

Corporate
presentation
30 June 2020

Wereldhave
BELGIUM



Wereldhave
BELGIUM



1	Key investment highlights	p4
2	Portfolio overview	p7
3	Operational results HY 2020	p9
4	Financial results HY 2020	p18
5	Belgium retail real estate market	p25
6	Corporate strategy	p29
7	Development projects	p32
8	Appendix	p36
9	Q&A - Contact	p52

1 Key investment highlights

1 Key investment highlights

- **High quality real estate portfolio, consisting primarily of shopping centres and retail parks in Belgium and Luxembourg with a high and stable occupancy ratio (c.95%)**
- **Solid balance sheet with conservative LTV (< 30%) and low cost of debt (< 1%)**
- **Covid-19 resilient portfolio valuation, rental income and direct result**
- **Identified growth potential via various development projects (with strategic focus of developing additional services into retail assets)**

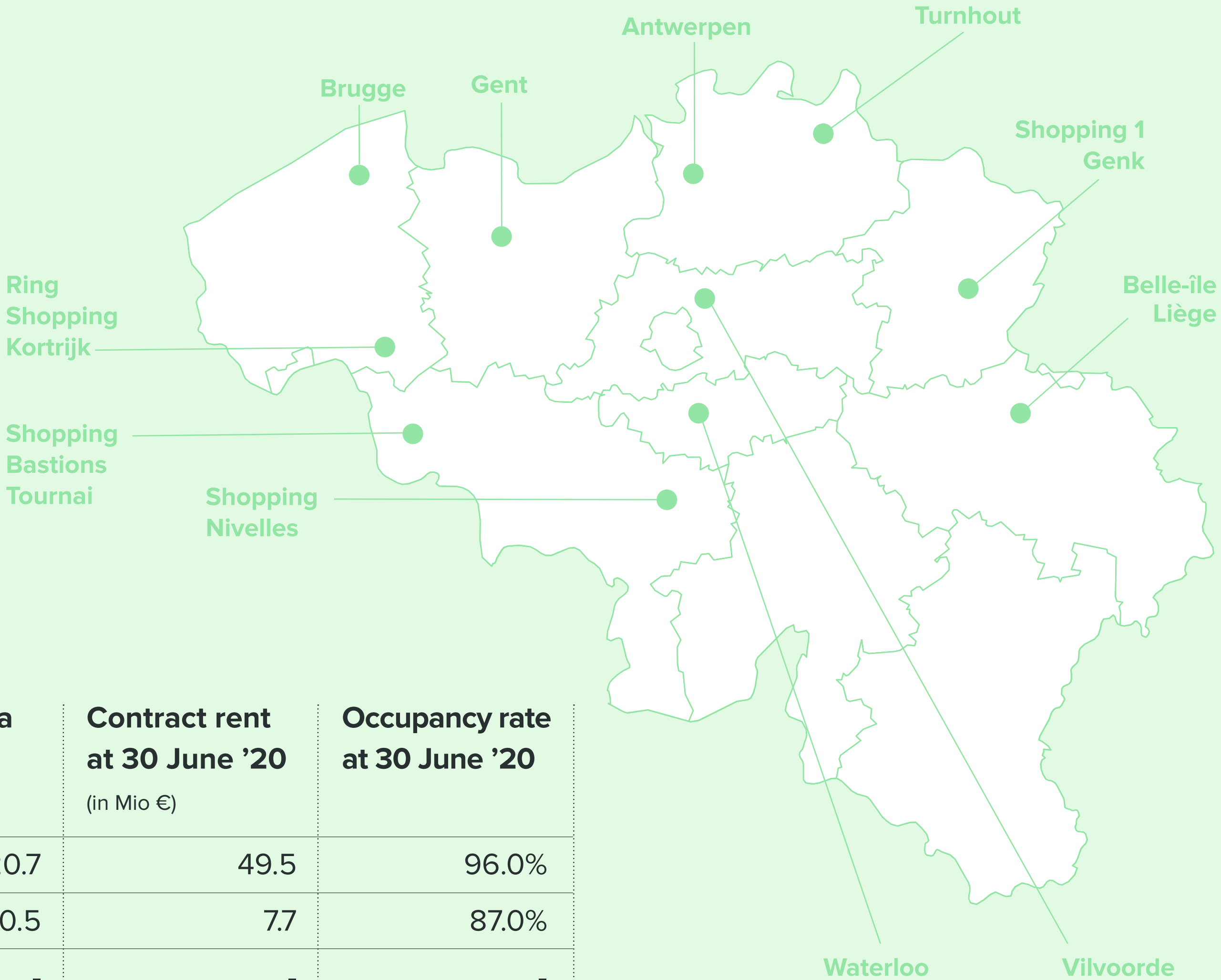


2 Portfolio overview

High quality real estate portfolio, consisting primarily of shopping centres and retail parks in Belgium and Luxembourg with a high and stable occupancy ratio (c.95%)

Figures as of 30 June 2020

	Diversification of the portfolio (in % of valuation)	Number of assets	Lettable area (in sqm x 1,000)	Contract rent at 30 June '20 (in Mio €)	Occupancy rate at 30 June '20
Retail	88.9%	12	220.7	49.5	96.0%
Offices	9.8%	2	60.5	7.7	87.0%
Development in commercial projects	1.3%	3	-	-	-
Total	100% (936 Mio €)	17	281.3	57.1	94.6%



3 Operational results HY 2020

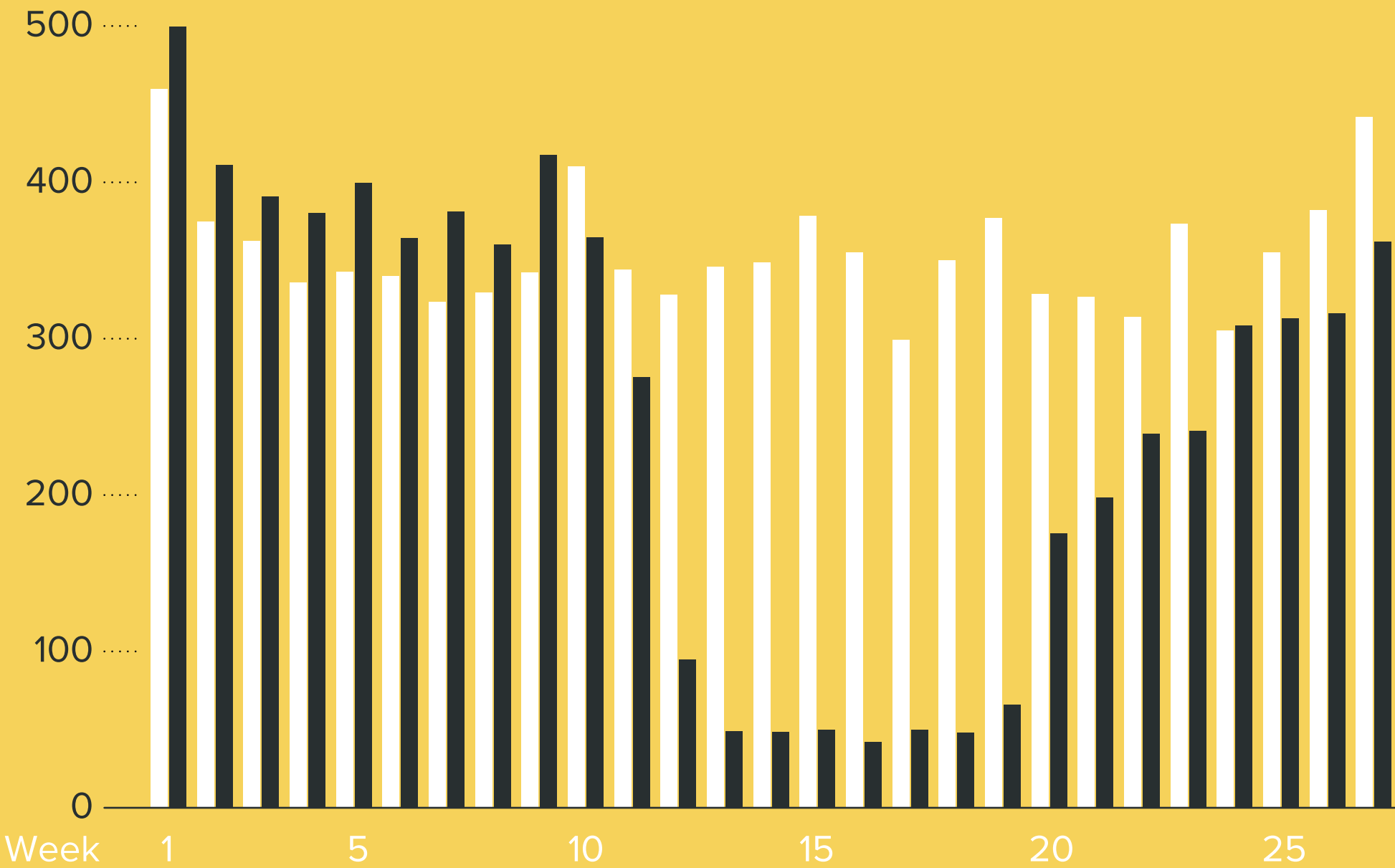
Solid leasing activity despite Covid-19 and constructive tenant discussions

