

The Offer expires at 17.45 hours CET on 25 March 2010, unless extended

OFFER MEMORANDUM

Dated 17 February 2010

RECOMMENDED CASH OFFER

By

**Southeast U.S. Holdings B.V.
a directly wholly owned subsidiary of Equity One, Inc.**

**FOR ALL ISSUED AND OUTSTANDING ORDINARY SHARES
WITH A NOMINAL VALUE OF EUR 1.52 EACH
IN THE CAPITAL OF**

DIM Vastgoed N.V.



This offer memorandum (the “**Offer Memorandum**”) contains details of the recommended cash offer by Southeast U.S. Holdings B.V. (the “**Offeror**” or “**Southeast**”) to all holders of issued and outstanding ordinary shares with a nominal value of EUR 1.52 each in the capital of DIM Vastgoed N.V. (“**DVG**” or the “**Company**”) (the “**Shares**”) excluding the Offeror and its group companies (such holders of Shares being referred to as “**Shareholders**”) to purchase for cash all or part of the Shares held by them, on the terms and subject to the conditions and restrictions contained in this Offer Memorandum (the “**Offer**”).

Capitalised terms used in Part I and the introduction and section headings of Part II of this Offer Memorandum have the meaning as set out in Section 3 (Definitions) or elsewhere in Part I of this Offer Memorandum. Capitalised terms used in Part II of this Offer Memorandum have the meaning as set out in Part II of this Offer Memorandum.

Shareholders tendering their Shares under the Offer will be paid, on the terms and subject to the conditions and restrictions contained in this Offer Memorandum, in consideration of each Share validly tendered (or defectively tendered, provided that such defect has been waived by the Offeror) and delivered (*geleverd*), a cash amount of US\$ 7.30 per Share (the “**Offer Price**”). See Section 4 (Invitation to the Shareholders).

Each of the supervisory board of DVG (the “**Supervisory Board**”) and the management board of DVG (the “**Management Board**”) fully supports and unanimously recommends the Offer for acceptance to the Shareholders. See Section 6 (Recommendations).

The acceptance period under the Offer commences at 9.00 hours CET, on 18 February 2010 and, unless extended, expires at 17.45 hours CET, on 25 March 2010 (the “**Acceptance Closing Date**”) (the “**Acceptance Period**”). Acceptance under the Offer must be made in the manner specified in this Offer Memorandum. Shares tendered on or prior to the Acceptance Closing Date may not be withdrawn, subject to the right of withdrawal of any tender during an extension of the Acceptance Period in accordance with the provisions of Article 15, paragraph 3 of the Decree on public offers Wft (*Besluit openbare biedingen Wft*) (the “**Takeover Decree**”). The Offeror reserves the right to extend the Offer past the Acceptance Closing Date if one or more of the Offer Conditions are not fulfilled by the Acceptance Closing Date. If the Offer is extended past the Acceptance Closing Date, the Offeror will make an announcement to that effect in accordance with the Takeover Decree. See Section 4 (Invitation to the Shareholders). The provisions of Article 15, paragraph 2 of the Takeover Decree, require that such an announcement be made within three (3) Business Days following the Acceptance Closing Date.

Unless the Acceptance Period is extended, the Offeror will, in accordance with Article 16 of the Takeover Decree, announce whether the Offer is declared unconditional (*gestand wordt gedaan*) within three (3) Business Days following the Acceptance Closing Date (the “**Unconditional Date**”). See Section 4.7 (Declaring the Offer Unconditional (*gestanddoening*)). The Offeror reserves the right to waive certain Offer Conditions, if relevant and to the extent permitted by applicable law as set out in Section 5.2 (Offer Conditions).

Announcements contemplated by this Offer Memorandum will be published by means of a press release and on the websites of the Company (www.dimvastgoed.nl) and Equity One, Inc. (www.equityone.net). See Section 4.14 (Announcements).

In the event that the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), the Shareholders who have tendered and delivered their Shares to the Offeror prior to the Acceptance Closing Date will receive within five (5) Business Days following the Unconditional Date (the “**Settlement Date**”) the Offer Price in respect of each Share validly tendered (or defectively tendered, provided that such defect has been waived by the Offeror) and delivered (*geleverd*).

This Offer Memorandum (Part I together with Part II, Financial Statements) has been prepared in accordance with Article 5:76 of the Wft in conjunction with Article 8, paragraph 1 of the Takeover Decree and has been approved by the Netherlands Authority for the Financial Markets (**Stichting Autoriteit Financiële Markten**, the “**AFM**”). The information required under Article 18, paragraph 2 and Annex G of the Takeover Decree is included in the Position Statement (Part III). The Position Statement including all Appendices thereto included as Part III does not form part of the Offer Memorandum and is not subject to review and approval by the AFM. However, the Position Statement is subject to review by the AFM after publication thereof.

PART 1

1. RESTRICTIONS AND IMPORTANT INFORMATION

1.1 Restrictions

The Offer is being made with due observance of such statements, conditions and restrictions as are included in the Offer Memorandum. The Offeror reserves the right to accept any tender under the Offer, which is made by or on behalf of a Shareholder, even if it has not been effected in the manner as set out in this Offer Memorandum. The Offer is not being made, and the Shares will not be accepted for purchase from or on behalf of any Shareholders, in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities or other laws or regulations of such jurisdiction or would require any registration, approval or filing with any regulatory authority not expressly contemplated by the terms of this Offer Memorandum. However, acceptances of the Offer by Shareholders not residing in The Netherlands will be accepted by the Offeror if such acceptances comply with (i) the acceptance procedure set out in this Offer Memorandum, and (ii) the applicable laws and regulations in the jurisdiction from which such acceptances have been made. Persons obtaining the Offer Memorandum are required to take due note and observe all such restrictions and obtain any necessary authorisations, approvals or consents. Neither the Offeror nor DVG, nor any of their respective affiliates or any of their respective supervisory or managing directors, employees or advisers accepts any liability for any violation by any person of any such restriction. Any person (including, without limitation, custodians, nominees and trustees) who would or otherwise intends to forward this Offer Memorandum or any related document to any jurisdiction outside The Netherlands should carefully read this Section 1 (Restrictions and important information) before taking any action. The release, publication or distribution of this Offer Memorandum and any documentation regarding the Offer or the making of the Offer in jurisdictions other than The Netherlands may be restricted by law and therefore persons into whose possession this Offer Memorandum comes should inform themselves about and observe such restrictions. Any failure to comply with any such restrictions may constitute a violation of the law of any such jurisdiction.

United States of America

The Offer is not being made, directly or indirectly, in or into, or by use of the mailing systems of, or by any means or instrumentality (including, without limitation, electronic mail, post, telephone, facsimile, telex or electronic transmission) of interstate or foreign commerce of, or of any facility of a securities exchange or trading system of or located in the United States of America or any state, territory, possession or other jurisdiction thereof (collectively, the “**United States**”), and the Offer cannot be accepted by any such use, means, instrumentality or facility of, from or within the United States. Accordingly, this Offer Memorandum and any related documents are not being and must not be mailed or otherwise distributed or sent in or into the United States and, in their capacities as such, custodians, trustees, or nominees holding shares for United States persons and other persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute or send them into the United States and doing so will render invalid any related purported acceptance of the Offer.

This Offer Memorandum has not been submitted to or reviewed by the United States Securities and Exchange Commission (“**SEC**”) or any state securities commission and neither the SEC nor any such state securities commission has approved or disapproved or determined whether this Offer Memorandum is truthful or complete. Any representation to the contrary is a criminal offence in the United States.

Australia, Canada or Japan

The Offer is not being made, directly or indirectly, in or into, or by use of the mailing systems of, or by any means or instrumentality (including, without limitation, electronic mail, post, telephone, facsimile,

telex or electronic transmission) of interstate or foreign commerce of, or of any facility of a securities exchange of Australia, Canada or Japan, and the Offer cannot be accepted by any such use, means, instrumentality or facility of or from within Australia, Canada or Japan. Accordingly, this Offer Memorandum and any related documents are not being and must not be mailed or otherwise distributed or sent in or into Australia, Canada or Japan and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute or send them into such jurisdictions.

1.2 Important Information

This Offer Memorandum contains important information that should be read carefully before any decision is made to tender Shares under the Offer. Shareholders are advised to seek independent advice where necessary. In addition, Shareholders may wish to consult with their tax advisers regarding the tax consequences of tendering their Shares under the Offer.

The information included in Sections 1 – 4, 5 (excluding 5.4, 5.7.3 and 5.7.5), 8, 9 under (b), 10, 12 and 13 of Part I has been solely provided by the Offeror. The information included in Sections 5.4, 6 and 7 of Part I and the information included in Part II (other than the information in Sections 2, 4 and 6 thereof) has been solely provided by the Company. The information included on the front page, on the introduction page and in Sections 5.7.3, 5.7.5, 9 under (a), (c) and (d) and 11 of Part I has been jointly provided by the Offeror and the Company.

The information included in Sections 2 (Auditor's report relating to the DVG's consolidated financial information for the Financial Years 2006, 2007 and 2008), 4 (auditor's report relating to the DVG's financial information for the Financial Year 2008) and 6 (Review report relating to the DVG's updated condensed consolidated interim financial information relating to the nine (9) month period ended 30 September 2009) of Part II has been provided to the Company by the Accountant and is included as such in the Offer Memorandum by the Company and is identical to the original auditor's reports as of the same dates issued by the Accountant.

The Offeror and the Company are responsible for the information provided in this Offer Memorandum, each exclusively with respect to the information as it has provided individually, and jointly with respect to the information they have provided together, except for information that has not been provided by either of them (which includes the auditor's reports included in Sections 2 (Auditor's report relating to the DVG's financial information for the Financial Years 2006, 2007 and 2008), 4 (auditor's report relating to the DVG's consolidated financial information for the Financial Year 2008) and 6 (Review report relating to DVG's updated condensed consolidated interim financial information relating to the nine (9) month period ended 30 September 2009) of Part II).

Both the Offeror and the Company confirm, with respect to the information the Offeror and the Company, respectively, have provided and jointly with respect to the information they have provided together in this Offer Memorandum, that to the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, as of the date hereof the information contained in this Offer Memorandum is in accordance with the facts and contains no omission likely to affect its import.

It is pointed out that certain financial and statistical information and other figures in this Offer Memorandum may have been rounded up or down to the nearest whole number or the nearest decimal and should therefore not be regarded as exact.

No person, other than the Offeror and the Company and without prejudice to the auditor's reports issued by the Accountant included in this Offer Memorandum, is authorised in connection with the Offer to provide any information or to make any statements on behalf of the Offeror and/or the Company in connection with the Offer or any information contained in this Offer Memorandum. If any such information or statement is provided or made by parties other than the Offeror and/or the Company, such

information or statements should not be relied upon as having been provided by or made by or on behalf of the Offeror and/or the Company. Furthermore, any information or representation not contained in this Offer Memorandum must not be relied upon as having been provided by or made by or on behalf of the Offeror and/or the Company.

This Offer Memorandum and the Offer are, and any tender, purchase or delivery of Shares will be, governed by and construed in accordance with the laws of The Netherlands. The District Court of Amsterdam (*Rechtbank Amsterdam*) and its appellate courts shall have exclusive jurisdiction to settle any disputes which might arise out of or in connection with this Offer Memorandum, the Offer and/or any tender, purchase or delivery of Shares. Accordingly, any legal action or proceedings arising out of or in connection with this Offer Memorandum, the Offer and/or any tender, purchase or delivery of Shares may be brought exclusively before such courts.

This Offer Memorandum is published in the English language and a summary in the Dutch language is included as Section 12 (*Nederlandse samenvatting van het bod*). In the event of any differences, whether or not in interpretation, between the English text of this Offer Memorandum and the summary in Dutch of this Offer Memorandum, the English text of this Offer Memorandum shall prevail.

Addresses

The Offeror

Southeast U.S. Holdings B.V.
Locatellikade 1
1076 AZ Amsterdam
The Netherlands

The Company

DIM Vastgoed N.V.
Weena 210-212
3012 NJ Rotterdam
The Netherlands

The Exchange Agent

Kempen & Co N.V.
Beethovenstraat 300
1077 WZ Amsterdam
The Netherlands

Availability of copy documentation

(Digital) Copies of this Offer Memorandum are available on the website of Equity One, Inc. (www.equityone.net) and free of charge at the offices of the Offeror and the Exchange Agent and can be obtained by contacting the Offeror or the Exchange Agent at the addresses mentioned above. Digital copies of this Offer Memorandum are also available on the website of the Company (www.dimvastgoed.nl). The Equity One, Inc. and DVG websites do not constitute a part of and are not incorporated by reference in this Offer Memorandum.

Documentation incorporated by reference

Copies of the DVG's Articles of Association and the annual consolidated financial statements of DVG for the Financial Year 2008 (as adopted by the general meeting of shareholders of the Company) including notes and auditor's report, which documents are incorporated by reference in, and form an integral part of, this Offer Memorandum, are available free of charge at the office of the Company and can be obtained by contacting the Offeror at the address mentioned above and also on the website of the Company (www.dimvastgoed.nl).

Forward looking statements

This Offer Memorandum includes “forward-looking statements” including statements about the expected timing and completion of the Offer. Forward-looking statements involve known or unknown risk and uncertainty because these statements relate to events and depend on circumstances that all occur in the future. Generally, words such as “may”, “should”, “aim”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue” or similar expressions identify forward-looking statements. Although each of the Offeror and the Company, or any of their respective affiliates, each with respect to the statements it has provided, believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, no assurance can be given that such statements will be fulfilled or prove to be correct, and no representations are made as to the future accuracy and completeness of such statements. Any such forward-looking statements must be considered together with the fact that actual events or results may vary materially from such forward-looking statements due to, among other things, political, economic or legal changes in the markets and environments in which the Offeror, Equity One and/or the Company does business, to competitive developments or risks inherent to the Offeror’s, or Equity One’s, or the Company’s business plans and to uncertainties, risk and volatility in financial markets and other factors affecting the Offeror, Equity One and/or the Company. The Offeror nor any of its affiliates accepts any responsibility for any financial information contained in this Offer Memorandum relating to the business or operations or results or financial condition of the Company.

The Offeror nor any of its affiliates undertakes any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws and regulations or by any appropriate regulatory authority.

Financial adviser

Kempen & Co is acting as the financial adviser and Fairness Opinion provider exclusively to the Company and to no one else in connection with the Offer, and will not regard any other person (whether or not a recipient of this Offer Memorandum) as a client in relation to the Offer and will not be responsible to anyone other than the Company for providing advice in relation to the Offer including a Fairness Opinion.

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3. DEFINITIONS

Any reference in Part I and the introduction and section headings of Part II of this Offer Memorandum to defined terms in plural form shall constitute a reference to such defined terms in singular form, and vice versa. All grammatical and other changes required by the use of a definition in singular form shall be deemed to have been made herein and the provisions hereof shall be applied as if such changes have been made. A reference to “including” means “including without limitation”.

Defined terms used in Part I and the introduction and section headings of Part II of this Offer Memorandum shall have the following meanings:

Accountant	PricewaterhouseCoopers Accountants N.V., independent auditors with its address at Brainpark, Fascinatio Boulevard 350, 3065 WB Rotterdam, The Netherlands, and the partner responsible for the audit is a member of the Royal Netherlands Institute of Registered Accountants (<i>Koninklijk Nederlands Instituut voor Register-accountants</i>)
Acceptance Closing Date	the time and date on which the Offer expires, being at 17.45 hours CET, on 25 March 2010, unless extended by the Offeror in accordance with Article 15 of the Takeover Decree
Acceptance Period	the period during which the Shareholders can tender their Shares to the Offeror, which commences on 18 February 2010 and ends on the Acceptance Closing Date
Admitted Institutions	those institutions admitted to Euronext Amsterdam and/or Euroclear Nederland
AFM	the Netherlands Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>)
Anchor Tenant	a leading tenant of a Property whose prestige and name recognition attracts other tenants, as well as consumers, to the Property. Due to the drawing power of the Anchor Tenant and expected increased patronage to the Property, the Anchor Tenant typically pays a lower rent than the ancillary tenants making up the balance of the tenancy within the Property. The greater the drawing power of the Anchor Tenant, the greater the expected sales to the Property’s ancillary tenants, which in turn contributes to their overall financial success
Appendix	an appendix to the Position Statement. The Position Statement and any Appendix thereto, as included in Part III, do not form part of this Offer Memorandum
Boards	the Supervisory Board and the Management Board of DVG collectively
Business Day(s)	a day other than a Saturday or Sunday on which banks in The Netherlands, according to the collective agreements for banking sector (<i>Algemene Bank-CAO</i>), and Euronext are generally open for normal business

Business Plan	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
CET	Central European Time
Company or DVG	DIM Vastgoed N.V., a public limited liability company (<i>naamloze vennootschap</i>), incorporated under the laws of The Netherlands, having its statutory seat (<i>statutaire zetel</i>) in Breda, The Netherlands and having its registered office at Weena 210-212, 3012 NJ Rotterdam, The Netherlands
Commissarissen A	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
Committed Shares	has the meaning ascribed thereto in Section 5.2(a) (Offer Conditions)
Competing Offer	has the meaning ascribed thereto in Section 5.9 (Certain arrangements between the Offeror and Equity One and the Company)
DBR	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
DBR Realty	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
DIM B.V.	Dane Investors Management B.V., a private limited company (<i>besloten vennootschap met beperkte aansprakelijkheid</i>), incorporated under the laws of The Netherlands, having its statutory seat (<i>statutaire zetel</i>) in Breda, The Netherlands and having its registered office at Weena 210-212, 3012 NJ Rotterdam, The Netherlands
DIM-Governors	DIM-Governors Towne Square, LLC, a Delaware limited partnership, having a principle place of business in Fort Lauderdale, Florida, United States
DIM-Whitaker	DIM-Whitaker Square, LLC, a Delaware limited partnership, having a principle place of business in Fort Lauderdale, Florida, United States
Disappearing Entity	has the meaning ascribed thereto in Section 5.7.2 (Post Offer restructuring of DVG)
DMA	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
DRE	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
Dutch Corporate Governance Code	the Dutch Corporate Governance Code dated 2008
Dutch GAAP	Generally Accepted Accounting Principles in The Netherlands

DVG or Company	DIM Vastgoed N.V., a public limited liability company (<i>naamloze vennootschap</i>), incorporated under the laws of The Netherlands, having its statutory seat (<i>statutaire zetel</i>) in Breda, The Netherlands and having its registered office at Weena 210-212, 3012 NJ Rotterdam, The Netherlands
DVG Articles of Association	the articles of association (<i>statuten</i>) of the Company, as most recently amended on 17 April 2000
DVG Group	DVG and its group companies as referred to in article 2:24b of the Dutch Civil Code
EGM-1	the extraordinary general meeting of shareholders of the Company to be held during the Acceptance Period
EGM-2	has the meaning ascribed thereto in Section 5.7.7 (Amendment of the DVG Articles of Association and abolition of Priority Shares)
Equity One	Equity One, Inc., a Maryland corporation, the principal place of business of which is 1600 NE Miami Gardens Drive, North, Miami Beach, Florida 33179, United States and where the context allows it any or all of its subsidiaries
Equity One Management Co	Equity One Realty & Management SE, Inc. and Equity One Realty & Management FL, Inc., two (2) wholly owned subsidiaries of Equity One, collectively
EUR	euro, the legal currency of the European Monetary Union
Euronext Amsterdam	the stock exchange of Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext N.V.
Exchange Agent	Kempen & Co N.V., Beethovenstraat 300, 1077 WZ Amsterdam, The Netherlands
Exchange Agreement Homburg-Equity One	an agreement between Equity One and Homburg of 9 January 2009 (reference is made to the explanatory note to the latest substantial interest disclosure of Equity One in relation to the Company published on the AFM website, www.afm.nl , for further details on this agreement)
Fairness Opinion	statement of Kempen & Co based on Dutch market practice dated 17 February 2010 that the Offer Price is, in its opinion, fair to the Shareholders from a financial point of view
Financial Year 2006	financial year of DVG ended 31 December 2006
Financial Year 2007	financial year of DVG ended 31 December 2007
Financial Year 2008	financial year of DVG ended 31 December 2008
Freeland	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
Homburg	Homburg Invest Inc., Homburg Holding (Neth) Beheer B.V. and/or any of their affiliates

IFRS	International Financing Reporting Standards
Irrevocable Commitment Priority Foundation	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
Kempen & Co	Kempen & Co Corporate Finance B.V., P.O. Box 75666, 1070 AR Amsterdam, The Netherlands
Legal Merger	has the meaning ascribed thereto in Section 5.7.2 (Post Offer restructuring of DVG)
Leasing Agreement	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
Management Agreement	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
Management Board	the management board (<i>directie</i>) of DVG
Material Adverse Change	has the meaning ascribed thereto in Section 5.2(i) (Offer Conditions)
Merger Protocol	the merger protocol between DVG and Southeast dated 30 December 2009
Merger Rules	all applicable laws and regulations, including without limitation the applicable provisions of the Wft, the Takeover Decree, any rules and regulations promulgated pursuant to the Wft and/or the Takeover Decree, the rules and regulations of Euronext Amsterdam, the Dutch Civil Code and any other applicable securities laws
MoU	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
Neighbourhood Shopping Centre	a 30,000 to 100,000 Sq.ft. (i.e. 2,787 to 9,290 square metres) retail shopping centre typically anchored by a grocery store with ancillary tenants providing for the sale of convenience goods and personal services that typically meet the daily needs of an immediate neighbourhood trade area. Dependent upon the population density, the typical trade area radius ranges from 3 – 5 miles (i.e. 5 – 8 kilometres)
New Leasing Agreement	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
Occupancy Rate(s)	the total leased floor area as a percentage of the Rentable Floor Area
Offer	the offer for the Shares as described in this Offer Memorandum
Offer Conditions	the conditions precedent to declaring the Offer unconditional (<i>gestand doen</i>) as set out in Section 5.2 (Offer Conditions)
Offer Memorandum	this offer memorandum relating to the Offer

Offeror or Southeast	Southeast U.S. Holdings B.V., a private limited company (<i>besloten vennootschap</i>), incorporated under the laws of The Netherlands, having its statutory seat (<i>statutaire zetel</i>) in Amsterdam, The Netherlands, having its registered office at Locatellikade 1, 1076 AZ Amsterdam, The Netherlands
Offer Price	a cash amount of US\$ 7.30 per Share
Other Possible Measures	has the meaning ascribed thereto in Section 5.7.2 (Post Offer restructuring of DVG)
Portfolio	DVG Group's current and future total real estate portfolio, currently consisting of twenty-one (21) Properties which are: Glengary Shoppes; Brawley Commons; Magnolia Shoppes; Hammocks Town Center; Carolina Pavilion; Salem Road Station; Keith Bridge Commons; Sunrise Town Center; Golden Park Village; the Vineyards at Chateau Elan; Grayson Village; the Shops at Lake Tuscaloosa; Eustis Village; Freehome Village; Longanville Town Center; Wilmington Island Shopping Center; South Plaza Shopping Center; Governors Town Square; Dublin Village; Greensboro Village Shopping Center; Whitaker Square
Position Statement	the position statement of DVG including all Appendices thereto included as Part III, but which do not form part of this Offer Memorandum
Power Centre(s)	an unenclosed shopping centre with 250,000 Sq.ft to 750,000 Sq.ft (i.e. 23,226 to 69,677 square metres) of Rentable Floor Area typically containing three or more large regional or national big box store chains with ancillary shop space tenants offering a wide variety of discount merchandise. Although typically located in suburban areas on major thoroughfares, occasional redevelopment within densely populated urban sites has become more common. Dependent upon the population density and number of anchors, the typical trade area radius ranges from 10 – 20 miles (i.e. 16 – 32 kilometres)
Priority Foundation	Stichting Prioriteit DIM Vastgoed, a foundation (<i>stichting</i>) incorporated under the laws of The Netherlands, having its statutory seat (<i>statutaire zetel</i>) in Breda, The Netherlands, having its registered office at Weena 210-212, 3012 NJ Rotterdam, The Netherlands
Priority Meeting	has the meaning ascribed thereto in Section 5.7.3 (Current and future management and governance arrangements)
Priority Share(s)	all issued and outstanding priority shares with a nominal value of EUR 1.52 each in the capital of DVG
Property(ies)	an individual real property that is part of the Portfolio
Rentable Floor Area	the total floor area which is available for leasing and for which rents are charged, not including common areas for joint use by the tenants

SEC	United States Securities and Exchange Commission
Section	a (sub)section of this Offer Memorandum
Settlement	the payment of the Offer Price per Share by the Offeror to the Shareholders who have validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (<i>geleverd</i>) under the Offer
Settlement Date	the date on which, in accordance with the terms and subject to the conditions and restrictions of the Offer, the Offeror shall pay the Offer Price to the Shareholders for each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (<i>geleverd</i>) under the Offer, being no later than the fifth Business Day after the Unconditional Date, subject to the Offer being declared unconditional (<i>gestanddoening</i>)
Share(s)	all issued and outstanding ordinary shares with a nominal value of EUR 1.52 each in the capital of DVG
Shareholder(s)	holders of one of more Share(s)
Southeast or Offeror	Southeast U.S. Holdings B.V., a private limited company (<i>besloten vennootschap met beperkte aansprakelijkheid</i>), incorporated under the laws of The Netherlands, having its statutory seat (<i>statutaire zetel</i>) in Amsterdam, The Netherlands, having its registered office at Locatellikade 1, 1076 AZ Amsterdam, The Netherlands
Sq.ft.	square foot (1 square foot being 0.092903 square metres)
Squeeze-Out	has the meaning ascribed thereto in Section 5.7.2 (Post Offer restructuring of DVG)
Statutory Squeeze-Out	has the meaning ascribed thereto in Section 5.7.2 (Post Offer restructuring of DVG)
Supermarket Anchor Tenant	an Anchor Tenant operating in the supermarket/grocery business
Supervisory Board	the supervisory board (<i>raad van commissarissen</i>) of DVG
Surviving Entity	has the meaning ascribed thereto in Section 5.7.2 (Post Offer restructuring of DVG)
Takeover Decree	the Decree on public offer Wft (<i>Besluit openbare biedingen Wft</i>)
Takeover Squeeze-out	has the meaning ascribed thereto in Section 5.7.2 (Post Offer restructuring of DVG)
Unconditional Date	the date on which the Offeror shall publicly announce whether the Offer is declared unconditional (<i>gestand wordt gedaan</i>), being no later than three (3) Business Days following the Acceptance Closing Date, in accordance with Article 16, paragraph 1 of the Takeover Decree
United States	United States of America

US\$	American dollar, the lawful currency in the United States
Voting Rights Transfer Agreement Homburg – Equity One	an agreement between Equity One and Homburg of 9 January 2009 (reference is made to the explanatory note to the latest substantial interest disclosure of Equity One in relation to the Company published on the AFM website, www.afm.nl , for further details on this agreement)
Wft	the Netherlands Financial Markets Supervision Act (<i>Wet op het financieel toezicht</i>)

4. INVITATION TO THE SHAREHOLDERS

The Offeror hereby makes a recommended public cash offer for all Shares not already held by itself or its group companies. Shareholders are advised to review this Offer Memorandum (including all documents incorporated by reference herein) and in particular Section 1 (Restrictions and important information) thoroughly and completely and to seek independent advice where appropriate in order to reach a balanced judgement with respect to the Offer and this Offer Memorandum. Shareholders who consider not tendering their Shares are advised to review Section 5.7.1 (Liquidity and delisting), Section 5.7.2 (Post Offer restructuring of DVG), and Section 5.7.3 (Current and future management and governance arrangements).

With due reference to all statements, terms, conditions and restrictions included in this Offer Memorandum, Shareholders are hereby invited to tender their Shares under the Offer in the manner and on the terms and subject to the conditions and restrictions set out in this Offer Memorandum.

4.1 Offer Price

Shareholders tendering their Shares under the Offer will be offered, on the terms and subject to the conditions and restrictions contained in this Offer Memorandum, an amount in cash of US\$ 7.30 for each Share (the “**Offer Price**”), without interest and subject to any withholding of taxes in consideration of each Share validly tendered pursuant to the Offer (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*), subject to the Offer being declared unconditional (*gestanddoening*).

The Offer Price includes any (other) cash or share dividends or other distributions on the Shares that is or may be declared by the Company on or prior to the Settlement Date. Consequently, if on or prior to the Settlement Date any such cash or share dividend or other distribution is declared in respect of the Shares, and the record date for such cash or share dividend or other distribution occurs on or prior to the Settlement Date, the Offer Price will be decreased by an amount per Share equal to any such cash or share dividend or other distribution per Share.

4.2 Acceptance by Shareholders of the Offer

4.2.1 Acceptance by Shareholders through an Admitted Institution

Shareholders who hold their Shares through an Admitted Institution are requested to make their acceptance known via their bank or stockbroker no later than 17.45 hours CET, on the Acceptance Closing Date, unless the Acceptance Period is extended in accordance with Section 4.8 (Extension of the Acceptance Period) and/or Section 4.9 (Post Acceptance Period). The bank or stockbroker may set an earlier deadline for communication by Shareholders in order to permit the bank or stockbroker to communicate its acceptances to the Exchange Agent in a timely manner.

The Admitted Institutions may tender Shares for acceptance only in writing to the Exchange Agent via the application form of the Exchange Agent. In tendering the acceptance, the Admitted Institutions are required to declare that (i) they have the tendered Shares in their administration, (ii) each Shareholder who accepts the Offer irrevocably represents and warrants that the Shares tendered by it are being tendered in compliance with the restrictions set out in Section 1 (Restrictions and important information), and (iii) they undertake to deliver (*leveren*) these Shares to the Offeror prior to or ultimately on the Settlement Date, provided the Offer is declared unconditional (*gestand wordt gedaan*).

Subject to Article 15, paragraph 3 of the Takeover Decree, the tendering of Shares in acceptance of the Offer shall constitute irrevocable instructions to block any attempt to transfer the Shares tendered, so that between the tendering and the Settlement Date no transfer of such Shares may be effected (other

than to the Exchange Agent on the Settlement Date if the Offer is declared unconditional (*gestand wordt gedaan*) and the Shares have been accepted for purchase, or if withdrawal rights are available because of an extension of the Offer Period) and to debit the securities account in which such Shares are held on the Settlement Date in respect of all of the Shares tendered, against payment by the Exchange Agent on behalf of the Offeror of the Offer Price in respect of those Shares.

4.3 Undertakings, representations and warranties by tendering Shareholders

Each Shareholder tendering Shares pursuant to the Offer, by such tender, undertakes, represents and warrants to the Offeror, on the date that such Shares are tendered up to and including the Settlement Date, subject to the proper withdrawal of any tender in accordance with Article 15, paragraph 3 of the Takeover Decree, that:

- (a) the tender of any Shares constitutes an acceptance by the Shareholder of the Offer, on and subject to the terms and conditions of the Offer;
- (b) such Shareholder has full power and authority to tender, sell and deliver (*leveren*) the Shares tendered by it, and has not entered into any other agreement to tender, sell or deliver (*leveren*) the Shares stated to have been tendered to any party on terms and conditions other than the conditions of the Offer (together with all rights attaching thereto), and does not hold the Shares for the benefit of any third party who has entered into such agreement and, when the same are purchased by the Offeror for the Offer Price, the Offeror will acquire such Shares, with full title guarantee and free and clear of all third party rights and restrictions of any kind; and
- (c) such Shares are being tendered in compliance with the restrictions as set out in Section 1 (Restrictions and important information) and the securities and other applicable laws or regulations of the jurisdiction in which such Shareholder is located or of which it is a resident and no registration, approval or filing with any regulatory authority of such jurisdiction is required in connection with the tendering of such Shares.

4.4 Withdrawal rights

Shares tendered on or prior to the Acceptance Closing Date may not be withdrawn, subject to the right of withdrawal of any Shares tendered in the initial Acceptance Period during the extension of the Acceptance Period in accordance with the provisions of Article 15, paragraph 3 of the Takeover Decree. During any such extension of the Acceptance Period, any Shares previously tendered and not withdrawn will remain subject to the Offer. Shares tendered during the extension of the Acceptance Period may not be withdrawn.

4.5 Offer Conditions

The Offer shall be declared unconditional (*wordt gestand gedaan*) if the Offer Conditions as set out in Section 5.2 (Offer Conditions) are fulfilled or, if permitted by applicable law, waived by the party entitled to waive such Offer Conditions. Subject to the Offer Conditions set out in Section 5.2 (Offer Conditions), the Offeror reserves the right to accept any Shares tendered for acceptance, even if it has not been effected in such manner as set out in Section 4.2 (Acceptance by Shareholders of the Offer).

4.6 Acceptance Period

The Acceptance Period commences on 18 February 2010 at 09.00 hours CET, and ends, subject to extension in accordance with Article 15, paragraph 1 and paragraph 2 of the Takeover Decree, on 25 March 2010 at 17.45 hours CET.

If one or more of the Offer Conditions set out in Section 5.2 (Offer Conditions) is not fulfilled or, where appropriate, waived by the Acceptance Closing Date, the Offeror may extend the Acceptance Period for a minimum period of two (2) weeks and a maximum period of ten (10) weeks in order to fulfil or waive such Offer Conditions; provided that if the extension relates to Offer Condition 5.2(a) the period for which the Acceptance Period will be extended in order to fulfil or waive this Offer Condition is a minimum period of two (2) weeks and a maximum period of four (4) weeks. Extension of the Acceptance Period may occur once (extension for more than one period is subject to clearance of the AFM, which will only be given in exceptional circumstances) for all such Offer Conditions to be fulfilled or, where appropriate, waived. See also Section 4.8 (Extension of the Acceptance Period) and/or Section 4.9 (Post Acceptance Period).

If all Offer Conditions are fulfilled or, where appropriate, waived, the Offeror will accept all Shares that have been validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and not previously withdrawn pursuant to the provisions of Article 15, paragraph 3 of the Takeover Decree and the terms of the Offer. Such acceptances will be made in accordance with the procedures set forth in Section 4.2 (Acceptance by Shareholders of the Offer).

4.7 Declaring the Offer unconditional (*gestanddoening*)

The Offer shall be subject to the fulfilment of the Offer Conditions, including, but not limited to, the condition that the number of Shares that is tendered for acceptance on the Acceptance Closing Date, whether or not extended, plus the Shares which are held, directly or indirectly, by the Offeror at the Acceptance Closing Date (for the avoidance of doubt, taking into account the stake of approximately seventy-three point two nine percent (73.29%) of the Shares held and/or controlled by Equity One) plus the Shares to which the Offeror is entitled (*gekocht maar nog niet geleverd*), represent at least ninety-five percent (95%) of the aggregate of the Company's issued and outstanding ordinary share capital (*geplaatst en uitstaand kapitaal*) as at the Acceptance Closing Date, whether or not extended. See also Section 5.2 (Offer Conditions). The Offeror reserves the right to waive any such Offer Conditions to the extent permitted by law. If the Offeror wishes to (partially) waive or reduce one or more Offer Conditions, the Offeror will inform the Shareholders that it (partially) waives or reduces such Offer Conditions by such means as required by the Merger Rules.

Unless the Acceptance Period is extended, the Offeror will announce, in accordance with Article 16, paragraph 1 of the Takeover Decree, within three (3) Business Days after the Acceptance Closing Date whether or not it declares the Offer unconditional, and if the Offer is declared unconditional (*gestand wordt gedaan*) such date being the Unconditional Date. In the event that the Offer is not declared unconditional, the Offeror will give reasons for such decision.

