

Corporate presentation 2020

Wereldhave
BELGIUM



Wereldhave
BELGIUM



- 01. Wereldhave Belgium at a glance** p5
- 02. The retail market in Belgium** p12
- 03. Corporate strategy** p18
- 04. Operational results 2019** p26
- 05. Financial results 2019** p32
- 06. Portfolio overview** p40
- 07. Development overview** p47
- 08. Forecast & dividend policy** p52
- 09. Share price evolution** p54
- 10. Q&A** p57

01. Wereldhave Belgium at a glance

01. Wereldhave Belgium at a glance

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 961.3 Mio € as of 31 December 2019**
- **Status of a Belgian REIT since 1998**

01. Wereldhave Belgium at a glance
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

01. Wereldhave Belgium at a glance
Shareholding

Market capitalisation

±660 Mio €*

Free
Float

33.5%

Wereldhave
Group (NL)

66.5%



*MARKET CAPITALISATION ON 5 FEBRUARY 2020

01. Wereldhave Belgium at a glance

Key Figures

Balance Sheet

	2017	2018	2019
Real Estate Portfolio (Mio €)	853.6	956.7	961.3
EPRA Occupancy Ratio (in %)	94.3	96.2	95.2
Net Asset Value (Mio €)	619.3	678.4	689.2
Financial Debts (Mio €)	234.0	286.0	273.0
NAV per Share (in €)	89.25	89.97	88.27
Share Price (in €)	95.25	82.20	86.20
LTV (in %)	29.0	29.7	29.3



Increasing portfolio and net asset values



High occupancy



Conservative Loan-to-Value

01. Wereldhave Belgium at a glance

Key Figures

Profit and Loss Account

	2017	2018	2019
Gross Rental Income (in Mio€)	54.64	57.78	63.94
Direct Result (in Mio €)	39.39	40.73	45.62
Indirect Result (in Mio €)	15.30	-0.19	-16.66
Total Result (in Mio €)	54.69	40.54	28.96
EPRA Earnings per Share	5.68	5.74	5.92
Dividend per Share	5.10	5.20	5.20*

*SUBJECT TO APPROVAL OF THE GENERAL ASSEMBLY

→ **Increasing rental income and direct result**

→ **Increasing EPRA Earnings**

→ **Sustainable dividend per share**



.print

.package

the
point
more than services

Speedlab
à partir de 0,25€
SHARON

.kids

.fashion

.gift

.book

.phone

s paquets ici.



versements

12345



02. The retail market in Belgium

02. The retail market in Belgium

General Trends

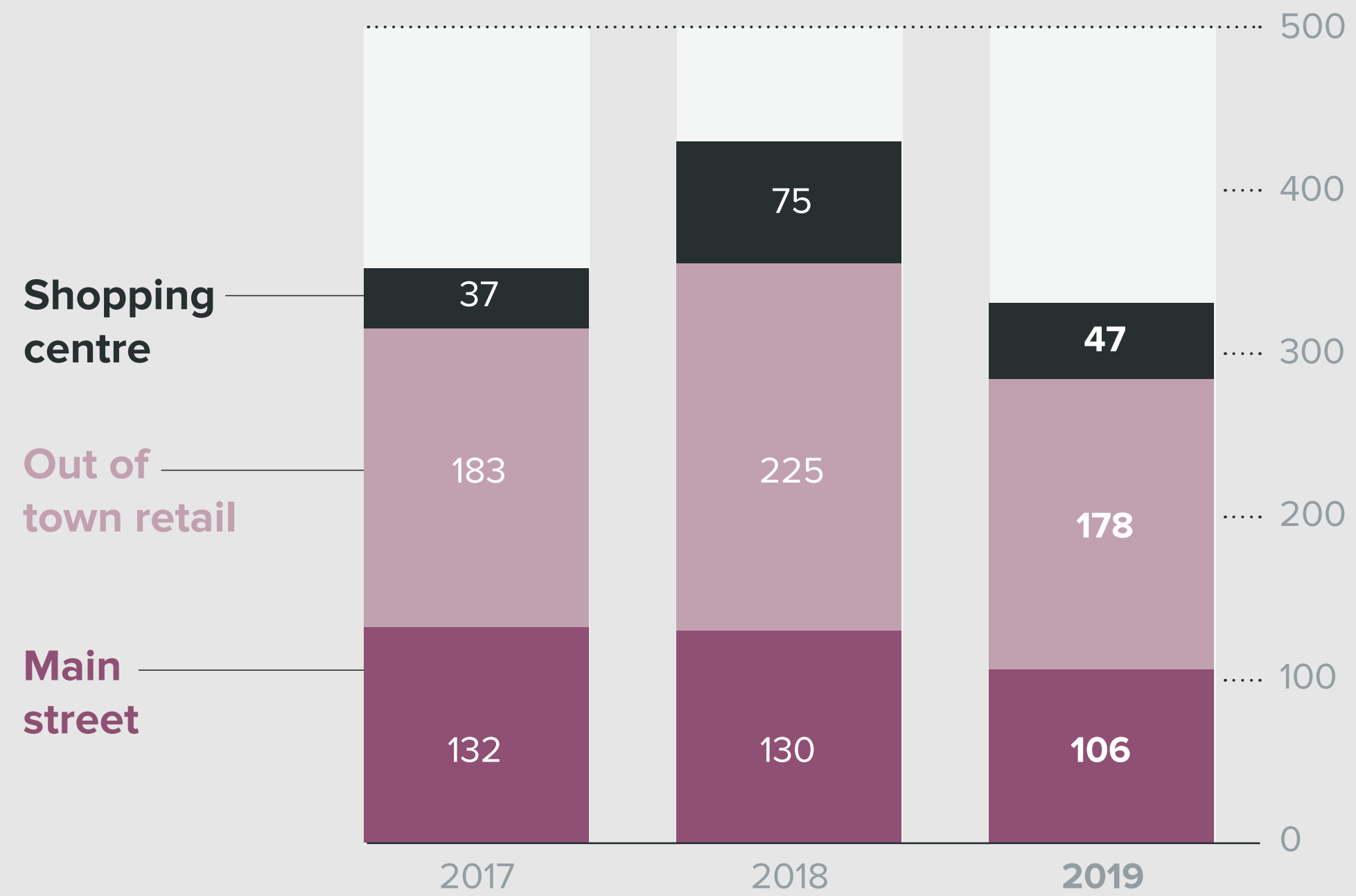
- **Structural change due to growth of online retail**
- **Increasing overlap between physical and online retail**
- **Population growth and tourism are major drivers**
- **Growing importance of technology & data**
- **Continued growth in lifestyle, wellbeing and food & beverage sectors**
- **Consumers' increasing need of experimental and convenience retail**
- **Evolution of new retail formats**