- **40 leasing activities**
 - **Representing 5.7% of the rental income**
 - **15.8% above ERV and 8.6% above previous rent**
- **Succesful openings of Action on 1,000 m² in Ring Shopping Kortrijk and of Courir in Shopping Bastions and Belle-Île**
- **Covid-19 discussions**
- **Q2 2020 rent collection ± 60%**

3 Operational results HY 2020

Although visitor numbers suffered from Covid-19, Wereldhave Belgium's assets outperformed the market in this regard

Number of visitors
(x 1,000)
2019 2020



- Number of visitors in January and February: +14.65% (market figure +5.96%) compared to the same period last year
- Number of visitors in June: -13.6% (market figure -24%) compared to the same period last year

Constructive Covid-19 related tenant discussions

Tenants	Tenants	Tenants
situation	Covid-19 discussions	expansion
<p>Textile under pressure</p> <p>Break options used: 5 contracts until now (all textile)</p> <p>Some difficult negotiations for renewals (lower rents)</p> <p>Several retailers under ‘chapter 11’ (±15 contracts)</p>	<p>TO DO before YE 2020: ±475 contracts to negotiate with ±300 different tenants (±615 contracts under management with ±400 tenants)</p> <p>DONE on 30/06: ±200 contracts negotiated with ±130 tenants</p> <p>Receivables cancellation / rents reduction (lockdown & after lockdown)</p> <p>Broader discussions (win/win)</p>	<p>Limited but several deals signed and several ongoing discussions</p>

3 Operational results HY 2020

Outstanding receivables on 30 June 2020:

- **€ 1.5 Mio** receivable cancellations already granted
- **€ 0.5 Mio** receivable amounts payments already postponed
- **€ 3.0 Mio** additional receivable cancellations estimated
- **€ 5.5 Mio** in total

Our support & actions during Covid-19

Visitor	Key	Laptop donations
Safety Plan	priorities	local Triage-centre
Central and local measures taken to ensure that people, entrepreneurs and partners feel safe and welcome to visit, work and do business in the centres	<p>Create a safe & healthy space that minimizes the risk of an outbreak of Covid-19</p> <p>Provide visitors with clear information before and during centre visits</p> <p>Spread visits with crowd management tooling, strict centre guidelines, communication and signing</p>	Wereldhave Belgium donated laptops to support a local triage-centre where doctors are referring Covid-19 patients to the hospital

3 Operational results HY 2020

Operational Wereldhave Belgium Centre measures

- Campaign 'good to see you again'
- Additional cleaning services
- Additional safety guards
- 1,5 meter communication, signing and services
- Vending machines with facemasks
- Hand disinfection totems



- Busy overview 'pick your moment' (visitors)
- Crowd monitoring (tenants)
- Busy Alarm button (tenants)
- 2,000 m² of free space granted to Food & Beverage tenants

3 Operational results HY 2020

Development / Building & Maintenance / Divestment

- **Development CAPEX (€ 7 Mio) - Mainly Belle-Île renovation**
- **Additional maintenance and tenant CAPEX (€ 3 Mio)**
- **Disposal of student housing in Ghent (€ 7,8 Mio)**
 - **Capital gain of € 0,3 Mio against last fair value**



**Protégez-vous
du virus en vous
lavant les mains**



4 Financial results HY 2020

4 Financial results HY 2020

Solid H1 2020 performance in light of Covid-19 impact

Balance Sheet

	2018	2019	HY 2020
Real Estate Portfolio (Mio €)	956.7	961.3	936.5
EPRA Occupancy Ratio (in %)	96.2	95.2	94.6%
Net Asset Value (Mio €)	678.4	689.2	670.9
Financial Debts (Mio €)	286.0	273.0	260.8
NAV per Share (in €)	89.97	88.27	85.92
LTV (in %)	29.7	29.3	28.9%

→ **Low portfolio value volatility following Covid-19 impact (-3.6%)**

→ **High occupancy ratio (c.96% in retail)**

→ **Solid balance sheet structure with conservative LTV (< 30%)**

Profit and Loss Account

	2018	HY 2019	2019	HY 2020
Gross Rental Income (in Mio€)	57.78	32.22	63.94	29.70
Direct Result (in Mio €)	40.73	23.44	45.62	16.99
Indirect Result (in Mio €)	-0.19	-2.33	-16.66	-35.35
Total Result (in Mio €)	40.54	21.11	28.96	-18.36
EPRA Earnings per Share	5.74	3.08	5.92	2.18
Dividend per Share	5.20	-	4.50*	TBD

*FROM 5.20 TO 4.50 DUE TO COVID-19 SITUATION /
SUBJECT TO APPROVAL OF AGM 2 SEPTEMBER

→ **Resilient rental income / direct result despite Covid-19 impact**

In the light of Covid-19, Wereldhave Belgium took various liquidity management measures

- **Liquidity Management in Covid-19 context:**
 - **Screening of costs and investments**
 - **Cash collection**
 - **Treasury management**
 - **Anticipation of April 2021 debt maturities (€ 130 Mio)**
- **Restructuring of IRS instruments (€ 50 Mio)**

4 Financial results HY 2020

Wereldhave Belgium has a solid balance sheet with conservative LTV and low cost of debt

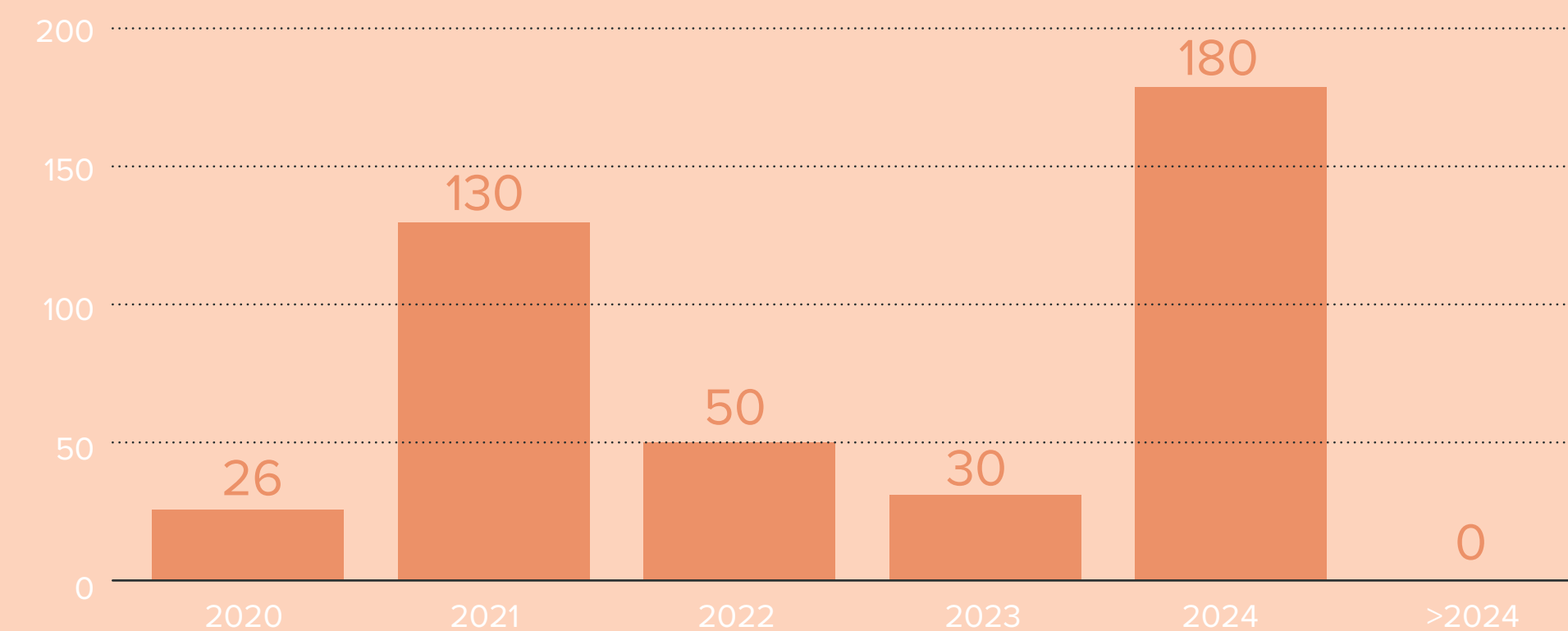
Financing structure overview

(in Mio €)

	2018	2019	HY 2020
Equity	678.4	689.2	670.9
Financial debt	286.0	273.0	260.8
Bank loans	110.0	180.0	230.0
Interco loans	141.0	0.0	0.0
DCM loans	35.0	93.0	30.8
Other debt	15.7	31.4	29.7
Total Equity & debt	980.1	993.6	961.4
LTV ratio	29.7%	29.3%	28.9%
Average cost of debt	1.09%	0.81%	0.83%
Hedge Ratio	38.5%	58.6%	61.3%