In the event that the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), the Offeror will accept for payment all Shares validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and may continue the Offer by way of a post Acceptance Period (*na-aanmeldingstermijn*) as set out in Section 4.9 (Post Acceptance Period).

4.8 Extension of the Acceptance Period

The Offeror may extend the Offer past the Acceptance Closing Date only once at its discretion (extension for more than one period is subject to clearance of the AFM, which will only be given in exceptional circumstances) if one or more of the Offer Conditions is not fulfilled by the Acceptance Closing Date, in which case all references in this Offer Memorandum to the Acceptance Closing Date or "17.45 hours CET, on 25 March 2010" shall, unless the context requires otherwise, be deemed to be moved to the latest date and time to which the Acceptance Period has been so extended.

If the Acceptance Period is extended, a public announcement to that effect shall be made not later than the third Business Day following the initial Acceptance Closing Date, in accordance with the provisions of Article 15, paragraph 1 and paragraph 2 of the Takeover Decree.

During such extension of the Acceptance Period, any Shares previously tendered and not withdrawn will remain subject to the Offer. In accordance with Article 15, paragraph 3 of the Takeover Decree, Shares tendered on or prior to the original Acceptance Closing Date may be withdrawn during the Acceptance Period as extended.

4.9 Post Acceptance Period

In the event that the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), the Offeror may, at its discretion, in accordance with Article 17 of the Takeover Decree, within three (3) Business Days after declaring the Offer unconditional (*gestanddoening*), publicly announce a post Acceptance Period (*na-aanmeldingstermijn*) to enable Shareholders that did not tender their Shares in the Acceptance Period to tender their Shares under the same terms and conditions as the Offer. Such post Acceptance Period shall commence on the first Business Day following the announcement of a post Acceptance Period for a period of no longer than two (2) weeks. The Offeror will publicly announce the results of the post Acceptance Period and the total amount and total percentage of Shares held by it in accordance with Article 17 paragraph 4 of the Takeover Decree ultimately on the third Business Day following the end of the post Acceptance Period. The Offeror shall continue to accept for payment all Shares validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) during such post Acceptance Period and shall pay for such Shares promptly, but in any event within five (5) Business Days following the end of the post Acceptance Period.

4.10 Settlement of the Offer

In the event the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), the Shareholders who have tendered their Shares for acceptance pursuant to the Offer prior to or on the Acceptance Closing Date will receive on the Settlement Date the Offer Price in respect of each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*) under the terms and conditions of the Offer, at which point dissolution or annulment of a Shareholder's tender or delivery (*levering*) shall not be permitted.

4.11 Dividends

On the terms of and subject to the Offer Conditions, the Offer shall commit the Offeror to acquire each Share tendered pursuant to the Offer against cash payment of the Offer Price. In the event that prior to the Settlement Date any cash or share dividends or other distributions are declared in respect of the Shares, the Offer Price will be decreased with an amount per Share equivalent to any such cash or share dividend or other distribution per Share. The Offeror may elect not to cause DVG to pay (cash or share) dividends or other distributions to the Shareholders in the future.

4.12 Commission

Admitted Institutions shall receive from the Exchange Agent on behalf of the Offeror a commission in the amount of US\$ 0.0365 in respect of each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*), up to a maximum of EUR 1,000 per depot. The commission must be claimed from the Offeror through the Exchange Agent within fourteen (14) days of the Unconditional Date. No costs will be charged to the Shareholders by the Offeror or the Company for the delivery and payment of the Shares if an Admitted Institution is involved. However, Shareholders may be charged certain fees by their banks and stockbrokers. Costs may also be

charged if an institution not located in The Netherlands is involved in the delivery and payment of the Shares. Shareholders should consult their banks and stockbrokers regarding any such fees.

4.13 Restrictions

The Offer is being made with due observance of such statements, conditions and restrictions as are included in this Offer Memorandum. Subject to the Offer Conditions set out in Section 5.2 (Offer Conditions), the Offeror reserves the right to accept any Shares tendered for acceptance, even if such tender has not been effected in the manner as set out in Section 4.2 (Acceptance by Shareholders of the Offer).

4.14 Announcements

Announcements contemplated by this Offer Memorandum will be published by means of a press release and on the websites of the Company (www.dimvastgoed.nl) and Equity One, Inc. (www.equityone.net). Subject to any applicable requirements of the Merger Rules and without limiting the manner in which the Offeror may choose to make public announcements, the Offeror will have no obligation to communicate any public announcement other than as described in this Section 4.14 (Announcements).

4.15 Indicative Timetable

Expected date and time	Event
17 February 2010	Publication of the announcement of the availability of this Offer Memorandum and commencement of the Offer.
09.00 hours CET, 18 February 2010	Commencement of the Acceptance Period under the Offer in accordance with article 14 of the Takeover Decree.
19 February 2010	Publication of annual results 2009 DIM Vastgoed N.V.
14.00 hours CET, 9 March 2010	EGM-1, at which meeting the Offer, among other matters, will be discussed in accordance with the provisions of Article 18, paragraph 1 and paragraph 2 of the Takeover Decree, and a vote will be requested on certain resolutions, and for which DVG will publish an agenda in due course.
17.45 hours CET, 25 March 2010, subject to extension	Acceptance Closing Date: final date of the Acceptance Period under the Offer.
Not later than three (3) Business Days after the Acceptance Closing Date	On this date the Offeror shall publicly announce in accordance with Articles 15 and 16 of the Takeover Decree either that: <ul style="list-style-type: none"> the Offer is declared unconditional (<i>gestand wordt gedaan</i>), the Unconditional Date; the Offer is not declared unconditional and has lapsed; or the Offer is extended for a period of between two (2) and ten (10) weeks.
Not later than five (5) Business Days after the Unconditional Date	Settlement Date: the date on which, in accordance with the terms and conditions of the Offer, the Offeror shall pay the Offer Price per Share to the Shareholders who have validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (<i>geleverd</i>) their Shares under the Offer, subject to the Offer being declared unconditional (<i>gestanddoening</i>).
Not later than on the fourth Business Day following the Unconditional Date	Commencement of post Acceptance Period (<i>na-aanmeldingstermijn</i>): the Offeror may, at its discretion, announce a post Acceptance Period for the Offer for a maximum period of two (2) weeks. During a post Acceptance Period, Shareholders that have not yet tendered their Shares under the Offer will have the opportunity to do so in the same manner and under the same conditions as set out in this Offer Memorandum all in accordance with Article 17 of the Takeover Decree.

5. EXPLANATION OF THE OFFER

5.1 History of the Offer

On 27 November 2009, the Company announced that it had received a proposal from Southeast, a wholly owned subsidiary of Equity One, for a public offer for all Shares in the Company at an indicative price per Share of US\$ 6.16 subject to a minimum acceptance level of at least ninety-five percent (95%) (including Shares already held directly or indirectly by Equity One).

On 31 December 2009, Southeast and the Company jointly announced that they had reached conditional agreement on the terms and conditions of the Offer at an Offer Price in cash of US\$ 7.30 per Share. In this press release, it was announced that Southeast will fulfil its obligations under the Offer from cash resources which are currently available to Equity One and that the Priority Foundation had irrevocably committed to cooperate with the abolishing of the Priority Shares and related amendments to the DVG Articles of Association after Settlement subject to Equity One holding and/or controlling at least ninety percent (90%) of the Shares.

On 27 January 2010, Southeast and the Company jointly announced that preparations for the Offer, including preparations with regard to the Offer Memorandum, were well under way and that it was expected that the Offer would be formally made at short notice.

5.2 Offer Conditions

The obligations of the Offeror to declare the Offer unconditional (*gestand te doen*) shall be subject to the fulfilment or waiver, as the case may, of the following Offer Conditions:

- (a) the number of (i) tendered Shares; and (ii) Shares directly or indirectly owned by Equity One (for the avoidance of doubt, taking into account the stake of approximately seventy-three point two nine percent (73.29%) of the Shares held and/or controlled by Equity One) ((i) and (ii) together “**Committed Shares**”) representing in the aggregate at least ninety-five percent (95%) of the Company’s issued and outstanding share capital (*geplaatste en uitstaande aandelenkapitaal*);
- (b) the Priority Foundation not having revoked the Irrevocable Commitment Priority Foundation (for the avoidance of doubt this condition does not imply that the Priority Foundation may revoke its commitment);
- (c) no public announcement having been made of a Competing Offer;
- (d) the Merger Protocol not having been terminated;
- (e) no order, stay, preliminary measures, judgment or decree having been issued or imposed by any court, arbitral tribunal, government, governmental authority or other regulatory or administrative authority and being in effect, or any statute, rule, regulation, governmental order or injunction having been proposed, enacted, enforced or deemed applicable to the Offer, any of which restraints, prohibitions or delays is reasonably likely to restrain, prohibit or delay consummation of the Offer in any material respect;
- (f) on or prior to the Closing Date no notification having been received from the AFM that the Offer has been made in conflict with any of the provisions of chapter 5.5 of the Wft (*Openbaar bod op effecten*) or the Decree, within the meaning of section 5:80 Wft in which case, pursuant to those rules, securities institutions (*effecteninstituten*) would not be permitted to cooperate with the execution and completion of the Offer;

- (g) trading in the Shares not having been permanently suspended by Euronext;
- (h) no shares or equity interest in the capital of the Company, or securities convertible into shares or equity interests, having been created or issued or having been agreed to be created or issued; and
- (i) no Material Adverse Change having occurred, where a “**Material Adverse Change**” means an event or circumstance materially adversely affecting the business, cash flow, financial position or assets of the DVG Group taken as a whole having occurred after the Announcement which is such that the Offeror cannot reasonably be expected to make the Offer and that does not arise as a result of:
 - (i) a general economic decline in the business generally affecting companies such as the Company; or
 - (ii) any matter which is known to the Offeror or its advisers prior to the date of the Merger Protocol, or which is reasonably understandable from information filed by any member of the DVG Group as a matter of public record or made public by the Company pursuant to applicable laws or regulations; or
 - (iii) the announcement, making and implementation of the Offer; or
 - (iv) a violation of the Merger Protocol or applicable law by the Offeror.

Offer Conditions 5.2(d), 5.2(e) and 5.2(g) are for the benefit of each of the Offeror and the Company and may only be waived by the Offeror and the Company jointly by written agreement.

Offer Conditions 5.2(a), 5.2(b), 5.2(c), 5.2(h) and 5.2(i) are for the benefit of the Offeror and accordingly may be waived by the Offeror by written notice to the Company.

Offer Condition 5.2(f) can not be waived.

With respect to Offer Condition 5.2(a), the following applies as well: If the Committed Shares at the Closing Date do not reach the threshold as described under 5.2(a) as at the Closing Date, the Offeror shall, subject to compliance with the Merger Rules, extend the Acceptance Period of the Offer by a period of no more than four (4) weeks.

5.3 Cross Shareholding Equity One/Southeast

At the date of this Offer Memorandum Equity One and its subsidiaries hold and/or have control over 6,134,390 Shares (representing seventy-three point two nine percent (73.29%) of the issued Shares), in the following manner:

- (a) 5,281,417 Shares are held directly by Southeast;
- (b) 766,573 Shares currently held by Holding Partex Zuid B.V. are to be delivered to Southeast pursuant to the Exchange Agreement Homburg-Equity One; voting rights in respect of these Shares are already controlled by Equity One pursuant to the Voting Agreement Homburg-Equity One; and
- (c) Southeast holds 86,400 depositary receipts for shares issued by Stichting Holding Partex Zuid representing 86,400 underlying Shares held by Holding Partex Zuid B.V.; voting rights in respect

of these Shares are already controlled by Equity One pursuant to the transparency agreement relating to the Partex structure as published on the Company's website, www.dimvastgoed.nl.

Holding Partex Zuid B.V. is in liquidation. It is expected that Southeast will receive direct ownership of the 86,400 Shares and the 766,573 Shares on short term notice although no certainty can be given in this respect.

In the year preceding to the date of this Offer Memorandum, Southeast has acquired 6,989 Shares on Euronext Amsterdam, for a price between US\$ 5.99 and US\$ 6.50 per Share.

5.4 Overview of Shares and options held by members of the Boards and related transactions and concluded agreements and cross shareholdings Company

At the date of this Offer Memorandum none of the members of the Boards or the administrative bodies of the Company holds, directly or indirectly, any Shares and no options on Shares have been granted to the members of the Boards.

The Company does not hold directly and/or indirectly any shares in Equity One, Southeast and/or any of their group companies.

5.5 Substantiation of the Offer Price

5.5.1 Analyses

The Offer Price was determined by the Offeror and was based on an analysis of DVG's financial performance as reported by DVG, a net asset value analysis and a comparison of trading multiples.

The Offeror calculated DVG's net asset value based on DVG's reported direct results for the third quarter of 2009 using market data for the geographic regions of the United States in which DVG's properties are located. Specifically, the Offeror used capitalization rates of between eight point seventy-five percent (8.75%) and ten percent (10.0%) to value the assets of DVG and then made certain adjustments to fair value its liabilities. The capitalization rates used by the Offeror were determined based on the Offeror's view of the market in which DVG's Properties are located, the growth prospects of these Properties and the operational and leasing challenges facing many of these Properties. Based on this analysis, the Offeror determined DVG's net asset value to be between US\$ 3.85 to US\$ 6.50 per Share.

The Offeror also compared DVG's trading range at the time of the Offeror's initial offer, including its trading price as a multiple of its direct results calculated by taking the equity value of all DVG ordinary shares divided by the direct results for 2009 in IFRS calculated by taking the direct results for the period ending 30 September 2009 extrapolated to full year 2009 figures was 5.1x. It then compared the trading multiple to trading multiples for other publicly-traded U.S. real estate companies which maintained high levels of leverage that DVG maintains and the trading multiples for similar companies with near-term debt maturities for which the refinancing prospects were limited. While there are very few publicly traded retail real estate companies in the United States that have the level of leverage that the Company has, Ramco-Gershenson Properties Trust and Developers Diversified Realty Corp are the most comparable based on their consensus Funds From Operation (a measure used by U.S. reporting real estate companies that approximates "direct results") for 2009 and 2010, these companies had average trading multiples of 6.8x. Other companies operating in the same markets as DVG, like Equity One and Weingarten Realty Investors have higher trading multiples for these periods but have significantly less leverage.

Finally, the Offeror determined the Offer Price through discussions with the Management Board and Supervisory Board in order to obtain the recommendation of the Boards.

5.5.2 Premiums

The Offer Price represents a premium of:

- (a) Seventy-five point nine percent (75.9%) relative to the closing share price of a Share of US\$ 4.15 on 26 November 2009, the last trading day prior to 27 November 2009, the day on which DVG announced Equity One had expressed its interest in making an offer at an indicative price of US\$ 6.16 per Share;
- (b) Eighteen point five percent (18.5%) relative to the indicative offer price of US\$ 6.16 per Share referred to in the press release issued by DVG on 27 November 2009;
- (c) Twenty one point one percent (21.1%) relative to DVG's stated IFRS net asset value per Share of US\$ 6.03 as per 31 January 2010; and
- (d) Eleven point one percent (11.1%) relative to the average closing price of US\$6.57 of a Share during the last twelve (12) months prior to 27 November 2009, the day on which DVG announced Equity One had expressed its interest in making an offer at an indicative price of US\$ 6.16 per Share.

5.6 Rationale for the Offer and Strategy

Rationale

The rationale for the Offer is based on the Offeror's belief that the costs of operating DVG as a public company are not justified by either access to the public capital markets or by liquidity for its Shares. In fact, in 2008 and 2009 the fund expenses for maintaining its public listing were between twenty percent (20%) and twenty-five percent (25%) of the market value of all Shares not owned or controlled by the Offeror.

While DVG has in the past accessed the public markets for additional equity capital, it has not done so in the past four (4) years (last time in 2006, apart from stock dividend) and, given the holdings of the Offeror, it is unlikely that it will be able to do so in the near future without complying with U.S. and/or Dutch securities laws, adding both complication and cost.

In addition, while there is a public trading market for Shares, the market is usually so illiquid that very few Shares trade on an average trading day.

Based on these facts, the Offeror does not believe that DVG and its shareholders are receiving enough benefits from its public listing to justify the high cost of maintaining it.

Strategy

Following the Settlement Date, the Offeror intends that the Company will initially continue its current operations of owning real estate in the southeastern United States at its current place of establishment or as of 1 April 2010 at the place of establishment of Southeast, as a direct or indirect wholly owned subsidiary of the Offeror.

Following the Offer, Equity One intends to continue its business in the ordinary course. Equity One will likely merge the operations of DVG into any of its group companies and with its existing operations. In

addition to the usually high costs to maintain its public listing, DVG's operating structure in the United States subjects it to U.S. income tax. This puts DVG at a relative disadvantage to many U.S. real estate companies, like Equity One, that are structured to avoid such taxes. The corporate tax rate in the United States is thirty-five percent (35%) of taxable income. While the Company did not pay tax in recent years, resulting from net operating losses and loss carry forwards, the fact that it is subject to U.S. tax could limit its growth potential by subjecting it to higher costs in future years if it is able to increase its taxable earnings.

In addition, Equity One could operate DVG more efficiently by adding DVG's Properties to its larger operating platform. For instance, Equity One has negotiated region-wide vendor contracts for security, landscaping and other property-related services which significantly reduce operating costs for its larger portfolio. In addition, Equity One has a fully integrated management function, with property managers, leasing agents, development and redevelopment personnel and construction staff all internal to the organization. Therefore, reliance on expensive third-party providers is greatly reduced (if not eliminated entirely). The precise amount of costs savings will only be known once the integration process has been completed.

In furtherance of this objective, following the Settlement of the Offer, the Offeror will attempt to acquire hundred percent (100%) of the Shares of DVG as soon as possible by means of a Squeeze Out if available. If such provisions are not available, or if too few Shareholders tender their Shares, the Offeror will likely consider a Legal Merger or other restructuring measures to accomplish the desired consolidation. Reference is made to paragraph 5.7.3 (Post Offer restructuring of DVG).

5.7 Consequences of the Offer and strategy

Shareholders who do not tender their Shares under the Offer should carefully review this Section 5.7 (Consequences of the Offer and strategy), which describes certain risks they will be subject to after the Offer is declared unconditional (*gestand wordt gedaan*). These risks are in addition to the exposure to the business of the DVG Group, as such business and the structure of the DVG Group may change from time to time after the Settlement Date.

5.7.1 Liquidity and delisting

The purchase of the Shares by the Offeror pursuant to the Offer, among other things, will reduce the number of Shareholders and the number of Shares that might otherwise trade publicly and could adversely affect the liquidity and market value of the remaining Shares not tendered and not held by the Offeror and its group companies.

Should the Offer be declared unconditional (*gestanddoening*), it is intended that the listing of the Shares on Euronext Amsterdam will be terminated as soon as legally practicable. This would further adversely affect the liquidity of any Shares not tendered. In addition, the Offeror may initiate any of the procedures described in Section 5.7.2 (Post Offer restructuring of DVG) including procedures which would result in termination of the listing of the Shares (including Shares not being tendered). As a policy rule, in the event of a public offer Euronext Amsterdam does not permit delisting until at least ninety-five percent (95%) of the listed shares are held by a single entity or by a group controlled by a single entity.

5.7.2 Post Offer restructuring of DVG

General

Shareholders who do not exchange their Shares in the Offer will hold a minority interest in DVG unless and until the Offeror becomes the sole Shareholder in DVG. Certain steps may be required for the Offeror to obtain ownership of one hundred percent (100%) of the Shares and the Offeror reserves the

right to use any legally permitted method to obtain ownership of one hundred percent (100%) of the Shares. If following the Settlement Date the Offeror has not obtained one hundred percent (100%) of the Shares, the Offeror intends to propose (where applicable) and to implement (or cause to be implemented) the following reorganisation measures all in accordance with Dutch law, other applicable laws and the DVG Articles of Association in force at the relevant time.

Any Legal Merger or other restructuring measures as referred to in this Section 5.7.2 (Post Offer Restructuring of DVG), other than a Squeeze-Out, shall require the approval of the Supervisory Board. Until the abolishment of the Priority Shares has been completed certain of these measures may also require prior approval by the meeting of holders of Priority Shares.

Squeeze-Out

In the event that upon or after the Settlement Date the Offeror holds ninety-five percent (95%) or more of the issued and outstanding share capital of DVG and/or the Shares, the Offeror's current intention is to acquire the remaining shares not tendered by means of a squeeze-out procedure (*uitkoopprocedure*) in accordance with Article 2:92a or 2:201a of the Dutch Civil Code (a "**Statutory Squeeze-Out**"), or the takeover buy-out procedure in accordance with Article 2:359c of the Dutch Civil Code (a "**Takeover Squeeze-Out**") and together with the Statutory Squeeze-Out, a "**Squeeze-Out**").

Despite the Offeror having acquired ninety-five percent (95%) or more of the issued and outstanding share capital and/or the Shares and thus being entitled to initiate a Squeeze-Out procedure as set out above, the Offeror may also, and instead of proceeding with a Squeeze-Out, by a 2/3 majority vote of the general meeting of shareholders of DVG, resolve that a Legal Merger between the Offeror and DVG will be entered into or take any of the other steps set out under "**Other Possible Measures**" in this Section 5.7.2 (Post Offer restructuring of DVG). The legal consequences of a Legal Merger, including the possibility to pursue a Squeeze-Out thereafter, are the same as set forth under "Legal Merger" in this Section 5.7.2 (Post Offer restructuring of DVG).

Legal Merger

In the event that the Offeror has declared the Offer unconditional (*gestand heeft gedaan*) and has not acquired ninety-five percent (95%) or more of the issued share capital of DVG and/or the Shares following the Settlement Date, the Offeror may by 2/3 majority vote of the general meeting of shareholders of DVG effect a legal merger (*juridische fusie*) between DVG and the Offeror in accordance with Articles 2:309 and 2:334 of the Dutch Civil Code (which Articles refer to a "triangular merger" pursuant to which the shareholders of the disappearing entity will become shareholders of a group company of the surviving company) (a "**Legal Merger**"). As a result of such a Legal Merger, one of the two legal entities involved (the "**Disappearing Entity**") will disappear and the other (the "**Surviving Entity**") will survive and acquire all assets and liabilities of the Disappearing Entity by operation of law on the date on which the Legal Merger becomes effective.

In the event that a Legal Merger is effected, Shareholders who have not tendered their Shares under the Offer will become, by operation of law, shareholders in the Surviving Entity alongside the existing shareholders in the Surviving Entity or, in the event of a "triangular merger", will become shareholders in the relevant group company.

If, after a Legal Merger is effected, the majority shareholder of the Surviving Entity holds ninety-five percent (95%) or more of the issued and outstanding capital of the Surviving Entity, such majority shareholder may initiate a Statutory Squeeze-Out in relation to any shares in the Surviving Entity not held by such majority shareholder.

Other possible measures

The Offeror reserves the right to use any other permitted method to obtain one hundred percent (100%) of the Shares or otherwise obtain full ownership of the DVG business, including by way of a liquidation, a legal de-merger (*splitsing*) as specified in Article 2:334a of the Dutch Civil Code, a sale of all or substantially all of the assets of DVG which may or may not be followed by a liquidation, in which case the proceeds of the transaction will be distributed to its Shareholders, all in accordance with Dutch law, other applicable laws and the DVG Articles of Association in force at the relevant time. Also, the Offeror reserves the right to align the company structure of DVG with the holding, financing and optimal tax structure of Equity One, including the contribution of assets by the Offeror to DVG against the issue of new shares in the capital of DVG, whilst at the same time excluding the pre-emptive rights (*voorkeursrechten*) (if any) of other Shareholders, all in accordance with Dutch law and the DVG Articles of Association in force at the relevant time. Any distributions made may take the form of a distribution out of reserves, an interim dividend, a final dividend, payment upon cancellation or, if DVG is liquidated, a liquidation distribution.

5.7.3 Current and future management and governance arrangements

Management structure

The Company has a two-tier board structure consisting of the Management Board and the Supervisory Board.

The Management Board currently consists of one (1) person which is not a natural person, but a legal entity, DIM B.V. On 31 March 2006, the Company and DIM B.V. entered into a new Directorship and Management Agreement (the “**DMA**”), for an indefinite period of time. The DMA is published on and can be downloaded from the Company’s website (www.dimvastgoed.nl). DIM B.V. has outsourced its activities to three (3) other legal entities, to Dane Real Estate B.V., based in Breda, The Netherlands (“**DRE**”), to DBR & Associates, LLC, based in Fort Lauderdale, Florida, United States (“**DBR**”) and to Freeland Corporate Advisors N.V., located in Rotterdam, The Netherlands (“**Freeland**”).

The Supervisory Board currently consist of three (3) members of which two (2) are also members of the board of the Priority Foundation as Supervisory Directors A (“**Commissarissen A**”) and are independent within the meaning of the articles of association of the Priority Foundation and one (1) who was nominated by the Priority Foundation pursuant to a recommendation by Equity One in accordance with the MoU as described below.

Recent events

DIM B.V. terminated the DMA with the Company on 13 March 2009 effective as of 1 April 2010. According to the DMA a twelve (12) month notice period is applicable. This implies that in principle DIM B.V. together with DRE, DBR and Freeland will continue to manage the Company and the Portfolio until 31 March 2010 at the latest. However, in accordance with the DMA, the Company, represented by the Supervisory Board, has the right to terminate the activities of DIM B.V. with respect to the Company prior to such date and transfer these activities to another natural or legal person. If the Company does not exercise this right, DIM B.V. will resign from the Management Board as of 1 April 2010. It was agreed in the Management Agreement (as defined below) that as of 1 April 2010 the Management Board will consist of three (3) managing directors, being individuals.

The Company and Equity One entered into a memorandum of understanding dated 7 April 2009 in which they agreed on the principles of a new corporate governance and management structure for the Company (the “**MoU**”). In the MoU, the Company and Equity One have agreed that they would discuss the possibility of Equity One performing the management of the Property and leasing activities of the

Company with the intention to entering into a management agreement. This MoU has resulted into the New Leasing Agreement (as defined below) and the Management Agreement (as defined below).

The Company terminated its leasing agreement (the “**Leasing Agreement**”) with DBR Realty, LLC (“**DBR Realty**”) effective as of 1 June 2009. On 8 May 2009, Equity One Management Co, affiliated to Equity One, was appointed by the Company and the two (2) limited partnerships, DIM-Whitaker and DIM-Governors as sole and exclusive leasing agent for all new leases for all Properties in the Portfolio. The arrangements between the Company and Equity One Management Co are laid down in a new leasing agreement dated 8 May 2009 (the “**New Leasing Agreement**”). This agreement is effective as of 1 June 2009. The New Leasing Agreement was amended effective 1 January 2010 in order for Equity One Management Co to also assume leasing responsibilities for renewals.

Following the termination of the DMA by DIM B.V., the Company entered into a new management agreement (the “**Management Agreement**”) on 1 October 2009. This Management Agreement is agreed between the Company, the Priority Foundation, Equity One and Equity One Management Co. Through the Management Agreement the parties agreed on the terms and condition applying to the services to be rendered by Equity One and Equity One Management Co, as further instructed and monitored by the Management Board and the Supervisory Board.

Commencing 1 January, 2010, Equity One and its subsidiaries already began providing property management services for the Company’s Portfolio and began negotiating the terms of tenant lease renewals on behalf of the Company. Under this expanded scope, Equity One is responsible for the repair, maintenance and general upkeep of the Properties, maintaining relationships with tenants, including handling disputes, and other general management responsibilities. Equity One has assumed this role from DBR pursuant to an assignment agreement with DBR effective as per 1 January 2010.

Management Board

The Management Board is responsible for the day-to-day management of the Company’s operations, as well as the operations of the DVG Group, under the supervision of the Supervisory Board.

Pursuant to the DVG Articles of Association, the Priority Meeting determines the number of the members of the Management Board. Furthermore, the Management Board may consist of a board, composed of one (1) legal entity or as the case may be of two (2) or more directors (being individuals).

In the Management Agreement it was agreed that as of 1 April 2010 the Management Board will consist of three (3) managing directors, being individuals.

The new Management Board will consist of:

- one (1) managing director to be recommended by Equity One, who will be primarily responsible for monitoring the management of the Portfolio;
- one (1) managing director to be recommended by Equity One in consultation with the Supervisory Board; and
- one (1) managing director to be recommended by the Supervisory Board and who will be fully independent.

Until the abolition of the Priority Shares, in each case the managing director shall be nominated by the Priority Foundation, provided that in the Management Agreement, the Priority Foundation has agreed to reasonably cooperate in making the nomination in accordance with the terms of the Management Agreement, subject to its fiduciary duties and Dutch law.

According to the Management Agreement, if Equity One, either alone or together with its affiliates, does not hold (whether directly or indirectly) at least a fifty-one percent (51%) voting interest in the Company, Equity One will only be entitled to recommend the member of the Management Board who will be primarily responsible for monitoring the management of the Portfolio, and, in that case, Equity One shall ensure that the members of the Management Board it has recommended fully cooperate, to the extent necessary, to effectuate any changes to the composition of the Management Board which the Supervisory Board may require. In the event that Equity One or any of its affiliates have ceased to perform the property services, Equity One shall ensure that the members of the Management Board it has recommended will resign with immediate effect upon the first request by the Supervisory Board.

Supervisory Board

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 be guided by the interests of the Company and its business and its stakeholders.

Pursuant to the DVG Articles of Association, the Priority Meeting determines the number of the members of the Supervisory Board. The Supervisory Board shall consist of one (1) or more natural persons. The members of the Supervisory Board will be appointed by the general meeting of shareholders on the basis of the Priority Meeting's nomination. For this appointment the Priority Meeting nominates for each vacancy at least two (2) persons to the general meeting of shareholders. If the general meeting of shareholders does not receive a nomination or does not receive a nomination in time, the general meeting of shareholders is free to appoint a member of the Supervisory Board. However, a nomination by the Priority Meeting within the specified time is binding. The general meeting of shareholders may at all times appoint a member of the Supervisory Board in contravention of the Priority Meeting's nomination by a resolution adopted by a majority of at least 2/3 of the votes cast representing more than half of the issued share capital.

A member of the Supervisory Board retires at latest on the day of the annual general meeting of shareholders in the financial year in which he or she reaches the age of seventy-two (72) years. Every retiring member of the Supervisory Board is eligible for re-election as long as he does not reach the age limit. The Company currently intends to amend the Articles of Association in order to delete the age limit for members of the Supervisory Board. A proposal will be made in this respect in EGM-1.

The general meeting of shareholders may at all times suspend or dismiss a member of the Supervisory Board, but in the event that there is no proposal at the Priority Meeting to suspend or dismiss a member of the Supervisory Board, the general meeting of shareholders can decide to suspend or dismiss the member with a resolution adopted by a majority of at least 2/3 of the votes cast representing more than half of the issued share capital.

The Supervisory Board can only adopt resolutions by absolute majority of the votes cast. The Supervisory Board can only adopt valid resolutions if the majority of the members are present or represented.

In the MoU, it was agreed there will be three (3) Supervisory Board members. In the MoU, it was further agreed that, as long as Equity One owns or controls the voting of at least fifty percent (50%) of the Shares of the Company, the Priority Foundation agrees to continue to nominate a representative of Equity One to the Supervisory Board.

In the MoU, it was further agreed that if at any time after the earlier of (i) 1 April 2010, and (ii) the activities of DIM B.V. as director of the Company having been terminated, Equity One owns and/or controls ninety percent (90%) or more of the Shares, any vacancy in the office of independent member of the Supervisory Board may be filled by a person who does not qualify as independent member within

the meaning of the articles of association of the Priority Foundation and consequently also the board of the Priority Foundation may at such time no longer consist of independent members. At such time, the articles of association of the Priority Foundation will be amended accordingly.

In addition to the MoU and according to the Management Agreement, if one (1) or more of the independent members of the Supervisory Board, i.e. “**Commissarissen A**”, step down from their office, Equity One, in its capacity as (indirect) Shareholder, shall vote in favour of the nomination of the Priority Foundation for a successor to the Supervisory Board, provided that any nominated person is fully independent from the Company within the meaning of the articles of association of the Priority Foundation. Finally, it was agreed that the obligation of Equity One to vote in favour of the nomination of the Priority Foundation shall terminate if Equity One makes a public offer to acquire all Shares in the Company which is recommended by the Supervisory Board or if Equity One owns and/or controls ninety percent (90%) or more of the Shares.

Therefore, although the Company and the Offeror have agreed that Mr. Van Rees and Mr. Blaauboer will initially stay on as Supervisory Board directors and messrs. Van Rees and Blaauboer have agreed to initially stay on as Supervisory Board directors Shareholders not tendering their Shares under the Offer should be aware that after the Offer there is no certainty that they will continue in their position as members of the Supervisory Board, and the Supervisory Board may no longer consist of a majority of independent members or any independent members at all.

Priority Foundation and abolition of Priority Shares

The Company has issued three hundred (300) Priority Shares which are all held by the Priority Foundation. Pursuant to the DVG Articles of Association, the meeting of the Priority Shareholders (the “**Priority Meeting**”) determines the number of the members of the Management Board and of the Supervisory Board and nominates the candidates for appointment by the general meeting of shareholders. Also the approval of the Priority Meeting is required for important resolutions such as changes in the DVG Articles of Association or liquidation.

It was agreed in the Merger Protocol that subject to the Settlement Date having occurred and Equity One owning and/or controlling at least ninety percent (90%) of the Shares (taking into account the stake of approximately seventy-three point two nine percent (73.29%) of the Shares held and/or controlled by Equity One) the Priority Shares will be abolished. The Priority Foundation has entered into an irrevocable commitment to cooperate with such abolition under these conditions (the “**Irrevocable Commitment Priority Foundation**”). The abolition of the Priority Shares may be effected by means of a resolution of the general meeting of shareholders to cancel the Priority Shares or may be structured by means of a repurchase by DVG for no consideration of the Priority Shares or by means of conversion of the Priority Shares into ordinary shares in DVG.

Further arrangements in the MoU and the Management Agreement

According to the MoU, Equity One is prepared to provide any reasonable assistance and guidance that may be required by the Company in relation to arranging for a refinancing of the mortgage loans on the Carolina Pavilion, including, but not limited to:

- assisting the Company in engaging a third party specialising in the refinancing of real estate to obtain quotations from third party lenders to refinance the existing mortgage loans relating to the Carolina Pavilion;
- at Equity One’s option, matching the best terms offered by such third party lenders; and

- providing a loan or other financing to the Company to bridge the gap (if any) between any refinancing proceeds obtained and the existing mortgage loans.