02. The retail market in Belgium

General occupier market:

Take-up retail Belgium, number of deals

Leasing and owner-occupation activity



SOURCE: CUSHMAN & WAKEFIELD

02. The retail market in Belgium

Retail investment market

Prime yields by segment

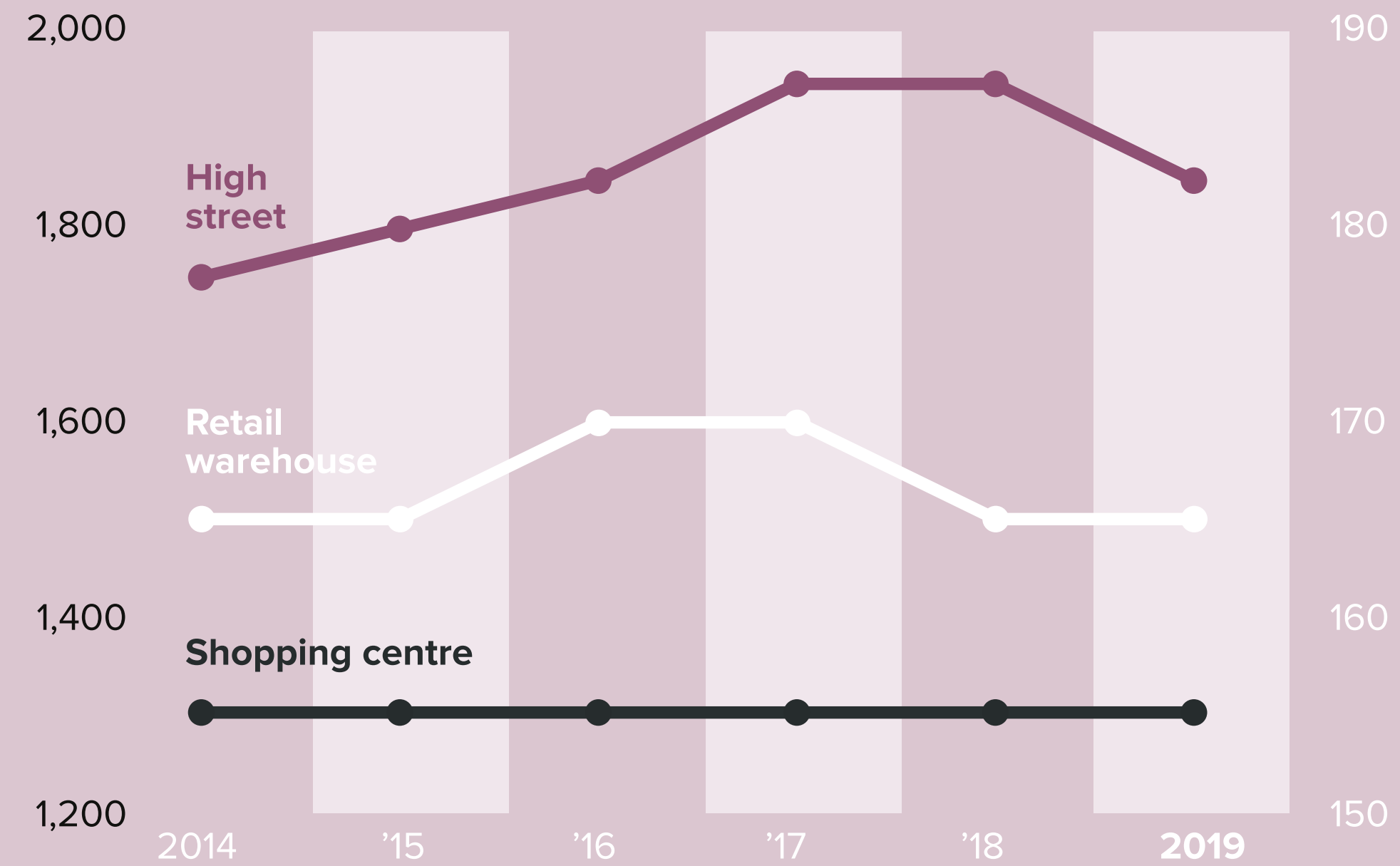


02. The retail market in Belgium

General occupier market: Prime rents per segments

Prime rent evolution

Average prime rent (in €/m²/Y)



High street (LHS)
1,850
euro/m²

Retail warehouse (RHS)
165
euro/m²

Shopping centre (LHS)
1,300
euro/m²

SOURCE: JLL



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

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

03. Corporate strategy

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

The company strongly believes in the added value of **owning and **managing** its own assets. Therefore the structure of the company is organised between the head office hosting the **central services** (leasing, development, marketing, finance and administration) and the **local teams** in the different Shopping Centres.**

As a result, Wereldhave Belgium can optimise the value of its assets.