Debt maturity schedule

Debt duration



→ **Financing availabilities 30 June 2020: € 155.2 Mio**

→ **Average cost of debt: 0.83%**

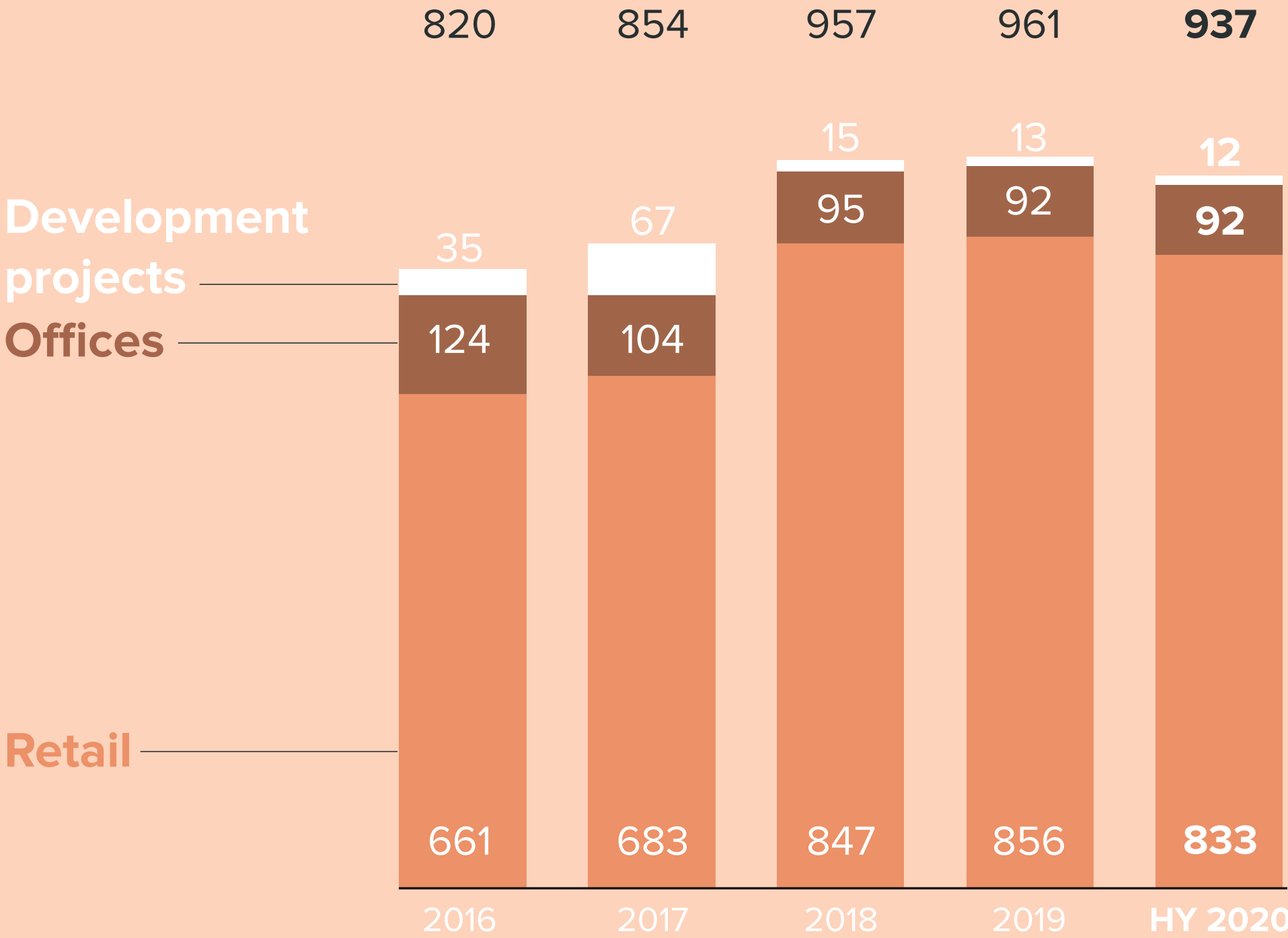
→ **Debt duration: 2.3 years**

4 Financial results HY 2020

Resilient portfolio values

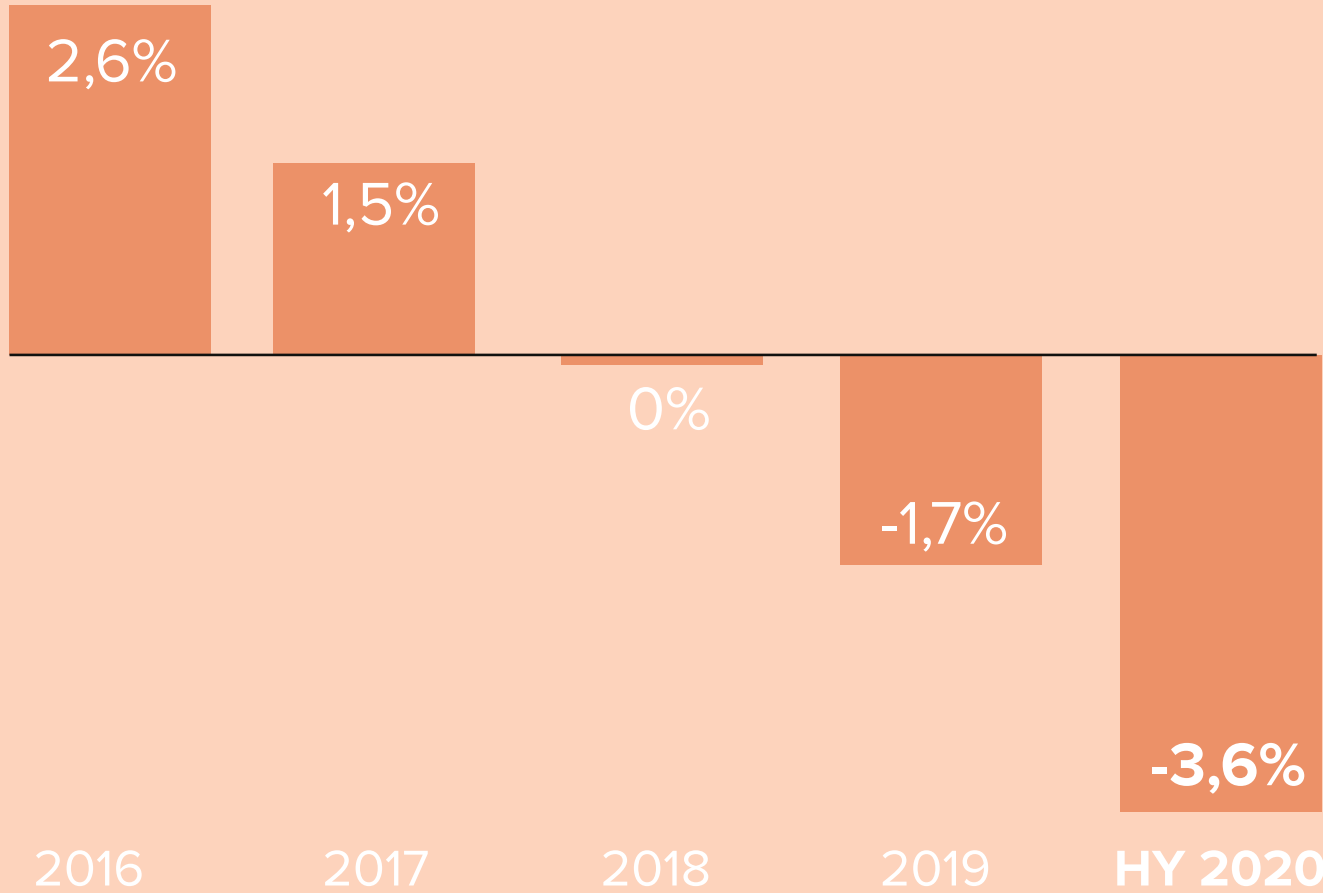
Total Portfolio Value

(in mio €)



Portfolio Revaluations

(in mio €)



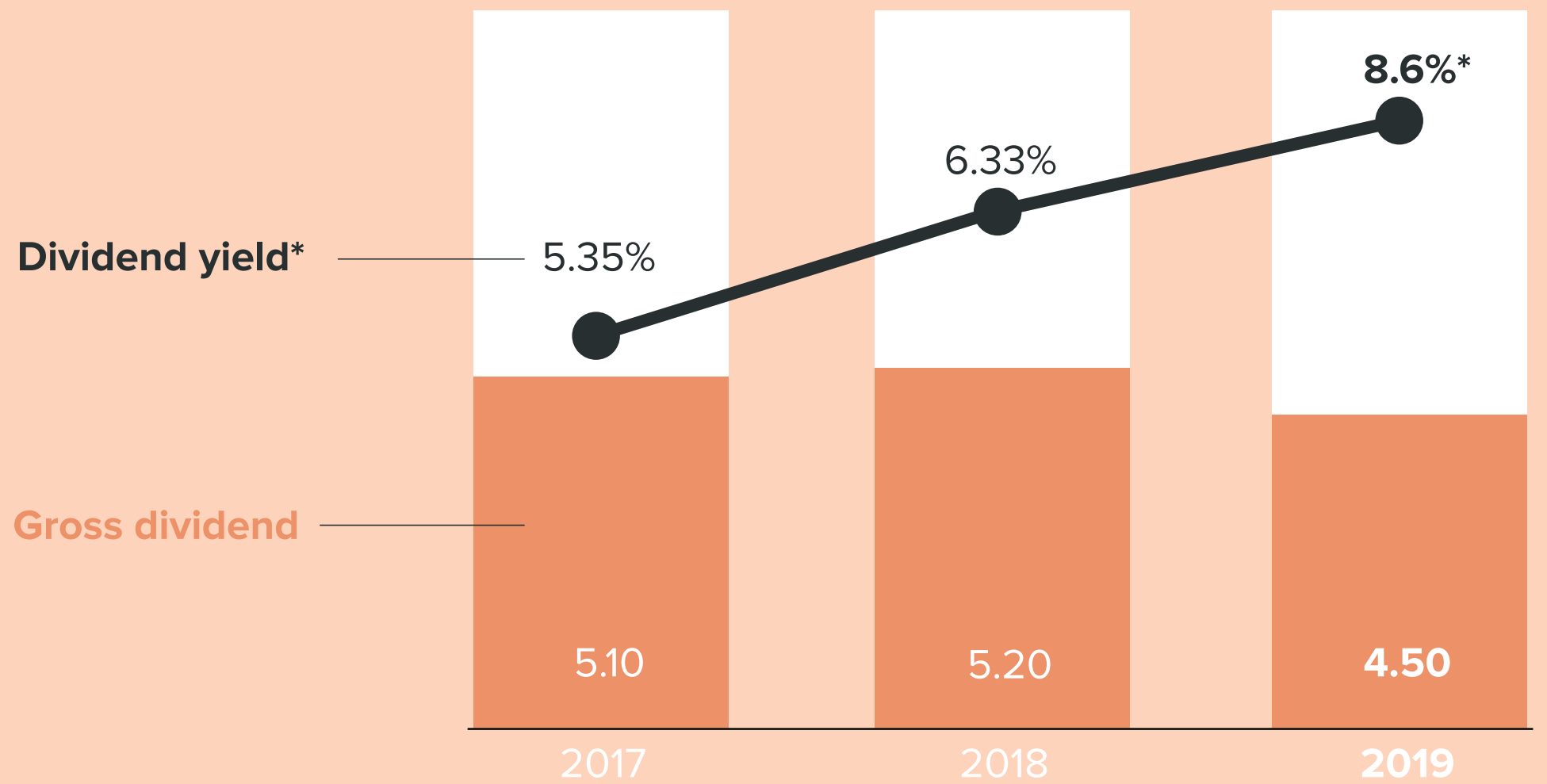
EPRA net initial yield:

