 2) and 2004 (Il Globo 3). The latter extension (Il Globo 4) is under development. Globo 2 consists of two parallel malls comprising a small central square with eight retail units. A food court is also located near this central quare and it is characterised by small tables displaced near the restaurants and cafes. | june 2009 | 10.200 | Freehold | 2.990.100 | 100% |
| **Italy** | **Maestrale** | Senigallia (AN) | Located in the Municipality of Senigallia along the S.S. 16 Adriatica Nord, approximately 50 km to the North of Ancona and 40 km to the South of Pesaro. The centre stands respectively 2 and 7 km away from the Marotta Mondolfo and Senigallia exits (A14 motorway Bologna - Taranto).Residential properties and tourist accommodations characterise the urban surroundings, whilst villas and beach facilities are located just few km from the centre. The centre opened in 1999 and it is composed by an Ipercoop hypermarket and a shopping mall of 40 units (7,301 sq m) located on the ground and first floor, with a car park on its deck roof and further external parking spaces. Mobile ramps lead to the parking area on the deck roof and to the mall of the first level. The paved car park has 1,200 car spaces. | jan 2008 | 7.300 | Freehold | 2.397.300 | 100% |
| **Italy** | **Città Fiera** | Martignacco (UD) | The shopping centre "Città Fiera" is located in the municipality of Martignacco in Via A. Bardelli 4, in the west outskirts of Udine, perfectly connected to the metropolitan area and the motorways.<br>The centre was inaugurated in 1992 and is at present the biggest one in Friuli Venezia Giulia, with a total GLA of about 70,000 sq m. (169 retail units and the "Iper" supermarket on the ground floor, a Bingo hall and a 11-screen multiplex on the second floor); Corio ownership quote includes only the Gallery which features a GLA of 48138 .<br>The building features 3 floors above ground. The shopping gallery L-shape creates squares at the intersections, often used for temporary lettings. It has three main entrances, with several automatic doors and security exits. Furthermore the centre features an external parking lot for 3,500 cars. | june 2009 | 48.100 | Freehold | 11.479.300 | 49% |

**(*)** figures are related to entire Property

**(**)** passing rent as per projected 2010 figures

CB RICHARD ELLIS PROFESSIONAL SERVICES

## APPENDIX B: Portfolio Schedule

| Country | Portfolio Description | Total Floor Area in $m^2$ (*) | Total Passing Rent € per annum (*) (**) | Total Market Value in € as at 31 December 2009 (*) |
|---|---|---|---|---|
| Italy | The portfolio includes 4 portions of shopping centres of which 2 are part of the same site, for a total of 298 retail units.<br>One of the assets is not fully owned as 49% is the effective ownership. | 77.300 | 20.928.900 | 345.972.000 |

**(*)** figures are related to entire Properties

**(**)** passing rent as projected 2010 figures

CB RICHARD ELLIS PROFESSIONAL SERVICES

PRICEWATERHOUSECOOPERS

**PricewaterhouseCoopers Belastingadviseurs N.V.**
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1100 DE Amsterdam Zuidoost
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Corio N.V.
St. Jacobsstraat 200
3511 BT Utrecht
The Netherlands

23 March 2010

Reference: 127.050/CNL/mwa/rja/gro/100323b1d

**Re: Valuation of Freehold and Long Leasehold Properties owned by Corio N.V.**

Dear Sirs,

In accordance with our engagement letter with Corio N.V. (the "Company"), we Chartered Surveyors of PricewaterhouseCoopers Belastingadviseurs N.V. (further: PricwaterhouseCoopers or 'we'), have considered the properties referred to in the attached schedule (the "Schedule"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests (as appropriate) of Corio N.V. in each of these properties (the "Valuation").

The effective date of the Valuation is 31 December 2009.

**Purpose of Valuation**

We understand that this Valuation Report and schedule (together, the "Valuation Report") are required for inclusion in the prospectus (the "Prospectus") that has been prepared in connection with the global offering by the Company (the "Offering") of newly issued ordinary shares (the "Offer Shares") and we hereby give our consent for such inclusion.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

Corio N.V.
23 March 2010
Reference: 127.050/CNL/mwa/rja/gro/100323b1d

**Basis of Valuation and Assumptions**
We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in The Netherlands.
Attached to this Valuation Report is a detailed schedule of the individual Properties.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the appropriate sections of the current Practice Statements ("PS") contained within the RICS Valuation Standards, 6th Edition (the "Red Book"). This is an internationally accepted method of valuation.

Market Value is defined as:
"*The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.*"

Market Value is understood as the value of a property estimated without regard to costs of sale or purchase, and without offset for any associated taxes.

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in each Country. Our Valuation has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and developments and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Values.

**Valuation approach**
We have adopted the Discounted Cash Flow (DCF) Method.

The DCF method is based upon an explicit forecast of the likely net income to be generated by the subject property over a defined forecast period, until the property has been optimalised. The Exit Value is then calculated applying an appropriate capitalisation rate. The cash flow is discounted at a target rate that is deemed to be appropriate for the investment to produce a Present Value; the discount rate is adjusted to reflect the risk entailed in the investment, and the cost of finance. The exit capitalisation rate is derived from comparable investment transaction evidence. For the DCF method we have adopted a 15 year cash flow period in which all future cash flows from the property have been estimated and discounted applying market-supported assumptions for variables such as the rental growth, the discount rate and exit yield to arrive at a present value indication.

In case of properties under construction/development projects the Residual Value Method has been applied. In this method the market value of the property upon completion has been determined using either the DCF or the Capitalisation Method and subsequently the estimated remaining cost of the development at valuation date have been subtracted to arrive at the market value of the development project.

To account for the leasehold properties we have included in the DCF the annual payment of the ground lease. Furthermore a correction is applied regarding the present value of the leasehold obligations after expiration of the leasehold contract.

**Valuation**
On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the individual Market Values as at 31 December 2009 of the freehold and long leasehold interests subject to and with the benefit of various occupational leases, as summarised in the attached Schedule is:

€ 308,270,000
Three hundred eight million two hundred and seventy thousand euro

| | |
|---|---|
| - Freehold Properties: | - |
| 21 Long Lease hold Properties | € 308,270,000 |
| Total | € 308,270,000 |

There are no negative values to the Valuation Report.

PRICEWATERHOUSECOOPERS

Corio N.V.
23 March 2010
Reference: 127.050/CNL/mwa/rja/gro/100323b1d

**Material Change**

We hereby confirm that as at the date of this Valuation Report:

- Corio N.V. has confirmed that there are no material change since 31 December 2009 in any matter relating to any specific Property covered by our Valuation Report at today's date and we have assumed this to be correct,
- in relation to market conditions and movements in the property markets in which the properties covered by our Valuation Report are located, we do not consider that the movement in respect of the Properties constitutes a material change since 31 December 2009.

**Realisation Costs**

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our net Valuation is, however, net of purchaser's acquisition costs which vary between countries.

**Assumptions and Sources of Information**

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("assumption"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our Valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our Valuations should be reviewed. The assumptions we have made for the purposes of our Valuations are referred to below.

**Special Assumptions, Reservations and Departures**

The Glossary to the Red Book states special assumptions to be "one that is based on facts that differ materially from those that exists at the date of valuation". Typically a special assumption is used in case of development projects where a planning approval is assumed and where full use permits are assumed, amongst others.

For the properties in development we assumed the properties to be erected conform the plan presented to us. We assumed that for all development properties full permits will be in place and further assumed no statutory notices or otherwise affecting the proper sale and marketing of the property.

**Inspections**
We have valued the properties in the past for purposes of the accounts and have inspected them at various intervals internally as specified in the attached Schedule.

We have been advised by the Directors of the Company that there have been no material changes to any of the Properties since our inspections.