03. Corporate strategy
Full Service Centres:
much broader focus than retail

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

1

Favorable

locations

Densely populated
and well-connected
locations

2

Attractive

rents

Current rent levels
enable conversion
to new uses

3

Scale

and

skill

Size of portfolio
and local market
knowledge in
Belux make
transformation
achievable

4

Total

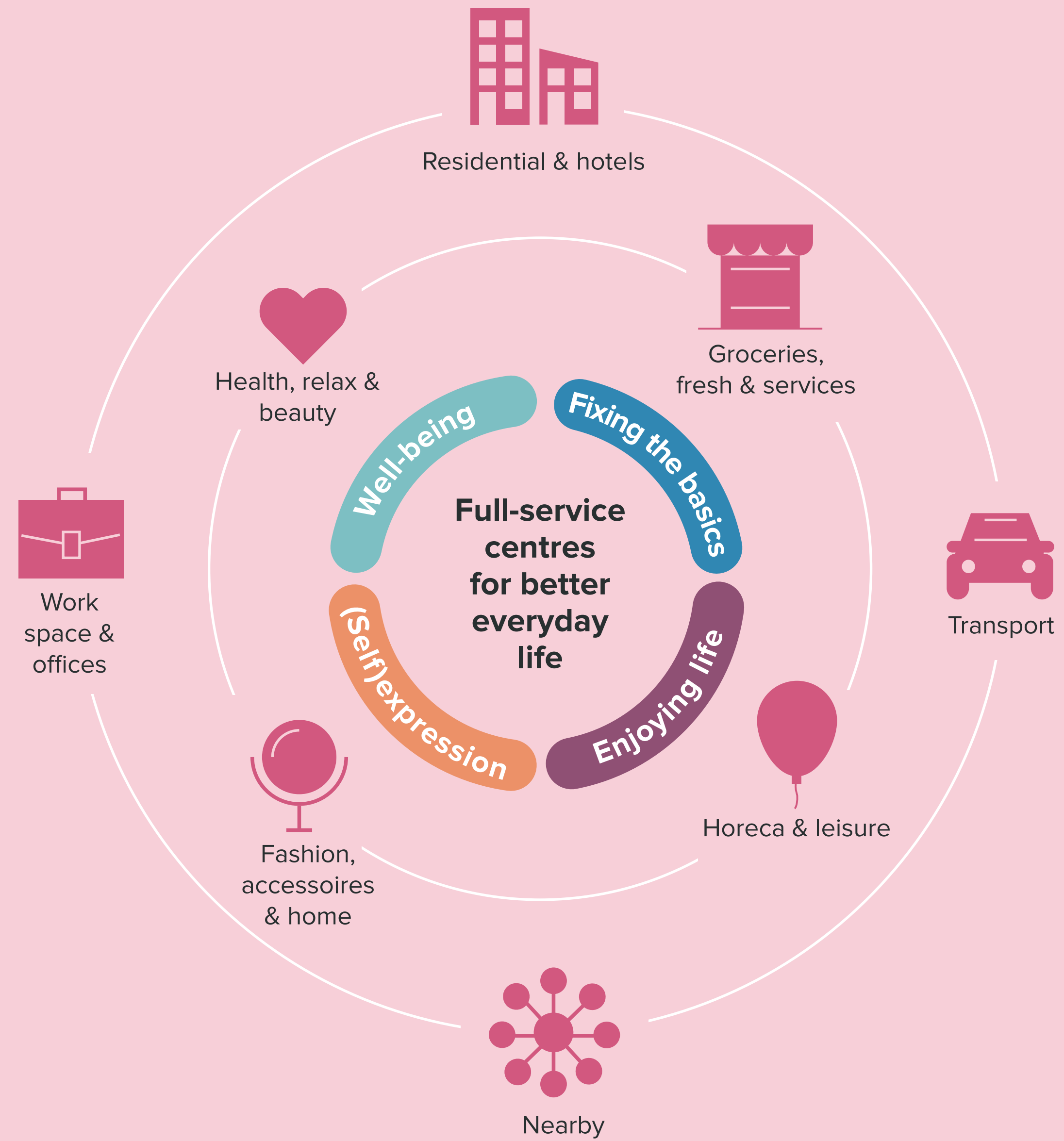
return

strategy

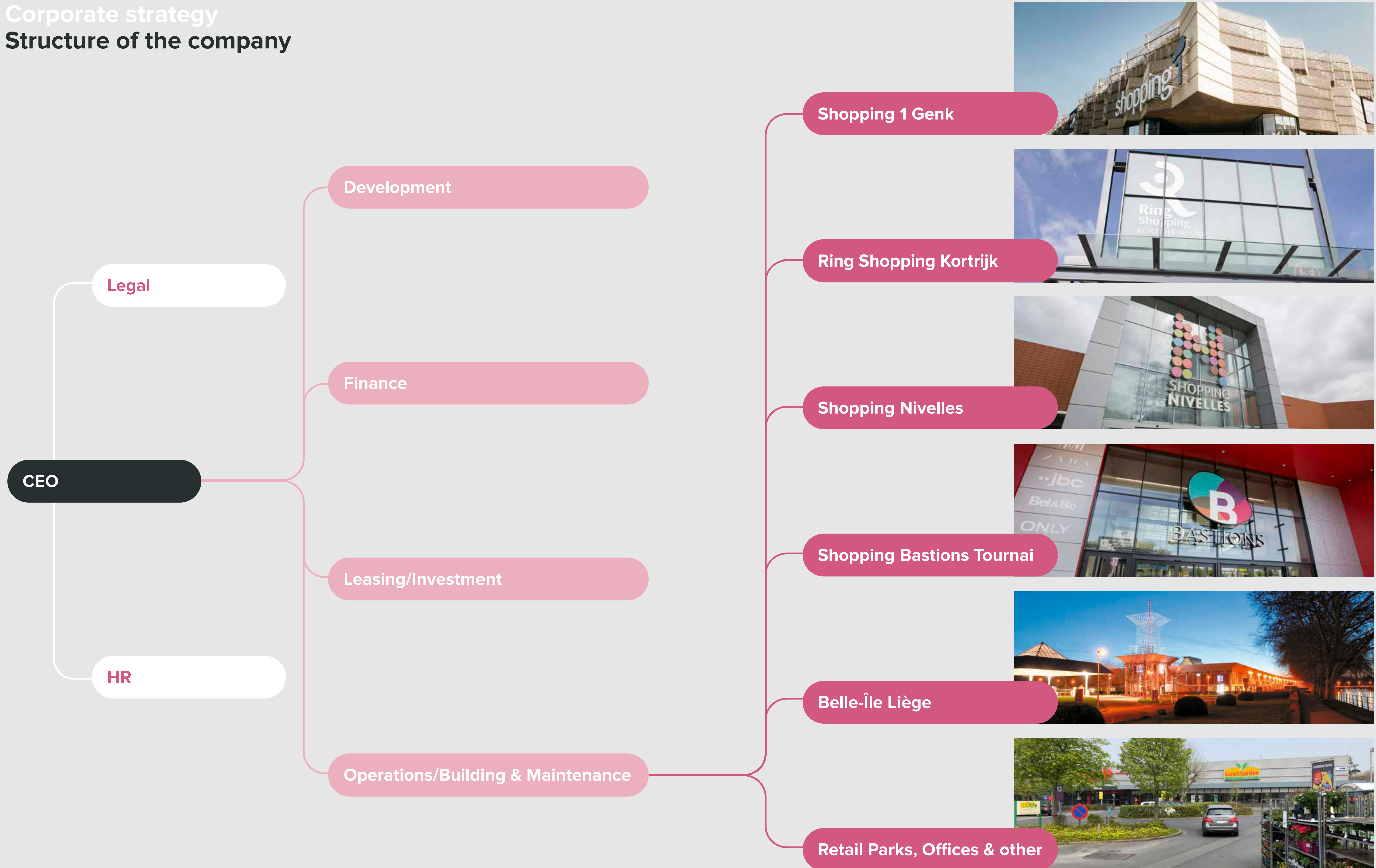
Capital allocation
based on total
return