→ Retail: 5.9%

→ Offices: 8.3%

Wereldhave Belgium offers an attractive dividend yield

Dividend



FROM 5.20 TO 4.50 DUE TO COVID-19 SITUATION /
SUBJECT TO APPROVAL OF AGM 2 SEPTEMBER

*SHAREPRICE PER 17 JULY 2020

Actuals 2019

EPRA Earnings per share	€ 5.92
Dividend per share	€ 4.50 *
Pay-out ratio	81%
Distribution method (cash-optional) still to be confirmed	

Forecast 2020

EPS 2020 indication of € 4.50 per share

* SUBJECT TO APPROVAL OF THE GENERAL ASSEMBLY



Kleine reis, groot genieten!
shopping 1

ELÉN

Cas

SALE

BR

5 Belgium retail real estate market

5 Belgium retail real estate market

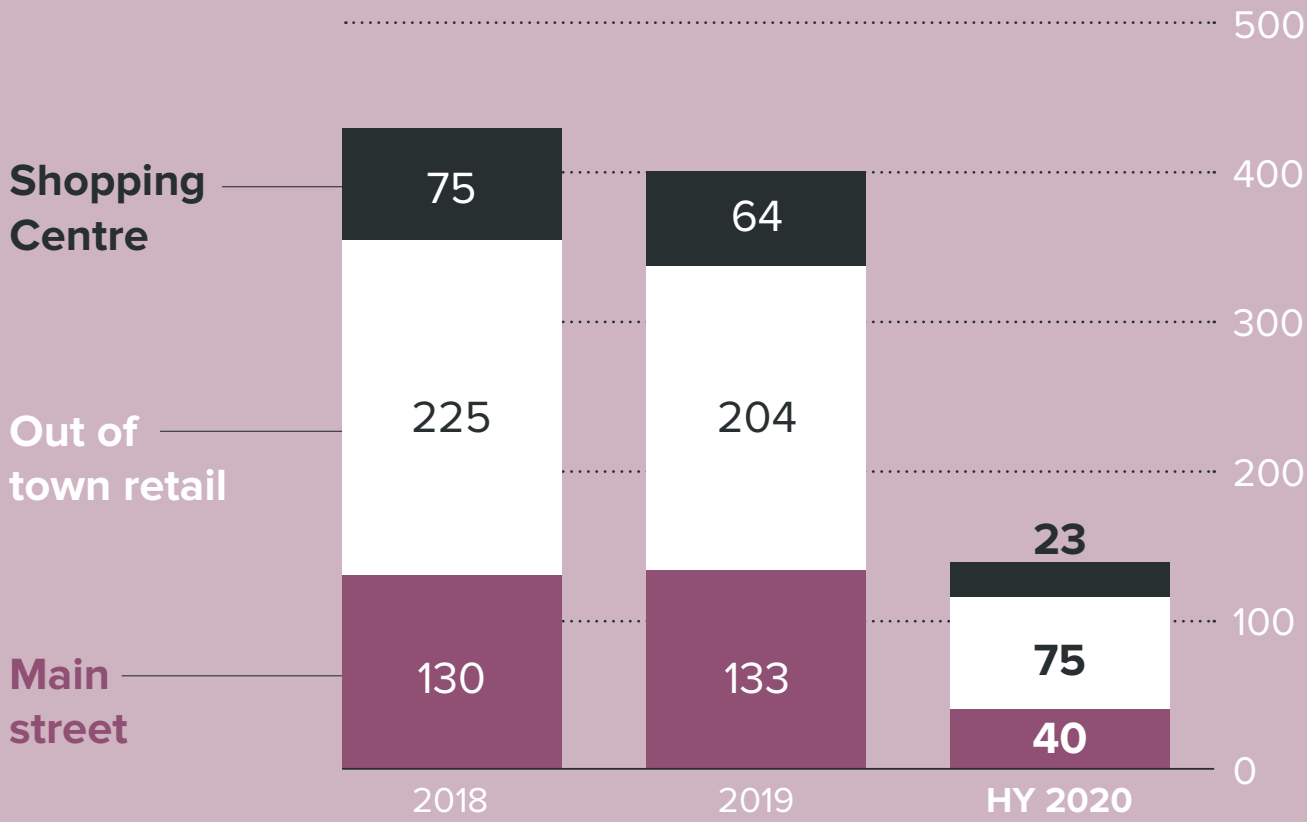
New retail formats are developing on the back of various trends in the retail real estate market

- **Increasing overlap between physical and online retail (accelerated by the Covid-19 crisis)**
- **Population growth and tourism are major drivers**
- **Growing importance of technology & data**
- **Continued growth in lifestyle, well being, leisure and food & beverage sectors**
- **Consumers' increasing need of experimental and convenience retail**

Challenges in the retail market are limiting leasing / occupation activity, decreasing rents and increasing yields