**Information**
We have made an assumption that the information which Corio Nederland Retail B.V. and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

**Title**
We have only had access to the title deeds of the Properties while conducting prior Valuations of the Properties in this Valuation Report for Corio Nederland Retail B.V. for the purpose of the accounts. We have considered the available information in the Valuation of the Properties. We have assumed that there has been no new information with regard to the title deeds and that when title deed information was not made available the title is marketable and that the Properties are free from encumbrances, mortgages and charges.

**Floor Areas**
We have not measured the Properties and we have relied on the areas which have been supplied to us by Corio Nederland Retail B.V. With respect to the properties under development we based our Valuation on information from Corio Nederland Retail B.V. regarding the architectural and allotment projects in floor areas and the estimated cost to complete.

**Plant and Machinery**

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our Valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our Valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our Valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

**Environmental Investigations and Ground Conditions**

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. The Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

**Planning**

We have made verbal Town Planning enquiries only. In the course of our enquiries, we are advised by the Local Planning Authority that there are no adverse Town Planning, Highway or other schemes or proposals. Information supplied to us by Planning Officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have not seen planning consents and have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

For the property in development we have assumed all planning consent to be available and the property to be erected in accordance with our regulations and structures completed using good quality materials and first class workmanship.

**Tenure and Tenancies**
We have read copies of the leases and have relied on the tenancy summaries provided by the Company for the purposes of our Valuation.
We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our Valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

**Exchange rates**
We have indicated the Market Values of the Properties in the attached Valuation schedule in Euros.

**Defined Terms**

<u>Effective Ownership Corio (%)</u>
The percentage stake that Corio has in the legal entity by which the property is held.

<u>Gross Leasable Area (GLA)</u>
The total floor area (expressed in sqm) in a property available for exclusive use and occupancy by a tenant.

<u>Market Value</u>
The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Market Value is understood as the value of a property estimated without regard to costs of sale or purchase, and without offset for any associated taxes.

<u>Passing rent per annum</u>
Annual contractual rent (i.e. not including turnover based rent and other income) as per valuation date.

**Responsibility and Liability**
Except as set forth in the next paragraph, we do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person, than our addressee client or any person to whom we have issued a reliance letter and who has accepted the terms contained therein, to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing. Should any other person obtain access to and read this report, by reading this report such person accepts and agrees to the following terms:

1. The reader of this report understands that the work performed by PricewaterhouseCoopers was performed in accordance with instructions provided by our addressee client and was performed exclusively to our addressee client's sole benefit and use.

2. The reader of this report acknowledges that this report was prepared at the direction of our addressee client and may not include all procedures deemed necessary for the purposes of the reader.

3. The reader agrees that PricewaterhouseCoopers, its partners, employees and agents neither owe nor accept any duty or responsibility to it, whether in contract or in tort (including without limitation, negligence and breach of statutory duty), and shall not be liable in respect of any loss, damage or expense of whatsoever nature which is caused by any use the reader may choose to make of this report, or which is otherwise consequent upon the gaining of access to the report by the reader. Further, the reader agrees that this report is not be referred to or quoted, in whole or in part, in any prospectus, registration statement, offering circular, public filling, loan, other agreement or document and not to distribute the report without PricewaterhouseCoopers' prior written consent.

Other than those parties to whom this report is addressed (or any person to whom we have issued a reliance letter and who has accepted the terms contained therein), any third party seeking to rely on this report shall only be entitled to do so for the purpose of determining whether or not to acquire a share in the public offering of newly issued ordinary shares of Corio N.V.

PricewaterhouseCoopers carried out the work to the best if its ability, while exercising the due care that may be expected of PricewaterhouseCoopers. If an error is made as a result of the client providing incorrect or incomplete information, PricewaterhouseCoopers is not liable for any resulting loss.

Except as set forth under 'Purpose of Valuation' above, this report or any part of it may not be modified, altered (including altering the context in which the report is displayed) or reproduced without the written consent of PricewaterhouseCoopers and any person who contravenes this provision shall be responsible for all of the consequences of the same including indemnifying us for all of the consequences of the contravention. We accept no liability for any use of the Report which is in contravention of this article.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not PricewaterhouseCoopers is referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten) the French Authority for the Financial Markets (Autorité des marchés financiers), the Netherlands Central Bank (De Nederlandsche Bank N.V.), the French Central Bank (Banque de France) or any other competent authority or judicial authority.

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Disclosure of this Valuation Report by the addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully,

Chr.J.M. Noordermeer Van Loo MRICS
Partner Real Estate Advisory Services

Enclosures:

- Appendix A: Property Schedule
- Appendix B: Portfolio Schedule

(10)

## APPENDIX A: Property Schedule

| Country | Property | Address | Location and Description | Date last inspection | Gross Leasable Area m² | Ownership Interest | Effective Ownership Corio % | | Passing Rent € per annum |
|---|---|---|---|---|---|---|---|---|---|
| NL | Vredenburg | Achter Clarenburg, Boven Clarenburg, Clarenburg, Radboudtraverse, Vredenburg, Vredenburgpassage (several numbers) | Vredenburg is part of shopping centre Hoog Catharijne, located in the city centre of Utrecht, close to parking facilities and Utrecht Central Station. | 14 May 2009 | 19,028 | Leasehold | 100% | € | 6,210,240 |
| NL | Stationswijk | Radboudkwartier, Stationsdwarsstraat, Stationstraverse, Westerstraat (several numbers) | Stationswijk is part of shopping centre Hoog Catharijne, located in the city centre of Utrecht, close to parking facilities and Utrecht Central Station. | 14 May 2009 | 9,544 | Leasehold | 100% | € | 3,542,907 |
| NL | Stationswijk overig | Radboudkwartier 19, Radboudkwartier 23, Catharijnesingel 34 | Stationswijk Overige is part of shopping centre Hoog Catharijne, located in the city centre of Utrecht, close to parking facilities and Utrecht Central Station. | 14 May 2009 | 5,807 | Leasehold | 100% | € | 664,761 |
| NL | Godebaldkwartier | Godebaldkwartier, Radboudkwartier, Stationsplein, Stationsdwarsstraat, Spoorstraat, Moreelsepark, Catharijnesingel (several numbers) | Godebaldkwartier is part of shopping centre Hoog Catharijne, located in the city centre of Utrecht, close to parking facilities and Utrecht Central Station. | 14 May 2009 | 13,003 | Leasehold | 100% | € | 3,001,332 |
| NL | Gildenkwartier | Gildenkwartier, Stationsdwarsstraat, Catharijnesingel (several numbers) | Gildenkwartier is part of shopping centre Hoog Catharijne, located in the city centre of Utrecht, close to parking facilities (also belonging to Corio) and Utrecht Central Station. | 14 May 2009 | 11,424 | Leasehold | 100% | € | 2,267,901 |
| NL | Gebied algemeen | No addresses available. Premises consider billboards in communal areas and cellular antennas on roof | Gebied Algemeen is part of shopping centre Hoog Catharijne, located in de the city centre of Utrecht, close to parking facilities and Utrecht Central Station. | 14 May 2009 | 0 | Leasehold | 100% | € | 191,204 |
| NL | Trindeborch | Catharijnesingel 49-55 | Office Trindeborch is located near shopping centre Hoog Catharijne in the city centre of Utrecht, close to parking facilities (also belonging to Corio) and Utrecht Central Station. | 7 May 2009 | 6,377 | Leasehold | 100% | € | 1,135,583 |
| NL | Vredenborch | Vredenburg 138 / Boven Vredenburg 63, 65 | Office Vredenborch is located near shopping centre Hoog Catharijne in the city centre of Utrecht, close to parking facilities (also belonging to Corio) and Utrecht Central Station. | 7 May 2009 | 2,204 | Leasehold | 100% | € | 256,055 |
| NL | Radboudkantoren | Vredenburg, Catharijnesingel, Radboudkwartier (several numbers) | Office Radboudkantoren is located near shopping centre Hoog Catharijne in the city centre of Utrecht, close to parking facilities (also belonging to Corio) and Utrecht Central Station. | 7 May 2009 | 12,841 | Leasehold | 100% | € | 2,162,444 |
| NL | Cluetinckborch | Godebaldkwartier 20-64 | Office Cluetinckborch is located near shopping centre Hoog Catharijne in the city centre of Utrecht, close to parking facilities (also belonging to Corio) and Utrecht Central Station. | 7 May 2009 | 5,495 | Leasehold | 100% | € | 607,570 |
| NL | Van Duvenborch | Stationsplein 91-107 | Office Van Duvenborch is located near shopping centre Hoog Catharijne in the city centre of Utrecht, close to parking facilities (also belonging to Corio) and Utrecht Central Station. | 7 May 2009 | 2,853 | Leasehold | 100% | € | 511,207 |
| NL | Janssoenborch | Godebaldkwartier 355-435 | Office Janssoenborch is located near shopping centre Hoog Catharijne in the city centre of Utrecht, close to parking facilities (also belonging to Corio) and Utrecht Central Station. | 7 May 2009 | 8,492 | Leasehold | 100% | € | 1,579,218 |
| NL | Overborch | Stationsplein 29, Moreelsepark 42-54 | Office Overborch is located near shopping centre Hoog Catharijne in the city centre of Utrecht, close to parking facilities (also belonging to Corio) and Utrecht Central Station. | 7 May 2009 | 7,179 | Leasehold | 100% | € | 1,271,204 |
| NL | Strosteeg | Strosteeg 83 | Car park Strosteeg is located in the old city centre of Utrecht. | 14 May 2009 | 409 lots | Leasehold | 100% | € | 2,639,166 |
| NL | Godebald | Spoorstraat 17 | Car park Godebald is situated in the city centre of Utrecht, underneath the offices and shopping centre of Hoog Catharijne. | 14 May 2009 | 334 lots | Leasehold | 100% | € | 867,429 |
| NL | Moreelsepark | Spoorstraat 22 | Car park Moreelsepark is situated in the city centre of Utrecht, underneath the offices and shopping centre of Hoog Catharijne. | 14 May 2009 | 359 lots | Leasehold | 100% | € | 1,389,993 |
| NL | Stationsstraat | Stationsstraat 29 | Car Park Stationsstraat is situated in the city centre of Utrecht, underneath the offices and shopping centre of Hoog Catharijne. | 14 May 2009 | 388 lots | Leasehold | 100% | € | 1,358,685 |
| NL | Radboud | Stationsstraat 152 | Car park Radboud is situated in the city centre of Utrecht, underneath the offices and shopping centre of Hoog Catharijne. | 14 May 2009 | 451 lots | Leasehold | 100% | € | 1,028,035 |
| NL | Vredenburg | Rijnkade 16 | Car park Vredenburg is situated in the city centre of Utrecht, underneath the offices and shopping centre of Hoog Catharijne. | 14 May 2009 | 319 lots | Leasehold | 100% | € | 1,104,851 |
| NL | Rijnkade | Rijnkade 3 | Car park Rijnkade is situated in the city centre of Utrecht, underneath the offices and shopping centre of Hoog Catharijne. | 14 May 2009 | 379 lots | Leasehold | 100% | € | 1,444,320 |
| NL | Winkelgebouw Vredenburg Noord | Vredenburg (unnumbered), Utrecht (in the land registry known as: UTRECHT C 9074 A1) | Retail building including its appurtenances and storage under construction, in the city centre of Utrecht. | 7 May 2009, 4 February 2010 | 5,620 | Leasehold | 100% | € | - |