According to the Management Agreement, as part of the property services, Equity One and Equity One Management Co will be responsible – among other things – for assisting, advising and carrying out, on behalf of the Company and as instructed and monitored by the Management Board and the Supervisory Board of the Company, the following activities, in each case in relation to the management of the Property:

- carrying out administrative and secretarial duties in respect of the Property;
- investing and/or reinvesting any of the Company's funds in accordance with the annual business plan agreed with the Management Board and the Supervisory Board of the Company (the "**Business Plan**");
- the borrowing of money, and in connection therewith, representing the Company in connection with its financing and capital activities, including obtaining mortgage and other loans and generally procuring extensions of credit for the Company, issuing instruments evidencing indebtedness and, if security is required therefore, pledging, hypothecating, mortgaging, assigning, transferring and granting a security interest in the Properties;
- establishing reserves for any Company purposes and funding such reserves with the Company's assets or borrowed funds;
- creating one or more entities to hold any assets of the Company or for any other Company purpose;
- selecting, acquiring and selling real estate in accordance with the Business Plan;
- the actual leasing (in accordance with the Leasing Agreement and including renewals of existing leasing) and the management of the Properties;
- supervising and overseeing any construction, redevelopments, tenant and other improvements made to the Properties;
- furnishing reports to the Company regarding the Company's real estate investment activities;
- selecting and arranging adequate insurance to protect the Properties against all customary risks and liabilities;
- providing all actions necessary to enable the Company to comply with all federal, state and local regulatory requirements applicable to the Company in respect of the Properties, including maintaining books and records and furnishing the Company with all information necessary in order to enable the Company to comply with its obligations as a public and supervised entity in The Netherlands;
- prosecuting, defending and settling legal, arbitration or administrative proceedings on behalf of or against the Company;
- disbursing or arranging for disbursement of payments from the funds and/or assets of the Company of external professional advisers, the expenses associated with any investment proposal, whether or not the relevant investment is completed (to the extent not recoverable from any other entity) and any costs involved in the realisation of any asset;

- arranging for all or any part of the Company's expenses to be met by the Company from funds and/or assets of the Company;
- monitoring all relevant environmental and tax matters and issues relating to the Properties;
- applying for and maintaining all administrative licences and permits required under applicable law for the development and use of the Properties;
- providing the Company's external Properties appraisers with such information relating to the Properties as the appraisers may reasonably require in order to carry out their valuation;
- supervising and reviewing the performance of the developers and other service providers of the Company in accordance with any agreements that may have been entered into in this respect;
- drawing up a(n) (annual) budget in consultation with the Supervisory Board (as required by the DVG Articles of Association) regarding the exploitation of the Properties for the relevant financial year;
- furnishing information about the state of affairs in respect of the Properties on a regular basis to, and as often as required by, the Management Board and the Supervisory Board of the Company;
- providing the Company's accountant with all required information in time, in order to allow the accountant to audit the annual report and accounts and the annual report and accounts to be published within the period prescribed by applicable law and more generally ensure that the necessary financial information will be made available to the Management Board and the Supervisory Board in accordance with general standards for providing information to the Boards; and
- performing such other services as may be required from time to time for the management and other activities relating to the Properties and growth of the Company as the Supervisory Board shall reasonably request.

Pursuant to the Management Agreement, Equity One is authorised to delegate the activities assigned to it to third party subcontractors provided that – among other things – subcontracting activities with an annual value of US\$ 100,000 or higher requires the prior written approval of the Supervisory Board which approval shall not be unreasonably withheld or delayed.

In case of any conflict between the provisions of the MoU and the provisions of the Management Agreement, the Management Agreement shall prevail. The Management Agreement is entered into for an indefinite period. Equity One can terminate the Management Agreement upon twelve (12) months' notice, which notice of termination must be given by registered letter. The Company can terminate the Management Agreement upon twelve (12) months' notice, with the prior approval of the Supervisory Board, which notice of termination must be given by registered letter. The Management Agreement is governed by the laws of The Netherlands.

According to the Management Agreement, the Company will pay to Equity One and Equity One Management Co for the property services, the following fees:

- a property management fee of five percent (5%) of the annual minimum rent and percentage rent collected by the Company, which is payable to Equity One Management Co in advance per quarter;

- an acquisition fee, upon the acquisition of real estate objects or real estate interests, amounting to one percent (1%) of the real estate's acquisition price, which is payable to Equity One Management Co;
- a disposition fee, upon the alienation of real estate objects or real estate interests, of zero point five percent (0.5%) of the sales price, which is payable to Equity One Management Co; and
- leasing fees as agreed in the New Leasing Agreement.

The above mentioned amounts are exclusive of turnover taxes.

The Company will also reimburse any member of the Management Board the amount of all transatlantic travelling and accommodation costs and other expenses, in each case properly and reasonably incurred by such member of the Management Board.

Leasing agreements

In 2008 the DVG Group had a Leasing Agreement with DBR Realty. Under this agreement, DBR Realty handled the lease administration process for all new leases (excluding properties located in South Florida) as well as all lease renewals. The new lease administration for the properties located in South Florida was outsourced to Ross Realty. The Leasing Agreement with DBR Realty was entered into on 29 July 2005 commencing on 1 August 2005 for a period of twelve (12) months and was automatically renewed for an additional twelve (12) month period upon expiration, unless cancelled in writing by either party on thirty (30) days' notice.

The Leasing Agreement with DBR Realty was terminated, effective as of 1 June 2009 and effective as of the same date the Company, DIM-Governors and DIM-Whitaker appointed Equity One Management Co as the new exclusive leasing agent. In the Management Agreement the Company confirms the appointment of Equity One Management Co as exclusive leasing agent pursuant to, and as agreed in, the New Leasing Agreement with respect to its Properties in the United States, which property management services include maintenance, repair, servicing and such other services as are customary in the areas where the Property is located, and provided that Equity One Realty FL is responsible for the management and leasing of the Property located in the state of Florida and Equity One Realty SE is responsible for the management and leasing of the Property in the locations other than the state of Florida.

According to the New Leasing Agreement the duties of the leasing agent are, among others, obtaining proposals that meet the leasing guidelines (set up by all parties to the New Leasing Agreement), promoting and marketing the Property, seeking the cooperation and participation of other brokers or agents and providing a weekly written report to the Company, DIM-Whitaker and DIM-Governors. This agreement shall continue and remain in effect for an initial term ending on 1 April 2010, unless sooner terminated. Following the expiration of the initial term of this agreement, the term of this agreement shall be automatically renewed for successive renewal terms of one (1) year, unless sooner terminated. Either party can terminate this agreement with thirty (30) days' written notice to the other party. The New Leasing Agreement is governed by the laws of the state in which the Property is located.

Leasing commissions payable to Equity One Management Co amount to four percent (4%) of the aggregate annual base rent due for the first ten (10) years (for spaces less than or equal to 10,000 Sq.ft.), three percent (3%) for spaces between 10,001 and 20,000 Sq.ft., US\$ 3.0 per Sq.ft. for spaces between 20,001 and 40,000 Sq.ft., and US\$ 2.0 per Sq.ft. for spaces between 40,001 and 80,000 Sq.ft. and US\$ 1.50 per Sq.ft for spaces of more than 80,000 Sq.ft. Furthermore, other lease commissions are applicable, e.g. in case of relocation of tenants. If a cooperating broker is involved in the lease transaction, then Equity One Management Co shall receive a fifty percent (50%) override and shall be solely responsible for paying the cooperating broker.

5.7.4 Dividend Policy

Following the Settlement Date, the current dividend policy of DVG may be discontinued. Shareholders should be aware that DVG may not pay (cash or share) dividends or other distributions to the Shareholders in the future.

In the MoU, the Company has agreed with Equity One and Priority Foundation to implement a new dividend policy, as of 1 April 2010 and the replacement of certain members of the Management Board. According to the MoU, the Company will distribute a high percentage of its financial results as dividend subject to the capital needs of the Portfolio and future financial obligations of the Company, and the Company will not attract debt (or enter into debt-equivalent instruments of any form whatsoever) to finance distributions of dividend. Until Equity One owns and/or controls ninety percent (90%) or more of the Shares in the capital of the Company, any changes to this dividend policy may only be made with the prior written consent of the Supervisory Board.

5.7.5 Social consequences relating to the Offer

The Company and its subsidiaries have no employees since the Company has contracted out its activities. DIM B.V. also has no employees. The Offer does not have any consequences for the employment (conditions) of the existing Equity One employees.

5.7.6 Future composition of Supervisory Board and Management Board of DVG

Reference is made to Section 5.7.3 (Current and future management and governance arrangements) in relation to the agreements between the Priority Foundation, DVG, the Offeror and Equity One relating to structural changes to the governance and management of DVG.

Supervisory Board

The Company and the Offeror have agreed in the Merger Protocol that initially Mr Van Rees and Mr Blaauboer will stay on as members of the Supervisory Board and Mr Van Rees and Mr Blaauboer have agreed to initially stay on as members of the Supervisory Board. Mr Caputo will stay on as member of the Supervisory Board nominated pursuant to recommendation by Equity One. However, Shareholders not tendering their Shares under the Offer should be aware that after the Offer there is no certainty that they will continue in their position as members of the Supervisory Board, and the Supervisory Board may no longer consist of a majority of independent members or any independent members at all.

Management Board

The current Management Board, consisting solely of DIM B.V., will remain in office until 1 April 2010 latest.

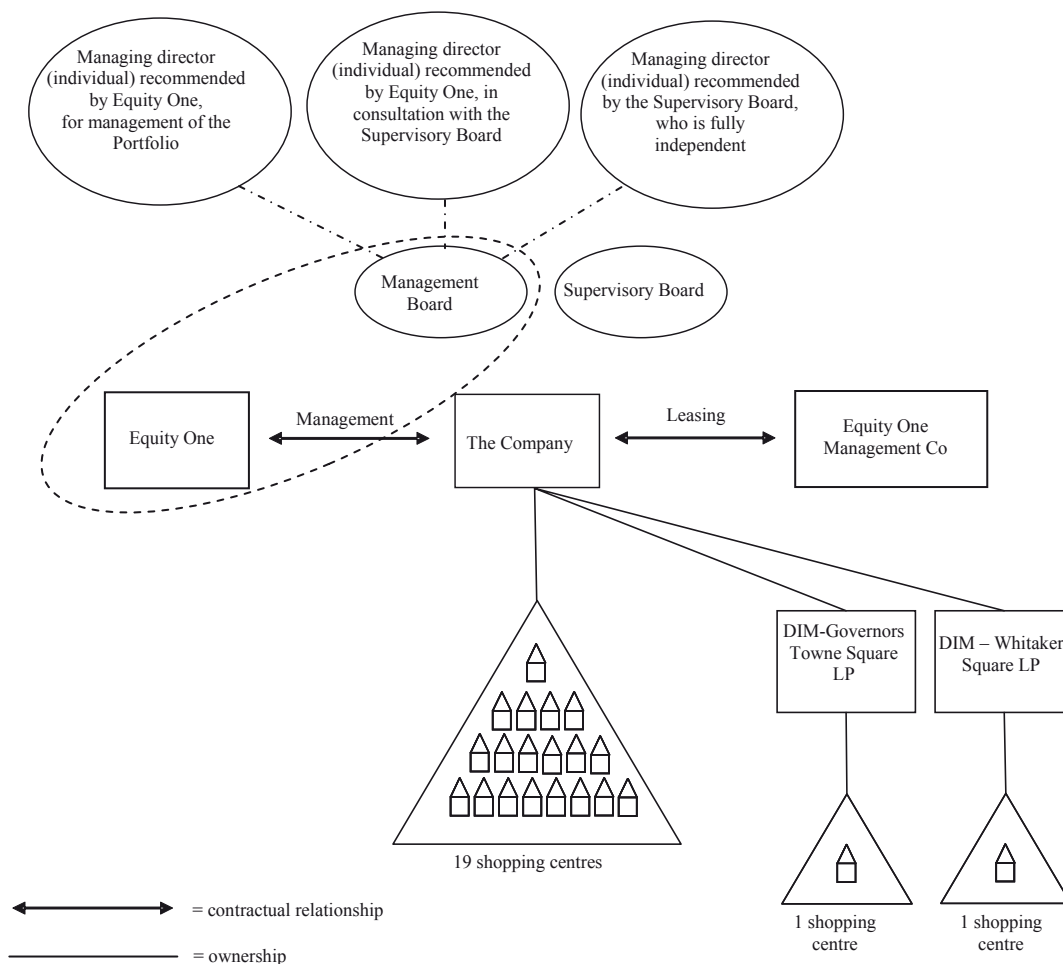
In the Management Agreement it has been agreed that as of 1 April 2010 latest, the Management Board will consist of three (3) members being individuals. One (1) member will be nominated in accordance with a recommendation by Equity One and will be primarily responsible for monitoring the management of the properties of DVG. One (1) member will be nominated in accordance with a recommendation by Equity One in consultation with the Supervisory Board and one (1) member will be nominated in accordance with a recommendation by the Supervisory Board and will be fully independent.

Please refer to the organisational chart below for an overview of the new management structure. Please note that this organisational chart does not provide any information on the Shareholders of the Company or the other companies mentioned in it. It only provides an overview of the contractual relationships

between the Company and these other companies. It also provides information about the ownership of the Portfolio.

Organisation chart as of 1 April 2010

As of 1 April 2010, the management will change, as a result of which, the organisation will be as reflected in the chart below.



5.7.7 Amendment of the DVG Articles of Association and abolition of Priority Shares

The Company will propose in the EGM-1, and the Offeror will vote in favour of, an amendment of the DVG Articles of Association so that the maximum age for members of the Supervisory Board is abolished and to draw up the annual accounts in the English language.

The Company will convene a second EGM (“**EGM-2**”) to be held after Settlement in which it intends to propose to appoint the new members of the Management Board to replace DIM B.V. as per 1 April 2010 latest (reference is made to Section 5.7.5 (Future composition of Supervisory Board and Management Board of DVG; under Management Board). Subject to Equity One owning and/or controlling ninety percent (90%) or more of the Shares (taking into account the stake of approximately seventy-three point two nine percent (73.29%) of the Shares currently held and/or controlled by Equity One) it shall also be proposed to amend the DVG Articles of Association, which amendments will mainly relate to the abolition of the Priority Shares and deletion of all references to the Priority Shares and the meeting of holders of Priority Shares. Following Settlement and termination of the listing of the Shares on Euronext

Amsterdam it shall also be proposed to amend the DVG Articles of Association, which amendments will mainly relate to deletion of references to the regulations of Euronext Amsterdam, transitional provisions with respect to the delisting, the compulsory notarial deed for the transfer of shares, the addition of share transfer restrictions and the possibility of decision making outside the general meeting of shareholders.

5.8 Financing of the Offer

With reference to Article 7, paragraph 4 of the Takeover Decree, the Offeror is able to fulfil its obligations under the Offer from cash resources which are currently available to Equity One (certainty of funds).

5.9 Certain arrangements between the Offeror and the Company

In the Merger Protocol, the Company and the Offeror agreed that the Company is permitted to respond to certain unsolicited and uninvited alternative written proposals involving a (public) offer for all Shares or for substantially all of the business, a merger of the Company with a party or another proposal made by a bona fide third party that would involve a change of control of the Company, which is in the reasonable opinion of the Boards, taking into account the identity and track record of the Offeror and that of such third party, certainty of execution (including certainty of financing and compliance with all anti-trust and other regulatory laws), conditionality, the nature of the consideration, the future plans of such third party with respect to the Company and the Company's strategy, management, employees and other stakeholders and the other interests of all stakeholders of the Company, a more beneficial offer than the Offer and exceeds the Offer Price by at least ten percent (10%) (a "**Competing Offer**").

If a bona fide third party makes a Competing Offer, the Company shall notify the Offeror promptly and shall provide reasonable details on the Competing Offer to the Offeror. The Company may however not accept a Competing Offer if the Offeror submits in writing to the Boards a revision of its Offer within a period of five (5) Business Days after the date on which the Offeror has received notice of the Competing Offer and, on balance, such revised offer is on terms and conditions which, in the reasonable opinion of the Boards, are at least equal to those of the Competing Offer.

In the event that a Competing Offer is declared unconditional by the competing offeror, the Company shall pay to the Offeror a fixed amount which is equal to US\$ 200,000 as compensation for damages, fees and costs. Such payment is to be made within ten (10) Business Days after the date that a Competing Offer will have been declared unconditional.

5.10 Termination events

Merger Protocol may be terminated immediately by written notice (i) by the Offeror if any or all of the Offer Conditions have not been satisfied or waived by the relevant party on the Acceptance Closing Date or if it is apparent that such Offer Conditions cannot be satisfied and will not be waived by the relevant party before such date, (provided that the right to terminate the Merger Protocol is not available to the party whose failure to fulfill any obligation under the Merger Protocol has been the cause of or resulted in the failure of the Offer to be declared unconditional on or before such date), (ii) by the Offeror or the Company, in the event of a breach of the Merger Protocol by the defaulting Company or the Offeror, as the case may be, which has or is expected to have a material adverse effect on the Offer, provided that such breach has not been waived by the non defaulting party or has not been remedied by the defaulting party within ten (10) Business Days after the defaulting party has obtained actual knowledge of such material breach, (for the avoidance of doubt the defaulting party cannot invoke the right to terminate the Merger Protocol in relation to the relevant breach), and (iii) in case of a Competing Offer notified to the Offeror as set out in Section 5.9 of this Offer Memorandum, by the Offeror or the Company in the event that the Offeror has not announced a revision of its Offer which is, in the reasonable opinion of the Boards, on terms and conditions at least equal to those of a Competing Offer or if the Boards have concluded that the Competing Offer is superior to the revised Offer.

6. RECOMMENDATION OF THE BOARDS

The Boards, after having received extensive legal and financial advice and having given due and careful consideration to the strategic and financial aspects and consequences of the proposed transaction and having considered other alternatives available to the Company (including a stand-alone scenario, alternative means of financing, and potential third party transactions), have reached the conclusion that the Offer is in the best interests of the Company, the Shareholders and all other stakeholders of the Company.

Throughout the process, the Boards have met on a frequent basis and discussed the progress of the process and key decisions in connection therewith. The terms and conditions of the Offer, as documented in the Merger Protocol, have been agreed between Equity One and the Company only with the prior approval of the Supervisory Board.

The Supervisory Board and the Management Board are of the opinion that the Offer Price and the other terms of the Offer are reasonable and fair to the Shareholders other than the Offeror. In this respect, reference is made to the Boards' financial assessment of the Offer, as included in the Position Statement in section 3.1 (The Boards' financial assessment of the Offer) of Part III, and the Fairness Opinion rendered by Kempen & Co, are included in the Position Statement in Appendix 1 (Kempen & Co Fairness Opinion) of Part III. With reference to the above, the Boards fully support the Offer and unanimously recommend the Offer to the Shareholders for acceptance.

7. INFORMATION ON THE COMPANY

7.2 History

The Company is a closed-end investment institution with variable capital. The DVG Group invests in shopping centres located in the South East of the United States. Pursuant to the Wft, the Company is licensed and supervised by the AFM in The Netherlands. The Company's Shares are listed on Euronext Amsterdam since 5 October 1999.

The Company was incorporated on 27 November 1996 by DIM B.V. The Company has its corporate seat in Breda, The Netherlands. Since incorporation, the DVG Group has acquired twenty-six (26) Properties of which five (5) Properties were sold. As a result, the Portfolio currently contains twenty-one (21) Properties. The latest Property sold was a shopping centre called "North South Station", located in Raleigh, North Carolina in 2006. The latest acquisition of the Company was "Whitaker Square" in November 2007.

DIM B.V. was founded by Mr J.W. Dane, who has been engaged in the acquisition, management and sale of commercial real estate in the United States since the late 1970s. Mr Dane is also a managing director of DBR.

After incorporation, the Company conducted seven (7) private placements to raise equity capital, enabling the Company to expand its Portfolio. The stock price of the Shares is denominated in US\$, while the nominal value of the Shares is denominated in EUR. Amsterdams Effectenkantoor B.V. is liquidity provider for the Company.

On 14 June 2005, Homburg announced its intention to make an unsolicited public offer for all Shares for a price of US\$ 20.60 per Share. On 29 September 2005, Equity One also announced its intention to make a public offer for all outstanding Shares for a price of US\$ 20.50 per Share. The Management Board and Supervisory Board were of the opinion that the prices offered per Share in both public offers were too low to support them. Homburg and Equity One nevertheless proceeded with their public offers. In October 2005, Equity One published an offer memorandum in relation to its public offer and, according to Equity One, acquired a total interest of approximately forty-five percent (45%) in the capital of the Company. By issuing a separate public offer on the certificates held at that moment by investors in Holdings Partex East B.V. and Holdings Partex West B.V., at that time a major Shareholder in the Company and being formed as a structure for investors to benefit from the participation exemption (*deelnemingsvrijstelling*) under Dutch tax laws, Homburg acquired an interest in the capital of the Company of, according to Homburg, approximately twenty-four percent (24%).

On 22 March 2007, a proposal from the Management Board to approve the sale of the entire Portfolio at a price of at least US\$ 21.50 per Share (after deduction of expenses and taxes) was submitted to the general meeting of shareholders and rejected. On 6 September 2007, the Company announced that it had decided to cease attempts to sell the Portfolio due to the deterioration of the financial markets and especially the credit markets.

On 9 January 2009, Equity One and Homburg entered into the Exchange Agreement Homburg-Equity One regarding the sale and purchase of Homburg's stake in DVG by Equity One in exchange for shares of Equity One or cash. Reference is made to explanatory note to the latest substantial interest disclosure of Equity One relating to the Company as published on the AFM website (www.afm.nl).

Equity One currently owns and/or controls seventy-three point two nine percent (73.29%) of the Shares.

On 13 March 2009, DIM B.V. terminated the DMA. As a twelve (12) month notice period is applicable, DIM B.V. will continue the management of the Company until 1 April 2010 at the latest.

On 7 April 2009, the Company, the Priority Foundation and Equity One entered into the MoU in which they agreed on the principles of a new corporate governance and management structure for the Company.

The Company terminated the Leasing Agreement with DBR Realty effective as of 1 June 2009. On 8 May 2009, Equity One Management Co, affiliated to Equity One, have been appointed by the Company and the two (2) limited partnerships, DIM-Whitaker and DIM-Governors, as sole and exclusive leasing agent for all new leases for all Properties in the Portfolio. The arrangements between the Company and Equity One Management Co are laid down in the New Leasing Agreement. This agreement is effective as of 1 June 2009.

On 1 October 2009, the Company, the Priority Foundation, Equity One and Equity One Management Co entered into the Management Agreement according to which Equity One, among other things, will be responsible for carrying out administrative and secretarial activities in respect of the Properties, investing any of the Company's funds, borrowing of money and the Company's asset management, as of 1 April 2010 at the latest

Commencing 1 January, 2010, Equity One and its subsidiaries already began providing property management services for the Company's Portfolio and began negotiating the terms of tenant lease renewals on behalf of the Company. Under this expanded scope, Equity One is responsible for the repair, maintenance and general upkeep of the Properties, maintaining relationships with tenants, including handling disputes, and other general management responsibilities. Equity One has assumed this role from DBR pursuant to an assignment agreement with DBR effective as per 1 January 2010.

7.2 The Company

The earnings of the Company consist of rental income from twenty-one (21) shopping centres in the South East of the United States. These shopping centres together have 2,637,681 Sq. ft. Rentable Floor Area. The net rental income of the Portfolio from 1 January 2009 up to and including 30 September 2009 amounted to approximately US\$ 19.0 million. The Company had its entire Portfolio valued by an independent appraiser on 30 September 2009. The appraisal value of the Portfolio was US\$ 319.1 million. This appraisal value, compared to the number as of 31 December 2008, showed a decline of approximately US\$ 80.2 million. The Occupancy Rate of the Portfolio on 30 September 2009 was ninety-one point one percent (91.1%). Per 31 December 2009, the Occupancy Rate of the Portfolio was ninety-two point one percent (92.1%).

The Company's net shareholders result for the 2008 financial year showed a loss of approximately US\$ 27.7 million compared to a profit of approximately US\$ 15.3 million in the Financial Year 2007. For the first nine (9) months of 2009, the Company showed a loss of approximately US\$ 47.4 million.

In April 2009, the Company gave a profit warning reducing its US\$ 1.00 expected direct result per Share for 2009 to US\$ 0.90 per Share (both according to IFRS and Dutch GAAP). In July 2009, the Company issued another profit warning and further reduced its expected direct result per Share to US\$ 0.80 (not expressed in thousands of US\$). Among the reasons for lowering the expected direct result per Share was the deteriorating Occupancy Rate of the DVG Group's Portfolio. Finally, on 2 November 2009, the Company revoked its direct result per Share expectation altogether, without issuing any specific guidance, in light of, among other factors, the proposed issuance of an – at that stage – unknown number of new Shares in a proposed offering that was subsequently canceled. The deterioration of the Company's results can be attributed generally to a worsening economic climate which impacted the financial health of tenants and which had an impact on the valuation of the Portfolio.

The economic situation has also made it difficult for the Company to refinance two (2) mortgage loans on its single largest shopping centre, “Carolina Pavilion”. The Company’s indirect majority shareholder, Equity One, has for an interim period assumed these mortgage loans in their entirety. The first mortgage loan, amounting to approximately US\$ 39.4 million on 1 October 2009, matures on 1 April 2010. The second mortgage loan, amounting to approximately US\$ 11.9 million on 1 October 2009, also matured on 1 January 2010. However, Equity One agreed to extend this loan to 1 April 2010. As of the date of this Offer Memorandum, DVG does not have the capital necessary to repay the two (2) loans at maturity. If these loans are not repaid or otherwise refinanced, or unless Equity One, the lender for both loans, doesn’t agree to extend the loans, then Equity One could foreclose and assume direct ownership of the Property.

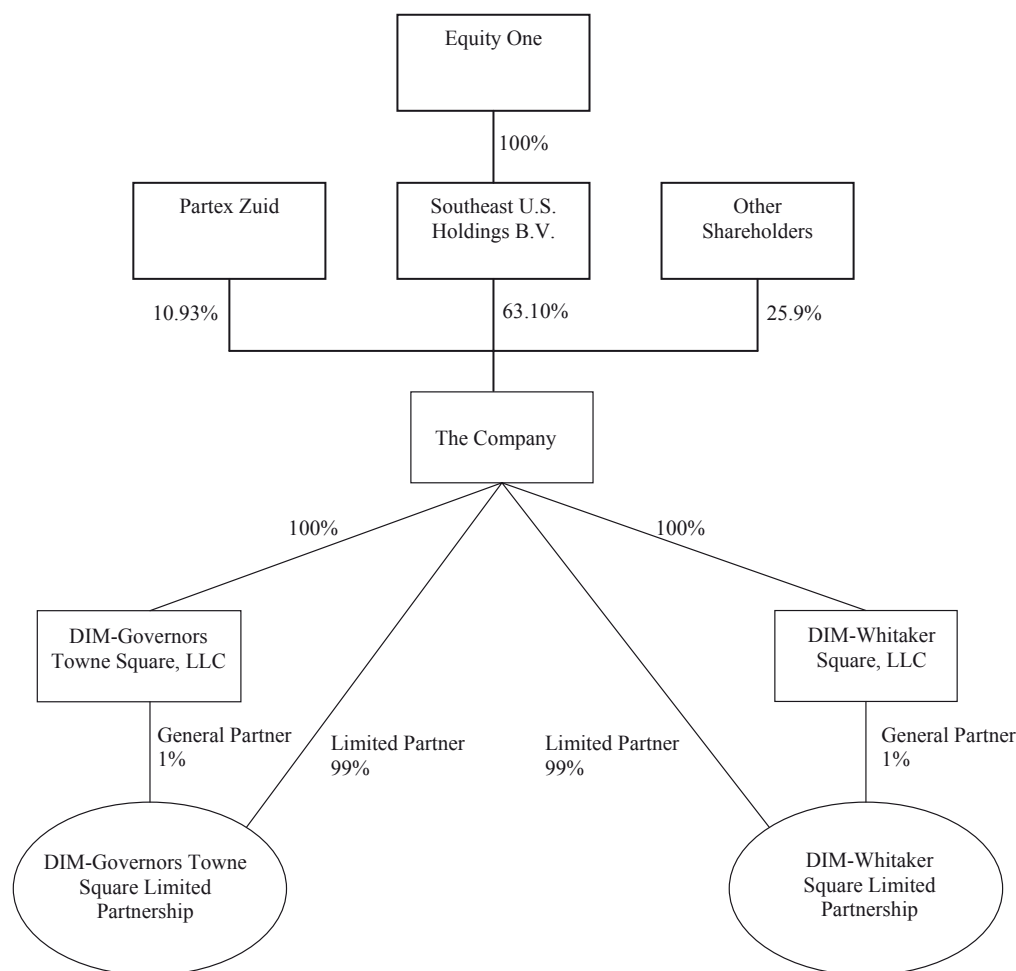
7.3 Group Structure

The Company is a public limited company (*naamloze vennootschap*) incorporated under Dutch law. The headquarter of the Company is located in Rotterdam, The Netherlands.

The DVG Group includes the Company and two (2) subsidiaries, wholly owned by the Company. DIM-Governors Towne Square LP, a Delaware limited partnership, the principle place of business of which is Fort Lauderdale, Florida, United States and DIM-Whitaker Square LP is also a Delaware limited partnership and of which the principle place of business is Fort Lauderdale, Florida, United States. As the Company fully owns these limited partnerships, it also holds all voting rights in them.

Legal Structure chart

The actual shareholdings (*reële kapitaalbelang*) of Holding Partex Zuid B.V. and the other Shareholders are derived from the Major Holdings Register of the AFM on 16 February 2010, which is available at the website of the AFM (www.afm.nl).



7.4 Business description

The Company is a closed-end investment institution with variable capital. The DVG Group invests in shopping centres located in the South East of the United States. Pursuant to the Wft, the Company is licensed and supervised by the AFM in The Netherlands. The Company's Shares have been listed on Euronext Amsterdam since 5 October 1999.

Currently, the DVG Group owns twenty-one (21) shopping centres, representing a Rentable Floor Area of 2,637,681 Sq.ft. The net rental income of the Portfolio from 1 January 2009 up to and including 30 September 2009 amounted to approximately US\$ 19.0 million mainly generated by leasing the Properties in the Portfolio. On 30 September 2009, the aggregate appraisal value of the Portfolio was approximately US\$ 319.1 million. The Occupancy Rate of the Portfolio on 30 September 2009 was ninety-one point one percent (91.1%). Per 31 December 2009, the Occupancy Rate of the Portfolio was ninety-two point one percent (92.1%). DIM B.V., as the Management Board, has outsourced many of its management tasks regarding the Portfolio to DBR in the United States, and Freeland in The Netherlands. Effective as of 1 June 2009, the Company appointed Equity One Management Co, affiliate of the Company's indirect majority Shareholder, as its sole and exclusive leasing agent.

The Company has historically focused on investing in fully developed Power Centres and Neighbourhood Shopping Centres with high Occupancy Rates and Supermarket Anchor Tenants in the South East of the United States. The shopping centres in the Portfolio cater to the consumer's basic daily necessities, as well as to consumer demand for goods and services at discount prices. A Power Centre is a large shopping centre with nationally known companies with discount formula as Anchor Tenants, sometimes serving

the entire region in which the Power Centre is located. Due to the high sales volumes of traditional Power Centres, the large store chains based in these shopping centres are able to offer discount prices for a broad range of consumer items. A Neighbourhood Shopping Centre is a grocery store anchored shopping centre with ancillary tenants servicing customers based in the immediate surroundings of the shopping centre, servicing the customer's basic daily needs. The Neighbourhood Shopping Centres generally have a large supermarket chain as Anchor Tenant. In both types of shopping centres, a large proportion of the Rentable Floor Area is leased to national and regional store chains with long-term lease contracts. The Portfolio currently consists of three (3) Power Centres and eighteen (18) Neighbourhood Shopping Centres.

Furthermore, the Company focuses on attracting financially solid Anchor Tenants. In that respect, the Company believes that in the highly competitive retail environment, only retailers with a strong balance sheet and consistent financial performance can survive and command buying power. These companies tend to have lower cost structures and should be better able to maintain profitability compared to other retail businesses, even if they must pare prices to stay competitive. The Company believes that a firm commitment to the investment in Properties that display this type of dynamic ensures long-term success and lower overall investment risk.

7.5 Business objections and strategy

Company strategy

The Company outsources its asset and property management activities with regard to the Portfolio. Currently these activities are outsourced to DIM B.V. and as of 1 April 2010, these activities will be outsourced to Equity One.

Historically, the Company aimed to realise a total long term (ten (10) year) return of twelve percent (12%) per year, based on Dutch GAAP for each acquisition of a Property. The Company's investment strategy and financing strategy were based on these objectives.

Investment strategy

The Company's historical investment strategy was to invest in fully developed relatively new Neighbourhood Shopping Centres and Power Centres with high Occupancy Rates with Supermarket Anchor Tenants in the South East of the United States. A Neighbourhood Shopping Centre contains Rentable Floor Area in the range of 30,000 Sq. ft to 100,000 Sq.ft and is typically anchored by a grocery store. A Power Centre contains Rentable Floor Area in the range of 250,000 Sq.ft to 750,000 Sq.ft and typically contains three (3) or more large regional or national big box store chains. Shopping centres targeted for acquisition preferably have an Anchor Tenant with a lease contract with a remaining term of approximately ten (10) years or more. The shopping centres in the Portfolio cater to basic daily consumer necessities, as well as to consumer demand for goods and services at discount prices. The Company believes that investing in this type of shopping centre reduces the impact of economic downturns which negatively affect consumer confidence and disposable income. The Company intends to buy and hold its Properties unless and until a good opportunity arises to dispose of a Property on favourable terms. After disposal of a Property, the Company intends to promptly reinvest the cash generated by such disposal.

The focus of the Company is principally on shopping centres situated, at the time of acquisition, in mature and densely populated areas. Until now, this part of the strategy has been carried out in the South East of the United States. Generally, the Company invests in growth trade areas characterised by a growing population. In recent years, the population in the South East of the United States has grown considerably. This was caused by people from outside the United States moving to the South East of the United States and also by people moving from other parts of the United States to the South East of the United States. The Properties in the Portfolio were, at the time of acquisition, for the most part located

in areas where households have an average disposable income that exceeds the average disposable income in the United States (www.demographicsnow.com).

Financing strategy

The acquisition of Properties for the Portfolio was partly financed with debt and partly with equity of the DVG Group. Risk profile and return for Shareholders are important considerations when determining the degree of leverage. The Company aimed to maintain an overall 65:35 debt-to-equity ratio based on Dutch GAAP for the DVG Group. The debt-to-equity ratio on 30 September 2009 however was 80:20 based on Dutch GAAP. The Properties in the Portfolio serve as collateral for lenders.

7.6 Recent developments

In the currently challenging economic conditions, the DVG Group's focus is on the maintenance of occupancy and preservation of cash flow. Although the Portfolio's overall Occupancy Rate remains at a level just in excess of ninety percent (90%), unexpected move-outs of tenants occurred in 2008 and 2009. The overall Occupancy Rate decreased from ninety-six point three percent (96.3%) on 1 January 2008 to ninety-one point one percent (91.1%) on 30 September 2009. Per 31 December 2009, the Occupancy Rate of the Portfolio was ninety-two point one percent (92.1%). The Company expects more tenants to move out and has concerns about the financial viability of certain tenants. Nevertheless, the Company's leasing agent is actively trying to increase the Occupancy Rate. In addition, based on commercially available third-party credit reports, the Company believes that the Supermarket Anchor Tenants, Publix and Kroger, will remain financially sound. On 30 September 2009, these Supermarket Anchor Tenants together occupied approximately twenty-five percent (25%) of the total Rentable Floor Area of the Portfolio. The most recent material single departure occurred in March 2009 when the lease agreement with Circuit City, an Anchor Tenant in the shopping centre named "Carolina Pavilion" in Charlotte, North Carolina, was terminated in bankruptcy proceedings. On 30 September 2009, eighty-two point seven percent (82.7%) of accounts receivable from tenants is outstanding longer than ninety (90) days as compared to seventy-four point eight percent (74.8%) on 30 September 2008.