03. Corporate strategy

Mission: help consumers fulfill everyday life needs



03. Corporate strategy Structure of the company



03. Corporate strategy
Wereldhave Belgium Team

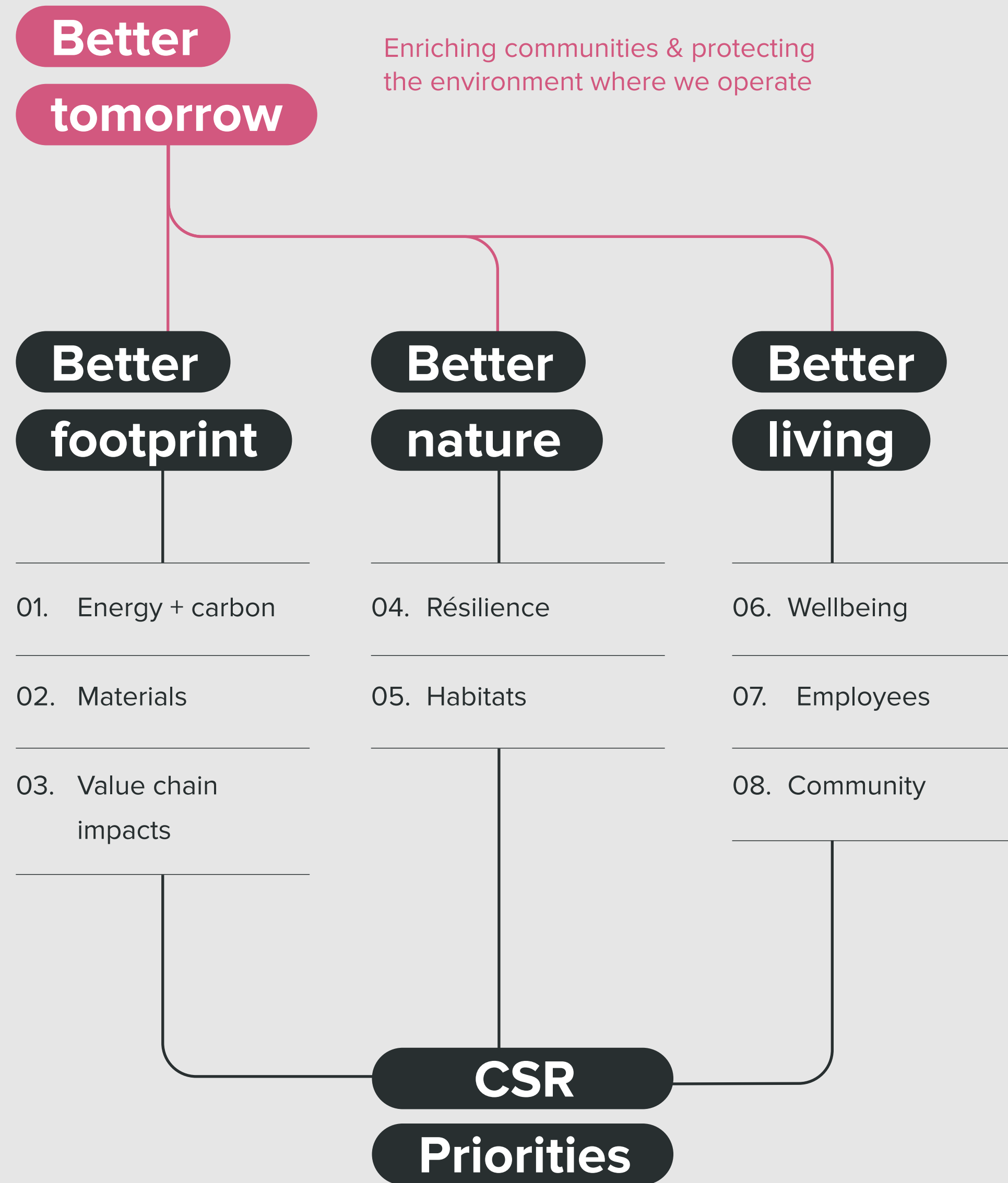
Passion for
your client

Entrepreneurship

Collaboration



03. Corporate strategy
Corporate social responsibility



03. Corporate strategy
Corporate social responsibility



04. Operational results 2019

Leasing

- **66 leasing activities**
- **Representing 10.5% of the rental income**
- **Belle-Île, Liège: surface (5,000m²) vacated by Carrefour successfully re-let: Decathlon, Action, Villeneuve, Medi-Market, etc.**
- **Shopping 1, Genk: surface (6,000m²) vacated by Carrefour successfully re-let: Albert Heijn, Medi-Market, etc. (still 1,500m² to let)**
- **Successful opening of The Fashion Store (ZEB Group) on 1,000m² in Shopping 1, Genk**

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

1,159 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”

Investment

Further consolidation of the portfolio:

- **Additional investments (CAPEX) in the portfolio (18.9 Mio €)**
- **Real Estate residual rights acquired in Kortrijk (2.7 Mio €)**
- **Additional retail units acquired in Shopping 1, Genk (0.3 Mio €)**



05. Financial results 2019

→ Optional dividend distributed on
15 May 2019

Capital increase of

21.4

Mio €

→ **78% Subscription in stocks**

2019

- **Extension of the intercompany loan (Wereldhave NL) for an amount of 150 Mio € over 5 years.**
- **Full utilization of the Treasury Notes program, optimizing the average cost of financing**
- **Acquisition of IRS instruments (50 Mio €) in order to improve the hedge ratio (> 50%)**



**Average cost
of debt:
0.81%**



**Debt
duration:
3.2 year**

05. Financial results 2019

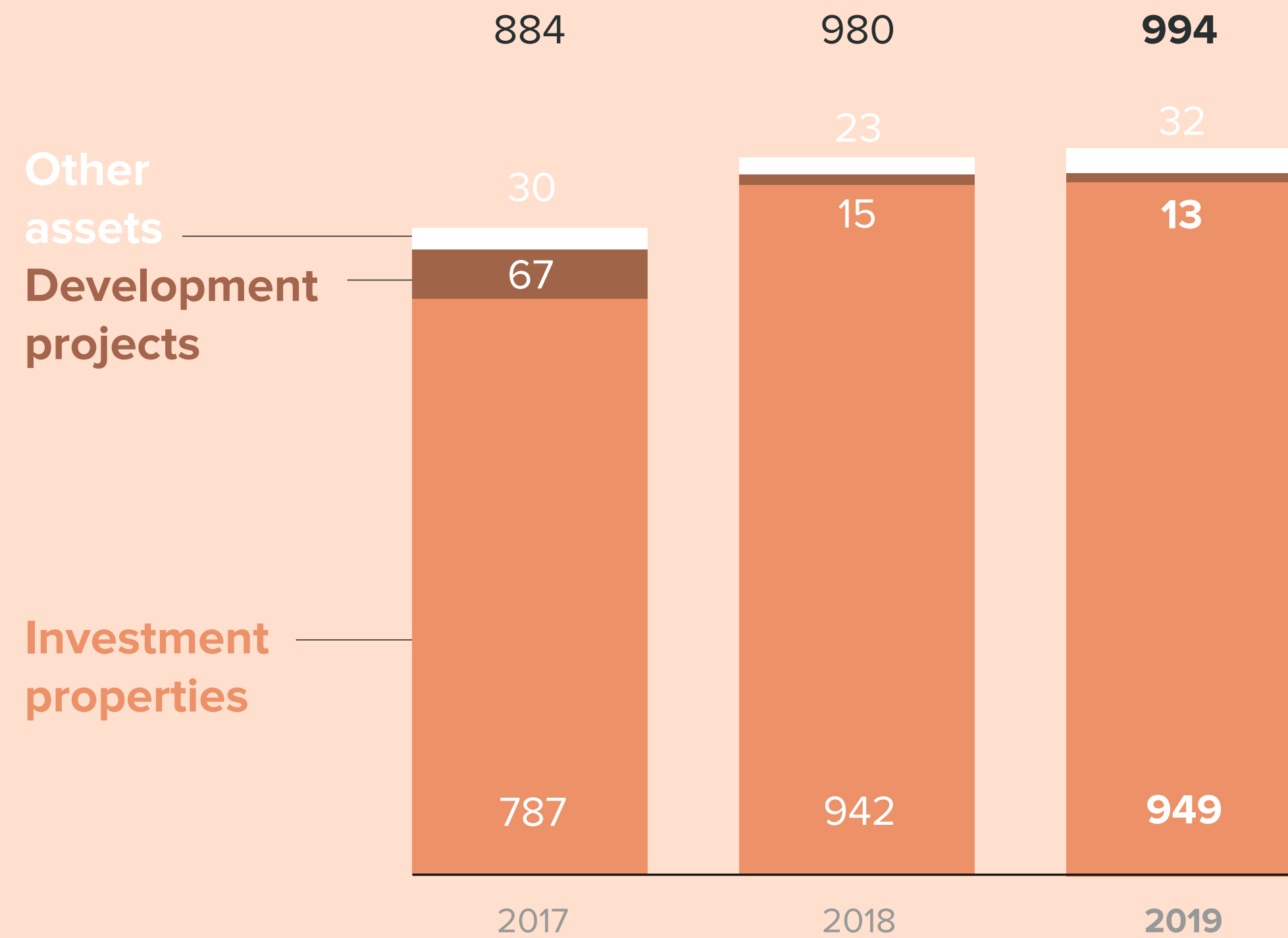
Financial structure

Financing structure overview (in Mio €)