Date: 23 March 2010
Reference: 127.050/CNL/mwa/rja/gro/100323b1d

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## APPENDIX B: Portfolio Schedule

| Country | Portfolio Description | Total Floor Area in m² | Total Passing Rent € per annum | Total Market Value in € as at 31 December 2009 |
|---|---|---|---|---|
| | **TOTAL market value of portfolio in € as at 31 December 2009:** | | | € 308,270,000 |
| NL | Shopping centre Hoog Catharijne, Utrecht<br>The shopping centre is built in the early seventies of the last century and has a lettable floor area of 58,806 sqm. The shopping centre is situated on long lease till 2070 with an annual ground rent due. Hoog Catharijne is built up between the old centre and Utrecht Central Station, which is the most important public transport hub of The Netherlands and is situated on walking distance of the congress and meeting centre 'De Jaarbeurs' and music theatre 'De Vredenburg'.<br><br>*Special remarks / assumptions*<br>Part of 'Masterplan Stationsgebied Utrecht'. Large scale renovation, development (adding 35,000 sqm retail) and upgrading of the area between 2010 - 2020;<br>Capital expenditures between 2010 - 2024: € 41,826,441, capital expenditures for 2010: € 5,231,797. | 58,806 | € 15,878,345 | € 161,380,000 |
| NL | Offices Hoog Catharijne, Utrecht<br>Seven offices near shopping centre Hoog Catharijne, built in the late seventies of the last century with a lettable floor area of 45,441 sqm. The offices are situated on long lease till 2070 with an annual ground rent due. The offices are located close to parking facilities (also belonging to Corio), near Utrecht Central Station which is the most important public transport hub of The Netherlands.<br><br>*Special remarks / assumptions*<br>Part of 'Masterplan Stationsgebied Utrecht'. Large scale renovation, development and upgrading of the area between 2010 - 2020;<br>Capital expenditures between 2010 - 2024: € 69,549,927, capital expenditures for 2010: € 2,951,149.<br>After large scale renovation and upgrading of the offices the gross market rent per sqm per annum is expected to increase approximately 20%;<br>As it appears from information of Corio office Vredenborch will be sold to the municipality at market value in the near future as a part of the Masterplan (expected in 2011). The market value of this property as of 31-12-2009 is € 2,390,000. | 45,441 | € 7,523,280 | € 43,840,000 |

| Country | Portfolio Description | Total Floor Area in $m^2$ | Total Passing Rent € per annum | Total Market Value in € as at 31 December 2009 |
|---|---|---|---|---|
| NL | <u>Car parks Hoog Catharijne and car park Springweg, Utrecht</u><br>Seven car parks in the centre of Utrecht, subdivided as follows:<br>Six car parks underneath offices and shopping centre Hoog Catharijne, built in the late seventies of the last century with a total of 2,230 parking places. The car parks are situated on long lease till 2070 with an annual ground rent due. All car parks are in use for daily parking, for tenants of office space in Hoog Catharijne and license holders.<br>One car park called Springweg, built in the early seventies of the last century, with a total amount of 409 parking places, located in the old city centre of Utrecht, situated on long lease till 2022 with an annual ground rent due.<br><br>*Special remarks / assumptions*<br>Part of 'Masterplan Stationsgebied Utrecht'. Large scale renovation, development and upgrading of the area between 2010 - 2020;<br>Capital expenditures between 2010 - 2024: € 18,952,116, capital expenditures for 2010: € 3,835,001.<br>As it appears from information of Corio car park Vredenburg will be sold to the municipality at market value in the near future as a part of the Masterplan (expected in 2011). The market value of this property as of 31-12-2009 is € 12,300,000. | 2,639 parking lots | € 9,832,479 | € 97,050,000 |



Date: 23 March 2010
Reference: 127.050/CNL/mwa/rja/gro/100323b1d

PRICEWATERHOUSECOOPERS

| Country | Portfolio Description | Total Floor Area in m² | Total Passing Rent € per annum | Total Market Value in € as at 31 December 2009 |
|---|---|---|---|---|
| | Development Winkelgebouw Vredenburg Noord | | | |
| NL | Retail building including its appurtenances and storage under construction, in the city centre of Utrecht, with a lettable floor area of 5,620 sqm, situated on long lease till perpetuity, with an annual ground rent due. | 5,620[1] | € - | € 6,000,000 |

[1] *Excluding surface of underground bicycle garage*

*Special starting points*

The development of Winkelgebouw Vredenburg Noord consists of the development of a retail building as described above as well as an underground bicycle garage of 900 sqm. Starting point in the valuation scenario is that the bicycle garage will be rented to the municipality on cost neutral base;

The land lease is till perpetuity, with a yearly ground rent only during the first 50 years, hereafter free of charge;

Building activities started at 1 December 2009;

Estimated rental value at date of completion estimated at € 2,397,956 per annum;

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Corio NV
St. Jacobsstraat 200
3511 BT Utrecht
The Netherlands

J.P. Morgan Securities Ltd. (**"JPM"**)
125 London Wall
London EC2Y 5AJ
United Kingdom

Deutsche Bank AG, London Branch (**"DB"**)
1 Greater Winchester Street
London EC2N 2DB
United Kingdom

The Royal Bank of Scotland N.V. (**"RBS"**)
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

JPM, DB, and RBS, on their own behalf as Joint Bookrunners and as representatives of the Co-Managers defined in the Prospectus produced by Corio N.V.