On 1 October 2009, the two (2) mortgage loans (in the form of secured promissory notes) secured by "Carolina Pavilion" matured (requiring an amount of approximately US\$ 52.0 million to be refinanced or repaid). After the Company received a third party offer for refinancing, the Company's indirect majority shareholder, Equity One, has assumed these mortgage loans in their entirety at market conforming conditions. In connection with the transaction, the Company paid a US\$ 25,000 loan modification fee to Equity One. The first mortgage loan, amounting to approximately US\$ 39.4 million (including accrued interest) on 1 October 2009, was extended by six (6) months at an interest rate of eight point seven three percent (8.73%) per annum (an increase of hundred (100) base points compared to the previous interest rate). This new loan matures on 1 April 2010. Of the second mortgage loan, amounting to approximately US\$ 12.9 million (including accrued interest) on 1 October 2009, approximately US\$ 1.0 million was repaid to the original lender from the cash reserve on escrow. The remainder, approximately US\$ 11.9 million, was lent by Equity One for a period of three (3) months at an interest rate of nine point zero two percent (9.02%) per annum (an increase of one hundred (100) base points compared to the previous interest rate). This second new loan originally matured on 1 January 2010. Equity One has agreed to extend this loan until 1 April 2010. As of the date of this Offer Memorandum, DVG does not have the capital necessary to repay the two (2) loans at maturity. If these loans are not repaid or otherwise refinanced, or unless Equity One, the lender for both loans, doesn't agree to extend the loans, then Equity One could foreclose and assume direct ownership of the Property.

Currently, DIM B.V. is the sole managing director of the Company. Pursuant to the DMA, DIM B.V. is also responsible for the operational, financial and administrative management of the Company and the selection, acquisition and disposition of real properties. DIM B.V. has contracted out some of these

activities (such as asset and property management, including operational, financial and administrative property management in the United States, as well as the selection, acquisition and disposal of the Properties) to DBR. DIM B.V. has also contracted out certain corporate services in The Netherlands (such as provision of head office facilities, legal, regulatory, financial and other compliance services, investor relations services and management activities) to Freeland, located in Rotterdam, The Netherlands. On 13 March 2009, the Company announced that DIM B.V. had terminated the DMA effective as of 1 April 2009. As a twelve (12) month notice period is applicable, DIM B.V. will continue the management of the Company until 31 March 2010 at the latest. A premature termination of the management activities by DIM B.V. is possible, but currently not anticipated. On 7 April 2009, the Supervisory Board announced that it had reached an agreement in principle in the MoU on the intention to have its indirect majority shareholder Equity One assume the management of the Company as of 1 April 2010. Subsequently, a management agreement with Equity One was signed beginning of October 2009. With a view to an orderly and smooth transition of management of DVG, DBR and Equity One Realty & Management have commenced to implement the transfer of property management from DBR to Equity One as of 1 January 2010. At the extraordinary general meeting of shareholders held on 12 May 2009, Mr Th. Wernink resigned as supervisory director and Mr Th. A. Caputo (president at Equity One) was appointed as supervisory director. Effective 1 June 2009, Equity One Management Co is the Company's sole and exclusive leasing agent for all new leases for the entire Portfolio and shall, among other things, be responsible for securing tenants for the Properties in the Portfolio.

After 1 April 2010 DVG will continue to need certain regulatory and financial compliance services as long as DVG has a listing and is subject to AFM supervision. DVG represented by the Supervisory Board is currently reviewing alternative proposals from potential service providers, amongst others from Freeland, a shareholder and contractor of DIM B.V. It is therefore possible that Freeland will provide certain regulatory and financial compliance services to DVG after 1 April 2010.

7.7 Portfolio and new details

As at the date of this Offer Memorandum, the DVG Group owns twenty-one (21) shopping centres in the United States. Ten (10) shopping centres are located in the state of Georgia, five (5) in Florida, three (3) in North Carolina, one (1) in Alabama, one (1) in Tennessee and one (1) in Maryland. The Portfolio consists of Power Centres and Neighbourhood Shopping Centres.

Some of the shopping centres also house other tenants than shop holders, such as a restaurant and a bank ("Glengary Shoppes"), a cinema ("Magnolia Shoppes") or a city library ("Hammocks Town Center"). Twenty percent (20%) of the Rentable Floor Area of the "Brawley Commons" shopping centre is office space. The "Sunrise Town Center" shopping center is "shadow anchored" by the adjacent Wal-Mart store, which optically seems to be part of this shopping centre.

The current Portfolio was acquired between October 1997 and November 2007. Since the last acquisition of the "Whitaker Square" shopping centre in November 2007, the composition of the Portfolio has remained unchanged, as neither acquisitions nor transfers of real estate properties have taken place since then. The largest shopping centre by Rentable Floor Area is "Carolina Pavilion", generating approximately twenty-five percent (25%) of the Company's gross rental income.

All Properties are held by the Company directly, except for the shopping centres "Governors Town Square", located in Acworth, Georgia and "Whitaker Square", located in Winston-Salem, North Carolina. These two (2) shopping centres are held through two (2) (one hundred percent (100%)) subsidiaries of the Company: DIM-Governors Towne Square, LP and DIM-Whitaker Square, LP.

7.8 Current Boards

Supervisory Board

The Supervisory Board consists of the following members:

C.J. van Rees (1938), chairman

Nationality: Dutch

Mr Van Rees was appointed on 28 March 2002 and he has been acting as chairman of the Supervisory Board as of 20 March 2008. At present, among other things, Mr Van Rees is deputy chairman of the supervisory board of Duinwaterleidingbedrijf Zuid-Holland N.V. Between 1981 and 2000 he held various senior positions within the Shell group, among which that of managing director of Shell Pensioenfonds Beheer B.V. (1992-2000).

E.J. Blaauboer (1946)

Nationality: Dutch

Mr Blaauboer was appointed on 1 May 1997. At present, among other things, supervisory director of DPA Flex N.V., member of the advisory board of Venturion Investeerders Consortium and managing director of Bluefarmers Trust, member of the board of advice of Euro Shipping & Voyages. Between 1983 and 1997 he was managing director of the participation company NeSBIC Groep B.V., as well as founder (1984) and first chairman of the Dutch Venture Capital Association NVP. Between 1973 and 1983 he held various senior positions at Pakhoed Holding N.V., VNU N.V. and Deli-Universal N.V. Mr Blaauboer resigned as chairman of the supervisory board of OMNEXT.NET B.V. in December 2009.

Th.A. Caputo (1946)

Nationality: American

Appointed 12 May 2009, Mr Caputo has served as president of Equity One since March 2008. Prior to joining Equity One, from December 2000 to March 2008, Mr Caputo was executive vice president and head of the portfolio management and acquisition groups at Kimco Realty Corporation, a publicly-traded real estate investment trust. From January 2000 to December 2000, he was a principal of H&R Retail, a private real estate company specializing in development and redevelopment of real estate and located in Baltimore, Maryland. From April 1983 to December 1999, Mr Caputo was a principal with RREEF, a pension fund adviser, where he was in charge of nationwide retail acquisitions and dispositions and a member of its investment committee. Prior to joining RREEF, from February 1976 to March 1983, Mr Caputo was the principal in charge of retail leasing with Collier Pinkard in Baltimore, Maryland. He has a B.A. from Randolph Macon College.

Management Board

The Management Board consists of DIM B.V. The management board of DIM B.V. consists of the following members.

J.W. Dane (1953), Managing Director

Nationality: Dutch

Mr Dane is the founder of DIM B.V. Since 1992 he has initiated sixteen (16) partnerships with DIM B.V., which invested in eighteen (18) commercial real estate projects in United States. In 1996, he founded the Company, which was listed on (the predecessor of) Euronext Amsterdam in 1999 after seven (7) private share issues. Mr Dane also is managing director of the American organisation DBR. Since the late 1970s, Mr Dane has been engaged in the acquisition, management and sale of commercial real estate (initially hotels, later office buildings and shopping centres) on behalf of Dutch investors. Mr Dane is the president of DBR & Associates, LLC and as such responsible for the operational, financial, and administrative management of the real estate Portfolio of the Company as well as other private clients of DBR. Mr Dane is also the sole owner and the managing director of DRE.

T.C. Koster (1957), Managing Director

Nationality: Dutch

Mr Koster is responsible for the Company's head office functions and corporate affairs, including legal, tax and financial compliance. Previously, Mr Koster was managing director of Rodamco North America N.V., general counsel of Rodamco N.V. and Rodamco Continental Europe B.V., senior legal counsel of Mountleigh International Plc/Mountleigh Coroco Holding B.V. and an attorney with – at that time – Trenité van Doorne. Mr Koster is an indirect twenty-five percent (25%) owner of Freeland and also a managing director of Freeland Holding B.V., which is the managing director of Freeland.

A.J. Belt III (1959), Managing Director

Nationality: American

Mr Belt, the chief operating officer of DBR, is responsible for the overall operations of the Company. Mr Belt is primarily focused on the acquisition of new assets and the re-positioning of existing assets for the Company and DBR's other clients. Mr Belt has been a broker, property manager and builder of commercial real estate since 1983. After starting his real estate career as a leasing agent and broker of office assets predominately located in the Fort Lauderdale metro area, he expanded his company's scope of service with the creation of a property management arm in 1985. Mr Belt is a forty-two point five percent (42.5%) owner of DBR.

The members of the Supervisory Board and the Management Board (including the directors of DIM B.V.) will not receive any amount of compensation in connection with the Offer.

7.9 Major Shareholders

The following holdings are registered in the public register of the AFM as per 16 February 2010:

Name	Number of Ordinary Shares	% of capital interest attached to the issued share capital		% of the voting rights attached to the issued share capital	
		directly	indirectly	directly	indirectly
Equity One ¹	6,021,938	0.0%	61.76%	0.0%	71.95%
Holding Partex Zuid B.V.	887,533	10.93%	0.0%	0.0%	0.0%

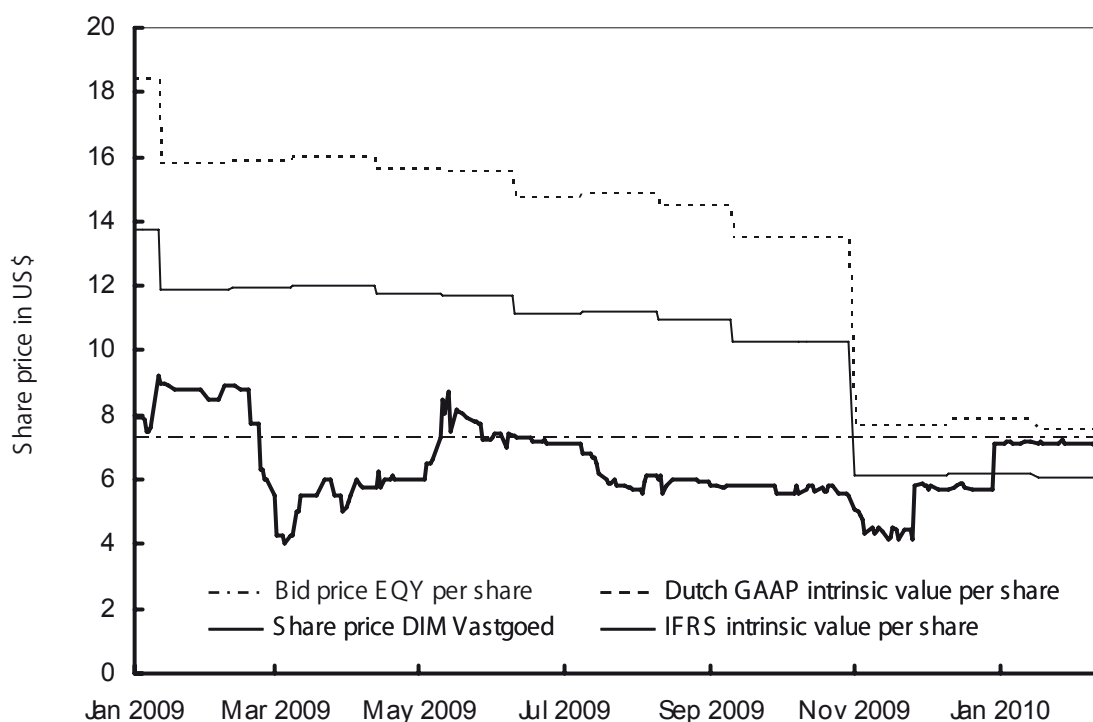
7.10 Capital and Shares

The authorised share capital of the Company amounts to 31.160.456 and is divided into 300 Priority Shares with a nominal value of EUR 1.52 each, and 20,500,000 Shares with a nominal value of EUR 1.52 each.

At the date of this Offer Memorandum, 8,368,767 Shares and 300 Priority Shares have been issued and paid up out of which 152,394 Shares are held by the Company for its own account.

7.11 Share price development

This graph sets out the Share price development from 1 January 2009 to and including 15 February 2010.



¹ According to the information provided by the Offeror in Section 5.3 of the Offer Memorandum, Equity One indirectly owns and/or controls 73.29% of the Shares.

8. INFORMATION ON THE OFFEROR

8.1 Overview

The Offeror is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under the laws of The Netherlands, having its statutory seat (*statutaire zetel*) in Amsterdam, The Netherlands, having its registered office at Locatellikade 1, 1076 AZ Amsterdam, The Netherlands. The Offeror is registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34236595.

The Offeror is a directly wholly owned subsidiary of Equity One, a Maryland corporation the principal place of business of which is 1600 NE Miami Gardens Drive, North, Miami Beach, Florida 33179, United States.

8.2 Business Description

Southeast is a holding company for any Shares owned and/or controlled by the Equity One group.

Equity One is a fully integrated real estate investment trust specialising in the acquisition, asset management, development and redevelopment of quality retail properties located in strategic metropolitan areas across the United States. These centres are typically anchored by leading supermarkets, pharmacies and retail store chains.

As of 30 September 2009, Equity One owned or had interests in hundred-eighty (180) properties, consisting of one hundred and sixty-six (166) shopping centres comprising approximately eighteen point nine (18.9) million Sq.ft., four (4) projects in development/redevelopment, six (6) non-retail properties, and four (4) parcels of land. Additionally, Equity One had joint venture interests in twelve (12) shopping centres and one (1) office building totalling approximately one point nine (1.9) million Sq.ft.

Equity One shares are listed on the New York Stock Exchange.

8.3 Board of directors of the Offeror

The management board of the Offeror consists of Mr A.L. Gallagher and Mr J.S. Olson.

No changes in the management board of the Offeror or the managing directors' employment conditions are expected in connection with the Offer.

8.4 Equity One: board of directors and executive team

Equity One has a board of directors consisting of Mr C. Katzman (chairman), Mrs D.J. Segal, Mr J.S. Olson (CEO), Mr J.S. Cassel, Mr N. Hetz, Mr N. Flanzraich, Mr N. Ben-Ozer (founder), Mr P. Linneman and Ms C.R. Cohen.

Equity One has an executive team consisting of Mr J.S. Olson (CEO), Mr Th. Caputo (president), Mr M. Langer (executive vice president, chief financial officer and chief administrative officer), Mr A.L. Gallagher (executive vice-president and general counsel), Ms D. Cheek (chief accounting officer) and Ms L. Holden (vice president of portfolio management).

No changes in the board of directors and the executive team of Equity One or the employment conditions of their members are expected in connection with the Offer.

8.5 Share capital of the Offeror

The Offeror's issued and outstanding share capital totals EUR 18,000 divided into 18,000 shares of the same class with a nominal value of EUR 1 per share. All the outstanding shares are fully paid up. The Offeror's articles of association provide that shares are held in registered form.

9. FURTHER DECLARATIONS PURSUANT TO THE TAKEOVER DECREE

In addition to the other statements set out in this Offer Memorandum, the Offeror with regard to (b) below, the Offeror and the Supervisory Board and Management Board each per se with regard to (a), (c) and (d) below, hereby declare as follows:

- (a) There have been consultations between Equity One and the Company regarding the Offer, which have resulted in (conditional) agreement regarding the Offer. Discussions regarding the Offer Price, financing of the Offer, the Offer Conditions and the future strategy of the Company took place between Equity One and the Supervisory Board and their advisers. In view of his position at Equity One, Mr. Caputo has abstained from participating in any discussions and decision taking in the Supervisory Board with respect to the Offer.
- (b) With due observance of and without prejudice to the restrictions referred to in Section 1 (Restrictions and important information), the Offer concerns all Shares not already held by the Offeror or its group companies and applies on an equal basis to all Shares and Shareholders.
- (c) No securities in the Company are held, no transactions or concluded agreements in respect of securities in the Company have been effected or have been concluded, and no similar transactions have been effected in respect of securities in the Company by the Offeror, Equity One or any of either of their group companies, the management board members of the Offeror, the members of the Board of Directors or Executive Team of Equity One, the members of the Boards or the administrative bodies of the Company, nor by any of their spouses (*echtgenoten*), registered partners (*geregistreerde partners*), minor children (*minderjarige kinderen*) and any entities over which these members or other persons referred to have control (*zeggenschap hebben in*) within the meaning of Annex A, paragraph 2, subparagraphs 5, 6, and 7 of the Takeover Decree, other than as set out in Section 5.3 (Cross Shareholding Equity One/Southeast).
- (d) The costs of Equity One and the Offeror incurred and expected to be incurred in relation to the Offer amount to approximately EUR 225,000 and relate to exchange agent fees, broker commissions, legal advisers fees, costs of advertisements and printing. These costs will be borne by Equity One. The costs of the Company's fees for legal advisers, financial advisers, tax advisers, accountants and public relations and communication advisers incurred and expected to be incurred in relation to the Offer amount to approximately EUR 0.6 million. These costs will be borne by the Company and accounted for in 2010.

10. DUTCH TAX ASPECTS OF THE OFFER

10.1 General

The following summary outlines certain principal Netherlands tax consequences of the disposal of the Shares in connection with the Offer, but does not purport to be a comprehensive description of all Netherlands tax considerations that may be relevant. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the disposal of the Shares.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Offer Memorandum, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Netherlands tax consequences for:

- (a) holders of Shares holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Company and holders of Shares of whom a certain related person holds a substantial interest in the Company. Generally speaking, a substantial interest in the Company arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds (i) an interest of five percent (5%) or more of the total issued capital of the Company or of five percent (5%) or more of the issued capital of a certain class of shares of the Company, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Company;
- (b) investment institutions (*fiscale beleggingsinstellingen*); and
- (c) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other entities that are exempt from Netherlands corporate income tax.
- (d) corporate holders of Shares qualifying for the participation exemption (*deelnemingsvrijstelling*). Generally speaking, a shareholding is considered to qualify as a participation for the participation exemption if it represents an interest of five percent (5%) or more of the nominal paid-up share capital.

For the purposes of this tax section it is assumed that in respect of the Offer no payments are made by or on behalf of the Company to a holder of Shares.

10.2 Dividend withholding tax

Gains realised upon the disposal of the Shares in connection with the Offer will not be subject to withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

10.3 Corporate and individual income tax

Residents of the Netherlands

If a holder is a resident or deemed to be a resident of the Netherlands for Netherlands tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the Shares are attributable, gains realised upon the disposal of the

Shares are generally taxable in the Netherlands (at up to a maximum rate of twenty-five point five percent (25.5%).

If an individual holder is a resident or deemed to be a resident of the Netherlands for Netherlands tax purposes (including an individual holder who has opted to be taxed as a resident of the Netherlands), gains realised upon the disposal of the Shares are taxable at the progressive rates (at up to a maximum rate of fifty-two percent (52%) under the Netherlands Income Tax act 2001 (*Wet inkomstenbelasting 2001*) if:

- (a) the holder is an entrepreneur (*ondernemer*) and has an enterprise to which the Shares are attributable or the holder has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Shares are attributable; or
- (b) such gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which include activities with respect to the Shares that exceed regular, active portfolio management (*normaal actief vermogensbeheer*).

If neither condition (a) nor condition (b) applies to the holder of the Shares, taxable income with regard to the Shares will be determined on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), which means that the gains actually realised upon the disposal of the Shares will not be taxed as such. At present, the deemed return on income from savings and investments has been fixed at a rate of four percent (4%) of the average of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year and the individual's yield basis at the end of the calendar year, insofar as the average exceeds a certain threshold. The average of the individual's yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Shares less the fair market value of certain qualifying liabilities on 1 January and 31 December, divided by two. If the Shares are held by the holder at the beginning of the year of disposal of the Shares, the fair market value of the Shares will be included as an asset in the individual's yield basis at the beginning of that year, but will not be included in the yield basis at the end of that calendar year. The four percent (4%) deemed return on income from savings and investments will be taxed at a rate of thirty percent (30%).

Non-residents of the Netherlands

If a holder is not a resident nor is deemed to be a resident of the Netherlands for Netherlands tax purposes (or has not opted to be taxed as a resident of the Netherlands), such holder is not taxable in respect of gains realised upon the disposal of the Shares, unless:

- (a) the holder is not an individual and such holder (i) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or a permanent representative the Shares are attributable, or (ii) is entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands (other than by way of securities) and to which enterprise the Shares are attributable.

This gain is subject to Netherlands corporate income tax at up to a maximum rate of twenty-five point five percent (25.5%).

- (b) the holder is an individual and such holder (i) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Shares are attributable, or (ii) realises gains with respect to the Shares that qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*) in the Netherlands with respect to the Shares which exceed regular, active portfolio management (*normaal actief*

vermogensbeheer), or (iii) is entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands (other than by way of securities) and to which enterprise the Shares are attributable.

A gain realised upon the disposal of the Shares as specified under (i) and (ii) by an individual is subject to individual income tax at up to a maximum rate of fifty-two percent (52%). Income derived from a share in the profits as specified under (iii) that is not already included under (i) or (ii) will be taxed on the basis of a deemed return on income from savings and investments which means that the gains actually realised upon the disposal of the Shares will not be taxed as such (as described above under “Residents of the Netherlands”). If the Shares are held by the holder at the beginning of the year of the disposal of the Shares, the fair market value of the share in the profits of the enterprise to which the Shares are attributable will include the fair market value of the Shares and as such the value of the Shares will be part of the individual’s Netherlands yield basis at the beginning of that year.

10.4 Gift and inheritance tax

In general, no gift and inheritance taxes will arise as a result of the disposal of the Shares in connection with the Offer.

10.5 Value added tax

In general, no value added tax will arise in respect of payments in consideration for the disposal of the Shares in connection with the Offer.

10.6 Other taxes and duties

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty will be payable in the Netherlands by a holder of Shares in respect of the disposal of the Shares in connection with the Offer.

11. PRESS RELEASES

11.1 Press release DVG dated 27 November 2009

Press release DVG (only available in Dutch)

Persbericht

27 november 2009

Dit is een openbare mededeling van DIM Vastgoed N.V. in de zin van artikel 4 lid 1 Besluit openbare biedingen Wft en artikel 5:25i lid 2 Wet op het financieel toezicht.

DIM VASTGOED SCHORT CLAIMEMISSION OP WEGENS AANKONDIGING OPENBAAR BOD EQUITY ONE

DIM Vastgoed maakt bekend dat zij van Southeast U.S. Holdings B.V., een 100% dochtervennootschap van Equity One, Inc., een voorstel heeft ontvangen voor een openbaar bod op alle uitstaande aandelen DIM Vastgoed. De door Equity One geïndiceerde prijs bedraagt USD 6,16 per aandeel onder voorwaarde van een aanmeldingspercentage van minimaal 95% (inclusief aandelen die direct of indirect door Equity One worden gehouden).

In het kader van dit voorstel is besloten om de door DIM Vastgoed aangekondigde claimemission op te schorten tot nader order. Met het oog daarop zal Equity One de door haar verstrekte lening die afloopt op 1 januari 2010 in ieder geval verlengen op de geldende voorwaarden tot 1 april 2010. Daarnaast heeft Equity One aan DIM Vastgoed een financieringsfaciliteit verstrekt ten bedrage van USD 3 miljoen, die DIM Vastgoed in staat stelt te voorzien in haar werkkapitaalbehoefte. Voor deze faciliteit gelden marktconforme voorwaarden.

Directie en commissarissen van DIM Vastgoed zullen het voorstel van Equity One bestuderen en vervolgens met Equity One in overleg treden over het bod en de voorwaarden waaronder het aan de aandeelhouders zou kunnen worden aanbevolen. DIM Vastgoed zal zo spoedig mogelijk nadere mededelingen doen.

Volgens haar opgave controleert Equity One op dit moment reeds ca. 75% van de aandelen in DIM Vastgoed. De slotkoers van het aandeel van 26 november 2009 bedroeg USD 4,15.

Voor nadere informatie kunt u contact opnemen met:

J.W. Dane, directeur

T.C. Koster, directeur

Telefoon 010-2013610

Telefoon 010-2013610

E-mail info@dimvastgoed.nl

E-mail info@dimvastgoed.nl

11.2 Joint press release dated 31 December 2009

JOINT PRESS RELEASE

This press release does not constitute or form part of an offer for ordinary shares in DIM Vastgoed N.V. but is an announcement that a conditional agreement has been reached between Southeast U.S. Holdings B.V., a wholly owned subsidiary of Equity One, Inc., and DIM Vastgoed N.V. in connection with a public offer as set out in this press release. This press release may not be published, distributed, disseminated or otherwise sent, in whole or in part, into the United States of America, Japan, Australia or Canada. The offer described in this press release is not being made to holders in the United States of America, Japan, Australia or Canada, and this press release shall not constitute an offer to purchase any security in the United States of America, Japan, Australia or Canada.

This press release is issued pursuant to the provisions of article 5 paragraph 1 and article 7 paragraph 4 of the Dutch Decree on Public Takeover Bids (*Besluit openbare biedingen Wft*).

Equity One intends to make a recommended cash offer of US\$ 7.30 per ordinary share of DIM Vastgoed N.V.

- **The offer price represents a premium of 75.9% to DIM Vastgoed's closing share price on 26 November 2009.**
- **The offer price represents a premium of 18.5% to the indicative offer price of US\$ 6.16 referred to in the press release issued by DIM Vastgoed on 27 November 2009.**
- **The offer price represents a premium of 17.9% to DIM Vastgoed's stated IFRS NAV per share as per 30 November 2009**
- **The Supervisory Board and the Management Board of DIM Vastgoed unanimously support the intended offer of Equity One and recommend the intended offer to the shareholders.**

Rotterdam and Amsterdam, 31 December 2009

With reference to the press release by DIM Vastgoed N.V. ("**DIM Vastgoed**") of 27 November 2009, DIM Vastgoed and Southeast U.S. Holdings B.V., a wholly owned subsidiary of Equity One, Inc. (Southeast U.S. Holdings B.V. and Equity One, Inc. are together referred to as "**Equity One**"), jointly announce that they have reached a conditional agreement in connection with an intended public offer by Equity One for all outstanding ordinary shares of DIM Vastgoed at an offer price of US\$ 7.30 (the "**Offer Price**") per ordinary share in cash (the "**Offer**"). Both the Supervisory Board and the Management Board of DIM Vastgoed unanimously support the Offer and believe the Offer is in the best interest of DIM Vastgoed and its shareholders and unanimously recommend that DIM Vastgoed's shareholders accept the Offer when made. Equity One currently owns and/or controls 73.29% of the issued ordinary share capital of DIM Vastgoed.

Commenting on the Offer, Kees Van Rees, Chairman of the Supervisory Board of DIM Vastgoed, said:

"This improved offer by Equity One represents a premium of 75.9% against DIM Vastgoed's closing share price on 26 November 2009 which is a significant premium, particularly in view of DIM Vastgoed's continuing difficulties with the financing, operations and valuation of its shopping malls."

Offer highlights

The Offer will be a cash offer for all the outstanding ordinary shares of DIM Vastgoed. No (interim) 2009 dividends are expected to be declared prior to completion of the Offer. The Offer Price represents compelling value to DIM Vastgoed's shareholders and represents a 75.9% premium over the closing price of 26 November 2009, a premium of 18.5% above the indicative offer price of US\$ 6.16 referred to in the press release issued by DIM Vastgoed on 27 November, a 17.9% premium above the IFRS NAV per share as per 30 November 2009 and a discount of 6.9% on Dutch GAAP NAV per share per 30 November 2009.

Conditions

The Offer is expected to commence on fulfilment or waiver of certain customary conditions, such as: (i) Stichting Prioriteit DIM Vastgoed (the "**Priority Foundation**") not having revoked its commitment to cooperate with the abolishing of the priority shares and related amendments to the articles of association of DIM Vastgoed, (ii) no competing offer being announced, (iii) no material adverse change to the business or prospects of DIM Vastgoed, (iv) AFM approval of the Offer Memorandum, (v) the merger protocol between DIM Vastgoed and Equity One not having been terminated, (vi) no governmental, regulatory or court order restraining or prohibiting the proposed transaction, and (vii) no issuance of shares or securities by DIM Vastgoed.

Once commenced, the Offer will be declared unconditional upon satisfaction or waiver certain customary conditions, such as: (i) the number of tendered shares under the Offer and shares already owned and/or controlled by or committed to Equity One in the aggregate representing at least 95% of the issued share capital (excluding treasury stock) of DIM Vastgoed, (ii) the Priority Foundation not having revoked its commitment to cooperate with the abolishing of the priority shares and related amendments to the articles of association of DIM Vastgoed, (iii) no competing offer being announced, (iv) the merger protocol between DIM Vastgoed and Equity One not having been terminated, (v) no governmental, regulatory or court order restraining or prohibiting the proposed transaction, (vi) no issuance of shares or securities by DIM Vastgoed, and (vii) no material adverse change to the business or prospects of DIM Vastgoed.

Competing Offer

DIM Vastgoed and Equity One may terminate the conditional agreement, if a third party makes an offer which is, in the opinion of DIM Vastgoed, more favourable and which has an offer price that exceeds the Offer Price by at least 10%. If a competing offer is made, Equity One will be given the opportunity to revise its Offer. If the revised Offer is equal to the competing offer, DIM Vastgoed and Equity One may not terminate the conditional agreement with Equity One. The same applies for any subsequent competing offers. If DIM Vastgoed or Equity One terminates the conditional agreement because of a competing offer, and that competing offer is declared unconditional, then Equity One has the right to a fee of US\$ 200,000 as compensation for costs incurred.

Next steps

The Netherlands Authority for the Financial Markets will be informed of the Offer. The Offer is expected to commence early 2010 and the offer memorandum setting out the details of the Offer (the "**Offer Memorandum**") is expected to be published early 2010. In connection with the intended Offer DIM Vastgoed will in due time hold an informative extraordinary shareholders' meeting.

Governance

After settlement of the Offer, initially Mr. Van Rees and Mr. Blaauboer will continue to be members of the Supervisory Board. Mr. Caputo will continue to be the Supervisory Board member nominated pursuant to a recommendation by Equity One.

The current Management Board will remain in office until 1 April 2010. As of 1 April 2010 the Management Board will consist of three members. One member will be nominated in accordance with a recommendation by Equity One and will be primarily responsible for monitoring the management of the properties of DIM Vastgoed. One member will be nominated in accordance with a recommendation by Equity One in consultation with the Supervisory Board and one member will be nominated in accordance with a recommendation by the Supervisory Board and will be fully independent.

As long as DIM Vastgoed's shares are listed on Euronext Amsterdam, Equity One and DIM will ensure that DIM shall continue to comply (which might include explain) with the Dutch corporate governance code.

Abolishment of the Priority Shares

The Priority Foundation has irrevocably committed to cooperate with the abolishing of the priority shares in DIM Vastgoed and related amendments to the articles of association of DIM Vastgoed after settlement of the Offer subject to Equity One holding and/or controlling at least 90% of the issued ordinary shares in DIM Vastgoed. An extraordinary shareholders' meeting of DIM Vastgoed will be convened prior to settlement of the Offer and held within one month after settlement of the Offer in order to resolve on the cancellation of the priority shares and related amendments to the articles of association of DIM Vastgoed and the agreements on governance as described above. The abolishing of the priority shares may also be structured by means of a repurchase by DIM Vastgoed for no consideration or any other means.

Delisting and Post Offer Restructuring

It is intended that DIM Vastgoed's shares will be delisted from Euronext Amsterdam as soon as possible.

Furthermore, after settlement and completion of the Offer, Equity One expects to effect a statutory squeeze out, a legal merger or to take such other steps to delist DIM Vastgoed's shares and/or acquire DIM Vastgoed's shares not otherwise acquired by it since there are good business reasons to do so.

Loans by Equity One

Equity One is one of DIM Vastgoed's major creditors. On 1 October 2009, Equity One has assumed mortgage loans amounting to US\$ 51.2 million in the aggregate in connection with the refinancing of the "Carolina Pavilion" shopping center. These loans mature on 1 January 2010 (US\$ 11.9 million) and on 1 April 2010 (US\$ 39.3 million). In view of the conditional agreement reached between Equity One and DIM Vastgoed, Equity One has agreed to extend the mortgage loan maturing on 1 January 2010 to 1 April 2010. On the basis of a memorandum of understanding between DIM Vastgoed and Equity One dated 7 April 2009, Equity One may match any third party financing offer for the refinancing of "Carolina Pavilion".

Certain funds statement Equity One

With reference to article 7 paragraph 4 of the Dutch Decree on Public Takeover Bids, Equity One will fulfil its obligations under the Offer from cash resources which are currently available to Equity One.

Advisors

Kempen & Co Corporate Finance has acted as financial adviser of DIM Vastgoed with respect to the intended public offer.

Further information

The information in this press release is not intended to be complete. Explicit reference is made to the Offer Memorandum for further information, which is expected to be published early 2010 and which will contain details of the Offer. DIM Vastgoed's shareholders are advised to review the Offer Memorandum in detail and to seek independent advice where appropriate in order to reach a reasoned judgment in respect of the content of the Offer Memorandum and the Offer itself.

This press release is issued in the English language and in the Dutch language. In case of any inconsistencies between the Dutch version and the English version the English version will prevail.

Inquiries

DIM Vastgoed N.V.

Mr. C.J. van Rees, chairman supervisory board

Phone 010 – 20 13610

Email info@dimvastgoed.nl

Mr. T.C. Koster, director

Phone 010 – 2013610

Email info@dimvastgoed.nl

Equity One, Inc or Southeast U.S. Holdings B.V.

Mr. Arthur L. Gallagher, Executive Vice President of Equity One and Director of Southeast

DIM Vastgoed profile

Reference is made to DIM Vastgoed website:

www.dimvastgoed.nl

Equity One profile

Equity One is a fully integrated real estate investment trust specializing in the acquisition, asset management, development and redevelopment of quality retail properties located in strategic metropolitan areas across the United States. These centers are typically anchored by leading supermarkets, pharmacies and retail store chains.

As of September 30, 2009, Equity One owned or had interests in 180 properties, consisting of 166 shopping centers comprising approximately 18.9 million square feet, four projects in development/redevelopment, six non-retail properties, and four parcels of land. Additionally, Equity One had joint venture interests in twelve shopping centers and one office building totaling approximately 1.9 million square feet.

www.equityone.net

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11.3 Joint press release – four weeks announcement

PRESS RELEASE

This press release does not constitute or form part of an offer for ordinary shares in DIM Vastgoed N.V. but is an announcement in relation to the conditional agreement that has been reached between Southeast U.S. Holdings B.V., a wholly owned subsidiary of Equity One, Inc., and DIM Vastgoed N.V. in connection with a public offer as set out in this press release and the press release of 31 December 2009. This press release may not be published, distributed, disseminated or otherwise sent, in whole or in part, into the United States of America, Japan, Australia or Canada. The offer described in this press release is not being made to holders in the United States of America, Japan, Australia or Canada, and this press release shall not constitute an offer to purchase any security in the United States of America, Japan, Australia or Canada.