Leasing and owner-occupation activity

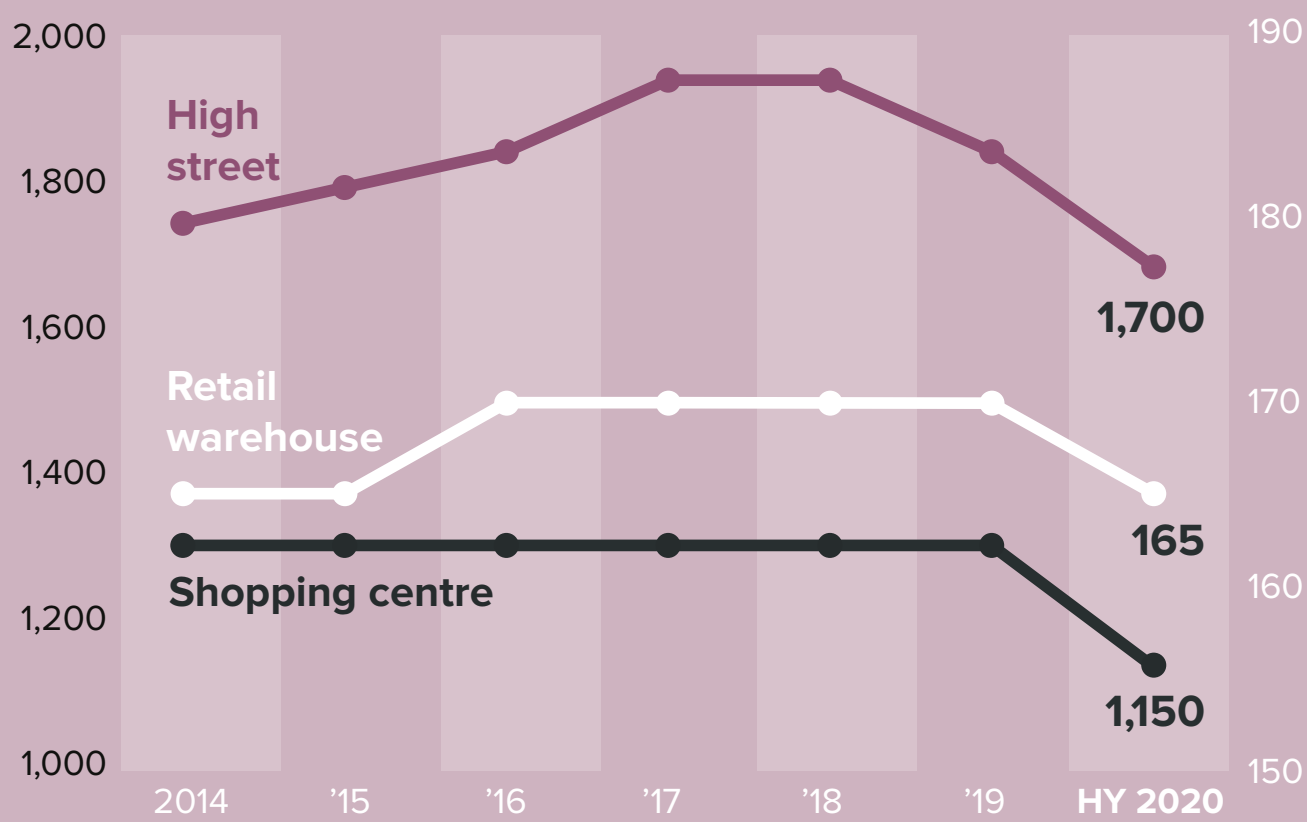
Number of deals



SOURCE: CUSHMAN & WAKEFIELD

Prime rent evolution

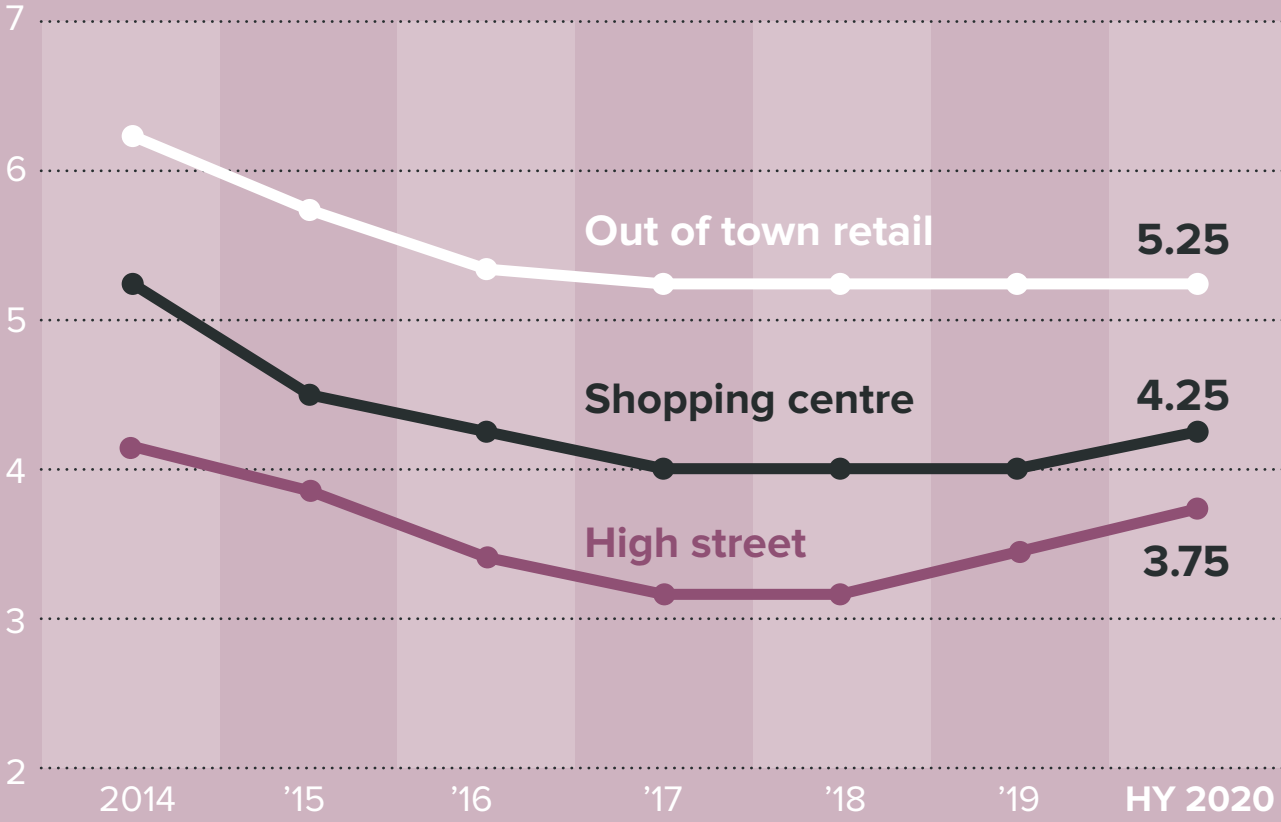
Average prime rent (in €/m2/Y)



SOURCE: CUSHMAN & WAKEFIELD

Prime yields by segment

In %



SOURCE: CUSHMAN & WAKEFIELD



**‘Retailers still focus
on AAA locations.**

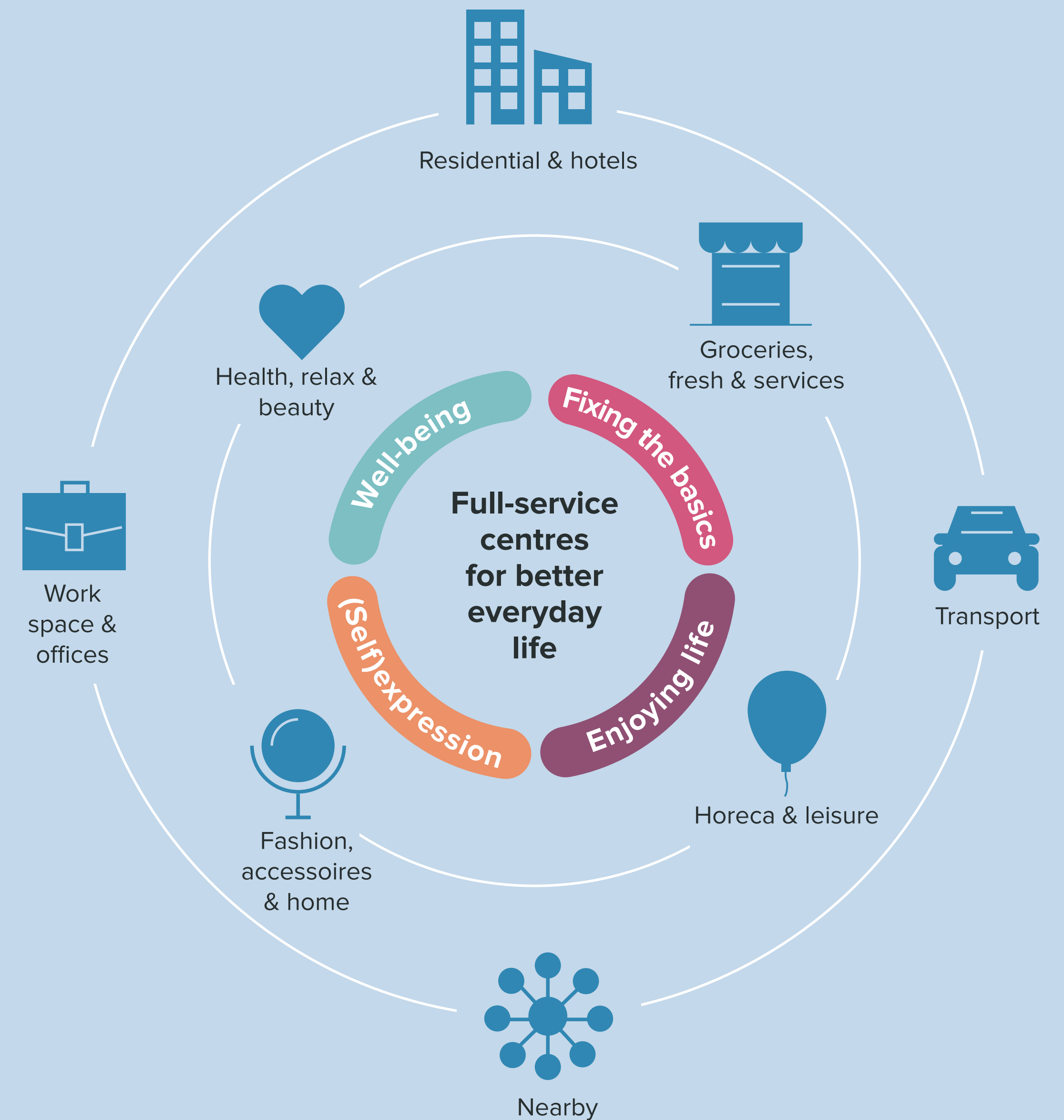
**Adaptability is key and
rents are slightly under
pressure in the high street
and shopping centres.’**