**The Hague, 23 March 2010**

Dear Sirs,

**Valuation of Freehold and Long Leasehold Properties owned by Corio NV.**

**Introduction**

In accordance with our engagement letter with Corio NV (the "**Company**"), we, Kemp Nadorp Weatherall BV, Chartered Surveyors, have considered the properties referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests (as appropriate) of Corio NV in each of these properties (the "**Properties**" and each a "**Property**") (the "Valuation").

The effective date of the valuation is 31 December 2009.

Kemp Nadorp Weatherall B.V.
Mr. V.J.B. Kemp MRE RT/RMT, J.S.L. Korteweg RT, H.J.M. Nadorp RT, A.L. Oosterling RT/RMT, N.A. Jansen.
Bezoekadres: Schiefbaanstraat 29 (hoek Oostduinlaan 14), 2596 RC Den Haag. Postbus 18526, 2502 EM Den Haag. Tel 070 330.7.350.
Fax 070 330.7.360. info@knwmakelaars.nl. www.knwmakelaars.nl. KvK Haaglanden 27287588. ABN-Amro 51.59.12.204. BTW nummer NL8155.97.514.B01.

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## Purpose of Valuation

We understand that this valuation report and schedule (together, the "**Valuation Report**") are required for inclusion in the prospectus (the "**Prospectus**") that has been prepared in connection with the global offering by the Company (the "**Offering**") of newly issued ordinary shares (the "**Offer Shares**") and on which investors will rely on in making their decision to invest in the Offer Shares and we hereby give our consent for such inclusion.

The Valuation Report will be relied upon by the Joint Bookrunners and the Co-Managers in their capacity as underwriters in connection with the Offering.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

## Basis of Valuation and Assumptions

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in The Netherlands ("**Countries**" and each a "**Country**") . Attached to this Valuation Report is a schedule of the individual Properties.

We confirm that the valuations has been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements ("**PS**"), and United Kingdom Practice Statements ("**UKPS**") contained within the RICS Valuation Standards, 6$^{th}$ Edition (the "**Red Book**"). This is an internationally accepted basis of valuation.

Market Value is defined as:
*"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in each Country. Our Valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) and related guidance and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and developments and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Values.

## Valuation approach

We have adopted the direct income capitalization method.

The Capitalisation Method estimates the value of the property through the capitalisation of its income at a certain rate of return. This procedure assumes that there is an equivalence between the market value of a property and the sum of its ordinary incomes discounted to the present. In the direct income capitalisation method the estimated income stream from the property has been capitalizes using a market supported yield to arrive into a value indication for the property.

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**Valuation**

On the basis outlined in this Report, we are of the opinion that the aggregate of the individual Net Market Values as at 31 December 2009 of the freehold and long leasehold interests subject to and with the benefit of various occupational leases, as summarised in the attached schedule is:

Operational:
€ 298,187,000
[two hundred ninety eight million and hundred eighty seven thousand euro]

| | |
|---|---|
| 14 Freehold Properties : | € 298,187,000 |
| Long Lease hold Properties | € 0 |
| Total 14 Properties | € 298,187,000 |

There are no negative values to the Valuation Report.

The Market Value is consistent with valuation outcomes carried out for purposes of the accounts for the financial year ended 31 December 2009.

**Material Change**

We hereby confirm that as at the date of this Valuation Report:

- we have not become aware of any material change since 31 December 2009 in any matter relating to any specific property covered by our Valuation Report which in our opinion would have a material effect on the value as at today's date,

- in relation to market conditions and movements in the property markets in which the properties covered by our Valuation Report are located, we do not consider that the movement in respect of the subject properties constitutes material change since 31 December 2009.

**Realisation Costs**

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our net Valuation is, however, net of purchaser's acquisition costs which vary between countries.

**Assumptions and Sources of Information**

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a Valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

**Inspections**

We have valued the properties in the past for accounts purposes and have inspected them at various intervals internally.

We have been advised by the Directors of the Company that there have been no material changes to any of the Properties since our inspections.

**Information**

We have made an assumption that the information which Corio NV and its professional advisers have supplied to us in respect of the properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

**Title**

We have only had access to the title deeds of the Properties while conducting prior valuations of the subject Properties in this Valuation Report for Corio for the purpose of the accounts. We have considered the available information in the valuation of the Properties. We have assumed that there has been no new information with regard to the title deeds and that when title deed information was not made available the title is marketable and that the Properties are free from encumbrances, mortgages and charges.

**Floor Areas**

We have not measured the properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain properties to verify floor areas.

**Plant and Machinery**

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

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**Environmental Investigations and Ground Conditions**

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

**Planning**

We have made verbal Town Planning enquiries only. In the course of our enquiries, we are advised by the Local Planning Authority that there are no adverse Town Planning, Highway or other schemes or proposals. Information supplied to us by Planning Officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have not seen planning consents and have assumed that the properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

**Tenure and Tenancies**

We have read copies of the leases and have relied on the tenancy summaries provided by the Company for the purposes of our Valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

**Defined Terms**

In the Valuation Report (as defined below):

**Effective Ownership Corio (%)**

The percentage stake that Corio has in the legal entity by which the Property is held.

**Gross Leasable Area (GLA)**

The total floor area (expressed in sqm) in a property available for exclusive use and occupancy by a tenant.

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**Market Value**
The estimated amount for which a Property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Market Value is understood as the value of a Property estimated without regard to costs of sale or purchase, and without offset for any associated taxes.

**Passing rent per annum**
Annual contractual rent (i.e. not including turnover based rent and other income) as per valuation date.

Headings are for ease of reference only and shall not affect its interpretation.

**Responsibility**
This Valuation and the Schedule are confidential to the addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The addressees of the Valuation Report may rely on it, as may investors in Offer Shares.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not Kemp Nadorp Weatherall BV is referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) the French Authority for the Financial Markets (*Autorité des marchés financiers*), the Netherlands Central Bank (*De Nederlandsche Bank N.V.*), the French Central Bank (*Banque de France*) or any other competent authority or judicial authority. Disclosure of this Valuation Report by the addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.