This is a public announcement as referred to in Article 7, paragraph 1 under a of the Dutch Decree on Public Takover Bids (Besluit openbare biedingen Wft).

Amsterdam and Rotterdam, 27 January 2010

For immediate release

Good progress on the preparations for the public offer for DIM

With reference to the press release of 27 November 2009 of DIM Vastgoed N.V. (“**DIM**”) and the press release of 31 December 2009 of Southeast U.S. Holdings B.V. (“**Southeast**”), a wholly owned subsidiary of Equity One, Inc. (Southeast U.S. Holdings B.V. and Equity One, Inc. are together referred to as “**Equity One**”), and DIM in which Equity One and DIM jointly announced that they had reached conditional agreement regarding the intended recommended cash offer for all issued and outstanding ordinary shares with a nominal value of EUR 1.52 each in the capital of DIM at an offer price of US\$ 7.30 per share (the “**Offer**”), Equity One and DIM hereby announce that preparations for the Offer, including preparations with regard to the offer memorandum and obtaining approval from the Netherlands Authority for Financial Markets with respect thereto, are well under way. It is currently expected that the formal launch of the Offer will take place in February 2010 and that the extraordinary general meeting of shareholders of DIM in relation to the Offer will, depending on the exact launch date, take place late February or in March 2010.

Inquiries

DIM Vastgoed N.V.

Mr. C.J. van Rees, chairman supervisory board

Phone 010-2013610

Email info@dimvastgoed.nl

Mr. T.C. Koster, director

Phone 010-2013610

Email info@dimvastgoed.nl

Equity One Inc. or Southeast U.S. Holdings B.V.

Mr. Arthur L. Gallagher, Executive Vice President of Equity One and Director of Southeast

This press release is issued in the English language and in the Dutch language. In case of any inconsistencies between the Dutch version and the English version the English version will prevail.

DIM profile

Reference is made to DIM website: www.dimvastgoed.nl.

Equity profile

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As of 30 September 2009, Equity One owned or had interests in 180 properties, consisting of 166 shopping centers comprising approximately 18.9 million square feet, 4 projects in development/redevelopment, 6 non-retail properties and 4 parcels of land. Additionally, Equity One had joint venture interests in 12 shopping centers and 1 office building totalling approximately 1.9 million square feet.

www.equityone.net

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DIM Vastgoed N.V. is een closed-end vastgoedbeleggingsmaatschappij met veranderlijk kapitaal. DIM Vastgoed belegt in onroerend goed dat gelegen is in het zuidoosten van de Verenigde Staten. De vennootschap richt zich op de aankoop van reeds ontwikkelde winkelcentra en zogenoemde ‘power centers’ met een hoge bezettingsgraad. De aandelen DIM Vastgoed zijn sinds 5 oktober 1999 genoteerd aan de beurs van Euronext Amsterdam. DIM Vastgoed beschikt als beleggingsinstelling over de wettelijk vereiste vergunning van Autoriteit Financiële Markten.

Voor een beschrijving van de door DIM Vastgoed gehanteerde waarderingssystematiek en berekening van de intrinsieke waarde wordt verwezen naar het jaarverslag.

12. NEDERLANDSE SAMENVATTING VAN HET BOD

In dit Hoofdstuk 12 wordt een samenvatting gegeven van een aantal elementen uit het Biedingsbericht. Deze Nederlandse samenvatting maakt deel uit van het Biedingsbericht, maar vervangt dit niet. Deze Nederlandse samenvatting is niet volledig en bevat niet alle informatie die voor de Aandeelhouders van belang is om een afgewogen oordeel te kunnen vormen over het Bod. Het bestuderen van deze Nederlandse samenvatting mag derhalve niet worden beschouwd als een alternatief voor het bestuderen van het volledige Biedingsbericht. De Aandeelhouders wordt geadviseerd het volledige Biedingsbericht (Deel I tezamen met Deel II), inclusief alle documenten die daarin door middel van verwijzing (*“incorporation by reference”*) zijn opgenomen, zorgvuldig te bestuderen en zo nodig onafhankelijk advies in te winnen teneinde zich een afgewogen oordeel te vormen over het Bod en de beschrijving daarvan in het Biedingsbericht. In geval van verschil tussen deze Nederlandse samenvatting en de Engelse tekst van het Biedingsbericht prevaleert de Engelse tekst van het Biedingsbericht (inclusief alle documenten die daarin door middel van verwijzing (*“incorporation by reference”*) zijn opgenomen).

Het Position Statement, inclusief alle daarbij behorende bijlagen opgenomen als Deel III, maakt geen deel uit van het Biedingsbericht en is niet goedgekeurd door de AFM. Het Position Statement wordt evenwel na publicatie daarvan beoordeeld door de AFM.

12.1 Het Bod

Motivering van het Bod De Bieder brengt het Bod uit teneinde alle Aandelen te verwerven van de Aandeelhouders, onder de voorwaarden en conform de bepalingen en beperkingen zoals opgenomen in dit Biedingsbericht.

De Biedprijs van US\$ 7,30 vertegenwoordigt een premie van:

- (a) vijfenzeventig komma negen procent (75,9%) ten opzichte van de slotkoers per Aandeel van US\$ 4,15 op 26 november 2009, de laatste handelsdag voor 27 november 2009, de dag waarop DVG aankondigde dat Equity One haar interesse had getoond om een openbaar bod uit te brengen voor een indicatieve prijs van US\$ 6,16 per Aandeel;
- (b) achttien komma vijf procent (18,5%) ten opzichte van de indicatieve biedprijs van US\$ 6,16 waaraan wordt gerefereerd in het persbericht van DVG van 27 november 2009;
- (c) eenentwintig komma één procent (21,1%) ten opzichte van DVG's gestelde IFRS intrinsieke waarde per Aandeel van US\$ 6,03 per 31 januari 2010; en;
- (d) elf komma één procent (11,1%) ten opzichte van de gemiddelde slotkoers per Aandeel van US\$ 6,57 gedurende de laatste twaalf (12) maanden voorafgaand aan 27 november 2009, de dag waarop DVG aankondigde dat Equity One haar interesse had getoond om een openbaar bod uit te brengen voor een indicatieve prijs van US\$ 6,16 per Aandeel.

Biedprijs Aan de Aandeelhouders die hun Aandelen aanmelden onder het Bod wordt een bedrag van US\$ 7,30 in (de **“Biedprijs”**) aangeboden, onder de voorwaarden en condities zoals uiteengezet in dit Biedingsbericht, zonder rente en onder voorwaarde van belastinginhouding voor ieder Aandeel dat

rechtsgeldig is aangemeld (of op ongeldige wijze, indien de Bieder de aanmelding daarvan toch aanvaardt) en geleverd onder het Bod, mits het Bod gestand wordt gedaan.

De Biedprijs is inclusief enig (ander) dividend in contanten of aandelen dat is of zal worden vastgesteld door de Vennootschap voor of op de Dag van Overdracht. Dientengevolge zal, indien tot enig dividend of andere uitkering wordt besloten (waarbij de *record date* die bepalend is voor gerechtigheid tot een dergelijke uitkering plaatsvindt voor betaling en overdracht voor of op de Dag van Overdracht), de Biedprijs worden verminderd met het volledige bedrag van een dergelijke uitkering op elk Aandeel.

Financiering van het Bod
(“*certainty of funds*”)

De Bieder is in staat aan zijn verplichtingen onder het Bod te voldoen uit de kasmiddelen die op dit moment beschikbaar zijn binnen Equity One in de zin van artikel 7 lid 4 van het Bob.

Voorwaarden van het Bod

De verplichting van de Bieder om het Bod gestand te doen geldt slechts indien aan elk van de volgende Voorwaarden wordt voldaan, tenzij uitdrukkelijk afstand wordt gedaan van de desbetreffende Voorwaarde:

- (a) het aantal (i) aangeboden Aandelen; en (ii) Aandelen die direct of indirect door Equity One worden gehouden (voor de duidelijkheid: met inachtneming van het belang van ongeveer drieënzeventig komma negenentwintig procent (73,29%) van de Aandelen reeds gehouden en/of gecontroleerd door Equity One) ((i) and (ii) gezamenlijk de “**Toegezegde Aandelen**”), tezamen ten minste vijfennegentig procent (95%) van het geplaatste en uitstaande aandelenkapitaal van de Vennootschap vertegenwoordigt;
- (b) de Stichting Prioriteit niet de Onherroepelijke Toezegging Stichting Prioriteit heeft herroepen (voor de duidelijkheid: deze bepaling houdt niet in dat de Stichting Prioriteit haar verplichting mag herroepen);
- (c) geen openbare aankondiging is gedaan over een Concurrerend Bod;
- (d) het Fusieprotocol niet is beëindigd;
- (e) geen veroordeling, aanhouding, voorlopige maatregelen, vonnis of beschikking is uitgesproken door enige rechtbank, arbitrage-commissie, regering, overheidsinstantie of andere toezichthoudende of administratieve instantie die van kracht is, of enig statuut, regel, regelgeving, veroordeling of maatregel van overheidswege is voorgesteld, uitgevaardigd, afgedwongen of van toepassing is verklaard op het Bod welke het afronden van het Bod zal beperken of naar verwachting kan beperken of verbieden of vertragen op enige wezenlijke wijze;
- (f) op of voor de Dag van Gestanddoening geen bericht van de AFM is ontvangen dat het Bod gedaan is in strijd met een bepaling van hoofdstuk 5.5 van de Wft (Openbaar bod op effecten) of het Bob,

zoals bedoeld in artikel 5:80 Wft, waarna, krachtens deze regels, effecteninstellingen niet zijn toegestaan mee te werken aan de tenuitvoerlegging en voltooiing van het Bod;

- (g) de handel in de Aandelen niet permanent geschorst is door Euronext Amsterdam;
- (h) geen aandelen of kapitaaldeelname in het kapitaal van de Vennootschap of in aandelen converteerbare obligaties of kapitaaldeelnames, gecreëerd zijn of uitgegeven of is overeengekomen die in te creëren of uit te geven;
- (i) zich geen gebeurtenis of omstandigheid met een wezenlijk negatief effect op de business, cash flow, financiële positie of activa van de DVG Groep als geheel genomen voordoet, zodanig dat van de Bieder redelijkerwijs niet kan worden verwacht het Bod gestand te doen (“**Belangrijke Negatieve Verandering**”), en die gebeurtenis of omstandigheid niet voortvloeit uit:
 - (i) een algemene economische teruggang in de bedrijfssector van de Vennootschap welke in het algemeen bedrijven in deze sector, zoals de Vennootschap, aantast;
 - (ii) enig geval dat bekend is bij de Bieder of haar adviseurs voorafgaand aan de datum van het Fusieprotocol, of hetgeen redelijkerwijs te begrijpen is uit informatie die door een lid van de DVG Groep als publieke informatie is gedeponiseerd of wat door de Vennootschap openbaar is gemaakt op grond van toepasselijk recht en regelgeving;
 - (iii) de bekendmaking, het doen en de tenuitvoerlegging van het Bod; of
 - (iv) een schending van het Fusieprotocol of toepasselijk recht door de Bieder.

Voorwaarden (d), (e) en (g) strekken ten voordele van de Bieder en de Vennootschap, en daarvan mag slechts door middel van een schriftelijke overeenkomst tussen de Bieder en de Vennootschap gezamenlijk afstand worden gedaan.

Voorwaarden (a), (b), (c), (h) en (i) strekken ten voordele van de Bieder en uitsluitend de Bieder mag daarvan afstand doen door middel van een schriftelijke verklaring aan de Vennootschap.

Van Voorwaarde (f) kan geen afstand worden gedaan.

Met betrekking tot Voorwaarde (a) geldt ook het volgende: wanneer de Toegezegde Aandelen op de Uiterste Dag van Aanmelding de drempelwaarde als bedoeld onder Voorwaarde (a) niet bereiken, dan zal de Bieder, met inachtneming van de Fusieregels, de Aanmeldingstermijn van het Bod verlengen met een periode van niet meer dan vier (4) weken.

Aanvaarding door
Aandeelhouders

Aandeelhouders die hun Aandelen via een Toegelaten Instelling houden worden verzocht hun aanmelding kenbaar te maken via hun bank of commissionair niet later dan op de Uiterste Dag van Aanmelding om 17.45 uur MET, tenzij de Aanmeldingstermijn is verlengd in overeenstemming met Hoofdstuk 4.8 (Extension of the Acceptance Period) en/of Hoofdstuk 4.9 (Post Acceptance Period). De desbetreffende bank of commissionair kan een eerdere uiterste datum stellen voor de Aandeelhouders om de bank of commissionair in de gelegenheid te stellen de aanmelding van die Aandeelhouders op tijd aan het Omwissel- en Betaalkantoor te communiceren.

De Toegelaten Instellingen mogen de Aandelen uitsluitend schriftelijk voor aanvaarding aanmelden bij het Omwissel- en Betaalkantoor.

Afwikkeling van het Bod

Als de Bieder aankondigt dat het Bod gestand wordt gedaan, zullen de Aandeelhouders, die hun Aandeel voor aanvaarding van het Bod hebben aangemeld voor of op de Dag van Overdracht, de Biedprijs ontvangen voor ieder Aandeel dat op rechtsgeldige wijze is aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding en levering daarvan desalniettemin aanvaardt) en geleverd onder de voorwaarden en condities van het Bod, op welk moment ontbinding of nietigverklaring van een Aandeelhouder's aanmelding of levering niet toegestaan is.

Besluitvorming en
aanbeveling Raad van
Commissarissen en de
Raad van Bestuur
van DVG

Zoals uiteengezet in Hoofdstuk 6 (Recommendation of the Boards) in Deel I van het Biedingsbericht, hebben de leden van Raad van Commissarissen C.J. van Rees (voorzitter) en E.J. Blaauboer, en de Raad van Bestuur, namens DIM B.V., enig bestuurder van DVG, de bestuurders J.W. Dane en T.C. Koster, na uitgebreid juridisch (De Brauw) en financieel advies (Kempen & Co) te hebben ingewonnen en na een zorgvuldige afweging van de strategische, financiële en aspecten en de gevolgen van de voorgenomen transactie, alsmede andere alternatieven voor DVG (waaronder een *stand alone* scenario, alternatieve wijzen van financiering en eventuele transacties met derde partijen), geconcludeerd dat het Bod in het belang is van DVG, de Aandeelhouders en alle andere betrokkenen van de Vennootschap.

De Raad van Commissarissen en de Raad van Bestuur hebben gedurende het hele proces regelmatig overleg gevoerd over de voortgang van het proces en de bepalende beslissingen. De voorwaarden en condities van het Bod, zoals neergelegd in het Fusieprotocol, zijn tussen Equity One en DVG tot stand gekomen uitsluitend met de voorafgaande goedkeuring van de Raad van Commissarissen. Gezien zijn functie bij Equity One heeft de heer Caputo niet deelgenomen aan de beraadslaging en besluitvorming van de Raad van Commissarissen inzake het bod.

De Raad van Commissarissen en de Raad van Bestuur zijn van oordeel dat de Biedprijs en de andere voorwaarden van het Bod redelijk en billijk zijn jegens de Aandeelhouders anders dan de Bieder. In dat kader wordt verwezen naar hoofdstuk 3.1 (The Boards' financial assessment of the Offer) zoals is opgenomen in het Position Statement in Deel III, en de fairness opinion die door Kempen & Co is afgegeven, zoals opgenomen in Appendix 1 (Kempen & Co Fairness Opinion) bij de Position Statement in Deel III. Gelet op het bovenstaande ondersteunen de Raden het Bod

volledig en bevelen zij unaniem hun Aandeelhouders aan het Bod te aanvaarden.

Namens de Bieder en Equity One hebben deelgenomen aan de besluitvorming omtrent het Biedingsbericht de heren A.L. Gallagher en J.S. Olsen (raad van bestuur van Southeast) en de overige leden van de Equity One board of directors en het Equity One executive team, beide als genoemd in hoofdstuk 8.4 van dit Biedingsbericht.

Juridische structuur en governance van DVG na het Bod

Aandeelhouders die hun Aandelen niet aanmelden onder het Bod zullen Hoofdstuk 5.7 en meer in het bijzonder Hoofdstuk 5.7.1 (Liquidity and delisting), Hoofdstuk 5.7.2 (Post Offer restructuring of DVG) en Hoofdstuk 5.7.3 (Current and future management and governance arrangements) aandachtig moeten lezen. Hierin worden risico's beschreven die verbonden zijn aan het niet aanvaarden van het Bod na gestanddoening van het Bod. Deze risico's zijn in aanvulling op de risico's gerelateerd aan de onderneming van DVG en haar Groepsmaatschappijen en de aan haar gelieerde vennootschappen, aangezien zulke ondernemingen en de structuur van DVG van tijd tot tijd kunnen veranderen na de Dag van Overdracht. Hierna onder "Herstructurering DVG na het Bod" zal nader worden ingegaan op de herstructurering van DVG.

Gevolgen van het Bod met betrekking tot liquiditeit en beëindiging beursnotering

De aankoop van de Aandelen door de Bieder onder het Bod zal, onder andere, het aantal Aandeelhouders en het aantal Aandelen dat anders mogelijk openbaar verhandeld zou worden, kunnen verminderen en zou een negatieve invloed kunnen hebben op de liquiditeit en de marktwaarde van de overige Aandelen die niet zijn aangemeld en niet worden gehouden door de Bieder en haar Groepsmaatschappijen.

Indien het Bod gestand wordt gedaan, is het voornemen om zo spoedig als juridisch mogelijk de notering van de Aandelen aan Euronext Amsterdam te beëindigen. Dit zou verdere negatieve invloed kunnen hebben op de liquiditeit van de Aandelen die niet zijn aangemeld. Verder zou de Bieder één of meerdere van de procedures zoals beschreven in Hoofdstuk 5.7.2 (Post Offer restructuring of DVG) kunnen beginnen, waaronder procedures die kunnen resulteren in de beëindiging van de beursnotering van de Aandelen (inclusief de niet aangeboden Aandelen). In het geval van een openbaar bod staat Euronext Amsterdam geen beëindiging van de beursnotering toe, indien niet tenminste vijftien procent (95%) van de genoteerde aandelen wordt gehouden door één entiteit of door een groep die wordt gecontroleerd door één entiteit.

Herstructurering DVG na het Bod

Aandeelhouders die hun Aandelen niet aanmelden onder het Bod zullen een minderheidsbelang houden in DVG tenzij en totdat de Bieder de enige Aandeelhouder wordt van DVG. Bepaalde stappen zullen voor de Bieder noodzakelijk zijn om het eigendom van honderd procent (100%) van de Aandelen te verkrijgen en de Bieder houdt zich het recht voor om iedere wettelijke mogelijkheid te gebruiken om het eigendom van honderd procent (100%) van de Aandelen te verkrijgen. Als, volgend op de Dag van Overdracht, de Bieder het eigendom van honderd procent (100%) van de Aandelen niet heeft verkregen, heeft de Bieder de intentie om (waar mogelijk) de volgende herstructureringsmaatregelen voor te stellen en uit te voeren (of in uitvoering te laten brengen) in overeenstemming met

Nederlands recht, andere toepasselijke regelgeving en de DVG Statuten zoals van kracht op dat moment.

Elke Juridische fusie (zoals hieronder gedefinieerd) of andere herstructureringsmaatregelen waarnaar wordt verwezen in Hoofdstuk 5.7.2 (Post Offer restructuring of DVG), anders dan de Uitkoopprocedure, zal de goedkeuring behoeven van de Raad van Commissarissen. Totdat de afschaffing van de Prioriteitsaandelen is voltooid, zullen sommige van deze maatregelen ook de goedkeuring behoeven van de vergadering van houders van Prioriteitsaandelen.

Uitkoopprocedure

In het geval dat op of na de Dag van Overdracht de Bieder vijftiennegentig procent (95%) of meer van het geplaatste en uitstaande aandelenkapitaal van DVG en/of de Aandelen houdt in het kapitaal van DVG, is het de bedoeling van de Bieder om de resterende, niet aangeboden aandelen te verkrijgen door middel van een (wettelijke) uitkoopprocedure krachtens artikel 2:92a of artikel 2:201a BW of de uitstotingsprocedure krachtens artikel 2:359c BW (gezamenlijk aan te duiden als een “**Uitkoopprocedure**”).

Ondanks dat de Bieder vijftiennegentig procent (95%) of meer van het geplaatste en uitstaande aandelenkapitaal van DVG en/of de Aandelen heeft verkregen, en daarmee gerechtigd is om een Uitkoopprocedure te initiëren, mag de Bieder ook, en in plaats van het voeren van een Uitkoopprocedure, met een 2/3e meerderheid van de stemmen van de algemene vergadering van Aandeelhouders, besluiten om een Juridische fusie (zoals hieronder gedefinieerd) tussen de Bieder en DVG tot stand te brengen of om andere maatregelen te nemen zoals hieronder uiteengezet onder “*Andere Mogelijke Maatregelen*”. De juridische consequenties van een Juridische fusie (zoals hieronder gedefinieerd), met inbegrip van de mogelijkheid om daarna een Uitkoopprocedure te starten, zijn hetzelfde als uiteengezet hieronder “*Juridische fusie*”.

Juridische fusie

In het geval dat de Bieder het Bod gestand heeft gedaan en niet vijftiennegentig procent (95%) of meer van het geplaatste en uitstaande aandelenkapitaal van DVG en/of de Aandelen heeft verkregen volgens op de Dag van Overdracht, dan kan de Bieder, met een 2/3e meerderheid van de stemmen van de algemene vergadering van Aandeelhouders, een juridische fusie tot stand brengen tussen DVG en de Bieder krachtens artikel 2:309 en 2:334 BW (welke artikelen verwijzen naar een “driehoeksfusie”, ingevolge de aandeelhouders van de verdwijnende vennootschap aandeelhouders worden van de groepsvennootschap van de overblijvende vennootschap) (de “**Juridische fusie**”). Als gevolg van een Juridische fusie, zal één van de twee betrokken vennootschappen (de “**Verdwijnende Vennootschap**”) verdwijnen, en de andere betrokken vennootschap (de “**Overblijvende Vennootschap**”) zal overblijven en alle activa en passiva verkrijgen van de Verdwijnende Vennootschap krachtens de wet op de datum dat de Juridische fusie effectief zal worden.

In het geval dat de Juridische fusie effectief is geworden, zullen Aandeelhouders, die hun Aandelen niet hebben aangeboden onder het Bod, krachtens de wet, aandeelhouder worden van de Overblijvende Vennootschap naast de reeds bestaande aandeelhouders van de Overblijvende Vennootschap, of, in het geval van een “driehoeksfusie”, aandeelhouder worden van de relevante groepsvennootschap.

Wanneer, nadat de Juridische fusie effectief is geworden, de meerderheidsaandeelhouder van de Overblijvende Vennootschap vijftiennegentig procent (95%) of meer van de geplaatste en uitstaande aandelen houdt in de Overblijvende Vennootschap, dan mag zo’n meerderheidsaandeelhouder een Uitkoopprocedure initiëren met betrekking tot de aandelen in de Overblijvende Vennootschap die niet door de meerderheidsaandeelhouder worden gehouden.

Andere Mogelijke Maatregelen

De Bieder houdt zich het recht voor om enige andere mogelijke maatregelen te gebruiken om honderd procent (100%) van de Aandelen of anderszins het volledig eigendom te verkrijgen van de DVG activiteiten, met inbegrip van liquidatie, splitsing krachtens artikel 2:334a BW, de verkoop van alle of goeddeels alle activa van DVG mogelijk gevolgd door een liquidatie, in welk geval de opbrengsten van de transactie zullen worden uitgekeerd aan de aandeelhouders, alles in overeenstemming met de Nederlandse wet, andere toepasselijke regelgeving en the DVG Statuten zoals van kracht op dat moment. Ook houdt de Bieder zich het recht voor om de structuur van DVG in overeenstemming te brengen met de deelnemings-, financiële en optimale fiscale structuur van Equity One, met inbegrip van de contributie van activa van de Bieder aan DVG voor het uitgeven van nieuwe aandelen in het aandelenkapitaal van DVG, met tegelijkertijd het uitsluiten van de voorkeursrechten (indien aanwezig) van andere Aandeelhouders, alles in overeenstemming met de Nederlandse wet en de DVG Statuten. Elke uitkering die wordt gedaan, kan geschieden in de vorm van een uitkering uit reserves, een interim dividend, een finale dividend, betaling bij intrekking of, wanneer DVG wordt geliquideerd, een liquidatie-uitkering.

Huidige en toekomstige
regelingen inzake
management en
governance

DIM B.V. heeft op 13 maart 2009 de bestaande management overeenkomst met de Vennootschap beëindigd met ingang van 1 april 2010. Als gevolg hiervan zal DIM B.V. uiterlijk 1 april 2010 ontslag nemen als enig bestuurder van de Vennootschap.

De Vennootschap en Equity One zijn op 7 april 2009 een *memorandum of understanding* aangegaan waarin zij de principes van een nieuwe corporate governance en management structuur voor de Vennootschap zijn overeengekomen (de “**MoU**”). De MoU heeft geleid tot een nieuwe huurovereenkomst op basis waarvan Equity One de huur en verhuur activiteiten van de Vennootschap gaat uitvoeren en een management overeenkomst op basis waarvan Equity One de vastgoedobjecten van de Vennootschap gaat beheren (de “**Management Overeenkomst**”).

In de Management Overeenkomst is overeengekomen dat de nieuwe raad van bestuur van de Vennootschap zal bestaan uit drie leden, natuurlijke personen, waaronder:

- een (1) bestuurder aanbevolen door Equity One die voornamelijk verantwoordelijk zal zijn voor het toezien op het beheer van de vastgoed portfolio van de Vennootschap;
- een (1) bestuurder aanbevolen door Equity One in consultatie met de Raad van Commissarissen; en
- een (1) bestuurder aanbevolen door de Raad van Commissarissen welke volledig onafhankelijk zal zijn.

In de MoU is overeengekomen dat de Raad van Commissarissen zal bestaan uit drie leden. Zolang Equity One ten minste vijftig procent (50%) van de Aandelen houdt of controleert, wordt door de Stichting Prioriteit steeds een vertegenwoordiger van Equity One voorgedragen voor benoeming als lid van de Raad van Commissarissen.

Voorts is in de MoU en de Management Overeenkomst overeengekomen dat zodra Equity One een aanbevolen bod uitbrengt om alle Aandelen te verkrijgen of negentig procent (90%) of meer van de Aandelen houdt en/of controleert, Equity One niet langer verplicht zal zijn te stemmen in overeenstemming met een voordracht van de Stichting Prioriteit voor de overige leden van de Raad van Commissarissen.

Daarom geldt dat, hoewel de Vennootschap en de Bieder zijn overeengekomen dat de heren Van Rees en Blaauboer initieel zullen aanblijven als commissarissen en de heren Van Rees en Blaauboer hebben toegezegd initieel als zodanig te zullen aanblijven, Aandeelhouders er op bedacht moeten zijn dat er geen zekerheid bestaat dat zijn na afloop van het Bod zullen aanblijven als commissarissen en dat na afloop van het Bod de Raad van Commissarissen mogelijk niet langer uit een meerderheid van onafhankelijke commissarissen zal bestaan of zelfs uit geen enkele onafhankelijke commissaris.

Ten slotte is de Stichting Prioriteit tegelijk met het Fusieprotocol de Onherroepelijke Toezegging Stichting Prioriteit aangegaan op grond waarvan de Stichting Prioriteit heeft toegezegd, onder voorwaarde dat de Dag van Overdracht heeft plaatsgevonden en de Bieder ten minste negentig procent (90%) van de Aandelen houdt of controleert (ter voorkoming van twijfel, met inachtneming van het belang van ongeveer drieënzeventig komma negenentwintig procent (73,29%) van de Aandelen dat thans direct of indirect door Equity One worden gehouden en/of gecontroleerd) meewerkt aan de afschaffing van de Prioriteitsaandelen en de wijziging van de statuten van DVG zodat alle verwijzingen naar Prioriteitsaandelen en de vergadering van houders van Prioriteitsaandelen worden verwijderd.

Verwezen wordt naar Hoofdstuk 5.7.3 (Current and future management and governance arrangements) voor meer informatie.

Aankondigingen

Aankondigingen voorzien in dit Biedingsbericht zullen worden gepubliceerd door middel van een persbericht en op de websites van DVG, www.dimvastgoed.nl, en Equity One, Inc., www.equityone.net. Onverminderd Nederlandse wet- en regelgeving met betrekking tot

openbare biedingen en zonder de wijze waarop de Bieder publieke aankondigingen kan doen te beperken, heeft de Bieder geen verplichting enige publieke aankondiging te doen anders dan beschreven in Hoofdstuk 4.14 (Announcements).

12.2 Beoogd tijdschema van het Bod

Verwachte datum en tijd Gebeurtenis (Alle tijden zijn in MET)

17 februari 2010	Publicatie van het persbericht waarin de verkrijgbaarstelling van dit Biedingsbericht en aanvang van het Bod wordt aangekondigd.
9.00 uur, 18 februari 2010	Aanvang van de Aanmeldingstermijn onder het Bod, in overeenstemming met artikel 14 van het Bob.
19 februari 2010	Publicatie van de jaarcijfers 2009 van de Vennootschap
14.00 uur, 9 maart 2010	BAVA-1, in welke vergadering onder meer het Bod zal worden besproken in overeenstemming met artikel 18 lid 1 en 2 van het Bob en een stemming zal worden gevraagd met betrekking tot bepaalde besluiten, waarvoor DVG tijdig een agenda zal publiceren.
17.45 uur, 25 maart, behoudens verlenging	Uiterste Dag van Aanmelding: laatste dag van de Aanmeldingstermijn van het Bod.
Uiterlijk drie (3) Werkdagen na de Uiterste Dag van Aanmelding	Op deze dag zal de Bieder in overeenstemming met artikel 15 en 16 van het Bob aankondigen dat: <ul style="list-style-type: none"> • het Bod gestand wordt gedaan, de Dag van Gestanddoening; • het Bod niet gestand wordt gedaan en is komen te vervallen; of • het Bod zal worden verlengd voor een periode van tussen de twee (2) en tien (10) weken.
Uiterlijk vijf (5) Werkdagen na de Dag van Gestanddoening	Dag van Overdracht: de dag waarop, overeenkomstig de voorwaarden van het Bod, de Bieder de Biedprijs aan de Aandeelhouders die op geldige wijze hun Aandelen hebben aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding en levering daarvan desalniettemin aanvaardt) en geleverd, zal betalen, mits het Bod gestand wordt gedaan.
Uiterlijk vier (4) Werkdagen na de Dag van Gestanddoening	Aanvang van de Na-aanmeldingstermijn: de Bieder kan, indien de Bieder dit wenst, een Na-aanmeldingstermijn voor het Bod stellen voor een periode van maximaal twee (2) weken. Tijdens de Na-aanmeldingstermijn hebben Aandeelhouders die hun Aandelen niet hebben aangemeld onder het Bod, de mogelijkheid dit alsnog te doen onder de voorwaarden van het Bod en conform de bepalingen en beperkingen zoals die zijn uiteengezet in het Biedingsbericht en in overeenstemming met artikel 17 van het Bob.

12.3 Restricties

Het Bod wordt gedaan met inachtneming van de verklaringen, voorwaarden en restricties die zijn beschreven in dit Biedingsbericht. De Bieder behoudt zich het recht voor om iedere aanmelding van of namens een Aandeelhouder onder het Bod te aanvaarden, ook indien de aanmelding niet is geschied op de wijze die is beschreven in dit Biedingsbericht. Het Bod wordt niet, direct of indirect, gedaan in, en mag niet worden aanvaard door, of namens Aandeelhouders vanuit een jurisdictie waarin het doen van het Bod of het aanvaarden daarvan niet in overeenstemming is met de in die jurisdictie geldende wet- en regelgeving, of waarvoor enige registratie bij, goedkeuring van of kennisgeving aan een toezichthoudende instantie door de Bieder is vereist en waarin niet expliciet door dit Biedingsbericht is voorzien. Echter, Aanmeldingen onder het Bod door of namens Aandeelhouders buiten Nederland zullen worden aanvaard door de Bieder, indien de aanmelding is geschied op (i) de wijze die is beschreven in dit Biedingsbericht, en (ii) in overeenstemming met de wet- en regelgeving in de jurisdictie waaruit de aanmelding wordt gedaan. Personen die het Bod willen aanvaarden, dienen alle restricties te respecteren in die jurisdictie die van toepassing zijn onder de toepasselijke wet- en regelgeving en iedere vereiste autorisatie, goedkeuring of instemming te verkrijgen. Noch de Bieder noch DVG, noch ieder van hun respectievelijke gelieerde entiteiten, bestuurders en commissarissen, werknemers en adviseurs aanvaarden enige aansprakelijkheid terzake van overtredingen van voornoemde restricties. Elke persoon (waaronder begrepen, zonder beperkingen, bewaarders, gevolmachtigden en beheerders) die dit Biedingsbericht of enig hieraan gerelateerd document naar een jurisdictie buiten Nederland wenst te zenden, of van plan zou zijn dit te doen, dient zorgvuldig Hoofdstuk 1 (Restrictions and important information) van het Biedingsbericht te lezen voordat hij hiertoe overgaat. De uitgifte, publicatie of distributie van dit Biedingsbericht in of naar een jurisdictie buiten Nederland kan wettelijk zijn beperkt. Daarom dienen personen buiten Nederland die dit Biedingsbericht ontvangen, kennis te nemen van deze restricties en deze na te leven. Indien deze restricties niet worden nageleefd, kan dit een strafbaar feit opleveren naar het recht van de desbetreffende jurisdictie.

12.4 Belangrijke informatie

De informatie in de Hoofdstukken 1 – 4, 5 (uitgezonderd 5.4, 5.7.3 en 5.7.5), 8, 9 sub (b), 10, 12 en 13 van Deel I is uitsluitend verschaft door de Bieder. De informatie in de Hoofdstukken 5.4, 6 en 7 in Deel I en de informatie in Deel II (met uitzondering van de informatie in de Hoofdstukken 2, 4 en 6 daarvan) is uitsluitend verschaft door de Vennootschap. De informatie op het voorblad, in de inleiding en in de Hoofdstukken 5.7.3, 5.7.5, 9 sub (a), (c) en (d) en 11 is door de Bieder en de Vennootschap gezamenlijk verschaft.

De informatie in de Hoofdstukken 2 (Auditor's report relating to the DVG's consolidated financial information for the Financial Years 2006, 2007 and 2008), 4 (Auditor's report relating to the DVG's financial information for the Financial Year 2008) en 6 (Review report relating to the DVG's updated condensed consolidated interim financial information relating to the nine (9) month period ended 30 September 2009) in Deel II is verstrekt door de Accountant aan de Vennootschap en is als zodanig door de Vennootschap in dit Biedingsbericht opgenomen en is identiek aan de originele accountantsverklaringen, die door de Accountant zijn afgegeven op dezelfde datum.