**Due to the Covid-19 crisis,
retailers will probably
have to reconsider their
real-estate strategy.**

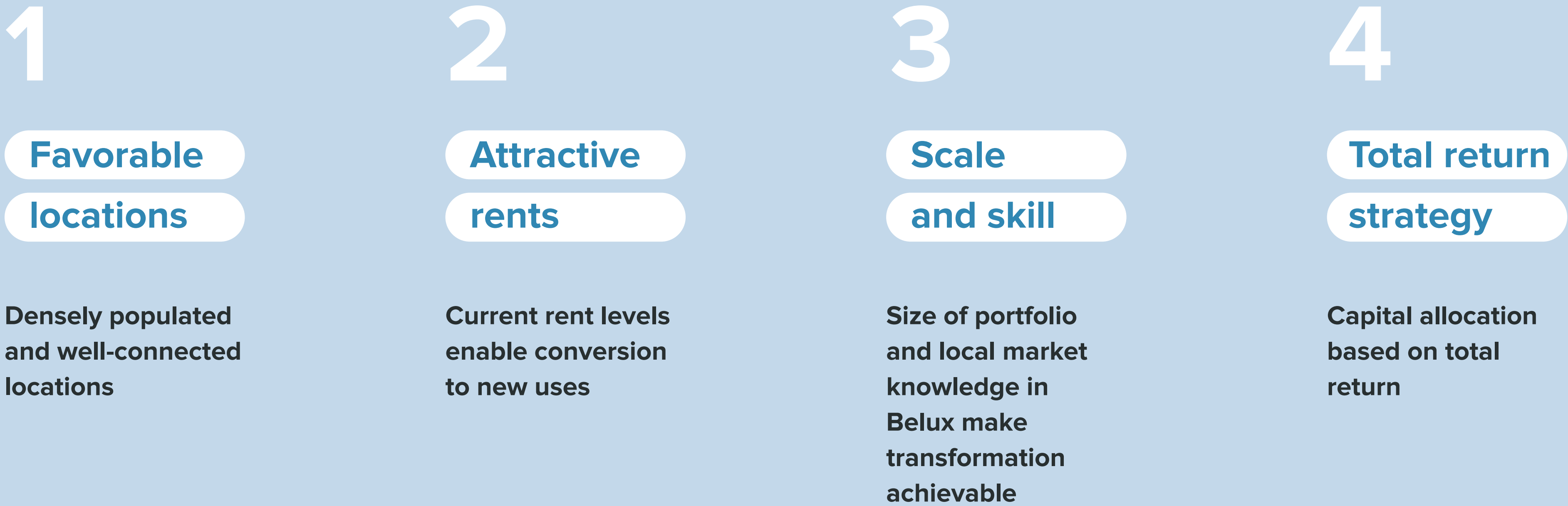
6 Corporate strategy

Wereldhave Belgium is a specialised Shopping Centres and Retail Parks investor and operator, aiming to transform its assets into **Full Service Centres**.

- **Full Service Centres offer a much broader focus than retail**
- **Full Service Centres help consumers fulfill everyday life needs**



We are well-positioned to transform our assets into Full Service Centres



7 Development projects

7 Development projects Committed: Belle-Île - Liège

Identified growth potential via various development projects



GLA
30,000m²



Additional
car park
capacity
+200

Additional GLA
+11,000 m²



Opened in
1995

Renovation /
Extension
**2019-
2022**

New shops
+30

**Mixed-
Use**



Shops
99

Investment
60 MIO €



7 Development projects Uncommitted



Waterloo

Mixed-use development project, located in the city centre having underground parking boutique-style retail and F&B, residential program and public space.



Ring Shopping Kortrijk

Renovation of outdoor facades and entrances including topping up to improve visibility and signing of anchor tenants. Upgrade of outdoor parking area and outdoor rest areas.



Brugge retail park

Refurbishing single tenant building to multi-tenant concept with small kiosks for services. Renovation of façade and circulation to roof parking including new parking deck. Development of mixed-use cluster with retail on ground floor and topping up with residential program.



8 Appendix

8 Appendix General

- **Company founded in 1972 and listed on Euronext Brussels since 1998**
- **Focused on investment in Retail Real Estate (Shopping Centres and Retail Parks) in Belgium and Luxembourg**
- **Holds a total real estate portfolio of 936.5 Mio € as of 30 June 2020**
- **Status of a Belgian REIT since 1998**

8 Appendix

Belgian REIT (GVV / SIR status)

→ **Company specialized in Real Estate investment**

→ **Favourable tax status**

→ **Main conditions:**
Portfolio diversification:
< 20% per single asset/tenant

Loan-to-Value: < 65%

Pay-out: > 80% of net proceeds

Market capitalisation

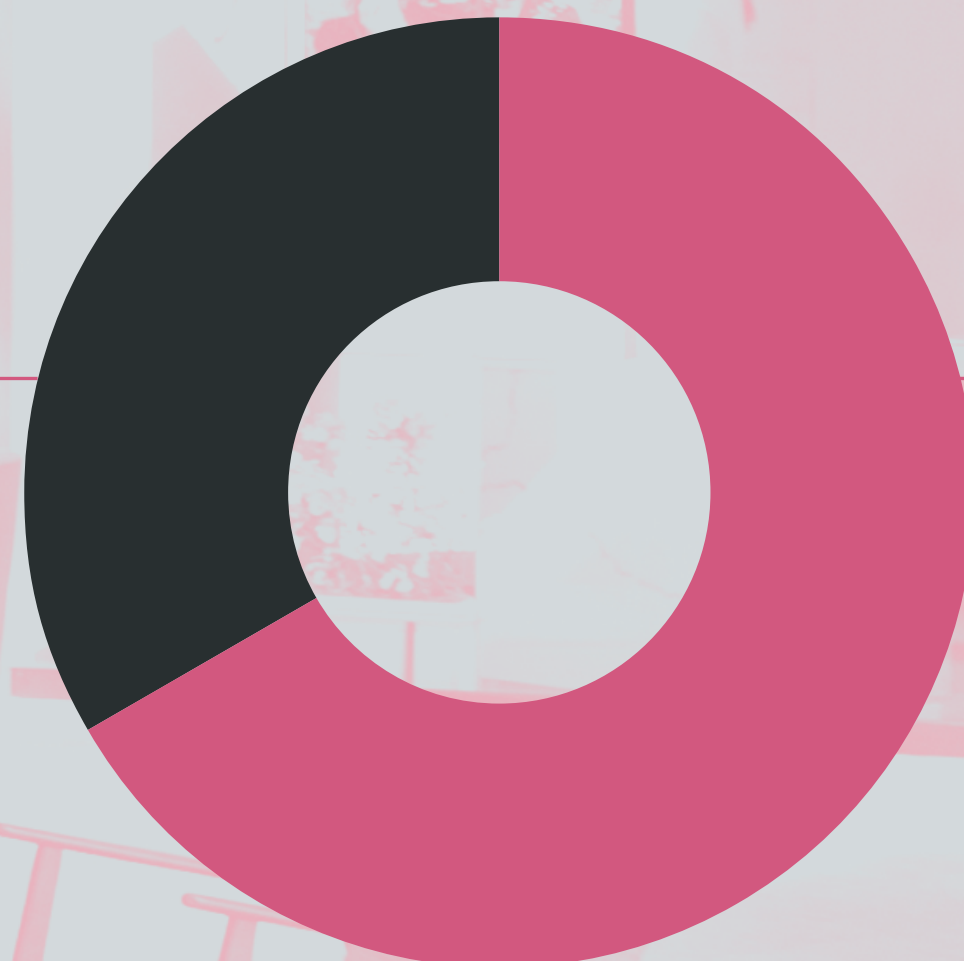
±410 Mio €*

Free
Float

33.5%

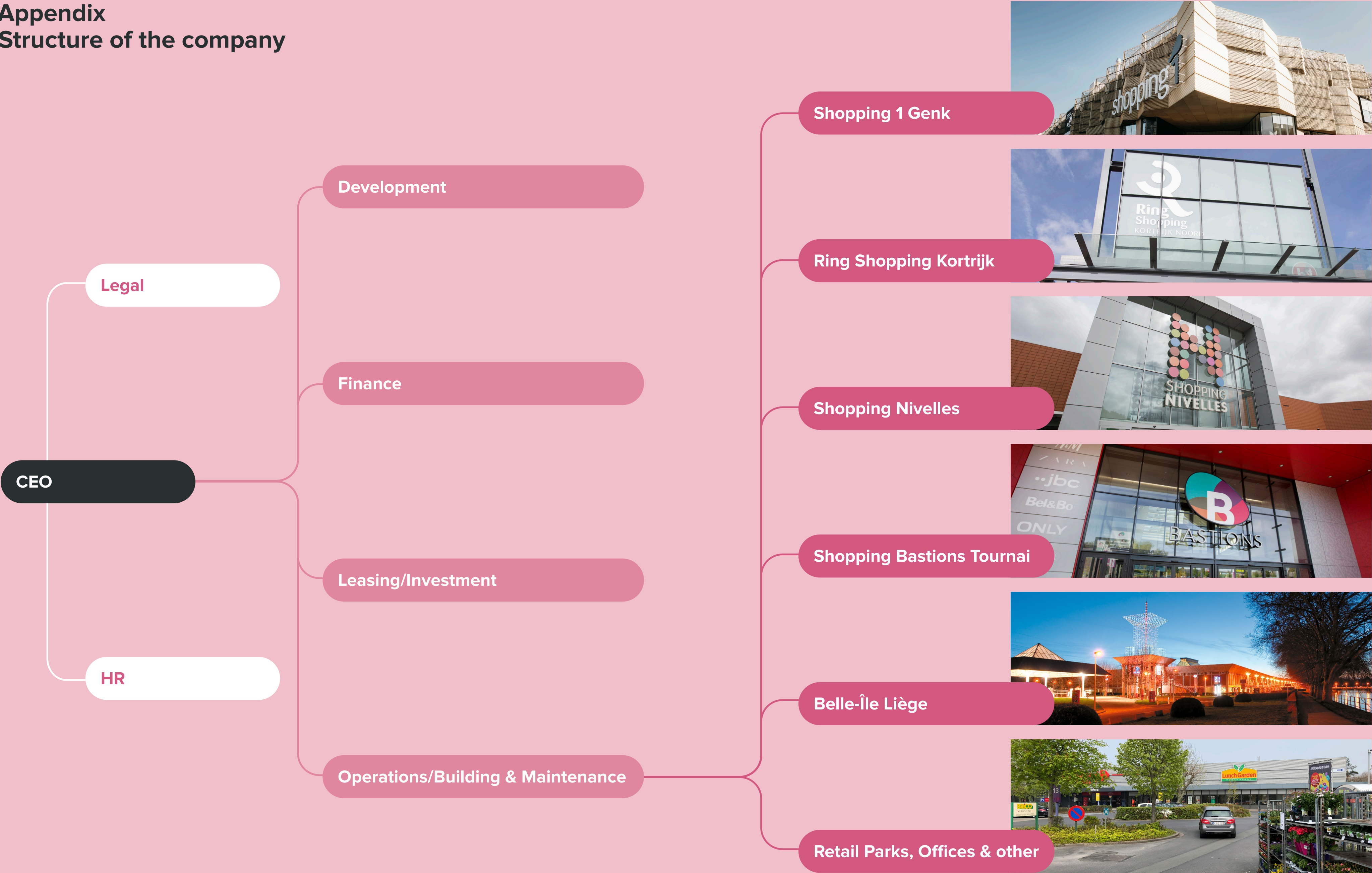
Wereldhave
Group (NL)