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Weatherall
makelaars-taxateurs

Yours faithfully,
For and on behalf of
Kemp Nadorp Weatherall BV

Ad. L. Oosterling
Managing director

Annexes:

- Property Schedule (appendix A)
- Portfolio Schedule (appendix B)

APPENDIX A: Property Schedule

| Country | Property | Address | Location and Description | Date Last Inspection | Gross leaseble Area m² | Ownership Interest | Effective Ownership % | Passing Rent € per annum |
|---|---|---|---|---|---|---|---|---|
| The Netherlands | Dordrecht, Sterrenburg | P.A. de Kokplein 93 - 173, 96 - 174 / Sterrenburgplein 95, 97 | shopping-centre in a residential area | May-2009 | 13,132 m² | Freehold | 100% | 2,733,034 |
| The Netherlands | Eindhoven, Cassandraplein | Cassandraplein 1 - 15, 2 - 18 / Muzenlaan 2-02 - 2-14 | shopping-centre in a residential area | May-2009 | 4,357 m² | Freehold | 100% | 573,451 |
| The Netherlands | Enschede, Eschmarke | Esmarkelaan 4 - 26 | shopping-centre in a residential area | May-2009 | 2,654 m² | Freehold | 100% | 483,890 |
| The Netherlands | Epe, VeluwePoort | Sternpassage 1 - 15a, 2 - 14 / Gruttersplein 1 - 15 / Ratelplein 2a | shopping-centre in the centre | May-2009 | 5,768 m² | Freehold | 100% | 1,185,007 |
| The Netherlands | Groningen, Vinkhuizen | Siersteenlaan 428-1 - 466 / Diamantlaan 47-1 - 47-7 | shopping-centre in a residential area | Nov-2009 | 9,103 m² | Freehold | 100% | 1,386,944 |
| The Netherlands | Leek, Liekeblom | De Schans 2 - 36 / De Dam 6 - 38 | shopping-centre in the centre | May-2009 | 4,511 m² | Freehold | 100% | 640,312 |
| The Netherlands | Nieuwegein, Cityplaza | Passage 1 - 81, 2 - 86 / Boogstede 1 - 25, 2 - 26/ Markt 5 - 31, 2 - 24 / Plein 1 - 11, 2 - 12 / Raadstede 50 - 74 / Weerdstede 93, 95 | shopping-centre in the city-centre | Nov-2009 | 21,344 m² | Freehold | 100% | 6,101,218 |
| The Netherlands | Nieuwegein, Cityplaza Plus | Passage 101 - 117, 102 - 118 | shopping-centre in the city-centre | Nov-2009 | 3,286 m² | Freehold | 100% | 594,326 |
| The Netherlands | Purmerend, Weidevenne | Van Damplein 4 - 26 / 3 - 27 | shopping-centre in a residential area | May-2009 | 8,058 m² | Freehold | 100% | 1,782,818 |
| The Netherlands | Zeist, Belcour | Emmaplein 1 - 29, 210 - 252/ Mr. de Klerkstraat 1 - 19, 14 - 16 / Weeshuislaan 1 - 5, 199 | shopping-centre in the city-centre | May-2009 | 6,879 m² | Freehold | 100% | 1,662,910 |
| The Netherlands | Bergschenhoek, De Vlashoeck | De Vlashoeck 2 - 40 | shopping-centre in the centre | Nov-2009 | 4,096 m² | Freehold | 100% | 893,311 |
| The Netherlands | Maastricht, Fr. Romanusweg | Fr. Romanusweg 2 - 2-3 | mass retailing location in the city | Nov-2009 | 8,676 m² | Freehold | 100% | 895,197 |
| The Netherlands | Oegstgeest, Lange Voort | Lange Voort 2a - 2u, / Ommevoort 2 - 14 | shopping-centre in a residential area | Nov-2009 | 8,122 m² | Freehold | 100% | 1,680,169 |
| The Netherlands | Oegstgeest, Lange Voort | Lange Voort 11 - 41 / Irislaan 65 - 99 | shopping-centre in a residential area | Nov-2009 | 6,428 m² | Freehold | 100% | 1,233,288 |

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| APPENDIX B: Portfolio Schedule | | | | |
|---|---|---|---|---|
| **Country** | **Portfolio Description** | **Total Floor Area in m²** | **Total Passing Rent € per annum** | **Total Market Value in € as at 31 December 2009** |
| The Netherlands | *The portfolio includes 14 shopping centres, which are all in operation* | 106,414 m² | 21,805,875 | 298,187,000 |
| Total | 14 Freehold Properties | | | |

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Corio N.V.
St. Jacobsstraat 200
3511 BT Utrecht
The Netherlands

J.P. Morgan Securities Ltd. ("**JPM**")
125 London Wall
London EC2Y 5AJ
United Kingdom

Deutsche Bank AG, London Branch ("**DB**")
1 Great Winchester Street
London EC2N 2DB
United Kingdom

The Royal Bank of Scotland N.V. ("**RBS**")
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

JPM, DB, and RBS, on their own behalf as Joint Bookrunners and as representatives of the Co-Managers defined in the Prospectus produced by Corio N.V.

**23 March 2010**

Dear Sirs,

**Valuation of Freehold and Long Leasehold Properties owned by Corio N.V.**

**Introduction**

In accordance with our engagement letter with Corio N.V. , we, TSKB Gayrimenkul Değerleme A.Ş., Chartered Surveyors, have considered the properties referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests (as appropriate) of Corio N.V. in each of these properties (The "Valuation").

The effective date of the valuation is 31 December 2009.

**Purpose of Valuation**

We understand that this valuation report and schedule (together, the "**Valuation Report**") are required for inclusion in the prospectus (the "**Prospectus**") that has been prepared in connection with the global offering by the Company (the "**Offering**") of newly issued ordinary shares (the "**Offer Shares**") and on which investors will rely on in making their decision to invest in the Offer Shares and we hereby give our consent for such inclusion.

The Valuation Report will be relied upon by the Joint Bookrunners and the Co-Managers in their capacity as underwriters in connection with the Offering.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

**Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in Turkey. Attached to this Valuation Report is a detailed schedule of the individual Properties.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements ("**PS**"), and United Kingdom Practice Statements ("**UKPS**") contained within the RICS Valuation Standards, 6th Edition (the "**Red Book**"). This is an internationally accepted method of valuation.

Market Value is defined as:

*"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in each Country. Our Valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) and related guidance and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and developments and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Values.

**Valuation approach**

We have adopted the Discounted Cash Flow (DCF) Method.

The DCF method is based upon an explicit forecast of the likely net income to be generated by the Property over a defined forecast period, until the property has been optimalised. The Exit Value is then calculated applying an appropriate capitalisation rate. The cash flow is discounted at a target rate that is deemed to be appropriate for the investment to produce a Present Value; the discount rate is adjusted to reflect the risk entailed in the investment, and the cost of finance. The exit capitalisation rate is derived from comparable investment transaction evidence.

For the DCF method we have adopted a 15 year cash flow period in which all future cash flows from the property have been estimated and discounted applying market-supported assumptions for variables such as the rental growth, the discount rate and exit yield to arrive at a present value indication.

The Capitalisation Method estimates the value of the Property through the capitalisation of its income at a certain rate of return. This procedure assumes that there is an equivalence between the market value of a Property and the sum of its ordinary incomes discounted to the present. In the direct income capitalisation method the estimated income stream from the property has been capitalizes using a market supported yield to arrive into a value indication for the property.

In case of Properties under construction/ development projects, the Residual Value Method has been applied. In this method the market value of the Property upon completion has been determined using either the DCF or the Capitalisation Method and subsequently the estimated remaining cost of the development at valuation date have been subtracted to arrive at the market value of the development project.

**Valuation**

On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the individual Market Values as at 31 December 2009 of the freehold and long leasehold interests subject to and with the benefit of various occupational leases, as summarised in the attached Schedule is:

**€ 114.314.000**
**(One hundred fourteen million three hundred fourteen thousand.-EURO)**

| | |
|---|---|
| 2 Freehold Properties : | **€ 94.745.000** |
| 1 Long Lease hold Properties | € 19.569.000 |
| Total" | **€ 114.314.000** |

There are no negative values to the Valuation Report

The Market Value is consistent with valuation outcomes carried out for purposes of the accounts for the financial year ended 31 December 2009.

**Material Change**
We hereby confirm that as at the date of this Valuation Report:

- we have not become aware of any material change since 31 December 2009 in any matter relating to any specific Property covered by our Valuation Report which in our opinion would have a material effect on the value as at today's date,
- in relation to market conditions and movements in the property markets in which the properties covered by our Valuation Report are located, we do not consider that the movement in respect of the Properties constitutes a material change since 31 December 2009.

**Realisation Costs**
Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our net Valuation is, however, net of purchaser's acquisition costs which vary between countries.

**Assumptions and Sources of Information**
An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" (**"assumption"**). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

**Inspections**
We have valued the Properties in the past for accounts purposes and have inspected them at various intervals internally.