De Bieder en de Vennootschap zijn verantwoordelijk voor de informatie die in dit Biedingsbericht is opgenomen, ieder afzonderlijk voor de informatie die door henzelf is verstrekt en gezamenlijk voor de informatie die door hen gezamenlijk is verstrekt, met uitzondering van de informatie die door geen van beide is verstrekt (waaronder de accountantsverklaringen in de Hoofdstukken 2 (Auditor's report relating to the DVG's consolidated financial information for the Financial Years 2008, 2007 and 2006), 4 (Auditor's report relating to the DVG's financial information for the Financial Year 2008) en 6 (Review report relating to the DVG's updated condensed consolidated interim financial information relating to the nine (9) month period ended 30 September 2009) in Deel II).

De Bieder en de Vennootschap verklaren beide, ieder voor de informatie die door henzelf in dit Biedingsbericht is verstrekt en gezamenlijk voor de informatie die door hen gezamenlijk is verstrekt, dat de informatie in dit Biedingsbericht op de publicatiedatum van dit Biedingsbericht voor zover hen bekend, na het treffen van alle redelijke maatregelen om zulks te garanderen, in overeenstemming is met de werkelijkheid, en dat er geen gegevens zijn weggelaten waarvan het waarschijnlijk is dat zij de strekking van dit Biedingsbericht zouden wijzigen.

Opgemerkt zij dat bepaalde financiële en statistische informatie in dit Biedingsbericht naar boven of beneden kan zijn afgerond en derhalve niet als exact dient te worden beschouwd.

12.5 Nederlandse Definities

Gedefinieerde termen in deze Nederlandse samenvatting zullen de volgende betekenis hebben:

Aande(e)l(en)	alle geplaatste en uitstaande Aande(e)l(en) in het aandelenkapitaal van DVG, elk met een nominale waarde van EUR 1,52 (één euro en tweeënvijftig eurocenten)
Aandeelhouder(s)	houder(s) van één of meer Aande(e)l(en)
Aanmeldingstermijn	de periode, gedurende welke de Aandeelhouders hun Aandelen bij de Bieder kunnen aanmelden, beginnend op 18 februari 2010 en eindigend op de Uiterste Dag van Aanmelding
Accountant	PricewaterhouseCoopers Accountants N.V., onafhankelijke auditor gevestigd aan Brainpark, Fascinato Boulevard 350, 3065 WB Rotterdam, Nederland en de partner verantwoordelijk voor de audit is lid van het Koninklijk Nederlands Instituut van Registeraccountants
AFM	de Stichting Autoriteit Financiële Markten
Appendix	een appendix van het Position Statement. Het Position Statement en iedere appendix daarvan, zoals opgenomen in Deel III, maken geen deel uit van dit Biedingsbericht
BAVA-1	de buitengewone vergadering van Aandeelhouders van de Vennootschap die wordt gehouden tijdens de Aanmeldingstermijn
Belangrijke Negatieve Verandering	heeft de betekenis zoals daaraan toegekend in Hoofdstuk 12.1 (Het Bod) onder “Voorwaarden van het Bod”
Bericht van de Vennootschap	het standpunt van de Vennootschap inclusief alle appendices daarbij opgenomen in Deel III (Position Statement), maar dat geen deel uitmaakt van dit Biedingsbericht
Bieder of Southeast	Southeast U.S. Holdings B.V., een besloten vennootschap met beperkte aansprakelijkheid, opgericht naar Nederlands recht, met statutaire zetel te Amsterdam, Nederland, gevestigd te Locatellikade1, 1076 AZ Amsterdam, Nederland
Biedingsbericht	dit Biedingsbericht (zijnde de Engelse tekst en de Nederlandse samenvatting) met betrekking tot het Bod (Deel I tezamen met Deel II)

Biedprijs	een vergoeding in contanten van US\$ 7,30 per Aandeel
Bob	Besluit openbare biedingen Wft
Bod	het bod zoals in dit Biedingsbericht beschreven
Boekjaar 2006	boekjaar van DVG dat eindigde op 31 december 2006
Boekjaar 2007	boekjaar van DVG dat eindigde op 31 december 2007
Boekjaar 2008	boekjaar van DVG dat eindigde op 31 december 2008
Concurrerend Bod	heeft de betekenis zoals daaraan toegekend in Hoofdstuk 5.9 (Certain arrangements between the Offeror and the Company)
Dag van Gestanddoening	de datum waarop de Bieder in het openbaar aankondigt dat het Bod gestand wordt gedaan in overeenstemming met artikel 16 lid 1 van het Bob. De Dag van Gestanddoening is uiterlijk de derde Werkdag na de Uiterste Dag van Aanmelding.
Dag van Overdracht	de datum waarop de Bieder, in overeenstemming met de voorschriften, de voorwaarden en beperkingen van het Bod, de Biedprijs zal betalen aan de Aandeelhouders die op geldige wijze hun Aandelen hebben aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding daarvan desalniettemin heeft aanvaard) en hebben geleverd onder het Bod; dit vindt niet later dan op de vijfde Werkdag na de Dag van Gestanddoening plaats
De Brauw	De Brauw Blackstone Westbroek N.V., Claude Debussylaan 80, postbus 75084, 1070 AB Amsterdam, Nederland
DIM B.V.	Dane Investors Management B.V., een besloten vennootschap, opgericht naar Nederlands recht met statutaire zetel in Breda, Nederland, gevestigd aan Weena 210-212, 3012 NJ Rotterdam, Nederland
DVG of de Vennootschap	DIM Vastgoed N.V., een naamloze vennootschap, opgericht naar Nederlands recht met statutaire zetel in Breda, Nederland, gevestigd aan Weena 210-212, 3012 NJ Rotterdam, Nederland
DVG Groep	DVG en haar groepsmaatschappijen zoals beschreven in artikel 2:24b van het Burgerlijk Wetboek
DVG Statuten	de statuten van de Vennootschap, laatstelijk gewijzigd op 17 april 2000
Equity One	Equity One, Inc., opgericht naar het recht van de staat van Maryland met statutaire zetel in Miami Beach, Florida, Verenigde Staten van Amerika, gevestigd aan 1600 NE Miami Gardens Drive, North, Miami Beach, Florida 33179, Verenigde Staten van Amerika, afhankelijk van de context kunnen Groepsmaatschappijen van Equity One daaronder zijn begrepen
EUR	euro, het wettig betaalmiddel in de lidstaten van de Europese Economische en Monetaire Unie

Euronext Amsterdam	de beurs van Euronext Amsterdam door NYSE Euronext, de geregementeerde markt van Euronext N.V.
Fusieregels	alle toepasselijke wet- en regelgeving, inclusief maar niet beperkt tot de toepasselijke artikelen van en alle nadere regelgeving en beleidsregels afgekondigd onder de Wft, het Bob, het SER-Besluit Fusiegedragsregels 2000, de Wet op de ondernemingsraden, de regelgeving en beleidsregels van Euronext Amsterdam en het Burgerlijk Wetboek
Fusieprotocol	het fusieprotocol met betrekking tot het Bod tussen DVG en Equity One gedateerd 30 December 2009
Groepsmaatschappijen	heeft de betekenis van groepsmaatschappij(en) als daaraan toegekend in artikel 2:24b van het Burgerlijk Wetboek
Hoofdstuk(ken)	de hoofdstukken van dit Biedingsbericht, en elk een Hoofdstuk
IFRS	Internationale Financiële Verslaggevingsstandaarden (<i>International Financing Reporting Standards</i>)
Juridische fusie	heeft de betekenis zoals daaraan toegekend in Hoofdstuk 12.1 (Het Bod) onder “Herstructurering DVG na het Bod”
Kempen & Co	Kempen & Co Corporate Finance B.V., postbus 75666, 1070 AR Amsterdam, Nederland
Management overeenkomst	heeft de betekenis zoals daaraan toegekend in Hoofdstuk 12.1 (Het Bod) onder “Huidige en toekomstige regelingen inzake management en governance”
MET	midden-Europese tijd
MoU	heeft de betekenis zoals daaraan toegekend in Hoofdstuk 12.1 (Het Bod) onder “Huidige en toekomstige regelingen inzake management en governance”
Na-aanmeldingstermijn	de Bieder kan, indien de Bieder dit wenst, een Na-aanmeldingstermijn voor het Bod openstellen voor een periode van maximaal twee (2) weken. Tijdens de Na-aanmeldingstermijn hebben Aandeelhouders die hun Aandelen niet hebben aangemeld onder het Bod, de mogelijkheid dit als nog te doen onder de voorwaarden van het Bod en conform de bepalingen en beperkingen zoals die uiteen zijn gezet in het Biedingsbericht en in overeenstemming met artikel 17 van het Bob
Omwissel- en Betaalkantoor	Kempen & Co N.V., Beethovenstraat 300, 1077 WZ Amsterdam, Nederland

Onherroepelijke Toezegging Stichting Prioriteit	de overeenkomst tussen Southeast en Stichting Prioriteit op grond waarvan Stichting Prioriteit zichzelf heeft gecommitteerd dat zij, onder voorwaarde dat de Dag van Overdracht heeft plaatsgevonden en de Bieder ten minste negentig procent (90%) van de Aandelen houdt of controleert (ter voorkoming van twijfel, met inachtneming van het belang van ongeveer drieënzeventig komma negenentwintig procent (73,29%) van de Aandelen die thans direct of indirect door Equity One worden gehouden en/of gecontroleerd) meewerkt aan de afschaffing van de Prioriteitsaandelen en de wijziging van de statuten van DVG zodat alle verwijzingen naar Prioriteitsaandelen en de vergadering van houders van Prioriteitsaandelen worden verwijderd.
Overblijvende Vennootschap	heeft de betekenis zoals daaraan toegekend in Hoofdstuk 12.1 (Het Bod) onder “Herstructurering DVG na het Bod”
Overdracht	de betaling van de Biedprijs per Aandeel door de Bieder aan de Aandeelhouders die op geldige wijze hun Aandelen hebben aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding daarvan desalniettemin heeft aanvaard) en hebben geleverd onder het Bod
Position Statement	het position statement van DVG inclusief alle daarbij behorende bijlagen toegevoegd als Deel III, maar wat geen deel uitmaakt van dit Biedingsbericht
Prioriteitsaande(e)l(en)	alle geplaatste en uitstaande prioriteitsaande(e)l(en) in het aandelenkapitaal van DVG, elk met een nominale waarde van EUR 1,52 (één euro en tweeënvijftig eurocenten)
Raad van Bestuur	de raad van bestuur van DVG
Raad van Commissarissen	de raad van commissarissen van DVG
Raden	de Raad van Bestuur en Raad van Commissarissen gezamenlijk
Southeast of Bieder	Southeast U.S. Holdings B.V., een besloten vennootschap met beperkte aansprakelijkheid, opgericht naar Nederlands recht, met statutaire zetel te Amsterdam, Nederland, gevestigd te Locatellikade1, 1076 AZ Amsterdam, Nederland
Stichting Prioriteit	Stichting Prioriteit DIM Vastgoed, een stichting opgericht naar Nederlands recht, met statutaire zetel in Breda, Nederland, gevestigd aan de Weena 210-212, 3012 NJ Rotterdam, Nederland
Toegelaten Instelling(en)	een tot Euronext Amsterdam toegelaten instelling
Toegezegde Aandelen	het aantal (i) aangeboden Aandelen; en (ii) Aandelen die direct of indirect door Equity One worden gehouden (voor de duidelijkheid: met inachtneming van het belang van ongeveer drieënzeventig komma negenentwintig procent (73,29%) van de Aandelen thans reeds gehouden en/of gecontroleerd door Equity One)
Uiterste Dag van Aanmelding	het tijdstip en datum waarop de Aanmeldingstermijn eindigt, te weten op 25 maart om 17.45 uur MET, behoudens verlenging in overeenstemming met artikel 15 van het Bob

Uitkoopprocedure	heeft de betekenis zoals daaraan toegekend in Hoofdstuk 12.1 (Het Bod) onder “Herstructurering DVG na het Bod”
US\$	Amerikaanse dollar, het wettig betaalmiddel in de Verenigde Staten van Amerika
Vennootschap of DVG	DIM Vastgoed N.V., een naamloze vennootschap, opgericht naar Nederlands recht met statutaire zetel in Breda, Nederland, gevestigd aan de Weena 210-212, 3012 NJ Rotterdam, Nederland
Verdwijnende Vennootschap	heeft de betekenis zoals daaraan toegekend in Hoofdstuk 12.1 (Het Bod) onder “Herstructurering DVG na het Bod”
Voorwaarden	de opschortende voorwaarden met betrekking tot het Bod zoals uiteengezet in Hoofdstuk 12.1 (Het Bod) onder “Voorwaarden van het Bod”
Werkdag(en)	een dag anders dan een zaterdag of zondag waarop in het algemeen banken in Nederland, ingevolge de Algemene Bank-CAO, en Euronext Amsterdam open zijn
Wft	Wet op het financieel toezicht

13. ADVISERS AND EXCHANGE AGENT

Advisers to:

THE OFFEROR AND EQUITY ONE

Legal Adviser

Allen & Overy LLP
Apollolaan 15
1077 AB Amsterdam
The Netherlands

THE COMPANY

Financial Adviser

**Kempen & Co
Corporate Finance B.V.**
P.O. Box 75666
1070 AR Amsterdam
The Netherlands

Legal Adviser

**De Brauw Blackstone
Westbroek N.V.**
Claude Debussylaan 80
P.O. Box 75084
1070 AB Amsterdam
The Netherlands

Accountant

**PricewaterhouseCoopers
Accountants N.V.**
P.O. Box 8800
3009 AV Rotterdam
The Netherlands

Exchange Agent:

Kempen & Co N.V.
Beethovenstraat 300
1077 WZ Amsterdam
The Netherlands

PART II – FINANCIAL STATEMENTS

Part II (Financial Statements) of this Offer Memorandum contains, among others, information extracted from the annual consolidated financial statements (*jaarrekeningen*) of DVG for the Financial Year 2008, the Financial Year 2007 and the Financial Year 2006. Furthermore, the financial statements are provided for the Financial Year 2008 which are identical to the financial statements for this period published by the Company on 20 February 2009. Additionally, updated unaudited condensed consolidated financial information is provided for the nine months period end 30 September 2009.

Capitalised terms used in this Part II of this Offer Memorandum (other than in the introduction and section headings of this Part II which have the meaning set out in Section 3) have the meaning as set out in this Part II of this Offer Memorandum.

The following financial information is made available:

- **Comparative overview of the Financial Years 2008, 2007 and 2006, including consolidated balance sheet, consolidated income statement, consolidated cash flow statement**
- **Auditor's report relating to the DVG consolidated financial information for the Financial Years 2008, 2007 and 2006**
- **Financial statements for the Financial Year 2008, including accounting policies and explanatory notes**
- **Auditor's report relating to the DVG financial information for the Financial Year 2008**
- **DVG's updated condensed consolidated interim financial information relating to the nine month period ended 30 September 2009, including balance sheet, profit and loss account, the statement of change in equity and cash flow statement**
- **Review report relating to the DVG's updated condensed consolidated financial information relating to the nine month period ended 30 September 2009**

The DVG annual results for the financial year 2009 will be published on 19 February 2010.

1. COMPARATIVE OVERVIEW OF THE FINANCIAL YEARS 2008, 2007 AND 2006

1.1 CONSOLIDATED BALANCE SHEET

	31 December 2008	31 December 2007	31 December 2006
	\$'000	\$'000	\$'000
ASSETS			
Investment property	395,234	444,506	400,054
Deferred tax assets	3,750	4,175	3,811
Deferred lease incentives	2,479	2,645	817
Deferred leasing commissions	1,109	866	791
Other non-current assets	96	66	74
Total non-current assets	402,668	452,258	405,547
Tenant receivables	1,790	1,786	2,420
Income tax receivables	941	122	1,315
Other receivables and prepaid expenses	379	161	741
Cash and cash equivalents	4,727	3,717	12,728
Total current assets	7,837	5,786	17,204
Total assets	410,505	458,044	422,751
SHAREHOLDERS' EQUITY			
Share capital	13,899	13,304	13,059
Share premium reserve	64,561	65,156	65,401
Other reserves	47,164	40,257	45,751
Net result for the year	-27,749	15,259	4,532
Total shareholders' equity	97,875	133,976	128,743
LIABILITIES			
Borrowings	204,011	246,887	232,015
Deferred tax liabilities	46,847	61,903	51,722
Other non-current liabilities	1,448	1,101	1,051
Total non-current liabilities	252,306	309,891	284,788
Borrowings	58,028	11,589	7,581
Accounts payable and other liabilities	2,296	2,588	1,639
Total current liabilities	60,324	14,177	9,220
Total equity and liabilities	410,505	458,044	422,751
Net asset value per share (\$) ²	11.91	16.81	16.40

² Computed based on 8,216,373 ordinary shares outstanding at 31 December 2008 (at 31 December 2007: 7,969,918 shares).

1.2 CONSOLIDATED INCOME STATEMENT

	2008 \$'000	2007 \$'000	2006 \$'000
Gross rental income	30,969	29,537	29,574
Service charge income	7,607	7,553	7,580
Total revenues	38,576	37,090	37,154
Service charge expenses	-7,366	-7,329	-7,333
Property operating expenses	-3,892	-3,382	-3,550
Net rental income	27,318	26,379	26,271
Revaluation result investment property	-51,172	18,376	12,098
Impairment loss	-581	-	-64
Net result on disposal of investment property	-	-7	-2,656
Administrative expenses	-2,489	-2,452	-11,741
Net operating result	-26,924	42,296	23,908
Finance costs	-16,850	-15,974	-16,729
Net result before tax	-43,774	26,322	7,179
Income tax	16,025	-11,063	-2,647
Net shareholders' result for the year	-27,749	15,259	4,532
Note: The net result for the year can be split as follows:			
- direct result	8,948	8,575	369
- indirect result	-36,697	6,684	4,163
Net shareholders' result for the year	-27,749	15,259	4,532
Net result per share (\$)³	-3.41	1.92	0.58
Direct result per share (\$)⁴	1.10	1.08	0.05
Indirect result per share (\$)⁵	-4.51	0.84	0.53

3 Computed based on the weighted average number of shares in circulation of 8,144,800 during 2008 (2007: 7,935,740). The Group has no dilutive potential ordinary shares, therefore the diluted earnings per share is the same as the basic earnings per share.

4 Reference is made to note 3 (see above).

5 Reference is made to note 3 (see above).

1.3 CONSOLIDATED CASH FLOW STATEMENT – indirect method

	2008 \$'000	2007 \$'000	2006 \$'000
Operating activities			
Net result before tax	-43,774	26,322	7,179
Adjustments for:			
- revaluation result investment property	51,172	-18,376	-12,098
- impairment loss	581	-	-
- net result on disposal of investment property	-	7	64
- finance costs	16,850	15,974	16,729
- amortization lease incentives	522	457	226
- amortization leasing commissions	295	296	272
- increase/decrease tenant receivables	-4	634	214
- increase/decrease other receivables and prepaid expenses	-218	580	-560
- decrease/increase accounts payable and other liabilities, exclusive of accrued interest	-302	853	-528
- increase/decrease other non-current assets	-30	8	-20
- increase accrued marketing expense compensation	367	-	-
- decrease/increase tenant deposits	-20	50	164
Net cash generated from operations	25,439	26,805	11,642
Interest paid	-16,189	-15,125	-15,680
Interest received	19	125	56
Lease incentives paid	-860	-2,285	-285
Leasing commissions paid	-615	-371	-365
Current income taxes received/paid	575	-53	527
Net cash flow from operating activities	8,369	9,096	-4,105
Investing activities			
Purchases of investment property, including acquisition costs	-	-26,351	-24,069
Subsequent capital expenditure	-1,900	-	-100
Divestments in investment property, net of sales costs	-	268	26,054
Net cash flow used in investing activities	-1,900	-26,083	1,885
Financing activities			
Dividends paid	-8,352	-10,026	-6,161
Share sales	-	-	6,653
Share issue costs	-	-	-166
New mortgages assumed	19,662	19,718	48,639
Amortization and redemption of mortgages	-11,789	-5,083	-33,279
Increase/ decrease in short term credit	-4,980	3,367	-3,311
Net cash flow from financing activities	-5,459	7,976	12,375
Increase/ decrease in cash and cash equivalents	1,010	-9,011	10,155
Cash and cash equivalents at the beginning of the year	3,717	12,728	2,573
Cash and cash equivalents at the end of the year	4,727	3,717	12,728

2. AUDITOR'S REPORT RELATING TO THE DIM CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

To: the board of directors of DIM Vastgoed N.V.

AUDITOR'S REPORT

Introduction

We have audited whether the accompanying abbreviated financial statements of DIM Vastgoed N.V., Breda for the years 2006, 2007 and 2008 have been derived consistently from the audited financial statements of DIM Vastgoed N.V., for the years 2006, 2007 and 2008. In our auditor's reports dated 15 February 2007, 21 February 2008 and 19 February 2009, respectively we expressed an unqualified opinion on these financial statements. Management of the company is responsible for the preparation of the abbreviated financial statements in accordance with the accounting policies as applied in the 2006, 2007 and 2008 financial statements of DIM Vastgoed N.V. Our responsibility is to express an opinion on these abbreviated financial statements.

Scope

We conducted our audit in accordance with Dutch law. This law requires that we plan and perform the audit to obtain reasonable assurance that the abbreviated financial statements have been derived consistently from the financial statements.

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

Opinion

In our opinion, these abbreviated financial statements have been derived consistently, in all material respects, from the financial statements.

Emphasis of matter

For a better understanding of the company's financial position and results and the scope of our audit, we emphasize that the abbreviated financial statements should be read in conjunction with the unabridged financial statements, from which the abbreviated financial statements were derived and our unqualified auditor's reports thereon dated 15 February 2007, 21 February 2008 and 19 February 2009, respectively. Our opinion is not qualified in respect of this matter.

Rotterdam, 10 February 2010

PricewaterhouseCoopers Accountants N.V.

Original signed by drs. S. Barendregt-Roojers RA

3. FINANCIAL STATEMENTS DVG FOR THE FINANCIAL YEAR 2008

3.1 CONSOLIDATED FINANCIAL INFORMATION DVG FOR THE FINANCIAL YEAR 2008

3.1.1 CONSOLIDATED INCOME STATEMENT

	Note	2008 \$'000	2007 \$'000
Gross rental income	5	30,969	29,537
Service charge income	6	7,607	7,553
Total revenues		38,576	37,090
Service charge expenses	6	-7,366	-7,329
Property operating expenses	7	-3,892	-3,382
Net rental income		27,318	26,379
Revaluation result investment property	12	-51,172	18,376
Impairment loss	14,15	-581	-
Net result on disposal of investment property	8	-	-7
Administrative expenses	9	-2,489	-2,452
Net operating result		-26,924	42,296
Finance costs	10	-16,850	-15,974
Net result before tax		-43,774	26,322
Income tax	11	16,025	-11,063
Net shareholders' result for the year		-27,749	15,259
Note: The net result for the year can be split as follows:			
- direct result		8,948	8,575
- indirect result		-36,697	6,684
Net shareholders' result for the year		-27,749	15,259
Net result per share (\$) ⁶		-3.41	1.92
Direct result per share (\$) ⁷		1.10	1.08
Indirect result per share (\$) ⁸		-4.51	0.84

6 Computed based on the weighted average number of shares in circulation of 8,144,800 during 2008 (2007: 7,935,740). The Group has no dilutive potential ordinary shares, therefore the diluted earnings per share is the same as the basic earnings per share.

7 Reference is made to note 6 (see above).

8 Reference is made to note 6 (see above).

3.1.2 CONSOLIDATED BALANCE SHEET

	Note	31 December 2008 \$'000	31 December 2007 \$'000
ASSETS			
Investment property	12	395,234	444,506
Deferred tax assets	13	3,750	4,175
Deferred lease incentives	14	2,479	2,645
Deferred leasing commissions	15	1,109	866
Other non-current assets		96	66
Total non-current assets		402,668	452,258
Tenant receivables	16	1,790	1,786
Income tax receivables		941	122
Other receivables and prepaid expenses	17	379	161
Cash and cash equivalents	18	4,727	3,717
Total current assets		7,837	5,786
Total assets		410,505	458,044
SHAREHOLDERS' EQUITY			
Share capital	19	13,899	13,304
Share premium reserve	20	64,561	65,156
Other reserves	21	47,164	40,257
Net result for the year		-27,749	15,259
Total shareholders' equity		97,875	133,976
LIABILITIES			
Borrowings	22	204,011	246,887
Deferred tax liabilities	13	46,847	61,903
Other non-current liabilities	23	1,448	1,101
Total non-current liabilities		252,306	309,891
Borrowings	22	58,028	11,589
Accounts payable and other liabilities	24	2,296	2,588
Total current liabilities		60,324	14,177
Total equity and liabilities		410,505	458,044
Net asset value per share (\$) ⁹		11.91	16.81

⁹ Computed based on 8,216,373 ordinary shares outstanding at 31 December 2008 (at 31 December 2007: 7,969,918 shares).

3.1.3 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital (\$'000)	Share premium reserve (\$'000)	Other reserves (\$'000)	Profit for the year (\$'000)	Total share- holders' equity (\$'000)
Balance at 1 January 2007	13,059	65,401	45,751	4,532	128,743
Allocation result previous year	245	-245	-5,494	-4,532	-10,026
Net result for the year	-	-	-	15,259	15,259
Balance at 31 December 2007	13,304	65,156	40,257	15,259	133,976
Allocation result previous year	595	-595	6,907	-15,259	-8,352
Net result for the year	-	-	-	-27,749	-27,749
Balance at 31 December 2008	13,899	64,561	47,164	-27,749	97,875

3.1.4 CONSOLIDATED CASH FLOW STATEMENT – indirect method

	Note	2008 \$'000	2007 \$'000
Operating activities			
Net result before tax		-43,774	26,322
Adjustments for:			
- revaluation result investment property	12	51,172	-18,376
- impairment loss	14,15	581	-
- net result on disposal of investment property	8	-	7
- finance costs	10	16,850	15,974
- amortization lease incentives	14	522	457
- amortization leasing commissions	15	295	296
- increase/decrease tenant receivables		-4	634
- increase/decrease other receivables and prepaid expenses		-218	580
- decrease/increase accounts payable and other liabilities, exclusive of accrued interest	24	-302	853
- increase/decrease other non-current assets		-30	8
- increase accrued marketing expense compensation	23	367	-
- decrease/increase tenant deposits	23	-20	50
Net cash generated from operations		25,439	26,805
Interest paid		-16,189	-15,125
Interest received		19	125
Lease incentives paid	14	-860	-2,285
Leasing commissions paid	15	-615	-371
Current income taxes received/paid		575	-53
Net cash flow from operating activities		8,369	9,096
Investing activities			
Purchases of investment property, including acquisition costs	12	-	-26,351
Subsequent capital expenditure	12	-1,900	-
Divestments in investment property, net of sales costs	8	-	268
Net cash flow used in investing activities		-1,900	-26,083
Financing activities			
Dividends paid		-8,352	-10,026
New mortgages assumed	22	19,662	19,718
Amortization and redemption of mortgages	22	-11,789	-5,083
Increase/ decrease in short term credit	22	-4,980	3,367
Net cash flow from financing activities		-5,459	7,976
Increase/ decrease in cash and cash equivalents		1,010	-9,011
Cash and cash equivalents at the beginning of the year		3,717	12,728
Cash and cash equivalents at the end of the year		4,727	3,717

3.1.5 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

DIM Vastgoed N.V. (the 'Company'), seated in Breda, the Netherlands, and having its offices in Rotterdam, the Netherlands, is a closed-end real estate investment company with variable capital. The consolidated financial statements of the Company for the year ended December 31, 2008 comprise the Company and its subsidiaries (together referred to as the 'Group'). These financial statements were authorized for issue by the management board and the supervisory board on February 19, 2009.

The financial year of DIM Vastgoed equals the calendar year. The comparative figures included in these financial statements refer to the financial year 2007.

DIM Vastgoed is licensed under the terms of the Dutch Act on Financial Supervision ('Wft'). The 2008 annual accounts have been prepared taking into account the Wft.

2. ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) and its interpretations issued by the International Accounting Standards Board (IASB) and as adopted by the European Commission up to 31 December 2008.

The following new IFRS Standards and interpretations became effective in 2008 but do not impact the accounts of DIM Vastgoed:

- IFRIC 11, 'IFRS 2 – Company and treasury share transactions';
- IFRIC 12, 'Service concession arrangements'; and
- IFRIC 14, 'IAS 19 – The limit on a defined benefits asset, minimum funding requirements and their interaction'.

A number of new standards, amendments and interpretations were not yet effective during 2008 but can be early adopted. DIM Vastgoed has not chosen to early adopt.

- IAS 1 (Amendment), 'Presentation of financial statements: a revised presentation';
- IAS 23 (Amendment), 'Borrowing costs';
- IAS 27 (Amendment), 'Consolidated and separated financial statement';
- IAS 32 (Amendment), 'Financial instruments: presentation';
- IFRS 2 (Amendment), 'Share based payments: vesting conditions and cancellations';
- IFRS 3 (Revised), 'Business combinations';
- IFRS 8, 'Operating segments'; and
- IFRIC 13, 'Customer loyalty programmes'.

Basis of preparation

The functional and reporting currency for DIM Vastgoed is the US dollar. Unless otherwise indicated, the amounts stated in these notes are expressed in thousands of US dollars.

Unless indicated otherwise, assets and liabilities are carried on historical cost basis, except for investment property which is carried at fair value. Tenant receivables and borrowings are stated at amortized costs.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Revisions to accounting estimates are recognized in the year in which the estimates are revised if the revisions affect only that period, or in the year of the revisions and future periods if the revisions affect both current and future periods.

The company financial statements of DIM Vastgoed have been prepared applying accounting principles generally accepted in the Netherlands (Dutch GAAP) in accordance with the legal requirements for financial reporting of Part 9, Book 2 of the Netherlands Civil Code, insofar as applicable.

The valuation of deferred tax liabilities is the only difference in accounting policies used for the consolidated accounts (IFRS) versus those used for the company accounts (Dutch GAAP) that – insofar as applicable – results in equity and net profit as reported in the consolidated accounts deviating from equity and net profit as reported in the company accounts. The difference in valuation of deferred tax liabilities is further discussed in note 3 to these consolidated financial statements.

Basis of consolidation

The Company has two subsidiaries during financial year 2008. The Group has no investments in associates or joint ventures.

A subsidiary is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Foreign currency

The financial statements are expressed in US dollars. Assets and liabilities denominated in other currencies are translated at the exchange rate ruling at balance sheet date. Transactions during the year in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Foreign exchange differences arising on translation are recognized in the income statement.

Share capital and the share premium reserve, which are denominated in euros, are translated into US dollars using historical rates of exchange. Besides these equity items, there are no other non-monetary assets or liabilities.

The exchange rate used as of 31 December 2008 is: €1.00 = \$1.3917 (\$1.00 = €0.7185). The exchange rate as of 31 December 2007 was: €1.00 = \$1.4721 (\$1.00 = €0.6793).

Derivative financial instruments

During the financial years 2008 and 2007, the Group has not used any derivative financial instruments to hedge its exposure to movements in interest rates and in currency exchange rates.

Investment property

Investment property is property held by the Group as owner which is held either to earn rental income for the long-term or for capital appreciation or for both. Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value.

The fair value of a property is determined as the amount that the land and buildings will command in the market with a willing seller and buyer, within a reasonable time span.

An internal valuation of the fair value of the properties is made on a monthly basis. Changes in value are accounted for in the income statement. The fair value is an estimate based on the forecasted net rental income for the next twelve months and a fixed capitalization rate (initially the acquisition capitalization rate). Net rental income consists of forecasted gross rental income (contractual rental income for occupied units and market rents for vacant units) including CAM, less operating expenses, including adjustments for (future) vacancies and collection losses. The resulting value then is adjusted for loss of rents due to existing vacancies at the time of valuation and other items such as future leasing commissions, lease incentives and capital improvements.

Each property in the portfolio is subject to an external appraisal every two years (for the first time two years after acquisition), or earlier as considered advisable by management due to market circumstances. Experts are assigned to estimate the fair value of the property. The appraisers use a combination of the direct sales comparison approach and the income capitalization approach (the direct capitalization method – valuation based on capitalization at net initial yields for similar transactions – and the discounted cash flow method). In case of a difference between the internal and external valuation, the internally used capitalization rate will be adjusted to the market capitalization rate. For those properties in the portfolio which have not been externally appraised during the financial year, in the last quarter of the year the internally used capitalization rate is adjusted based on an estimate of the applicable market capitalization rate as supplied by an independent external appraiser.

Considering the unrest on the markets as a result of the financial crisis, management decided to also adjust the internally used capitalization rate based on new capitalization rate estimates from the independent external appraiser for those properties which had been externally appraised earlier during the first three quarters of 2008.

The company only appoints external appraisers that are listed as ‘State-Certified General Real Estate Appraiser’ for the state in which the property is located.

All changes in fair value of investment property are recorded in the income statement.

Acquisition costs are accounted for as part of the total acquisition price of the property and are part of the fair value change on the first valuation after the acquisition.

Subsequent capital expenditures in investment property in principle are charged to net profit as repair and maintenance expense, part of operating expenses of the real estate. Only expenditures which lead to a higher fair value of the property are capitalized. In case of expansion or refurbishment of existing investment property, the expansion or refurbishment expenses are capitalized.

An investment qualifies as a capital item as soon as economic ownership is obtained. In practice this will usually correspond with the transfer of legal ownership.

Deferred lease incentives and leasing commissions

Lease incentives (which are mainly comprised of tenant improvement work done by the landlord to bring a space up to 'move-in' condition or tenant improvement allowances given to new tenants) are amortized over the lease term on a straight-line basis; the amortization charge is recognized as a reduction of gross rental income.

Leasing commissions (including leasing listing commissions) are amortized over the lease term on a straight-line basis; the amortization charge is recognized as part of operating expenses.

Tenant receivables

Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less a provision for bad debts. This provision is determined on an item-by-item basis and established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the tenant receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. The addition to the provision is recognized in the income statement. When a tenant receivable is uncollectible, it is written off against the provision for bad debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Impairment

The carrying amount of the Group's assets, other than investment property and deferred tax assets is assessed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Shareholders' equity

- (1) Share capital – Ordinary shares are classified as equity. External costs directly attributable to the issuance of new shares, other than on a business combination, are shown as a deduction, net of tax, in equity from the proceeds.
- (2) Share premium reserve – Share premium represents amounts realized by the issuance of shares above and beyond the nominal value.

- (3) Other reserves – Other reserves include amounts which were formed from the undistributed net profit in the financial year or in previous financial years. Other reserves include any required legal reserves.
- (4) Dividends – Dividends are recognized as a liability in the year in which they are declared.

Borrowings

Mortgage loans and other interest-bearing loans are recognized initially at fair value, less transaction costs that are directly attributable to the issuance of these borrowings. Subsequent to initial recognition, borrowings are stated at amortized cost; any difference between the book value and the nominal value is recognized in the income statement over the period of the borrowings using the effective interest method.

The short-term part of borrowings which is due within twelve months is classified as current liabilities.

Leases

Properties leased out under operating leases are included in investment property on the balance sheet. There are no assets leased out under a finance lease.

Gross rental income is determined based on contractual lease term entitlements and is recorded on an accrual basis. Gross rental income is exclusive of service charge expenses which have been charged to the tenants, such as real estate tax and common area maintenance. Lease incentives are amortized over the lease term on a straight-line basis; the amortization charge is recognized as a reduction of gross rental income.