66.5%



*MARKET CAPITALISATION ON 17 JULY 2020

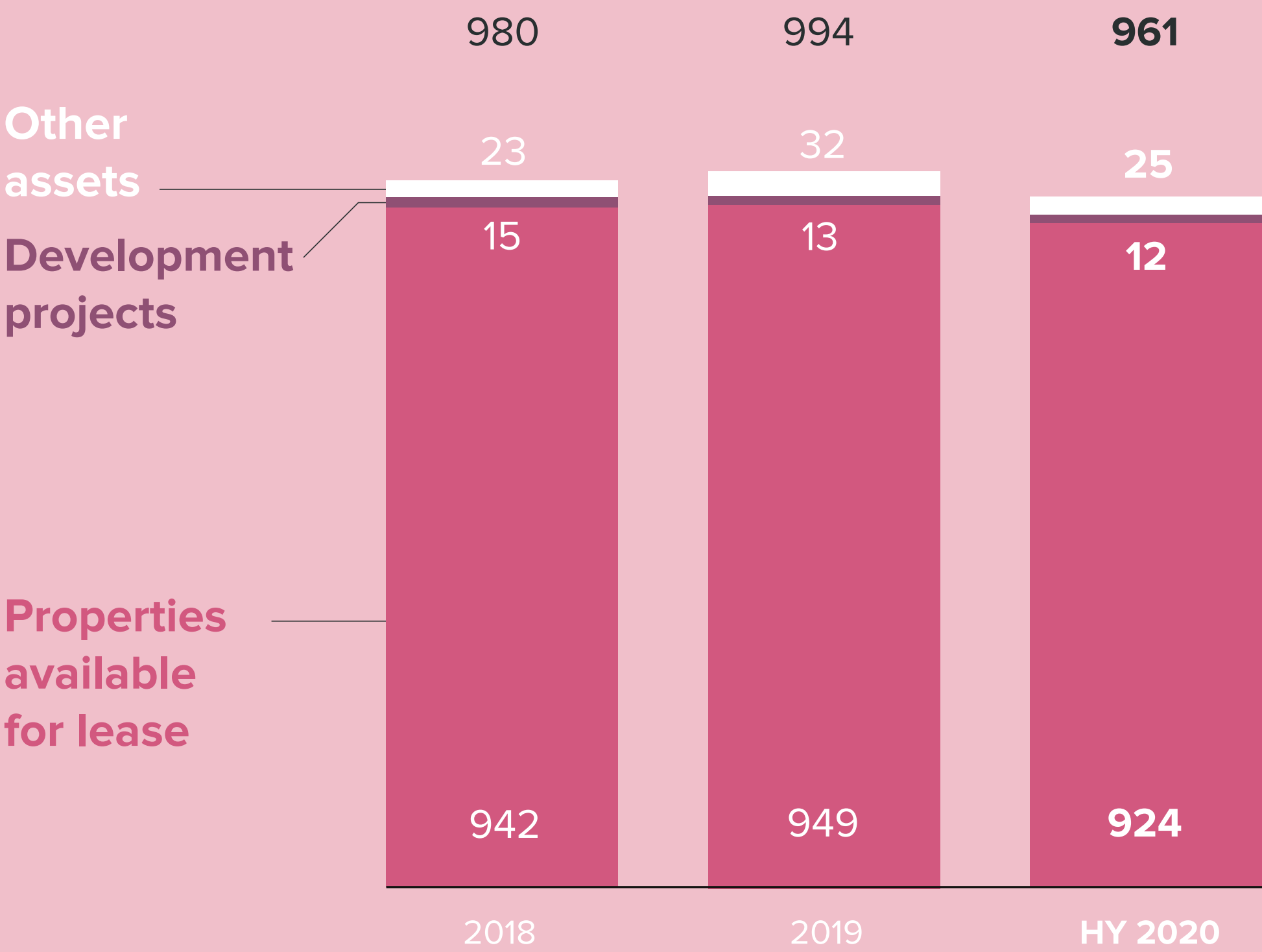
8 Appendix
Structure of the company



Solid balance sheet structure

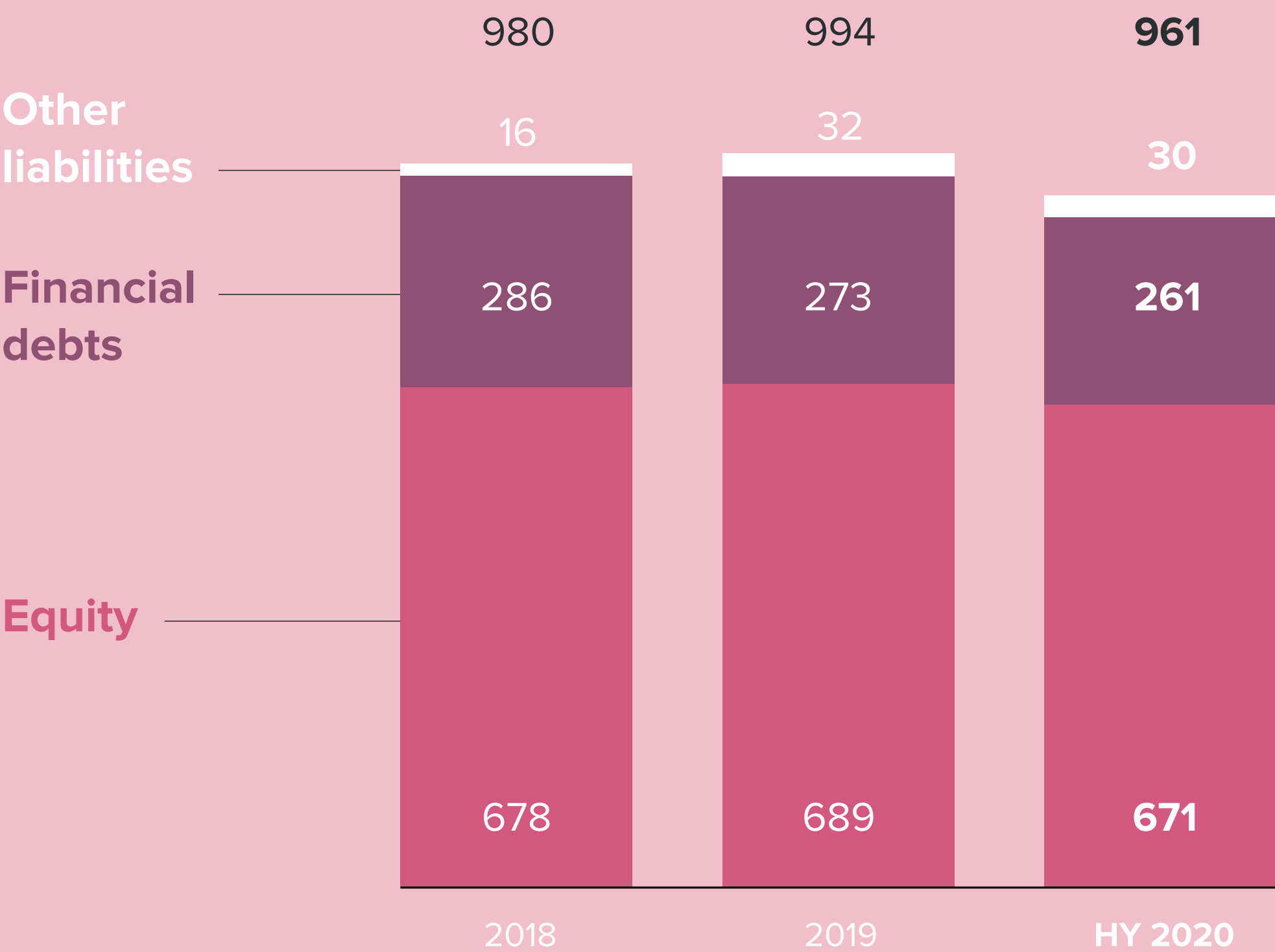
Assets

(in mio €)



Liabilities

(in mio €)



8 Appendix

Total result characterized
by resilient direct result
and fluctuating revaluation

(in k€)

	2018	HY 2019	2019	HY 2020
Gross rental income	57,779	32,222	63,936	29,700
Service costs charged	11,576	4,806	7,880	4,928
Service costs paid	-13,566	-6,057	-10,407	-5,881
Net Service costs	-1,990	-1,251	-2,528	-953
Property expenses	-7,627	-3,705	-8,397	-7,822
Net rental income	48,162	27,266	53,011	20,926
General costs	-4,102	-2,303	-4,854	-2,582
Operational result	44,060	24,963	48,157	18,343
Net interest	-3,025	-1,428	-2,606	-1,288
Tax on direct result	-305	-95	67	-66
Direct result	40,730	23,440	45,617	16,989
EPS per share	5.74	3.08	5.92	2.18
Valuation result	-478	-2,005	-16,535	-34,794
Result on disposal	-35	13	6	342
Other indirect		-652	-713	-899
Tax on indirect result	323	310	582	0
Indirect result	-191	-2,333	-16,660	-35,350
Total result	40,540	21,107	28,957	-18,361
Total result per share	5.71	2.77	3.76	-2.35

Operations

+5%

**traffic over all the assets in 2019 (cfr.
-0.88% Belgian Market Index) results in
+ 1.1% sales**

“Outperforming the market is only possible with a balanced and relevant commercial mix and an active management.”