Merkez: Meclisi Mebusan Caddesi, Molla Bayırı Sokak, No: 1, 34427 Fındıklı/İstanbul Tel: (0212) 334 50 54 Faks: (0212) 334 50 35
Ankara Şubesi: Aziziye Mah. Piyade Sok. No: 3-B/7 Çankaya / Ankara Tel: (0312) 441 75 22 (Pbx) Faks: (0312) 441 75 66
İzmir Şubesi: Cumhuriyet Bulvarı, Kültür Mahallesi, No: 140 Alan Apt. K.1, Pasaport / İzmir Tel: (0232) 463 12 00 Faks: (0232) 463 33 50

We have been advised by the Directors of the Company that there have been no material changes to any of the Properties since our inspections.

**Information**

We have made an assumption that the information which Corio N.V. and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

**Title**

We have only had access to the title deeds of the Properties while conducting prior valuations of the Properties in this Valuation Report for Corio N.V. for the purpose of the accounts. We have considered the available information in the valuation of the Properties. We have assumed that there has been no new information with regard to the title deeds and that when title deed information was not made available the title is marketable and that the Properties are free from encumbrances, mortgages and charges.

**Floor Areas**

We have not measured the Properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain Properties to verify floor areas.

**Plant and Machinery**

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

**Environmental Investigations and Ground Conditions**

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

**Planning**

We have made verbal Town Planning enquiries only. In the course of our enquiries, we are advised by the Local Planning Authority that there are no adverse Town Planning, Highway or other schemes or proposals. Information supplied to us by Planning Officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have not seen planning consents and have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

**Tenure and Tenancies**

We have read copies of the leases and have relied on the tenancy summaries provided by the Company for the purposes of our valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

**Exchange rates**

We have indicated the Market Values of the Properties in the attached valuation schedule in Euros. We have used the following exchange rates against the Euro to report our valuations:

Turkey:
**EURO 1 = TRY 2,20; US $ 1= TRY 1,50**

**Defined Terms**

**Effective Ownership Corio (%)**

The percentage stake that Corio has in the legal entity by which the property is held.

**Gross Leasable Area (GLA)**

The total floor area (expressed in sqm) in a property available for exclusive use and occupancy by a tenant.

**Market Value**

The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Market Value is understood as the value of a property estimated without regard to costs of sale or purchase, and without offset for any associated taxes.

**Passing rent per annum**
Annual contractual rent (i.e. not including turnover based rent and other income) as per valuation date.

headings are for ease of reference only and shall not affect its interpretation.

**Responsibility**
This Valuation and the Schedule are provided to the addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The addressees of the Valuation Report may rely on it, as may investors in Offer Shares.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not TSKB Gayrimenkul Değerleme A.Ş. is referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) the French Authority for the Financial Markets (*Autorité des marchés financiers*), the Netherlands Central Bank (*De Nederlandsche Bank N.V.*), the French Central Bank (*Banque de France*) or any other competent authority or judicial authority. Disclosure of this Valuation Report by the addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.


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Ankara Şubesi: Aziziye Mah. Piyade Sok. No: 3-B/7 Çankaya / Ankara Tel: (0312) 441 75 22 (Pbx) Faks: (0312) 441 75 66
İzmir Şubesi: Cumhuriyet Bulvarı, Kültür Mahallesi, No: 140 Alan Apt. K.1, Pasaport / İzmir Tel: (0232) 463 12 00 Faks: (0232) 463 33 50

Omer Latif Yalcın
Licenced Appraiser (401189)

Mehmet Aslan
Licenced Appraiser ( 401124)

Derya Alan
Appraiser

Makbule Yönel
Manager – Appraiser

Fatih Tosun
Manager – Licenced Appraiser (400812)

For and on behalf of
TSKB Gayrimenkul Değerleme A.Ş.

TSKB GAYRİMENKUL
DEĞERLEME A.Ş.

| APPENDIX B: Portfolio Schedule | | | | |
|---|---|---|---|---|
| **Country** | **Portfolio Description** | **Total Floor Area in m²** | **Total Passing Rent € per annum** | **Total Market Value in € as at 31 December 2009** |
| TURKEY | *The portfolio includes 3 shopping centres. 2 of them are in operation and 1 of them is in development* | *126.000* | *8.944.000* | *114.314.000* |
| **Total** | **2 Freehold Properties** | **101.000** | **2.858.000** | ***94.745.000*** |
| **Total** | **1 Leasehold Properties** | **25.000** | **6.086.000** | ***19.569.000*** |

TSKB GAYRİMENKUL
DEĞERLEME A.Ş.

TSKB
GAYRİMENKUL DEĞERLEME

| APPENDIX A: Property Schedule | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Country | Property | Address | Location and Description | Date last Inspection | Gross Leasable Area $m^2$ | Ownership Interest | Effective Ownership Corio % | Passing Rent € per annum |
| TURKEY | TERASPARK | Yenişehir mahallesi, 28. sokak, Teras Park Outlet Alışveriş Merkezi, Merkez / Denizli | Shopping center located in the City Centre | 08.12.2009 | 46.200 | Freehold | 51% | 2.858.343 |
| TURKEY | 365 | Birlik Quarter, Kahire Avenue, 38. Street, No: 41, 365 Shopping Center, Çankaya / ANKARA | Shopping center located in the City Centre | 03.12.2009 | 25.100 | Leasehold | 100% | 6.085.565,64 |
| TURKEY | MALATYA SHOPPING CENTER IN DEVELOPMENT | Uçbağlar quarter, Ex-Ring Road, Land of Malatya Fruit & Vegetable Wholesale Market, Section No. 170, parcel No.104, Merkez / MALATYA | Malatya Shopping Center in Development in the City Center | 03.12.2009 | 54.700 | Freehold | n/a | n/a |

TSKB GAYRİMENKUL DEĞERLEME A.Ş.

SIMONELLI
ASSOCIATI

Dott. Comm. Ezio Maria Simonelli
Dott. Comm. Jean-Paul Baroni
Dott. Comm. Lucia Foti Belligambi
Dott. Comm. Flavia Daunia Minutillo
Avv. Dott. Comm. Carlo Polito
Dott. Comm. Paola Simonelli

Dott. Comm. Giorgio Alessandri
Dott. Comm. Monia Cascone
Avv. Cristiana Di Felice
Dott. Comm. Pasquale Formica
Dott. Comm. Rosanna Fulginiti
Dott. Comm. Massimiliano Ricciardi
Avv. Alessandro Tardiola
Dott. Valentina Balocco
Dott. Monica Pinna
Dott. Alessandra Andretta
Dott. Federico Strada
Dott. Katia Tacchia

*Of Counsel*
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The Netherlands

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1 Great Winchester Street
London EC2N 2DB
United Kingdom

The Royal Bank of Scotland N.V. ("**RBS**")
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

JPM, DB, and RBS, on their own behalf as Joint Bookrunners and as representatives of the Co-Managers defined in the Prospectus produced by Corio N.V.

**23 March 2010**

SIMONELLI ASSOCIATI

Dear Sirs,

**Valuation of Freehold and Long Leasehold Properties owned by Corio N.V.**

**Introduction**

In accordance with our engagement letter with Corio N.V. (the "**Company**") we, Simonelli Associati, Chartered Surveyors, have considered the property referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold interest of Corio N.V. in this property (the "**Property**") (the "**Valuation**").

The effective date of valuation is 31 December 2009.

**Purpose of Valuation**

We understand that this valuation report and schedule (together, the "**Valuation Report**") are required for inclusion in the prospectus (the "**Prospectus**") that has been prepared in connection with the global offering by the Company (the "**Offering**") of newly issued ordinary shares (the "**Offer Shares**") and on which investors will rely on in making their decision to invest in the Offer Shares and we hereby give our consent for such inclusion.

The Valuation Report will be relied upon by the Joint Bookrunners and Co-Managers in their capacity as underwriters in connection with the Offering.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

**Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the freehold interest in the Property described in the Schedule and located in Italy (the "**Country**"). Attached to this Valuation Report is a detailed schedule of the individual Property.