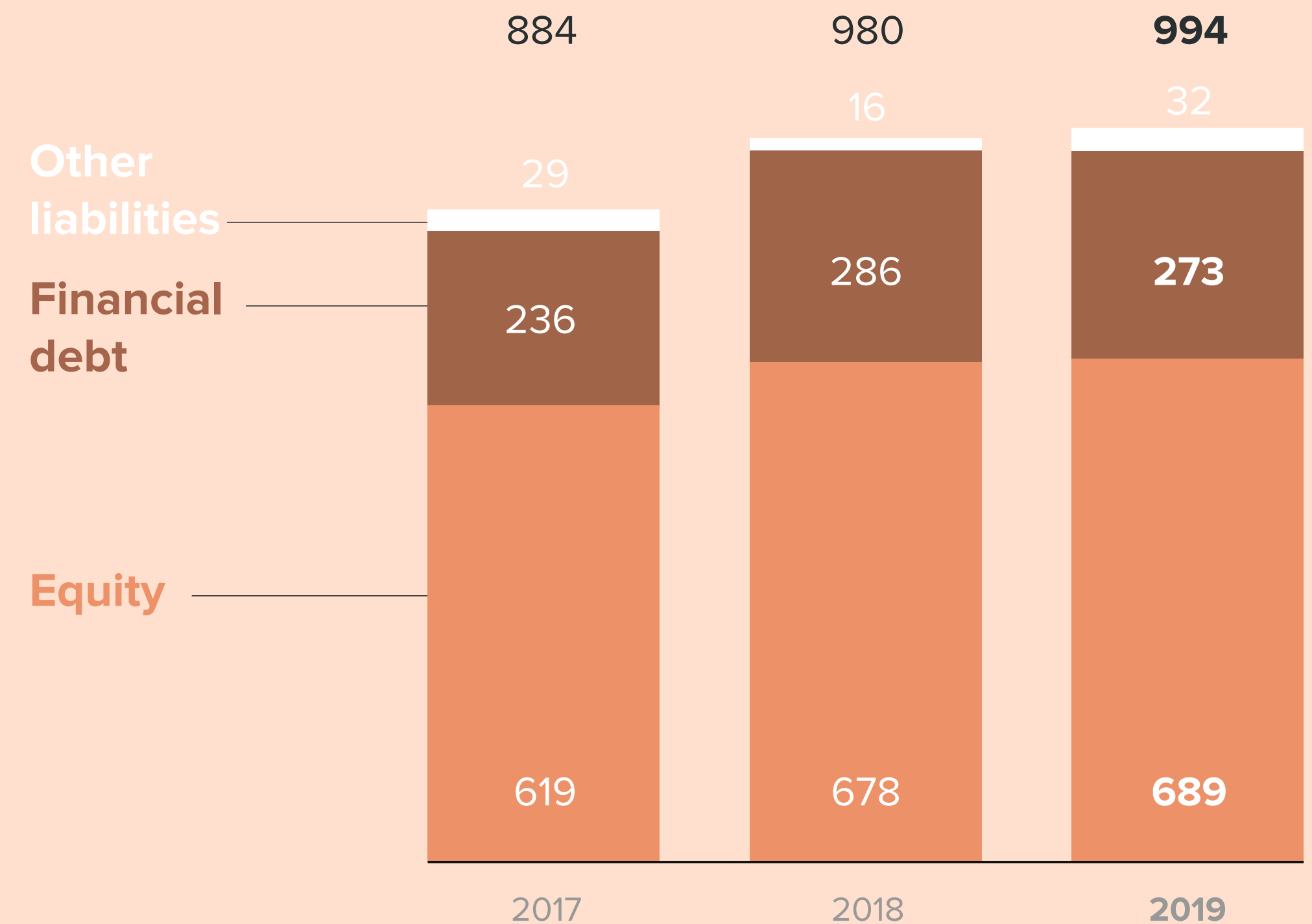
	2018	2019
Equity	678.4	689.2
Financial debt	286.0	273.0
Bank loans	110.0	180.0
Interco loans	141.0	0.0 (Back-up CP)
DCM loans	35.0	93.0
Other debt	15.7	31.4
Total Equity & debt	980.1	993.6
LTV ratio	29.7%	29.3%
Average cost of debt	1.09%	0.81%
Hedge Ratio	38.5%	58.6%

05. Financial results 2019
Consolidated balance sheet

Assets (in mio €)



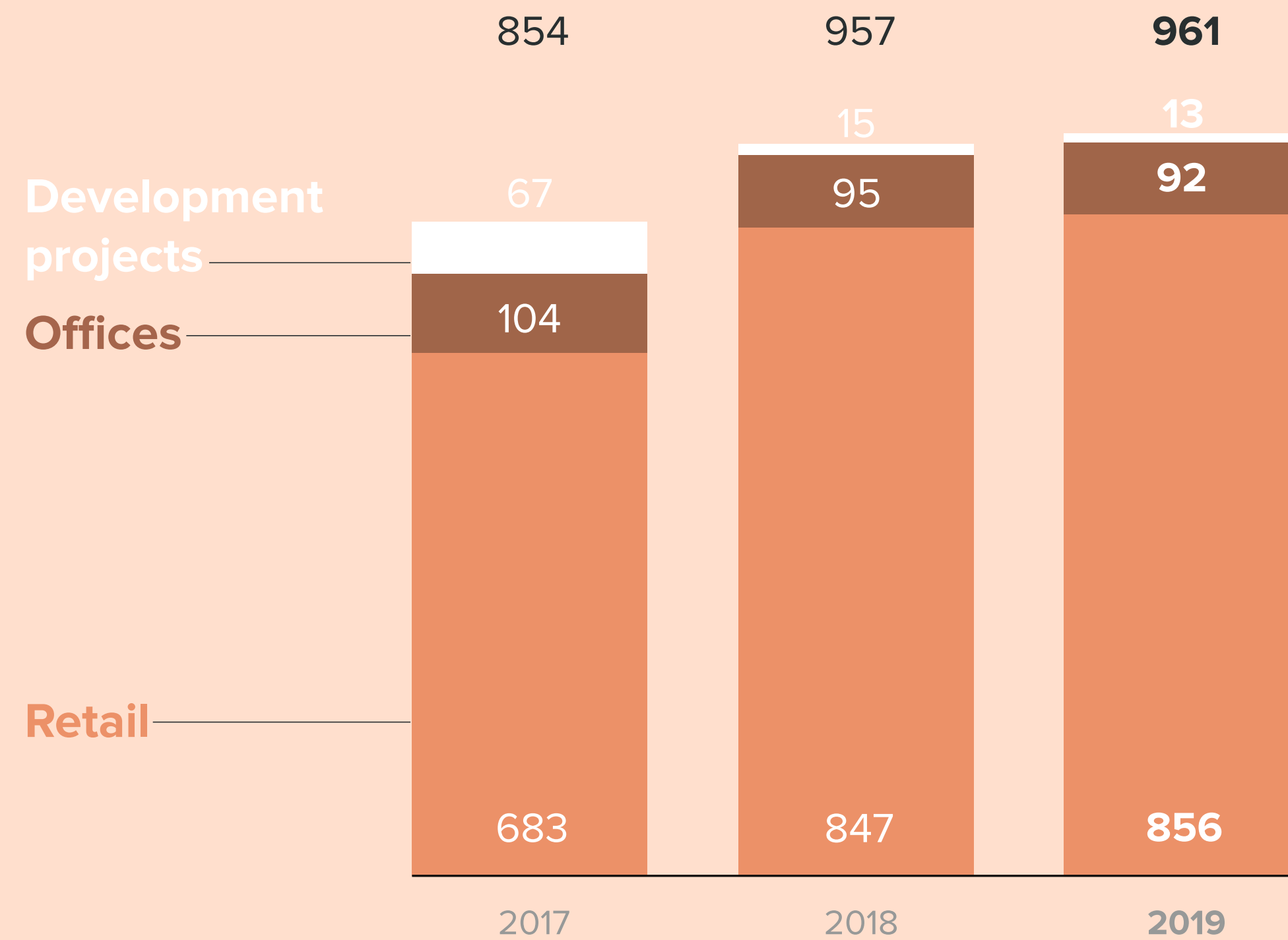
Liabilities (in mio €)