Percentage rents (which are turnover based) are recorded as income in the years in which they are earned.

Service charge expenses and property operating expenses

These include the service charge and property operating expenses attributable to the current financial year. These expenses comprise real estate tax, common area maintenance, property management fees, repair and maintenance costs, insurance premiums, amortization of leasing commissions and other property related expenses.

Property operating expenses do not include general and administrative expenses.

Costs for service contracts entered into, property operating expenses and service charge income are recognized in the accounting period in which the services are rendered. The Group acts as a principal with respect to service charges and other expenses charged to the tenants. Accordingly, the services invoiced to the tenants and the corresponding expenses are shown separately in the income statement.

Net result on disposal of investment property

When properties are sold, the profit or loss on disposal is calculated based on the difference between the net sales proceeds and the book value of the property as per the last published (interim) balance sheet.

Finance costs

Net finance costs comprise interest attributable to the accounting period on borrowings, other debts, accounts receivable and cash and bank balances. The interest charge for borrowings is calculated using the effective interest method.

Income tax

Income tax on the profit or loss for the year comprises current and deferred income tax and is calculated on results before taxes, taking into account any tax-exempt components of profit and non-deductible costs. Losses to be compensated are recognized as deferred tax receivables. Current income tax is the expected tax payable or receivable on the taxable income or loss for the period using tax rates prevailing at the balance sheet date and any adjustments to taxation in respect of previous years.

Deferred income tax is provided in the consolidated balance sheet using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred income tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred income tax assets is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets are offset against deferred tax liabilities only if the Group has a legal enforceable right to offset, the settlement dates are similar and the tax is levied by the same tax authority on the same taxable entity.

Deferred tax assets and liabilities are carried at nominal value.

Segment reporting

The Group defines each property as an individual operating segment and has determined that all of these objects exhibit substantially identical characteristics which permits them to be aggregated into one reportable segment. As regards geographic segmentation, the Group defines each property as an individual segment as well.

Direct and indirect result

In the notes to the consolidated financial statements, the Group presents results as direct and indirect results, enabling a better understanding of results. Direct result consists of net rental income, finance costs, administrative expenses and current income tax expense or income. Indirect result consists of the revaluation result of investment property, the net result on disposal of investment property and the movement in deferred tax liabilities.

This presentation is not obligatory under IFRS.

3. ACCOUNTING ESTIMATES AND JUDGMENTS

The management board discussed with the supervisory board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates.

Accounting estimates and assumptions discussed in this section, are considered to be the most critical to an understanding of the financial statements because they inherently involve significant judgments and uncertainties. For all of these estimates, management cautions that future events rarely develop exactly as forecast, and the best estimates routinely require adjustment.

The assets of the Group mainly consist of the investment property portfolio. The market value of these assets can not be assessed using official quotations or listings. The value of the assets is based on the Group policy for the valuation of property, as set out in note 2 above. This includes appraisals by independent external experts and internal valuations.

Most important estimates made relate to the market capitalization factor for each individual property, the market rents applicable to vacant areas and the expected repair and other property operating expenses.

The Group is subject to income taxes in the United States and in the Netherlands. The Group estimates income tax liabilities to be accrued or income tax credits to be received. If the final tax assessments deviate from the assets or liabilities based on these estimates, such deviations will impact the (deferred) income tax liabilities or assets in the period in which the differences became apparent.

4. RISKS

The Group recognizes strategic, business, operational and financial risks. Below mentioned risks are consistent with internally recognized risks of the Group's activities by its management.

The risk factors in this section are not exhaustive and there may be other risks, either unknown or of which the occurrence is not considered at the reporting date as likely to have a material adverse effect on DIM Vastgoed, its operations, its financial situation and/or its results.

Strategic and business risks

This includes all the risks inherent in investing in real estate. Each year, the Management Board evaluates its existing strategy, which is discussed with and approved by the Supervisory Board. Decisions are taken based on the strategy. All decision-making by the Management Board and Supervisory Board in their joint meetings is minuted.

As part of its ordinary business operations, the Group considers its risks on the field of rental market developments and the developments in the value of property. The developments in the rental markets, such as loss of rental income owing to vacancy, ability to re-let the premises and market changes are closely followed. The Group is dependent upon certain key tenants and decisions made by these tenants or adverse developments in the business of these tenants could have a negative impact on the Group's financial condition. The grocery based anchor tenants Publix, Kroger and Harris Teeter in total occupy approximately 25% of the Group's total portfolio rentable surface area.

An 0.5% change of the occupancy rate has an impact of approximately \$0.2 million on direct result. The Group timely anticipates forthcoming lease expiries, contract revisions and rent reviews.

The risk of a decrease in value of property relates to its negative impact on the Group's capital position. If the average capitalization rate would increase by 0.25%, the net asset value would decrease by approximately \$5 million.

The Group has insurance coverage on its property portfolio, including insurance for liability and damage to the buildings. The buildings are largely insured on the basis of their replacement loss, with loss of rent also covered. Part of the portfolio is located in areas that are susceptible to hurricanes. In general, hurricane related damages are covered by the Group's insurance policies.

Financial risk management – general

The Group reviews and monitors its exposure and risks related to solvency, liquidity, interest rates, market prices and foreign currencies. The Group carefully monitors cash flow, interest cover, leverage, debt and interest maturity and – insofar as applicable, if any – derivatives schedules against its finance policy target ratios. Up to this moment, the Group has not and has never entered into any interest rate swap, foreign exchange contract or any other contract which embodies derivative financial instruments.

Risk management is carried out by the Group's management board.

Credit risk

The credit risk is defined as the unforeseen loss on assets if counterparties should default. A tenant may experience a downturn in its business that may weaken its financial condition. As a result, tenants may fail to make rental payments when due or declare bankruptcy. The credit risk associated with tenant receivables is mitigated by examining prospective tenants upfront for their creditworthiness and reliability. In addition, administrative and organizational procedures are in place in order to pursue timely collection of tenant receivables and to ensure that rent arrears are reported timely.

Rents are in general payable in advance and part of the rent payable is secured by means of a security deposit along with a personal guarantee for smaller, non-credit tenants.

Liquidity risk

In order to spread the liquidity risk, the Group has financed its activities through mortgage loans, short-term loans and credit facilities with a number of banks in a mix of both debt and equity capital. The debt maturity profile is managed by spreading the repayment dates. In determining the leverage between debt and equity, the Group follows the principle that total mortgage loans outstanding do not exceed 65% of total net assets (based on Dutch GAAP). As of 31 December 2008, due the negative revaluation results, 67% of total net assets (based on Dutch GAAP) is financed by debt.

The Group regularly prepares a cash flow prognosis in order to timely identify and address potential future bottlenecks in the matching of incoming and outgoing cash flows.

The two mortgage loans on Carolina Pavilion mature on 30 September 2009 (\$51.8 million). The Group is working diligently on finding lenders able and willing to refinance Carolina Pavilion. However the Group faces more stringent underwriting standards relating to loan-to-value and debt service coverage ratios being imposed by banks and financial institutions.

The managing and supervisory boards decided to retain profits and not to declare a dividend for 2008 in April 2009 as a precaution because of continuing uncertainty about the possibilities of obtaining (re) financing under acceptable conditions if and when it is required.

With this measure along with several other alternatives currently being explored (including the possibility to extend the term of the two mortgage loans), management is confident that it adequately deals with the situation.

With respect to the other mortgage loans, based on current market valuations and current leases, management foresees no default issues in terms of loan-to-value or debt service coverage ratios. The next mortgage in succession to be refinanced is Hammocks Town Center, which matures in June 2012.

The Group's mortgage loans are typically non-recourse, assuming normal circumstances (excluding carve outs such as fraud or willful damage). If the Group is unable to refinance its indebtedness on acceptable terms, or at all, it might be forced to dispose of one or more of its properties potentially upon disadvantageous terms, which might result in losses and might adversely affect cash available for distribution. If the Group is in default under the related mortgage deed of trust, such property could be transferred to the mortgagee, or the mortgagee could foreclose upon the property, appoint a receiver and receive an assignment of rents and leases or pursue other remedies, with a consequent loss of income and asset value.

Interest rate risk

Changes in interest rate may affect the results, the yields and the value of the property.

The Group has an interest rate policy which stipulates that the vast majority of borrowings is at fixed interest rates. The Group does not use interest rate swaps or other derivatives to manage or structure its interest rate profile. As at December 31, 2008, 99.5% of total borrowings consisted of fixed-rate mortgage loans. On the balance sheet, these loans are carried at amortized cost. Therefore, there is only very limited interest rate sensitivity. A change in the market interest rate has no significant impact on the Group's equity or result.

Foreign currency risk

The Group exclusively operates and invests in the United States. The vast majority of transactions is denominated in US dollars. Only a limited part of administrative expenses is incurred in euros. The foreign currency risk is therefore hardly existing.

Price risk

The price risk to which the Group is exposed mainly consists of property price and property rentals risk. The Group is not exposed to the market risk with respect to financial instruments as it does not hold any equity securities.

Capital risk management

When managing capital, it is the Group's objective to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. The Group monitors capital on the basis of the debt to equity ratio.

5. **GROSS RENTAL INCOME**

	2008	2007
	\$'000	\$'000
Base rent	30,679	29,840
Early termination fees	537	-
Percentage rent	69	97
Other rental income	206	57
Amortization of lease incentives	-522	-457
Total gross rental income	30,969	29,537

Space in the Group's investment properties is leased to tenants under operating leases with terms ranging from one to twenty years. Lease contracts are usually for terms of three to five years. Contracts with anchor tenants are usually for terms of ten to twenty years.

Future minimum rentals to be received under non-cancelable operating leases within the next five years and thereafter, excluding tenant reimbursements of operating expenses, as of 31 December 2008, are as follows:

	\$'000
2009	29,754
2010	26,831
2011	22,859
2012	19,366
2013	16,881
thereafter	84,849
Total	200,540

6. **NET SERVICE CHARGES**

	2008	2007
	\$'000	\$'000
Service charge income	7,607	7,553
Service charge expenses:		
real estate tax	-3,826	-3,760
common area maintenance	-3,540	-3,569
Net service charges	241	224

Service expenses and other on-chargeable expenses are passed on to tenants including an administration surcharge. The Group acts as principal.

7. *PROPERTY OPERATING EXPENSES*

	2008	2007
	\$'000	\$'000
Property management fees DIM B.V. (refer to note 25)	1,554	1,488
Insurance premiums	944	938
Property repairs	421	199
Amortization leasing commissions	295	296
Bad debt expense (impairment loss)	387	260
Other property operating expenses	291	201
Total property operating expenses	3,892	3,382

8. *RESULT ON DISPOSAL OF INVESTMENT PROPERTY*

	2008	2007
	\$'000	\$'000
Net sales proceeds disposed investment property	-	268
Book value disposed investment property (refer to note 12)	-	-275
Total result on disposal of investment property	-	-7

9. *ADMINISTRATIVE EXPENSES*

	2007	2007
	\$'000	\$'000
Management fee DIM B.V. (refer to note 25)	1,282	1,248
Remuneration supervisory board (refer to note 26)	142	173
Other administrative expenses	1,073	1,038
Currency exchange differences, net	-8	-7
Total administrative expenses	2,489	2,452

The other administrative expenses are mostly comprised of accrued marketing expense reimbursement due to DIM B.V. (\$367,000; 2007 nil) (refer to note 23 for further details); costs of auditors (\$203,000; 2007 \$189,000), the supervisor, Autoriteit Financiële Markten (\$44,000; 2007 \$45,000), legal advisors (\$29,000; 2007 \$39,000), printing of the annual report and other publications (\$62,000; 2007 \$57,000), external appraisers (\$78,000; 2007 \$88,000), the liquidity provider (\$34,000; 2007 \$33,000), liability insurance premiums (\$40,000; 2007 \$31,000) and non-deductible VAT (\$21,000; 2007 \$13,000).

During 2007, other administrative expenses also included marketing fees and expenses paid to CB Richard Ellis (\$325,000),

As in the previous financial year, during the course of 2008 no staff were employed by the Group.

The auditors' fees paid and due to PricewaterhouseCoopers can be further specified as follows:

	2008	2007
	€'000	€'000
Fees for audit of financial statements	136	136
Fees for other audit related engagements	15	-
Total auditors' fees	151	136

10. FINANCE COSTS

	2008	2007
	\$'000	\$'000
Interest expense based on contractual interest rate – regular	16,199	15,221
Change in valuation of mortgage loans due to valuation at amortized cost using effective interest rate	670	878
Total interest expense	16,869	16,099
Interest income	-19	-125
Total finance costs	16,850	15,974

11. INCOME TAX

	2008	2007
	\$'000	\$'000
Current income tax credit calculated for fiscal year	-942	-392
Prior year tax return credit	-27	-230
Total current income tax credit	-969	-622
Movement deferred tax liabilities (refer to note 13)	-15,056	11,685
Total income tax	-16,025	11,063

In the Netherlands, DIM Vastgoed is subject to Dutch corporate income tax. The income on the investments in American real estate is subject to the Tax Treaty between the Kingdom of the Netherlands and the United States of America for the prevention of double income taxation and for the prevention of eluding taxation of taxable income, concluded on 18 December 1992. Based on this Tax Treaty, DIM Vastgoed is entitled to prevention of double taxation on this American investment income.

DIM Vastgoed has been permitted by the Dutch tax authorities to prepare its income tax return in US dollars. The advantage of this is that non-realized and realized exchange results on US dollars will not be included under Dutch corporate income tax.

The results achieved by DIM Vastgoed with its investments in American real estate are subject to federal income tax and to the tax on profits of the respective state concerned. Possible future capital gain tax liabilities that may arise from the sale of real estate have been provided for (refer to note 13).

A reconciliation of the tax rates prevailing in the United States and the effective tax rate is as follows:

		2008		2007
Result before tax (\$'000)	%	-43,774	%	26,322
Income tax calculated using the applicable tax rates (Federal Tax 34%; State Tax 5% on average)	39.0	-17,072	39.0	10,266
Effect of non-tax deductible expenses	-0.2	76	0.3	84
Effect of prepaid rent	0.4	-176	1.2	313
Prior year tax return credits	0.1	-27	-0.9	-230
Other	-2.7	1,174	2.4	630
Total income tax credit/expense in the income statement and effective tax rate	36.6	-16,025	42.0	11,063

12. INVESTMENT PROPERTY

	2008	2007
	\$'000	\$'000
Balance at the beginning of the year	444,506	400,054
Acquisitions (including acquisition costs)	-	26,351
Subsequent capital expenditure	1,900	-
Disposals (book value)	-	-275
Revaluation result – unrealized	-51,172	18,376
Balance at the end of the year	395,234	444,506

The investment property is collateralized as security to the mortgage loans outstanding (refer to note 22).

The fair value of the real estate as of 31 December has been established in accordance with the internal valuation method (see page 97 – 98). During the financial year 2008 Carolina Pavilion, Glengary Shoppes, Magnolia Shoppes, Governors Town Square, Brawley Commons, The Vineyards, Dublin Village, Salem Road Station, Golden Park Village, Grayson Village, The Shops at Lake Tuscaloosa and Greensboro Village were externally appraised. These shopping centres account for 62% of the value of the total real estate portfolio at the end of 2008. Furthermore, during the last quarter of 2008 for each property in the portfolio – including those externally appraised earlier during the first three quarters of the year – the internally used capitalization rate was adjusted based on new capitalization rate estimates from the independent external appraiser.

During 2007 externally appraised shopping centres are Greensboro Village, Keith Bridge Commons, Sunrise Town Center, Hammocks Town Center, Eustis Village, Freehome Village, Loganville Town Center, Wilmington Island, Carolina Pavilion, Whitaker Square and South Plaza, accounting for 67% of the value of the portfolio.

On 31 December 2008, the balance sheet valuation of the investment property portfolio is as follows:

	\$'000
Value of investment property portfolio according to internal and external valuations	398,822
Less: book value of deferred lease incentives and deferred leasing commissions	-3,588
Balance sheet valuation	395,234

A specification of the property portfolio is shown on pages 62 and further of the DIM's Annual Report 2008.

13. DEFERRED TAX ASSETS AND LIABILITIES

The deferred tax asset was formed in 2006 and for the larger part relates to a carry-forward US tax loss, which includes the termination fee that was paid by the Group in respect of the termination of the directorship and management agreement with Dane Investors Management B.V.

The \$11,741,000 termination fee was tax deductible in the United States, which resulted in a tax credit of \$4,461,000. \$698,000 of this credit was carried back to the tax book year 2004. The remainder, \$3,763,000 is a deferred tax asset. The Group incurred a net taxable loss for 2005 resulting in a tax credit of \$47,000 and a net taxable loss (exclusive of the termination fee) for 2006 resulting in a tax credit of \$365,000. The total loss carry forward asset thus amounted to \$4,175,000 at the beginning of the year. During 2008, the final tax assessment for 2007 resulted in a payable of \$425,000 which was applied to the loss carry forward. As at 31 December 2008, the total loss carry forward asset amounts to \$3,750,000 which is expected to be realized in approximately 7 years.

The deferred tax liabilities exclusively relate to the difference between the fair value of the investment properties and their tax book values. The deferred tax liabilities are of a long term nature. The movement in deferred tax liabilities is as follows:

	2008	2007
	\$'000	\$'000
Balance at the beginning of the year	61,903	51,722
Realization – reclassified to current tax	-	-1,504
Movement recognized in income statement	-15,056	11,685
Balance at the end of the year	46,847	61,903

14. DEFERRED LEASE INCENTIVES

	2008	2007
	\$'000	\$'000
Balance at the beginning of the year	2,645	817
Lease incentives paid	860	2,285
Impairment loss	-504	-
Amortization charged to income statement	-522	-457
Balance at the end of the year	2,479	2,645

Lease incentives are amortized over the lease term on a straight-line basis. The impairment loss mainly relates to tenant improvement allowances paid to a new tenant at Carolina Pavilion, which filed for bankruptcy shortly after and formally rejected the lease in October 2008.

15. DEFERRED LEASING COMMISSIONS

	2008	2007
	\$'000	\$'000
Balance at the beginning of the year	866	791
Leasing commissions paid	615	371
Impairment loss	-77	-
Amortization charged to income statement	-295	-296
Balance at the end of the year	1,109	866

Leasing commissions are amortized over the lease term on a straight-line basis. Leasing commissions is inclusive of the leasing listing commissions paid for the administrative coordination of leasing contracts and lease renewals.

16. TENANT RECEIVABLES

Tenant receivables are shown net of impairment losses amounting to \$674,000 (31 December 2007: \$384,000) arising from identified doubtful receivables.

17. OTHER RECEIVABLES AND PREPAID EXPENSES

	2008	2007
	\$'000	\$'000
Value added taxes	7	29
Other receivables	1	5
Prepaid expenses	371	127
Total other receivables and prepaid expenses	379	161

18. CASH AND CASH EQUIVALENTS

	2008	2007
	\$'000	\$'000
Bank accounts – freely disposable	1,858	1,940
Escrow accounts – mortgages debt service reserve, tenant improvements reserve, real estate tax and insurance escrow balances and any other cash items not freely disposable	2,869	1,777
Total cash and cash equivalents	4,727	3,717

19. SHARE CAPITAL

The authorized share capital of the company amounts to €31,160,456, consisting of 300 priority shares and 20.5 million ordinary shares of €1.52 each. As of 31 December 2008, €12,720,982 (2007: €12,346,370) is issued and paid up, being 300 priority shares and 8,368,767 (2007: 8,122,312) ordinary shares.

The movement in issued and paid up share capital is as follows:

	Note	Priority shares	Ordinary shares		
			Number of shares issued and outstanding	Shares held by the company	Number of shares in circulation
Shares at the beginning of the year		300	8,122,312	152,394	7,969,918
Stock dividend	a)	-	246,455	-	246,455
Shares at the end of the year		300	8,368,767	152,394	8,216,373

The own shares held by the Company represent shares which have been bought by the Company and which have not been cancelled. These treasury shares are not entitled to dividend. The number of shares in circulation represents the total number of ordinary shares issued and outstanding less the number of shares held by the Company, and is used as the basis for calculating the net asset value per share while the weighted average number of ordinary shares in circulation is used for calculating performance figures per share.

The movement in issued and paid up share capital during 2008 is as follows:

	Note	Total issued and paid up share capital in €'000	Total issued and paid up share capital in \$'000
Balance at the beginning of the year		12,346	13,304
Stock dividend	a)	375	595
Balance at the end of the year		12,721	13,899

a) *Stock dividend*

In April 2008, shareholders representing 32.0% of the outstanding share capital opted for a stock dividend and consequently 246,455 new shares were distributed (3 new shares for each 31 shares held).

20. **SHARE PREMIUM RESERVE**

The share premium reserve has full fiscal approval.

21. **OTHER RESERVES**

Of the Other reserves, \$44,924,000 is labeled as a legal, not freely distributable, reserve as at December 31, 2008 (December 31, 2007: \$76,824,000).

22. *BORROWINGS*

Borrowings can be specified as follows:

	Note	2008			2007	
		Due within 1 year \$'000	Due between 1 and 5 years \$'000	Due after 5 years \$'000	Total \$'000	Total \$'000
Mortgages	a)	56,758	45,038	158,973	260,769	252,226
Short-term loans and credit	b)	1,270	-	-	1,270	6,250
Total Borrowings at the end of the year		58,028	45,038	158,973	262,039	258,476
Non-current liabilities					204,011	246,887
Current liabilities					58,028	11,589
Total Borrowings at the end of the year					262,039	258,476

a) *Mortgages*

	2008 \$'000	2007 \$'000
Balance at the beginning of the year	252,226	236,713
New mortgages, net of borrowing costs	19,662	19,718
Amortization and redemption of mortgages	-11,789	-5,083
Change in valuation due to valuation at amortized cost	670	878
Balance at the end of the year	260,769	252,226

The nominal interest rates for the mortgages range from 4.80% to 8.02%. The weighted average effective interest rate is 6.20% and the weighted average duration is 5.2 years (2007: 6.16% respectively 6.3 years). The amount due on mortgages within one year consists of \$4,930,000 scheduled regular amortization and \$51,828,000 redemption/ balloon payment due on maturity date.

Further details of the mortgages can be found on page 76 in the DIM's Annual Report 2008.

The real estate is collateralized as security to the amount of the remaining balances of the mortgages. Several mortgage loans are subject to covenants, of which the most important one relates to the debt service coverage ratio. These covenants are fully met by the Group. The mortgage loans are typically non-recourse, assuming normal circumstances (excluding carve outs such as fraud or willful damage).

As of 31 December 2008 the amortized cost value of the mortgages is \$260,769,000. In the light of the current circumstances on the financial markets, it is very difficult to estimate the fair value of the mortgage loans. The fair values are based on cash flows discounted using relevant market interest rates with a company specific margin. An indication of the fair value, using an interest rate range of 6.75% to 7.25% is \$233 million to \$243 million.

b) *Short-term loans and credit*

	2008	2007
	\$'000	\$'000
Bridge financing facility	-	3,500
Lines of credit	1,270	2,750
Total short-term loans and credit	1,270	6,250

Line of credit

DIM Vastgoed has a US line of credit facility for cash management purposes, backed by amongst others the library parcel at Hammocks Town Center, Phase II of The Shops at Lake Tuscaloosa and a few other outparcels. The total facility amounts to \$6 million with an interest rate of USD-LIBOR plus 2.55%. As of December 31, 2008 \$1,270,000 was outstanding under this line of credit; the interest rate is 4.46%. This facility matures in October, 2009 and will not be renewed by the bank.

The bridge financing facility with Fortis Bank (Nederland) NV was discontinued by the bank in November 2008. The outstanding bridge as of 31 December 2007 was repaid in April 2008. No amounts were drawn under this facility in 2008.

Further details of the short-term loans and credit can be found on page 77 in the DIM's Annual Report 2008.

The fair value of the short-term loans and credit is equal to book value.

23. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities can be specified as follows:

	2008	2007
	\$'000	\$'000
Accrued marketing expense compensation DIM B.V.	367	-
Deposits received from tenants	1,081	1,101
Total other non-current liabilities	1,448	1,101

DIM B.V. is entitled to compensation for marketing expenses incurred in the past up to a maximum of cumulative €704,000 at the end of 2008. These expenses are compensated by means of a marketing fee equal to 1% of the total proceeds of an equity issue. If the marketing expenses have not been compensated wholly or partly before 1 April 2010 by means of settlement with the proceeds of new equity issues or as a result of the termination of the DMA, the remaining amount outstanding as of that date then is due immediately. No interest is due on the amount outstanding until 1 April 2010.

Considering the fact that the likelihood that the full amount DIM B.V. is entitled to is settled by 1 April 2010 by means of marketing fees payable upon equity issues diminishes with the passing of time, management has decided to accrue €29,000 each month during the period 1 April 2008 – 31 March 2010, to be charged to net profit. As at 31 December 2009, €264,000 (\$367,000) has been recognized as a liability on the balance sheet consequently.

24. ACCOUNTS PAYABLE AND OTHER LIABILITIES

These liabilities due within one year can be specified as follows:

	2008	2007
	\$'000	\$'000
Interest accrued	713	703
Prepaid rents	798	1,248
Other liabilities and accruals	785	637
Total accounts payable and other liabilities	2,296	2,588

25. RELATED PARTIES

The Group has a related party relationship with its management board members and their related companies. The Group has no joint ventures, associates or other minority interest and knows of no other related parties in this respect.

The board of directors of the company consists of Dane Investors Management B.V. ('DIM B.V.'). The company has entered into a Directorship and Management Agreement ('DMA') with DIM B.V., which stipulates that DIM B.V. is also responsible for the operational, financial and administrative property management in the United States as well as for the selection, acquisition and sale of real estate.

The management fee received by DIM B.V. is based on this agreement (for directorship, corporate accounting and company secretary activities in the Netherlands), amounts to 0.1875% of shareholders' equity per quarter. The property management fees amount to 5% of rental income collected (excluding operating expenses charged to tenants). For the selection of new investment property, a closing fee of 1.5% on the acquisition price is due, whereas for property divestments a closing fee is due equal to the related expenses made by DIM B.V., as approved by the supervisory board of the company, with a minimum of 0.5% of the sales price.

The property management fees, as well as the closing fees on acquisition or divestment of real estate, are passed on to DBR & Associates, LLC, a local management company which is related to DIM B.V.

For the issue of shares, DIM B.V. is entitled to a share issue fee equal to 1.5% of the total issue proceeds. In addition, in accordance with the DMA, DIM B.V. is entitled to compensation for marketing expenses incurred by DIM B.V. equal to 1% of the total issue proceeds (up to a maximum of cumulative €704,000 at the end of 2008). Both the issue fee and the marketing fee become due once the shares have actually been sold and been brought into circulation or at the termination of the DMA.

If the marketing expenses have not been compensated wholly or partly before 1 April 2010 by means of settlement with the proceeds of new equity issues or as a result of the termination of the DMA, the remaining amount outstanding as of that date then is due immediately.

The DMA can be terminated at twelve months notice at any moment without any termination fee due.

At the end of 2008, the management board of DIM B.V. consists of Mr Jan W. Dane, Mr Timothy C. Koster and Mr Adrian J. Belt III. Mr Dane holds 50% of the shares in DIM B.V., whereas the remaining 50% are held by Freeland Holding B.V. Mr Koster holds a 25% interest in Freeland Holding B.V. and is managing director of this company and its subsidiaries, including Freeland Corporate Advisors N.V.

Mr Dane and Mr Belt both hold an interest of 42.5% in DBR & Associates, LLC.

The Group has a leasing listing agreement with DBR Realty, LLC, a local company which is related to DIM B.V. Under this agreement, DBR Realty handles the lease administration process for all new leases (excluding properties located in South Florida) as well as all lease renewals. Leasing commissions are at arm's length and amount to either 1.5% of the aggregate total base rent due for the initial term of the lease (for spaces less than or equal to 10,000 square feet) or \$1 per square foot (for spaces more than 10,000 square feet) for new leases. For lease renewals, the commission amounts to 2.0% of the aggregate total base rent due for the initial term of the lease, with a maximum of \$10,000 for a single lease renewal.

The leasing listing agreement was entered into for a period of twelve months and is automatically renewed for an additional twelve month period upon expiration, unless canceled in writing by either party on thirty day notice. The ownership of DBR Realty, LLC, is identical to that of DBR & Associates, LLC.

The management fee paid to DIM B.V. during the financial year amounts to \$1,282,000 (2007: \$1,248,000). The property management fee paid to DIM B.V. during 2008 amounts to \$1,554,000 (2007: \$1,488,000). During 2008, no closing fees were paid for the acquisition or divestment of real estate (2007: \$386,000 and \$1,000 respectively). During 2008 and 2007, no share issue and marketing fees were paid to DIM B.V.

Leasing commissions paid to DBR Realty, LLC amount to \$215,000 (2007: \$227,000).

As of 31 December 2008 and 31 December 2007 the Group has no due balance receivable from or payable to DIM B.V. As of 31 December 2008 and 31 December 2007 the Group has no balance payable to or receivable from DBR Realty, LLC. There are no other outstanding debts or receivables from any other related party.

26. REMUNERATION MANAGEMENT AND SUPERVISORY BOARD

The remuneration of the management board (DIM B.V.) is included in the management fee disclosed in note 25 above.

The fixed remuneration for a supervisory director is €20,000 per year based on a maximum of six board meetings per year. If there are more than six board meetings during the year, each director receives an additional fee of €2,500 for each additional meeting. For the purpose of determining the total remuneration for each supervisory director for the year, three telephone conference calls are taken into account as one additional meeting.

The total remuneration of the supervisory board amounted to \$142,000 (€91,000) in 2008 (2007: \$173,000; €123,000) and is included in Administrative expenses (refer to note 9).

For each individual supervisory director this is split up as follows:

	2008	2007
	€'000	€'000
E.J. Blaauboer	26	49
C.J. van Rees	41	39
Th.W. Wernink	24	35
Total	91	123

27. EXPENSE RATIO

The expense ratio which, within the scope of the *Besluit Gedragstoezicht financiële ondernemingen* ('BGfo'; Decree on supervision of financial institutions), should be reported by investment institutions in order to provide clear and comparable information on the level of costs, amounts to 4.2% for the financial year (2007: 3.8%). This ratio is calculated as the total costs compared to the weighted average net asset value over the quarters of the financial year (including the beginning of the year). As per the BGfo 'total costs' is defined as property operating expenses (including net service charges), administrative expenses and income tax expenses. Not included in the ratio are finance costs nor the movement in deferred tax liabilities.

28. DIVIDEND

In the light of the exceptional circumstances in the financial markets, management has decided to retain the net result for 2008. No dividend is therefore proposed to the shareholders (2007: \$1.54 per ordinary share).

29. OFF-BALANCE SHEET LIABILITIES

DIM B.V. is entitled to compensation for marketing expenses incurred in the past up to a maximum of cumulative €704,000 at the end of 2008. As at 31 December 2009, €264,000 (\$367,000) has been recognized as a liability on the balance sheet. For further details, refer to note 23.

30. EVENTS AFTER THE BALANCE SHEET DATE

On 16 January, 2009, Circuit City announced that it will be closing all of its remaining 567 stores by March 31, 2009, and therefore will be rejecting its lease at Carolina Pavilion through the bankruptcy court. The impact on the value of Carolina Pavilion is estimated at \$0.7 million.

3.2 FINANCIAL INFORMATION FOR DVG (NON-CONSOLIDATED) FOR THE FINANCIAL 2008

3.2.1 COMPANY INCOME STATEMENT

		2008	2007
	Note	\$'000	\$'000
Gross rental income		28,893	28,346
Service charge income		7,093	7,209
Total revenues		35,986	35,555
Service charge expenses		-6,888	-7,037
Property operating expenses		-3,728	-3,287
Net rental income		25,370	25,231
Revaluation result investment property		-49,358	17,734
Impairment loss		-581	-
Net result on disposal of investment property		-	-7
Administrative expenses		-2,469	-2,450
Net operating profit		-27,038	40,508
Finance costs		-15,650	-15,330
Net profit before tax		-42,688	25,178
Income tax expense	2	5,603	-4,434
Company profit for the year		-37,085	20,744
Result of subsidiaries after tax	3	-728	1,387
Net shareholders' profit for the year		-37,813	22,131

Note: The net profit for the year can be split as follows:

- direct result	8,948	8,575
- indirect result	-46,761	13,556
Net shareholders' profit for the year	-37,813	22,131

Earnings per share (\$)	6	-4.64	2.79
Direct result per share (\$)		1.10	1.08
Indirect result per share (\$)		-5.74	1.71

3.2.2 COMPANY BALANCE SHEET (before allocation of result)

		31 December 2008	31 December 2007
	Note	\$'000	\$'000
ASSETS			
Investment property		369,076	416,534
Investments in group companies	3	6,253	7,961
Deferred tax assets		3,750	4,175
Deferred lease incentives		2,479	2,645
Deferred leasing commissions		1,097	866
Other non-current assets		95	65
Total non-current assets		382,750	432,246
Tenant receivables		1,738	1,653
Income tax receivables		537	-
Other receivables and prepaid expenses		346	163
Cash and cash equivalents		4,409	3,460
Total current assets		7,030	5,276
Total assets		389,780	437,522
SHAREHOLDERS' EQUITY			
	5		
Share capital		17,704	18,175
Share premium reserve		64,561	65,156
Revaluation reserve		44,924	76,824
Other reserves		40,478	-6,267
Net result for the year		-37,813	22,131
Total shareholders' equity		129,854	176,019
LIABILITIES			
Borrowings		183,928	226,761
Deferred tax liabilities	4	14,571	19,610
Other non-current liabilities		1,386	1,037
Total non-current liabilities		199,885	247,408
Borrowings		57,852	11,295
Income tax payables		-	321
Accounts payable and other liabilities		2,189	2,479
Total current liabilities		60,041	14,095
Total equity and liabilities		389,780	437,522
Net asset value per share (\$)	7	15.80	22.09

3.2.3 NOTES TO THE COMPANY INCOME STATEMENT AND BALANCE SHEET

1. ACCOUNTING POLICIES

The description of DIM Vastgoed N.V.'s activities and structure, as included in the notes to the consolidated financial statements, also apply to the company financial statements.

The company accounts of DIM Vastgoed have been prepared in accordance with accounting principles generally accepted in the Netherlands, in accordance with the financial reporting requirements of Part 9, Book 2 of the Dutch Civil Code, as far as applicable.

The consolidated accounts of companies publicly listed in the European Union must be prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the IASB and adopted by the European Commission. Consequently, the consolidated financial statements of the Group for the year ending on 31 December, 2008 have been prepared accordingly.

The valuation of deferred tax liabilities is the only difference in accounting policies used for the consolidated accounts (IFRS) versus those used for the company accounts (Dutch GAAP) that – insofar as applicable – results in equity and net profit as reported in the consolidated accounts deviating from equity and net profit as reported in the company accounts.

Under Dutch GAAP, the provision for deferred tax liabilities is defined as the discounted value of deferred tax liabilities with respect to future capital gains arising from the differences between the market value and the fiscal book value of properties. Under IFRS (IAS 12), however, deferred income tax is provided for on a nominal basis.

DIM Vastgoed has decided not to prepare its company accounts in accordance with IFRS but instead to maintain its existing accounting principles, which are based on accounting principles generally accepted in the Netherlands.