We confirm that the value of the Property has been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements ("**PS**"), and the United Kingdom Practice Statements ("**UKPS**") contained within the RICS Valuation Standards, 6th Edition (the "**Red Book**"). This is an internationally accepted basis of valuation.

Market Value is defined as:

*"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in the Country. Our Valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) and related guidance and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Property is held as an investment and development and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Value.

**Valuation Approach**

We have adopted the Discounted Cash Flow (DCF) Method.

The DCF method is based upon an explicit forecast of the likely net income to be generated by the subject property over a defined forecast period, until the property has been optimalised. The exit value is then calculated applying an appropriate capitalisation rate. The cash flow is discounted at a target rate that is deemed to be appropriate for the investment to produce a present value; the discount rate is adjusted to reflect the risk entailed in the investment, and the cost of finance. The exit capitalisation rate is derived from comparable investment transaction evidence.
For the DCF method we have adopted a 10 year cash flow period in which all future cash flows from the property have been estimated and discounted applying market-supported assumptions for variables such as the rental growth, the discount rate and exit yield to arrive at a present value indication.

In case of properties under construction/development projects the Residual Value Method has been applied. In this method the market value of the property upon completion has been determined using the DCF Method and subsequently the estimated remaining costs of the development at valuation date have been subtracted to arrive at the market value of the development project.

**Valuation**

On the basis outlined in this Valuation Report, we are of the opinion that the Market Value as at 31 December 2009 of the freehold interest subject to and with the benefit of, various occupational leases, as summarised in the attached schedules is:

€ 38,000,000
(thirty-eight million)

| | |
|---|---|
| 1 Freehold Property: | € 38,000,000 |
| Total 1 Property: | € 38,000,000 |

There are no negative values to the Valuation Report.

The Market Value is consistent with valuation outcomes carried out for purposes of the accounts for the financial year ended 31 December 2009.

**Material Change**

We hereby confirm that as at the date of this Valuation Report:

- we have not become aware of any material change since 31 December 2009 in any matter relating to the Property covered by our Valuation Report which in our opinion would have a material effect on the value as at today's date,
- in relation to market conditions and movements in the property market in which the property covered by our Valuation Report is located, we do not consider that the movement in respect of the Property constitutes a material change since 31 December 2009.

**Realisation Costs**

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our net Valuation is, however, net of purchaser's acquisition costs which vary between countries.

**Assumptions and Sources of Information**

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Property, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

**Inspections**

We have valued the Property in the past for accounts purposes and have inspected it at various intervals internally. Last inspection was carried out on 30 November 2009.

We have been advised by the Directors of the Company that there have been no material changes to the Property since our inspections.

**Information**

We have made an assumption that the information which Corio N.V. and its professional advisers have supplied to us in respect of the Property is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

**Title**

We have only had access to the title deed of the Property while conducting prior valuations of the Property in this Valuation Property for Corio N.V. for the purpose of the accounts. We have considered the available information in the valuation of the Property. We have assumed that there has been no new information with regard to title deed and that when title deed information was not made available the title is marketable and that the Property is free from encumbrances, mortgages and charges.

**Floor Areas**

We have not measured the Property and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on the Property to verify floor areas.

**Plant and Machinery**

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of the Property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute by-law or regulation.

**Environmental Investigations and Ground Conditions**

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Property is not, nor is likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Property.

We were not instructed to carry out structural surveys of the Property but we have reflected any apparent wants of repair in our opinion of the value as appropriate. The Property has been valued on the basis of the Company's advice that, save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

**Planning**

We have made verbal Town Planning enquiries only. In the course of our enquiries, we are advised by the Local Planning Authority that there are no adverse Town Planning, Highway or other schemes or proposals. Information supplied to us by Planning Officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.

We have not seen planning consents and have assumed that the Property has been erected and is being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

**Tenure and Tenancies**

We have read copies of the draft leases and have relied on the tenancy forecasts provided by the Company for the purposes of our Valuation.

The Property is fully vacant at the time of our valuation. We have been informed by the Company that due to planned refurbishment works, which will be carried out during year 2010, the leases will start from the last month of the same 2010.

**Exchange Rates**

We have indicated the Market Value of the Property in the attached valuation schedule in Euros. We have not used exchange rates against the Euro to report our valuation.

**Defined Terms**

In the Valuation Report (as defined below):

**Effective Ownership Corio (%)**
The percentage stake that Corio has in the legal entity by which the property is held.

**Gross Leasable Area (GLA)**
The total floor area (expressed in sqm) in a property available for exclusive use and occupancy by a tenant.

**Market Value**
The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Market Value is understood as the value of a property estimated without regard to costs of sale or purchase, and without offset for any associated taxes.

**Passing rent per annum**
Annual contractual rent (i.e., not including turnover based rent and other income) as per valuation date.

Headings are for ease of reference only and shall not affect its interpretation.

**Responsibility**

This Valuation and the Schedule are provide to the addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The addressees of the Valuation Report may rely on it, as may investors in Offer Shares.

SIMONELLI ASSOCIATI

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not Simonelli Associati is referred to by name and whether or not the contents of our Valuation Report are combined with other reports.

Nothing in this paragraph shall prevent the addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*), the French Authority for the Financial Markets (*Autorité des marchés financiers*), the Netherlands Central Bank (*De Nederlandsche Bank N.V.*), the French Central Bank (*Banque de France*) or any other competent authority or judicial authority. Disclosure of this Valuation Report by the addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully,

**Ezio Maria Simonelli**
**(Managing Partner)**

For and on behalf of
**SIMONELLI ASSOCIATI**

| APPENDIX A: Property Schedule | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Country | Property | Address | Location and Description | Date Last Inspection | Gross Leasable Area (sqm) | Ownership Interest | Effective Ownership Corio (%) | Passing Rent per annum (€) |
| Italy | Shopping Gallery 'Ex Ikea' | Via Crea 10, Grugliasco, Italy | Shopping Gallery 6 km. to the West of the city centre of Turin, which forms part of the larger shopping centre 'Shopville Le Gru'. The Property is comprised of a two-storey shopping gallery and pertinences and associated rights, some being held in undivided co-ownership with other parties having interests in the shopping centre. | 30 November 2009 | GLA 13,900 | Freehold | 100% | N/A (*) |

(*) The Property is under development project to be terminated in 2010 and is fully vacant at valuation date. Leases will start from the last months of the same 2010. For the purposes of this valuation we assumed an estimated Passing Rent provided to us by the Company of circa EUR 2,861,600 on an aggregate basis.

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Geschäftsführer:
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**Marc Seeger** Dipl.-Kfm.
**Andreas Borutta** Immobilienökonom (ebs)

Bankverbindung:
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BLZ: 100 700 24

Amtsgericht Düsseldorf
HRB 59693

apollo valuation advisory GmbH · Berliner Allee 51-53 · D-40212 Düsseldorf

Corio N.V.
St. Jacobsstraat 200
3511 BT Utrecht
The Netherlands

23.03.2010

J.P. Morgan Securities Ltd. ("**JPM**")
125 London Wall
London EC2Y 5AJ
United Kingdom

Deutsche Bank AG, London Branch ("**DB**")
1 Great Winchester Street
London EC2N 2DB
United Kingdom

The Royal Bank of Scotland N.V. ("**RBS**")
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

JPM, DB, and RBS, on their own behalf as Joint Bookrunners and as representatives of the Co-Managers defined in the Prospectus produced by Corio N.V.

Dear Sirs,

**Valuation of Freehold and Long Leasehold Properties owned by Corio N.V.**

## Introduction

In accordance with our engagement letter with Corio N.V. (the "**Company**"), we, apollo valuation advisory GmbH chartered surveyors, have considered the properties referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at the valuation date, of the freehold or leasehold interests (as appropriate) of Corio N.V. in each of these properties (the "**Properties**" and each a "**Property**") (the "Valuation").

The effective date of the valuation is 31 December 2009.