– INE BEETERENS, HEAD OF OPERATIONS

100%

**Breeam in Use certified
buildings (excl. development projects)**

“Breeam is more than a checklist, it’s providing well thought assets to our tenants in order to minimize their costs.”

– FRANK VAN CAUWENBERGE,
BUILDING & MAINTENANCE DIRECTOR

Operations

1,634 users

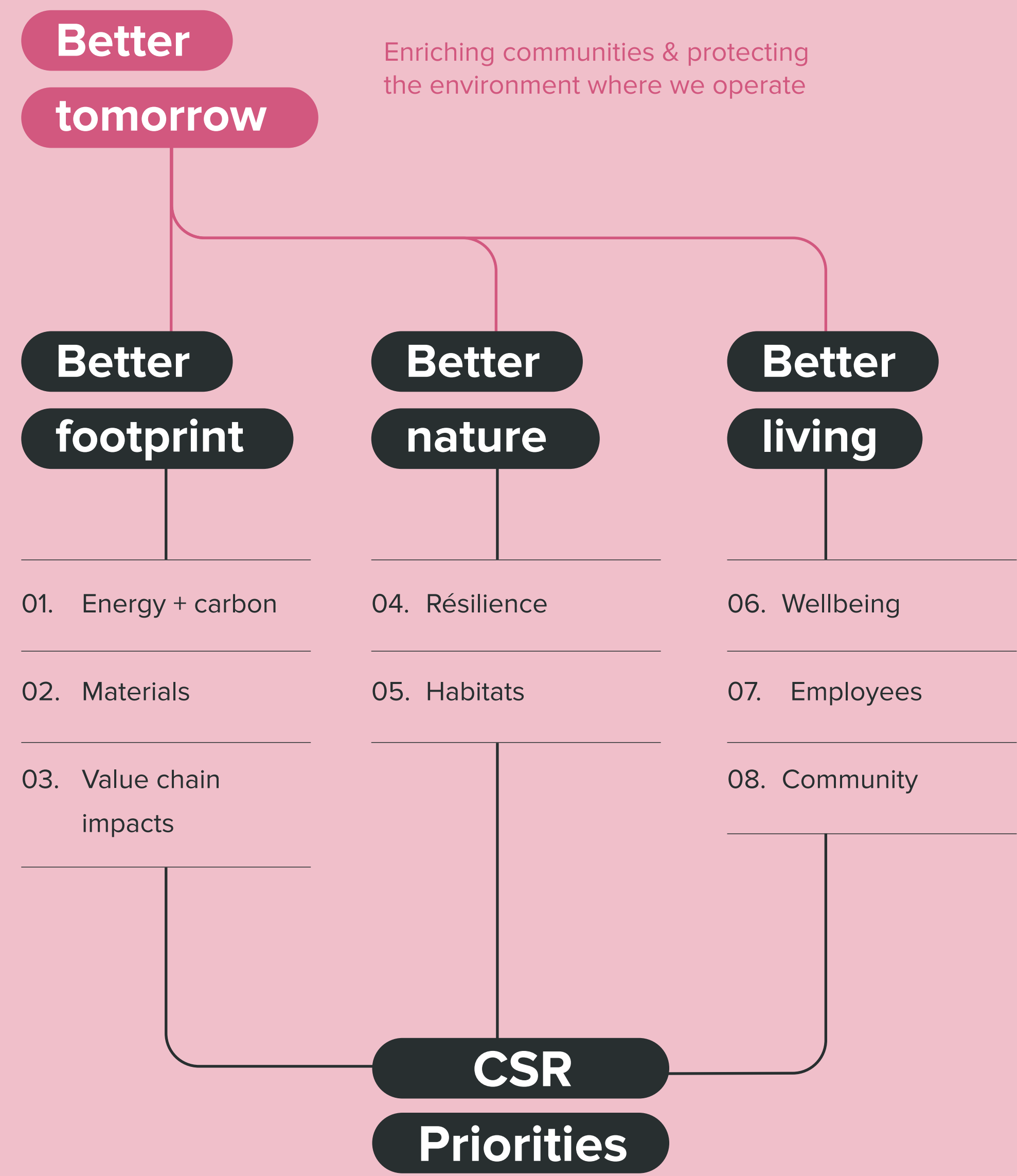
**active on flow with
80% involvement**



**Customer Journey Implementation -
Accelerating through concept design
and central management**

**“When we actively want to manage our
buildings, we need to be at all times
communicating with our tenants and
stimulating the shopping community.
Flow enables us to stay ahead of
things.”** – EMILIE THOMAS, SHOPPING MANAGER”

8 Appendix
Corporate social responsibility



8 Appendix
Shopping centres



Ring Shopping - Kortrijk



Belle-Île - Liège



Shopping 1 - Genk

Opening / renovation date	📅	1973 / 2005
GLA	📏	32,200m ²
Number of tenants	🏪	90
Parking #	🚗	2,000
Anchor tenants	📍	H&M, Albert Heijn, JBC, Sportsdirect.com, C&A, Hema, Action

Opening / renovation date	📅	1994 / 2020
GLA	📏	30,000m ²
Number of tenants	🏪	100
Parking #	🚗	2,200
Anchor tenants	📍	Decathlon, H&M, C&A, A.S. Adventure, Action, Carrefour

Opening / renovation date	📅	1968 / 2014
GLA	📏	21,400m ²
Number of tenants	🏪	60
Parking #	🚗	1,250
Anchor tenants	📍	Albert Heijn, Action, New Yorker, Lunch Garden, The Fashion Store

8 Appendix
Shopping centres



Stadsplein - Genk



Shopping Bastions - Tournai



Shopping Nivelles

Opening / renovation date	📅	2007
GLA	📏	15,500m ²
Number of tenants	🏪	25
Parking #	🚗	44
Anchor tenants	📍	Zara, H&M, C&A, JBC, Delhaize, Kruidvat

Opening / renovation date	📅	1979 / 2018
GLA	📏	34,500m ²
Number of tenants	🏪	100
Parking #	🚗	2,000
Anchor tenants	📍	Delhaize, Zara, H&M, C&A, New Yorker, JBC

Opening / renovation date	📅	1974 / 2012
GLA	📏	29,200m ²
Number of tenants	🏪	110
Parking #	🚗	1,452
Anchor tenants	📍	Delhaize, H&M, C&A, A.S. Adventure, Decathlon

8 Appendix
Retail parks



Turnhout

Opening / renovation date	📅	1979
GLA	📏	20,000m ²
Number of tenants	🏪	12
Parking #	🚗	765
Anchor tenants	📍	Carrefour, Brico, Auto 5, Lunch Garden



Brugge

📅	1970
📏	20,300m ²
🏪	12
🚗	650
📍	Carrefour, Brico, Media Markt, Lunch garden



Tournai

📅	2016
📏	10,300m ²
🏪	8
🚗	360
📍	Brico, Maison du Monde, Action, Zeb

8 Appendix
Offices



Antwerpen - De Veldekens



Vilvoorde - Business & Media Park

Opening / renovation date	📅	1999 / 2002
GLA	📏	38,400m ²
Number of tenants	🏢	36
Parking #	🚗	760
Anchor tenants	📍	Argenta, ABN Amro, Amadeus

📅	1998 / 2002
📏	22,100m ²
🏢	16
🚗	630
📍	Ricoh

8 Appendix
Other assets



Gent

Opening / renovation date		2014
GLA		4,000m ²
Number of tenants		5
Parking #		0
Anchor tenants		Albert Heijn, Jim's, Kruidvat



Waterloo

		
		1967
		3,500m ²
		13
		95
		Exki, Press Shop, Club, Planet Parfum

8 Appendix Wereldhave Belgium Team

Passion for
your client

Entrepreneurship

Collaboration

9 Q&A - Contact

- **Wereldhave Belgium**
Medialaan 30/6
1800 Vilvoorde België
+32 (0)2 732 19 00
- **CEO**
Kasper Deforche
Kasper.Deforche@Wereldhave.com
- **CFO & Investor Relations**
Cédric Biquet
Cedric.biquet@Wereldhave.com



Wereldhave
BELGIUM