DIM Vastgoed has based this decision on its belief that a valuation of its deferred tax liabilities based on discounted value is more appropriate. After all, these liabilities are deferred and are not expected to materialize until the distant future. Such valuation presents a more fair view of the financial situation of the Company and is perfectly in line with Dutch accounting principles in this respect. In addition, DIM Vastgoed's investment properties are also recorded at fair value. Discounting cash flows that are expected to occur in the future is an important aspect of valuation. Valuing the deferred tax liabilities at discounted value is therefore consistent with the valuation principles in respect to the assets of DIM Vastgoed.

Income tax Income tax on the profit or loss for the year comprises current and deferred income tax and is calculated on results before taxes, taking into account any tax-exempt components of profit and non-deductible costs. Losses to be compensated are recognized as deferred tax receivables. Current income tax is the expected tax payable or receivable on the taxable income or loss for the period using tax rates prevailing at the balance sheet date and any adjustments to taxation in respect of previous years.

A provision for deferred income tax liabilities is formed in the company balance sheet using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of the provision for deferred income tax liabilities is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. The provision for deferred tax liabilities is stated at discounted value. The deferred tax liabilities are discounted at the weighted average interest rate due by the company on its mortgages, taking into account the average expected holding period of the real estate.

A deferred income tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets are offset against deferred tax liabilities only if the Group has a legal enforceable right to offset, the settlement dates are similar and the tax is levied by the same tax authority on the same taxable entity.

Deferred tax assets are carried at nominal value.

Investments in group companies In accordance with section 389 sub 2 of Book 2 of the Dutch Civil Code, all subsidiaries are valued at net equity value. In order to determine the net equity value, all assets, liabilities, profits and losses are subject to the accounting principles as applied to the company financial statements.

Other assets and liabilities For the accounting principles as applied to the other assets and liabilities, please refer to note 2 of the notes to the consolidated financial statements.

Shareholders' equity Issued and paid up share capital, which is denominated in euros, is restated into US dollars at the exchange rate as of balance sheet date, in accordance with section 373 sub 5 of Book 2 of the Dutch Civil Code. The difference is settled with Other reserves.

For each investment property, an amount equal to the balance of the total unrealized revaluation result (the difference between book value at the end of the financial year and the acquisition price, including acquisition costs) less the deferred capital gain tax provided for in the accounts for this property is allocated to a (statutory) revaluation reserve, if this net unrealized revaluation result is not negative. This allocation to the revaluation reserve is debited to Other reserves. If an investment property is sold, the revaluation reserve for this property is released and credited to Other reserves.

The revaluation reserve is inclusive of any (statutory) reserve for subsidiaries, if applicable.

Other reserves consist of non-distributed current or prior years' net profits, less the statutory revaluation reserve.

2. *INCOME TAX*

	2008	2007
	\$'000	\$'000
Total current income tax credit	-564	-180
Movement in provision for deferred tax liabilities (refer to note 4)	-5,039	4,614
Total income tax	-5,603	4,434

For a further explanation of income tax expense (with the exception of the movement in the provision for deferred tax liabilities), please refer to note 11 to the consolidated financial statements.

3. *INVESTMENTS IN GROUP COMPANIES*

Investments in group companies comprise subsidiaries of DIM Vastgoed.

At the end of 2008 there are two (100%-)subsidiaries:

- DIM - Governors Town Square LP, Fort Lauderdale, Florida, acquired in March 2006;
- DIM – Whitaker Square, LP, Fort Lauderdale, Florida, established in October 2007.

The movement in Investments in group companies is as follows:

	2008	2007
	\$'000	\$'000
Balance at the beginning of the year	7,961	3,874
Capital contribution	-	3,119
Distributions	-980	-419
Result of subsidiaries	-728	1,387
Balance at the end of the year	6,253	7,961

4. PROVISION FOR DEFERRED TAX LIABILITIES

The provision relates to possible future tax liabilities based on the difference between net assets according to the commercial and fiscal balance sheets of the company. The provision for deferred tax liabilities is stated at present value and is of a long-term nature. The movement in the provision is as follows:

	2008	2007
	\$'000	\$'000
Balance at the beginning of the year	19,610	16,500
Realization - reclassified to current tax	-	-1,504
Allocation released to/ charged to net result	-5,039	4,614
Balance at the end of the year	14,571	19,610

5. COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium reserve	Revaluation reserve	General reserve	Profit for the year	Total Shareholders' equity
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Balance at 31 December 2006	16,022	65,401	61,312	11,685	9,494	163,914
Profit allocation previous year	245	-245	-	-532	-9,494	-10,026
Currency restatement share capital	1,908	-	-	-1,908	-	-
Net profit for the year	-	-	-	-	22,131	22,131
Allocation to the revaluation reserve	-	-	15,512	-15,512	-	-
Balance at 31 December 2007	18,175	65,156	76,824	-6,267	22,131	176,019
Profit allocation previous year	595	-595	-	13,779	-22,131	-8,352
Currency restatement share capital	-1,066	-	-	1,066	-	-
Net profit for the year	-	-	-	-	-37,813	-37,813
Allocation to the revaluation reserve	-	-	-31,900	31,900	-	-
Balance at 31 December 2008	17,704	64,561	44,924	40,478	-37,813	129,854

Share capital - The authorized share capital of the company amounts to €31,160,456, consisting of 300 priority shares and 20.5 million ordinary shares of €1.52 each. As of 31 December 2008 €12,720,982 (2007: €12,346,370) is issued and paid up, being 300 priority shares and 8,368,767 (2007: 8,122,312) ordinary shares.

Ordinary shares

Shareholders holding ordinary shares are entitled to periodically declared dividends and have one vote per share at the general meetings of shareholders of DIM Vastgoed.

Priority shares

The following specific rights are attached to the priority shares:

- determination of the number and remuneration of supervisory directors
- determination of the number and remuneration of managing directors (in the current situation, nonetheless, the company is managed by Dane Investors Management B.V. and the directorship fee is laid down in the directorship and management agreement)
- binding nomination of supervisory and managing directors for appointment by the general meeting of shareholders
- appointment of the chairman of the supervisory board
- power of veto in respect of amendments to the articles of association and liquidation of DIM Vastgoed N.V.

STICHTING PRIORITEIT DIM VASTGOED

The 300 priority shares are held by Stichting Prioriteit DIM Vastgoed (the ‘Stichting’). The directors of the Stichting are E.J. Blaauboer and C.J. van Rees, both supervisory directors of DIM Vastgoed N.V.

Share premium reserve – The share premium reserve has full fiscal approval.

Revaluation reserve – The revaluation reserve is maintained for unrealized value increases of the investment property. The revaluation reserve is a statutory, non-distributable, reserve in accordance with the Dutch legislation. Allocations to the revaluation reserve are made from the Other reserves.

Currency restatement share capital

The currency restatement on share capital comprises the effect of restating issued and paid up share capital, which is denominated in euros, into US dollars at the rate as of 31 December 2008. The difference is settled with Other reserves.

Reconciliation between consolidated and non-consolidated shareholders’ equity

The reconciliation between shareholders’ equity as of the end of the year as reported in the consolidated accounts of DIM Vastgoed (based on IFRS) and shareholders’ equity as of the end of the year as reported in the company accounts of the company is as follows:

	2008	2007
	\$’000	\$’000
Consolidated shareholders’ equity	97,875	133,976
Add: difference in valuation of deferred tax liabilities	31,979	42,043
Non-consolidated, company accounts shareholders’ equity	129,854	176,019

6. **NET EARNINGS PER SHARE**

The calculation of earnings per share at December 31, 2008 in the Company financial statements was based on the net result attributable to ordinary shareholders of \$37,813,000 negative (2007: a profit of \$22,131,000) and a weighted average number of ordinary shares outstanding and in circulation during the year ended December 31, 2008 of 8,144,800 (2007: 7,935,740). The Company has no dilutive potential ordinary shares, therefore the diluted earnings per share is the same as the basic earnings per share.

7. **NET ASSET VALUE PER SHARE**

The net asset value per ordinary share at the end of the financial year and the preceding two years is as follows:

Date	Shareholders' equity (\$'000)	Number of ordinary shares outstanding ¹	Net asset value per share (\$)
December 31, 2008	129,854	8,216,373	15.80
December 31, 2007	176,019	7,969,918	22.09
December 31, 2006	163,914	7,851,109	20.88

¹) Excluding the shares held by the Company.

Rotterdam, February 19, 2009

The management board
Dane Investors Management B.V.

Jan.W. Dane
Timothy C. Koster
Adrian J. Belt III

The supervisory board

Cornelis J. van Rees
chairman
Ellard J. Blaauboer
Thom W. Wernink

OTHER DATA

Profit appropriation

Appropriation of profit as per articles of association

Article 27 of the articles of association states that, if possible, a dividend of 5%, or, if the statutory interest rate is lower than 5%, a dividend based on this statutory interest rate, shall first of all be distributed on the priority shares (art. 27.1). Further, the management board, with the approval of the supervisory board, shall determine what part of the remaining profit shall be allocated to the reserves. The amount then remaining will be distributed, in proportion to the subscribed nominal capital, as a dividend to the holders of ordinary shares.

Proposed profit appropriation

In the light of the exceptional circumstances in the financial markets, management has decided to retain the net result for 2008. No dividend is therefore proposed to the shareholders.

Events after the balance sheet date

For a description of events after the balance sheet date, please refer to the notes to the consolidated financial statements, note 30 on page 104.

Act on the Disclosure of Major Holdings and Capital Interests

Major holdings – On 31 December, 2008, according to the Major Holdings register of the Dutch Financial Market Authority (Autoriteit Financiële Markten), the following major holdings in respect of DIM Vastgoed N.V. are held:

Equity One, Inc., ('Equity One') according to their statement, holds, (indirectly) 47.74% of the shares in DIM Vastgoed (capital interest and voting rights).

Homburg Invest, Inc., ('Homburg') according to their statement, holds, (indirectly) voting rights on 23.42% of the shares in DIM Vastgoed. If only capital interest is taken into account, Homburg, according to their statement, holds, (indirectly) 12.99% of the shares.

Holding Partex Zuid B.V. ('Partex') according to its statement, holds a capital interest of 10.93%.

Partex holds its interest in DIM Vastgoed exclusively for the benefit of a group of investors – including which Homburg - who, through their stakes in Partex and the stacking structure which they are part of, can utilize the fiscal substantial holding exemption (as defined in art. 13 of the Dutch Act on the Company Tax). The voting right on the stake of Partex in DIM Vastgoed can only be exercised by the individual investors in Partex, each for their own share. Investors in Partex have direct access to DIM Vastgoed's shareholders' meeting.

The Financial Market Authority, in calculating the major holdings percentage denominator, does not take into account shares held by the Company (on which no voting rights can be exercised). If the shares held by the Company are taken into account, the above percentages are as follows: Equity One 46.50% (capital interest and voting rights); Homburg 22.82% voting rights and 12.65% capital interest, respectively; Partex capital interest, no voting rights, 10.80%.

On 12 January 2009, both Equity One and Homburg issued press releases to announced that Equity One has acquired the interest of Homburg. According to registrations in the Major Holdings register of the

Dutch Financial Market Authority, Equity One, taking into account this transaction, now (indirectly) holds a capital interest of 61.76% which includes voting rights and it holds a further 10.19% interest which only includes voting rights. Homburg, according to their statement, now (indirectly) holds a capital interest of 9.16% (no voting rights). If the shares held by the Company are taken into account, the above percentages are as follows: Equity One 62.91% (capital interest and voting rights) and 10.38% voting rights only, respectively; Homburg 9.33% capital interest.

Directors and members of the supervisory board –No shares in the Company are held by supervisory directors or by members of the management board as of 31 December 2008 nor were held during the year.

Statement pursuant to Section 122 sub 2 of the Decree on the Supervision of financial institutions

During the reporting period, the members of the supervisory board and the management board of DIM Vastgoed N.V. had no personal stake in the investments of the company. During the reporting period there were no real estate transactions with persons or institutions that may be considered to stand in a direct relationship to the company.

General Rules NYSE Euronext Amsterdam

The Company and the members of the board of Stichting Prioriteit DIM Vastgoed ('the Stichting') hereby declare that, according to both the Company and the board members of the Stichting, the Stichting is independent of the Company in compliance with section 10 of Annex X to Chapter A - 2.7 of the General Rules for the NYSE Euronext Amsterdam Stock Market.

Regulation preventing the use of inside knowledge

DIM Vastgoed N.V. has adopted statutory regulations pursuant to article 5:65 of the Dutch Act on Financial Supervision ('Wft') for preventing the use of inside knowledge. The members of the supervisory board, the management board of DIM B.V. and all employees of Freeland and DBR are subject to these regulations as so-called 'designated persons'. Mr. T.C. Koster, managing director of DIM B.V., has been appointed as 'Central Officer'.

4. AUDITOR'S REPORT RELATING TO DVG'S FINANCIAL INFORMATION FOR THE FINANCIAL YEAR 2008

To the general meeting of shareholders of DIM Vastgoed N.V.

Report on the financial statements

We have audited the accompanying financial statements 2008 of DIM Vastgoed N.V., Breda as set out on pages 24 to 53. The financial statements consist of the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2008, the profit and loss account, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The company financial statements comprise the company balance sheet as at 31 December 2008, the company profit and loss account for the year then ended and the notes.

The directors' responsibility

The directors of the company are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, with Part 9 of Book 2 of the Netherlands Civil Code and with the Act on Financial Supervision, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Netherlands Civil Code and with the Act on Financial Supervision. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of DIM Vastgoed N.V. as at 31 December 2008, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, with Part 9 of Book 2 of the Netherlands Civil Code and with the Act on Financial Supervision.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of DIM Vastgoed N.V. as at 31 December 2008, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code and with the Act on Financial Supervision.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part f of the Netherlands Civil Code, we report, to the extent of our competence, that the management board report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Rotterdam, 19 February 2009

PricewaterhouseCoopers Accountants N.V.

Original signed by drs. S. Barendregt-Roojers RA

The auditors' report stated above is the original auditors' report as issued on 19 February 2009 in connection with the annual report of DIM Vastgoed N.V. in which, next to the financial statements, also a report by the management board was included. For the purpose of this Offer Memorandum the report by the management board is not included. The page numbers included in the auditors report stated above refer to the page numbers in the original 2008 financial statements of DIM Vastgoed N.V.

5. DIM'S UPDATED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION RELATING TO THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2009

5.1 Condensed Consolidated Statement of Comprehensive Income¹⁰

	For the three months period ended 30 September 2009 (unaudited) (USD'000)	For the three months period ended 30 September 2008 (unaudited) (USD'000)	For the nine months period ended 30 September 2009 (unaudited) (USD'000)	For the nine months period ended 30 September 2008 (unaudited) (USD'000)
Gross rental income	7,270	7,628	22,023	23,441
Service charge income	1,800	1,909	5,453	5,721
Total Revenues	9,070	9,537	27,476	29,162
Service charge expenses	-1,824	-1,888	-5,344	-5,434
Property operating expenses	-962	-989	-3,151	-2,982
Net Rental Income	6,284	6,660	18,981	20,746
Revaluation result investment property	-68,355	723	-80,193	-1,583
Administrative expenses	-855	-673	-2,254	-1,945
Net operating result	-62,926	6,710	-63,466	17,218
Finance costs	-4,066	-4,369	-12,256	-12,661
Net result before tax	-66,992	2,341	-75,722	4,557
Income tax	25,342	-670	28,359	-2,361
Net shareholders' result for the period	-41,650	1,671	-47,363	2,196
Other comprehensive income	-	-	-	-
Total comprehensive income	-41,650	1,671	-47,363	2,196
Net result per share (USD)	-5.07	0.21	-5.76	0.27

¹⁰ The notes on pages 120 to 126 form an integral part of this updated condensed consolidated interim financial information.

5.2 Condensed Consolidated Balance Sheet¹¹

		30 September 2009 (unaudited) (USD'000)	31 December 2008 (audited) (USD'000)
ASSETS			
Investment property	P. 123	315,041	395,234
Deferred tax assets		4,839	3,750
Deferred lease incentives		2,791	2,479
Capitalized rent free periods		90	-
Deferred leasing commissions		1,298	1,109
Other non-current assets		74	96
Total non-current assets		324,133	402,668
Tenant receivables		349	1,790
Income tax receivables		611	941
Other receivables and prepaid expenses		1,884	379
Cash and cash equivalents ¹²		6,608	4,727
Total current assets		9,452	7,837
Total Assets		333,585	410,505
SHAREHOLDERS' EQUITY			
Share capital		13,899	13,899
Share premium reserve		64,561	64,561
Other reserves		19,415	47,164
Profit of the year		-47,363	-27,749
Total shareholder's equity		50,512	97,875
LIABILITIES			
Borrowings	P. 124	201,725	204,011
Deferred tax liabilities		19,145	46,847
Other non-current liabilities		1,060	1,448
Total non-current liabilities		221,930	252,306
Borrowings		55,312	58,028
Accounts payable and other liabilities		5,831	2,296
Total current liabilities		61,143	60,324
Total equity and liabilities		333,585	410,505
Net asset value per share (USD)¹³		6.15	11.91

¹¹ The notes on pages 120 to 126 form an integral part of this updated condensed consolidated interim financial information.

¹² The balance of cash and cash equivalents includes USD 4,612,000 cash on escrow at 30 September 2009 (at 31 December 2008: USD 2,869,000). Cash on escrow is not freely disposable.

¹³ Computed based on 8,216,373 ordinary shares outstanding at 30 September 2009 (at 31 December 2008: 8,216,373 shares).

5.3 Condensed Consolidated Statement of Changes in Shareholders' Equity¹⁴

For the nine months ended

30 September 2009 (unaudited)	Share capital (\$'000)	Share premium reserve (\$'000)	Other reserves (\$'000)	Profit for the year (\$'000)	Total shareholders' equity (\$'000)
Balance at 1 January 2009	13,899	64,561	47,164	-27,749	97,875
Allocation result previous year	-	-	-27,749	27,749	-
Net result for the period	-	-	-	-47,363	-47,363
Balance at the end of the period	13,899	64,561	19,415	-47,363	50,512

For the nine months ended

30 September 2008 (unaudited)	Share capital (\$'000)	Share premium reserve (\$'000)	Other reserves (\$'000)	Profit for the year (\$'000)	Total shareholders' equity (\$'000)
Balance at 1 January 2008	13,304	65,156	40,257	15,259	133,976
Allocation result previous year	595	-595	6,907	-15,259	-8,352
Net result for the period	-	-	-	2,196	2,196
Balance at the end of the period	13,899	64,561	47,164	2,196	127,820

¹⁴ The notes on pages 120 to 126 form an integral part of this updated condensed consolidated interim financial information.

5.4 Condensed Consolidated Cash Flow Statement¹⁵

	For the nine months ended 30 September 2009 (unaudited) (USD'000)	For the nine months ended 30 September 2008 (unaudited) (USD'000)
OPERATING ACTIVITIES		
Net result before tax	-75,722	4,557
Adjustments for:		
- revaluation result investment property	80,193	1,583
- finance costs	12,256	12,661
- amortization lease incentives and leasing commissions	644	610
- increase capitalized rent free periods	-90	-
- increase tenant receivables, other receivables and prepaid expenses	-64	-260
- decrease/ increase accounts payable and other liabilities, exclusive of accrued interest	3,198	1,874
- decrease/ increase other non-current assets	22	-28
- decrease/ increase other non-current liabilities	-388	260
Net cash generated from operations	20,049	21,257
Net interest paid	-11,622	-12,126
Lease incentives paid	-714	-698
Leasing commissions paid	-431	-443
Current income taxes paid/ received	-102	574
Net cash flow from operating activities	7,180	8,564
INVESTING ACTIVITIES		
Subsequent capital expenditure in investment property	-	-1,900
Net cash flow used in investing activities	-	-1,900
FINANCING ACTIVITIES		
Dividends paid	-	-8,352
New mortgages assumed	-	19,662
Amortization and redemption of mortgages	-4,029	-10,412
Increase/ decrease in short term credit	-1,270	-4,980
Net cash flow used in financing activities	-5,299	-4,082
Increase in cash and cash equivalents	1,881	2,582
Cash and cash equivalents at the beginning of the period	4,727	3,717
Cash and cash equivalents at the end of the period	6,608	6,299
of which cash on escrow accounts, not freely disposable	4,612	4,383
of which cash on bank accounts, freely disposable	1,996	1,916

¹⁵ The notes on pages 120 to 126 form an integral part of this updated condensed consolidated interim financial information.

5.5 Notes to the Updated Condensed Consolidated Interim Financial Statements

General and principal activities

DIM Vastgoed N.V. (the ‘Company’), seated in Breda, The Netherlands, and having its offices in Rotterdam, The Netherlands, is a closed-end real estate investment company with variable capital. The condensed consolidated interim financial statements of the Company for the nine months ended September 30, 2009 comprise the Company and its subsidiaries (together referred to as the ‘Group’). At September 30, 2009, there are two (100%) subsidiaries:

- DIM – Governors Town Square, LP, Fort Lauderdale, Florida;
- DIM – Whitaker Square, LP, Fort Lauderdale, Florida.

The condensed consolidated interim balance sheet and statement of comprehensive income were authorized for issue by the Management Board on 10 November 2009. For the purpose of inclusion of these condensed consolidated financial statements in this Offer Memorandum, they were updated in order to take into account events after the balance sheet date in the period after 10 November 2009. The numbers did not change, but the events after the balance sheet date section in these Notes to the Updated Condensed Consolidated Interim Financial Statements were updated.

The financial year of DIM Vastgoed equals the calendar year. The comparative figures included in these condensed consolidated interim financial statements refer to the nine months ended September 30, 2008.

DIM Vastgoed is licensed under the terms of the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*, ‘Wft’). These condensed consolidated interim financial statements have been prepared taking into account the Wft.

The updated condensed consolidated interim financial statements were reviewed by the auditor of the Company. No audit took place.

Basis of preparation

This condensed interim financial report for the period ending 30 September 2009 has been prepared in accordance with IAS 34 “Interim financial reporting”. An interim financial report does not include all of the information required for full annual financial statements. This interim financial report should be read in conjunction with the annual financial statements for the financial year ending 31 December 2008, which have been prepared in accordance with IFRS as adopted by the European Union.

Accounting policies

The valuation of assets and liabilities at 30 September 2009 and the principles applied for the determination of net profit are in accordance with the accounting principles as set out in the notes to the 2008 financial statements. The presentation of the financial statements has changed in accordance with the revised IAS 1 “Presentation of financial statements”, which is mandatory for the financial year beginning 1 January 2009. The revised standard prohibits the presentation of items of income and expenses (that is ‘non-owner changes in equity’) in the statement of changes in equity, requiring ‘non-owner changes in equity’ to be presented separately from owner changes in equity. All ‘non-owner changes in equity’ are required to be shown in a performance statement. Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Company has elected to present one statement: a (consolidated) statement of comprehensive income.

IFRS 8, 'Operating segments' replaces IAS 14, 'Segment reporting'. It requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. The Group defines each Property as an individual operating segment and has determined that all of these objects exhibit substantially identical economic characteristics and are similar as well in respect of the nature of the products and services, the type or class of customer and the nature of the regulatory environment, which permits them to be aggregated into one reportable segment. Carolina Pavilion is the only Property which exceeds the quantitative thresholds set by IFRS 8, and as such the Group reports separate information for this Property. This is in line with the reporting to the Management Board and Supervisory Board as Chief Operating Decision Maker ('CODM').

The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2009, but are not currently relevant for the Company.

- IFRS 2 (amendment), 'Share-based payment'.
- IAS 23 (amendment), 'Borrowing costs'.
- IAS 32 (amendment), 'Financial instruments: Presentation'.
- IFRIC 13, 'Customer loyalty programmes'.
- IFRIC 15, 'Agreements for the construction of real estate'.
- IFRIC 16, 'Hedges of a net investment in a foreign operation'.
- IAS 39 (amendment), 'Financial instruments: Recognition and measurement'.

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 January 2009 and have not been early adopted:

- IFRS 3 (revised), 'Business combinations' and consequential amendments to IAS 27, 'Consolidated and separate financial statements', IAS 28, 'Investments in associates' and IAS 31, 'Interests in joint ventures', effective with regard to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.
- IFRIC 17, 'Distributions of non-cash assets to owners', effective for annual periods beginning on or after 1 July 2009.
- IFRIC 18, 'Transfers of assets from customer', effective for transfers of assets received on or after 1 July 2009.

Segment reporting

The Group defines each property as an individual operating segment and has determined that all of these objects exhibit substantially identical characteristics which permits them to be aggregated into one reportable segment. However, taking into account the quantitative thresholds as defined by IFRS 8 'Operating Segments', Carolina Pavilion needs to be reported separately.

	Investment property other than Carolina Pavilion		Carolina Pavilion		Consolidated	
	30 September 2009 (unaudited)	30 September 2008 (unaudited)	30 September 2009 (unaudited)	30 September 2008 (unaudited)	30 September 2009 (unaudited)	30 September 2008 (unaudited)
	(USD'000)	(USD'000)	(USD'000)	(USD'000)	(USD'000)	(USD'000)
Gross rental income	16,692	17,612	5,331	5,829	22,023	23,441
Service charge income	4,584	4,796	869	925	5,453	5,721
Total Revenues	21,276	22,408	6,200	6,754	27,476	29,162
Service charge expenses	-4,379	-4,463	-965	-971	-5,344	-5,434
Property operating expenses	-2,558	-2,485	-593	-497	-3,151	-2,982
Net Rental Income	14,339	15,460	4,642	5,286	18,981	20,746
Revaluation result investment property	-56,735	3,223	-23,458	-4,806	-80,193	-1,583
Finance costs	-9,079	-9,625	-3,177	-3,036	-12,256	-12,661
Net segment result	-51,475	9,058	-21,993	-2,556	-73,468	6,502
Administrative expenses					-2,254	-1,945
Income tax					28,359	-2,361
Net result for the period					-47,363	2,196

	Investment property other than Carolina Pavilion		Carolina Pavilion		Other/corporate		Consolidated	
	30 September 2009 (unaudited)	30 September 2008 (unaudited)	30 September 2009 (unaudited)	30 September 2008 (unaudited)	30 September 2009 (unaudited)	30 September 2008 (unaudited)	30 September 2009 (unaudited)	30 September 2008 (unaudited)
	(USD'000)	(USD'000)	(USD'000)	(USD'000)	(USD'000)	(USD'000)	(USD'000)	(USD'000)
Segment assets	248,415	345,223	73,070	105,827	12,100	10,486	333,585	461,536
Segment liabilities	209,540	212,162	53,066	54,995	20,467	66,559	283,073	333,716

Investment property

	For the nine months ended 30 September 2009 (unaudited) \$'000	For the nine months ended 30 September 2008 (unaudited) \$'000
Balance at the beginning of the year	395,234	444,506
Subsequent capital expenditure	-	1,900
Revaluation result – unrealized	-80,193	-1,583
Balance at the end of the period	315,041	444,823

The property revaluation result for the first nine months of 2009 amounted to \$80,193,000 negative or 20.3% of the value at the beginning of the year (first nine months of 2008: \$1,583,000 negative or 0.4%). In connection with the contemplated rights issue, the full portfolio was externally appraised by Cushman & Wakefield at 30 September 2009. This resulted in an appraisal result of \$54.7 million negative, reflecting the decline in market values. The capitalization rate used by external appraisers to calculate the market value of the properties has increased. Furthermore, appraisers have become much more conservative in their valuation of vacant spaces (both in respect of the period a unit is expected to remain vacant and in respect of rent levels which new tenants may be willing to agree).

Of this total appraisal result, \$18.0 million negative relates to the Company's single largest asset, Carolina Pavilion. During the comparative period, the nine months ended 30 September 2008, the following Properties were externally appraised: "Carolina Pavilion", "Glengary Shoppes", "Magnolia Shoppes", "Governors Town Square", "Brawley Commons", "The Vineyards at Chateau Elan" and "Dublin Village", together representing approximately 47% of the portfolio book value at 30 September 2008.

The balance sheet valuation of Investment property is as follows:

	30 September 2009 (unaudited) \$'000	30 September 2008 (unaudited) \$'000
Value of investment property portfolio according to internal and external valuations*	319,130	448,865
Less: book value of deferred lease incentives and deferred leasing commissions	-4,089	-4,042
Balance sheet valuation	315,041	444,823

* At 30 September 2009, all 21 properties were externally appraised by Cushman & Wakefield.

For a specification of the Investment property portfolio, please refer to the Company's website ([www.dimvastgoed.nl/About DIM Vastgoed/Property Status Report](http://www.dimvastgoed.nl/About%20DIM%20Vastgoed/Property%20Status%20Report)).

Borrowings

	30 September 2009 (unaudited) \$'000	30 September 2008 (unaudited) \$'000
Mortgages	257,037	262,002
Short-term loans and credit	-	1,270
Total borrowings at the end of the period	257,037	263,272
Non-current liabilities	201,725	256,105
Current liabilities	55,312	7,167
Total borrowings at the end of the period	257,037	263,272

Movements in borrowings

	For the nine months ended 30 September 2009 (unaudited) \$'000	For the nine months ended 30 September 2008 (unaudited) \$'000
Balance at the beginning of the year	260,769	252,226
New mortgages	-	19,662
Amortization and redemption of mortgages	-4,029	-10,412
Change in value due to valuation at amortized cost	297	526
Balance at the end of the period	257,037	262,002

For a specification of Borrowings, please refer to the Company's website ([www.dimvastgoed.nl/About DIM Vastgoed/Consolidated Debt Summary](http://www.dimvastgoed.nl/AboutDIM%20Vastgoed/Consolidated%20Debt%20Summary)).

Off-balance sheet liabilities

DIM B.V. is entitled to compensation for marketing expenses incurred in the past up to a maximum of cumulative € 704,000. These expenses are compensated by means of a marketing fee equal to 1% of the total proceeds of an equity issue. If the marketing expenses have not been compensated wholly or partly before 1 April 2010 by means of settlement with the proceeds of new equity issues or as a result of the termination of the Directorship and Management Agreement, the remaining amount outstanding at that date is then due immediately. No interest is due on the amount outstanding until 1 April 2010.

Considering the fact that the likelihood that the full amount DIM B.V. is entitled to is settled by 1 April 2010 by means of marketing fees payable upon equity issues diminishes with the passing of time, management decided to accrue € 29,000 each month during the period 1 April 2008 – 31 March 2010, to be charged to net profit. As at 30 September 2009, €528,000 (\$ 773,000) has been recognized as a liability on the balance sheet consequently.

Events after the balance sheet date

The two mortgage loans secured by Carolina Pavilion matured on 1 October 2009 (approximately \$52.0 million). The Company's (indirect) majority shareholder, Equity One, Inc. has, after the Company received a third party offer for refinancing, assumed these mortgage loans and extended them at market

conform conditions. In connection with the transaction, the Company paid a \$25 thousand loan modification fee to Equity One.

The first mortgage loan, amounting to approximately \$39.4 million on 1 October 2009 (including accrued interest), was extended by six months at an interest rate of 8.73% (an increase of 100 base points compared to the previous interest rate). This loan now matures on 1 April 2010.

The second mortgage loan, amounting to approximately \$12.9 million on 1 October 2009 (including accrued interest), was partly paid off by \$1.0 million from the cash reserve on escrow. The remainder, approximately \$11.9 million, was initially extended by three months, at an interest rate of 9.02% (an increase of 100 base points compared to the previous interest rate). In view of the intended cash offer by Equity One on the shares of DIM Vastgoed, Equity One agreed to extend this loan with another three months. This loan now also matures on 1 April 2010.

Equity One also provided the Company with a bridge financing of EUR 3 million for working capital purposes.

On 5 October 2009, the Supervisory Board of DIM Vastgoed announced that agreement had been reached with Equity One, Inc. with respect to conducting property management services for the Company in the United States. Equity One, Inc. will be responsible for this property management once the termination of the Directorship and Management Agreement ('DMA') with DIM B.V. is effective. The DMA was terminated by DIM B.V. on 13 March 2009, effective as of 1 April 2009, subject to a 12-months notice period. With a view to an orderly and smooth transition of management of DIM Vastgoed, DBR & Associates and Equity One Realty & Management have commenced to implement the transfer of property management from DBR to Equity One as of 1 January 2010.

The new management agreement with Equity One, Inc. also states that, once the termination of the DMA with DIM B.V. has become effective, the Management Board of the Company will consist of three directors. One director will be recommended by Equity One, Inc., one director will be recommended by Equity One, Inc. in consultation with the Supervisory Board and one director, who will be independent, will be recommended by Supervisory Board. In each case the managing director shall be nominated by Stichting Prioriteit DIM Vastgoed (who is holding all priority shares in the Company), in accordance with the articles of association of the Company. Stichting Prioriteit DIM Vastgoed will in principle follow the recommendations of Equity One, Inc. and the Supervisory Board. The General Meeting of Shareholders appoints the members of the Management Board.

On behalf of the Company, the negotiations with Equity One, Inc. resulting in the new management agreement, were solely carried out by the independent members of the Supervisory Board.

DIM Vastgoed announced it decided to suspend the intended rights issue until further notice on 27 November 2009. Also on 27 November 2009, DIM Vastgoed announced that it had received a proposal from Equity One indicating their intention to do a public bid on the shares of DIM Vastgoed at an indicative price of \$6.16 per share.

On 27 November 2009, DIM Vastgoed announced that Equity One provided a financing facility of \$3 million to DIM Vastgoed, intended for working capital purposes. This facility was agreed upon at market conditions.

On 31 December 2009, Equity One and DIM Vastgoed issued a joint press release, announcing the intention of Equity One to make a recommended cash offer of \$7.30 per ordinary share of DIM Vastgoed.

On 15 January 2010, DIM Vastgoed announced that, in the light of the difficult circumstances in the financial markets and considering the Carolina Pavilion mortgage loans to be refinanced by 1 April 2010, no dividend will be declared relating to the results for financial year 2009. DIM Vastgoed also announced that a new lease agreement was concluded on 28 December 2009 with a discount fashion department store for the space previously occupied by Circuit City at Carolina Pavilion.

Expense ratio

The expense ratio which, within the scope of the *Besluit Gedragstoezicht financiële ondernemingen* ('BGfo'; Decree on supervision of financial institutions), should be reported by investment institutions in order to provide clear and comparable information on the level of costs, amounts to 7.0% annualized for the first nine months of the financial year (first nine months 2008: 4.4% annualized). This ratio is calculated as the total costs compared to the weighted average net asset value over the quarters of the financial year (including the beginning of the year). As per the BGfo 'total costs' is defined as property operating expenses (including net service charges), administrative expenses and income tax expenses. Not included in the ratio are finance costs nor the movement in deferred tax liabilities.

6. REVIEW REPORT RELATING TO DVG'S CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION RELATING TO THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2009

To: the board of directors of DIM Vastgoed N.V.

Review report

Introduction

We have reviewed the accompanying condensed consolidated interim financial information for the 9-month period ended 30 September 2009 of DIM Vastgoed N.V. in Breda, which comprises the condensed consolidated balance sheet as at 30 September 2009, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated statement of changes in statement of cash flows and the selected explanatory notes for the 9-month period then ended. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, Interim Financial Reporting as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, Review of Interim Financial Information Performed by the Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 September 2009 is not prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting, as adopted by the European Union.

Rotterdam, 10 February 2010

PricewaterhouseCoopers Accountants N.V.

Original signed by drs. S. Barendregt-Roojers RA