**Purpose of Valuation**

We understand that this valuation report and schedule (together, the "**Valuation Report**") are required for inclusion in the prospectus (the "**Prospectus**") that has been prepared in connection with the global offering by the Company (the "**Offering**") of newly issued ordinary shares (the "**Offer Shares**") and on which investors will rely on in making their decision to invest in the Offer Shares and we hereby give our consent for such inclusion.

The Valuation Report will be relied upon by the Joint Bookrunners and the Co-Managers in their capacity as underwriters in connection with the Offering.

We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

**Basis of Valuation and Assumptions**

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in Germany ("**Country**") . Attached to this Valuation Report is a detailed schedule of the individual Properties.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements ("**PS**"), and United Kingdom Practice Statements ("**UKPS**") contained within the RICS Valuation Standards, 6$^{th}$ Edition (the "**Red Book**"). This is an internationally accepted method of valuation.

Market Value is defined as:
*"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in each Country. Our valuation has also been undertaken in accordance with the relevant provisions of the Prospectus Directive (2003/71/EC) and related guidance and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and developments and we have therefore used the appropriate property investment and development valuation methodology to calculate the Market Values.

**Valuation approach**

We have adopted the Discounted Cash Flow (DCF) Method.

The DCF method is based upon an explicit forecast of the likely net income to be generated by the subject property over a defined forecast period, until the property has been optimalised. The Exit Value is then calculated applying an appropriate capitalization rate. The cash flow is discounted at a target rate that is deemed to be appropriate for the investment to produce a Present Value; the discount rate is adjusted to reflect the risk entailed in the investment, and the cost of finance. The exit capitalization rate is derived from comparable investment transaction evidence. For the DCF method we have adopted a 15 year cash flow period in which all future cash flows from the property have been estimated and discounted applying market-supported assumptions for variables such as the rental growth, the discount rate and exit yield to arrive at a present value indication.



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**Valuation**

On the basis outlined in this Valuation Report, we are of the opinion that the aggregate of the individual Market Values as at 31 December 2009 of the freehold and long leasehold interests subject to and with the benefit of various occupational leases, as summarized in the attached Schedule is:

€ 13,488,000
Thirteen million four hundred eight thousand Euro

| | |
|---|---|
| 1 Freehold Property: | € 13,488,000 |
| 0 Long Lease hold Properties | € 0 |
| Total 1 property | € 13,488,000 |

There are no negative values to the report.

The Market Value is consistent with valuation outcomes carried out for purposes of the accounts for the financial year ended 31 December 2009.

**Material Change**

We hereby confirm that as at the date of this Valuation Report:

- we have not become aware of any material change since 31 December 2009 in any matter relating to any specific Property covered by our Valuation Report which in our opinion would have a material effect on the value as at today's date,

- in relation to market conditions and movements in the property markets in which the properties covered by our Valuation Report are located, we do not consider that the movement in respect of the Properties constitutes a material change since 31 December 2009.

**Realisation Costs**

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property. Our net valuation is, however, net of purchaser's acquisition costs which vary between countries.

**Assumptions and Sources of Information**

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

**Inspections**

We have valued the property for accounts purposes for the year-end 2009 and therefore have inspected it internally.

We have been advised by the Directors of the Company that there have been no material changes to any of the Properties since our inspection.



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## Information

We have made an assumption that the information which Corio N.V. and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

## Title

We have only had access to the title deeds of the Properties while conducting prior valuations of the Properties in this Valuation Report for Corio N.V. for the purpose of the accounts. We have considered the available information in the valuation of the Properties. We have assumed that there has been no new information with regard to the title deeds and that when title deed information was not made available the title is marketable and that the Properties are free from encumbrances, mortgages and charges.

## Floor Areas

We have not measured the Properties and we have relied on the areas which have been supplied to us and on measured surveys which have been carried out on certain Properties to verify floor areas.

## Plant and Machinery

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations we have assumed that all are in good working order and in compliance with any relevant statute bye-law or regulation.

## Environmental Investigations and Ground Conditions

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice that save where we have been specifically advised to the contrary, no deleterious materials have been used in the construction of any of the subject buildings.

## Planning

We have made verbal Town Planning enquiries only. In the course of our enquiries, we are advised by the Local Planning Authority that there is no adverse Town Planning, Highway or other schemes or proposals. Information supplied to us by Planning Officers is, however, given without liability on their part and we cannot therefore accept responsibility for incorrect information or material omissions in the information supplied.



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We have not seen planning consents and have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

**Tenure and Tenancies**

We have read copies of the leases and have relied on the tenancy summaries provided by the Company for the purposes of our valuation.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

**Exchange rates**

We have indicated the Market Values of the Properties in the attached valuation schedule in Euros.

**Defined Terms**

In the Valuation Report (as defined below):

**Effective Ownership Corio (%)**

The percentage stake that Corio has in the legal entity by which the Property is held.

**Gross Leasable Area (GLA)**

The total floor area (expressed in sqm) in a property available for exclusive use and occupancy by a tenant.

**Market Value**

The estimated amount for which a Property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Market Value is understood as the value of a Property estimated without regard to costs of sale or purchase, and without offset for any associated taxes.

**Passing rent per annum**

Annual contractual rent (i.e. not including turnover based rent and other income) as per valuation date.

Headings are for ease of reference only and shall not affect its interpretation.

**Responsibility**

This Valuation and the Schedule are provided to the addressees as set out on the first page of this certificate for the specific purpose to which they refer. This Valuation Report forms part of the Prospectus and may be referred to in supplementary offer documents. The addressees of the Valuation Report may rely on it, as may investors in Offer Shares.

Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not apollo valuation advisory GmbH are referred to by name and whether or not the contents of our Valuation Report is combined with other reports.



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Nothing in this paragraph shall prevent the addressees of this Valuation Report from quoting from, referring to or disclosing this Valuation Report in communications with its professional advisers duly bound by obligations of confidentiality or as may be required by law, regulation, or upon designation by Euronext Amsterdam, Euronext Paris, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) the French Authority for the Financial Markets (*Autorité des marchés financiers*), the Netherlands Central Bank (*De Nederlandsche Bank N.V.*), the French Central Bank (*Banque de France*) or any other competent authority or judicial authority.
Disclosure of this Valuation Report by the addressees of this Valuation Report is not prohibited if required (i) in connection with any actual or threatened legal, judicial or regulatory proceedings (for the avoidance of doubt, this shall include disclosure by any addressee in connection with any form of due diligence defence) or for the purpose of resolving any actual or threatened dispute or (ii) in communications to insurers in connection with an actual or threatened dispute or claim, or (iii) in connection with the addressees' due diligence enquiries of the contents of the Prospectus.

Yours faithfully,

Andreas Borutta
COO

Horst Jaletzky FRICS
CEO

For and on behalf of
apollo valuation advisory GmbH
chartered surveyors
Berliner Allee 51-53
D – 40212 Düsseldorf

## APPENDIX A: Property Schedule

| Country | Property | Address | Location and Description | Date last Inspe | Gross Leasable Area | Ownership Interest | Effective Ownership Corio % | Passing Rent € per annum | |
|---|---|---|---|---|---|---|---|---|---|
| Germany | Office building | D-71034 Boblingen, Calwer str. 7 | Office building with underground parking located at main street from motor way to city centre | 17.11.2009 | 13,659 m² | Freehold | 100% | 1.229.704 | Including tenants contribution to building costs |
| | | | | | | | | 1.100.306 | Excluding tenants contribution to building costs |

23.03.2010

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RICS

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## LEGAL ADVISORS TO THE COMPANY

*Dutch counsel to the Company*

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*US counsel to the Company*

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## SOLE GLOBAL COORDINATOR AND JOINT BOOKRUNNER

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## JOINT BOOKRUNNER

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## JOINT BOOKRUNNER

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1082 PP Amsterdam
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## JOINT LEAD MANAGERS

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## LEGAL ADVISORS TO THE MANAGERS

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*US counsel to the* Managers

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