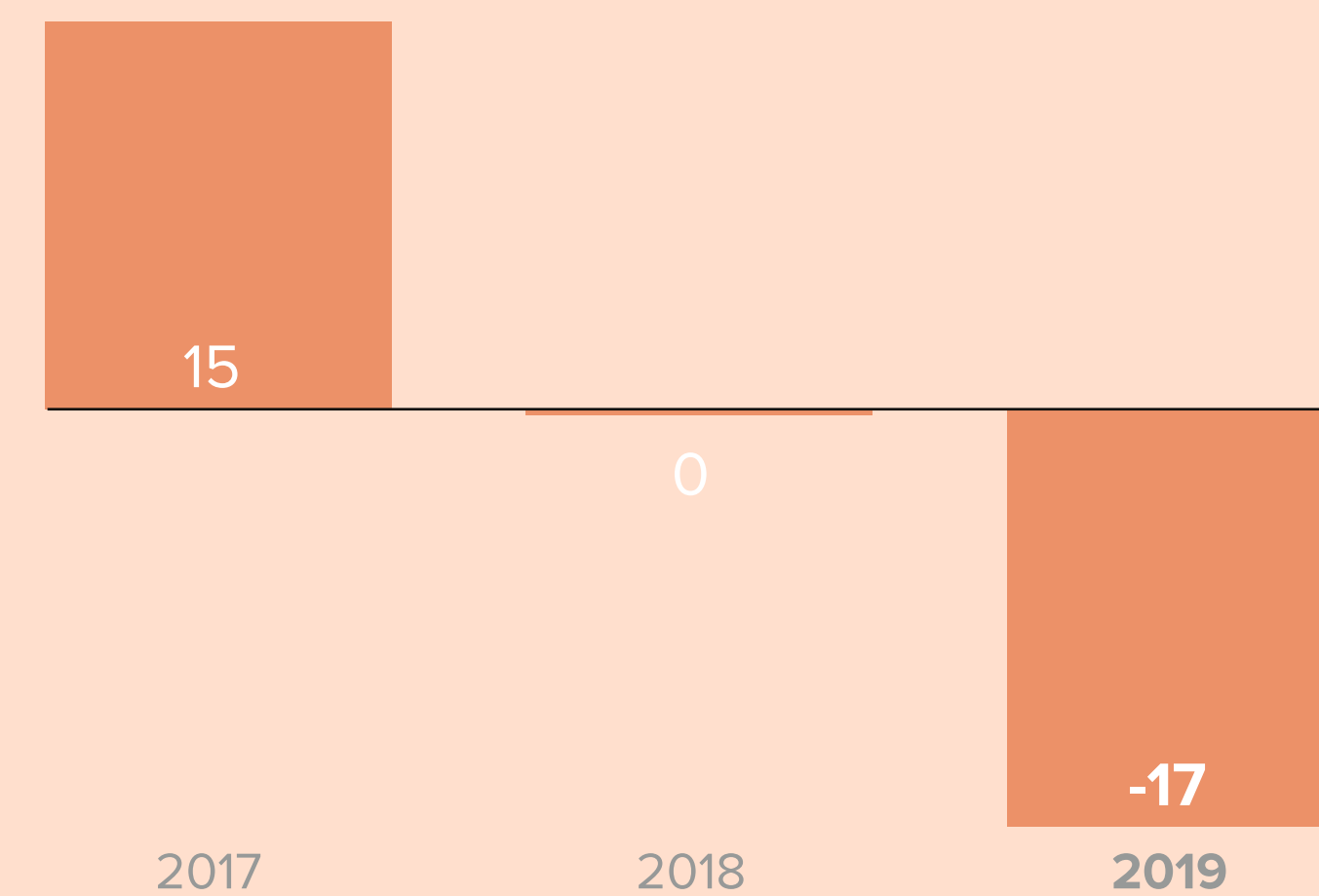
05. Financial results 2019

Portfolio evolution

Total Portfolio Value (in mio €)



Portfolio Revaluations (in mio €)



EPRA net initial yield:

→ **Retail: 5.6%**

→ **Offices: 8.3%**

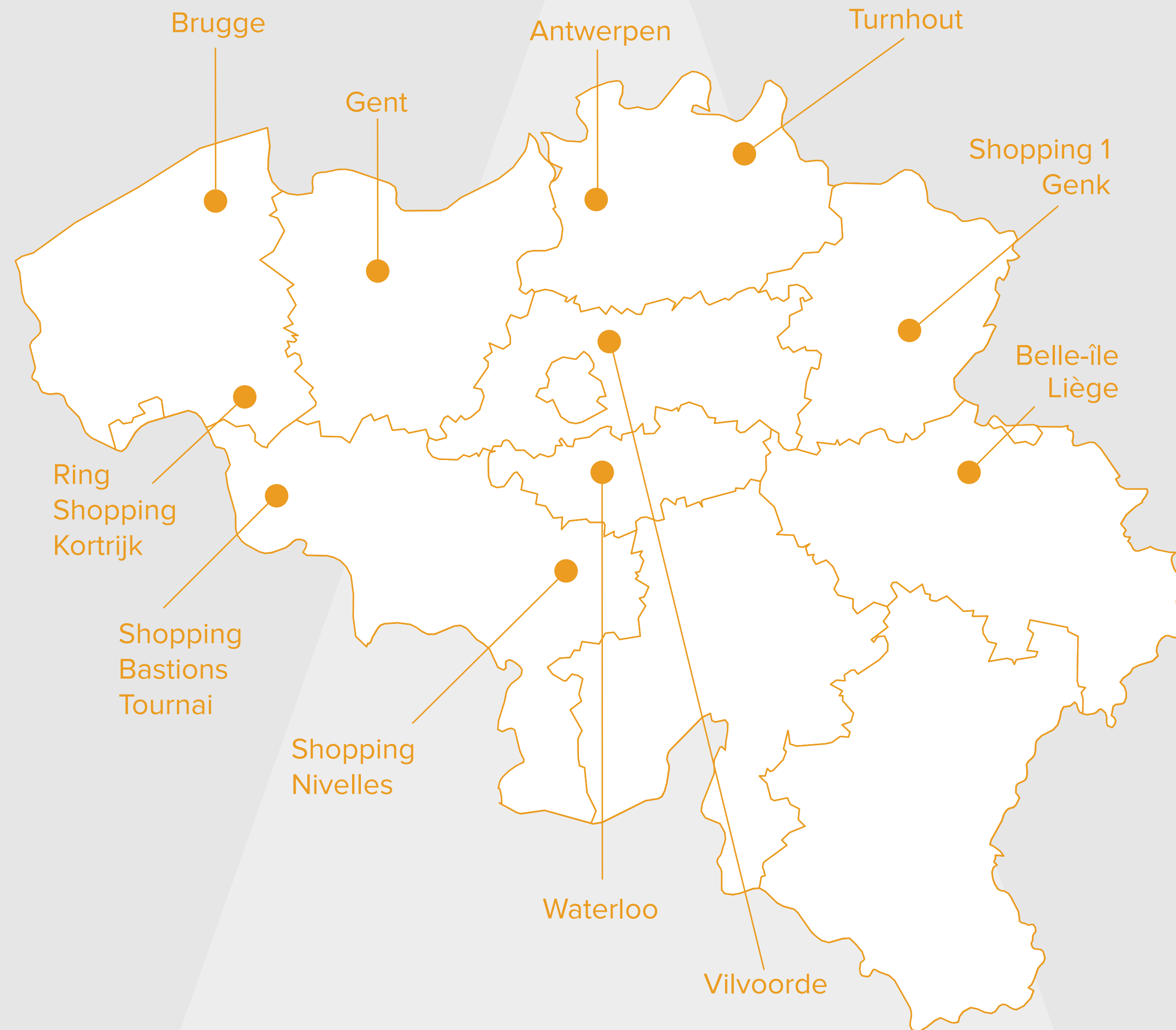
05. Financial results 2019
Portfolio evolution
Consolidated P&L account (in k€)

	2017	2018	2019
Gross rental income	54,644	57,779	63,936
Service costs charged	9,576	11,576	7,880
Service costs paid	-11,253	-13,566	-10,407
Net Service costs	-1,677	-1,990	-2,528
Property expenses	-6,606	-7,627	-8,397
Net rental income	46,361	48,162	53,011
External general costs	-4,235	-3,850	-4,467
Internal general costs	-516	-365	-387
Other income and expense	394	113	0
Operational result	42,004	44,060	48,157
Net interest	-2,423	-3,025	-2,606
Tax on direct result	-191	-305	67
Direct result	39,390	40,730	45,617
EPS per share	5.68	5.74	5.92
Valuation result	15,385	-478	-16,535
Result on disposal		-35	6
Other indirect	-49		-713
Tax on indirect result	-41	323	582
Indirect result	15,295	-191	-16,660
Total result	54,685	40,540	28,957
Total result per share	7.88	5.71	3.76



06. Portfolio overview

06. Portfolio overview



06. Portfolio overview

Shopping centres



Ring Shopping - Kortrijk

Opening / renovation date	📅	1973 / 2005
GLA	📏	31,900m ²
Number of tenants	🏪	90
Parking #	🚗	2,000
Anchor tenants	📍	H&M, Albert Heijn, JBC, Sportsdirect.com, C&A



Belle-Île - Liège

Opening / renovation date	📅	1994 / 2020
GLA	📏	30,300m ²
Number of tenants	🏪	100
Parking #	🚗	2,200
Anchor tenants	📍	Decathlon, H&M, C&A, A.S. Adventure



Shopping 1 - Genk

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, Zeeman, Casa

06. Portfolio overview

Shopping centres



Stadsplein - Genk

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



Shopping Bastions - Tournai

Opening / renovation date	📅	1979 / 2018
GLA	📏	34,100m ²
Number of tenants	🏪	96
Parking #	🚗	2,000
Anchor tenants	📍	Delhaize, Zara, H&M, C&A, New Yorker, JBC



Shopping Nivelles

Opening / renovation date	📅	1974 / 2012
GLA	📏	29,200m ²
Number of tenants	🏪	100
Parking #	🚗	1,452
Anchor tenants	📍	Delhaize, H&M, C&A, A.S. Adventure, Decathlon

06. Portfolio overview

Retail parks



Turnhout

Opening / renovation date	📅	1979
GLA	📏	21,000m ²
Number of tenants	🏪	12
Parking #	🚗	765
Anchor tenants	📍	Carrefour, Brico, Auto 5, Lunch Garden



Brugge

Opening / renovation date	📅	1970
GLA	📏	20,700m ²
Number of tenants	🏪	13
Parking #	🚗	650
Anchor tenants	📍	Carrefour, Brico, Media Markt, Lunch Garden



Tournai

Opening / renovation date	📅	2016
GLA	📏	10,300m ²
Number of tenants	🏪	10
Parking #	🚗	360
Anchor tenants	📍	Brico, Maison du Monde, Action, Zeb

06. Portfolio overview Offices



Antwerpen - De Veldekens

Opening / renovation date	🏗️	1999 / 2002
GLA	📏	38,400m ²
Number of tenants	🏢	
Parking #	🚗	769
Anchor tenants	📍	Argenta, ABN Amro, Amadeus



Vilvoorde - Business & Media Park

Opening / renovation date	🏗️	1998 / 2002
GLA	📏	22,100m ²
Number of tenants	🏢	
Parking #	🚗	639
Anchor tenants	📍	Ricoh, Amadeus

06. Portfolio overview

Other assets



Gent

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

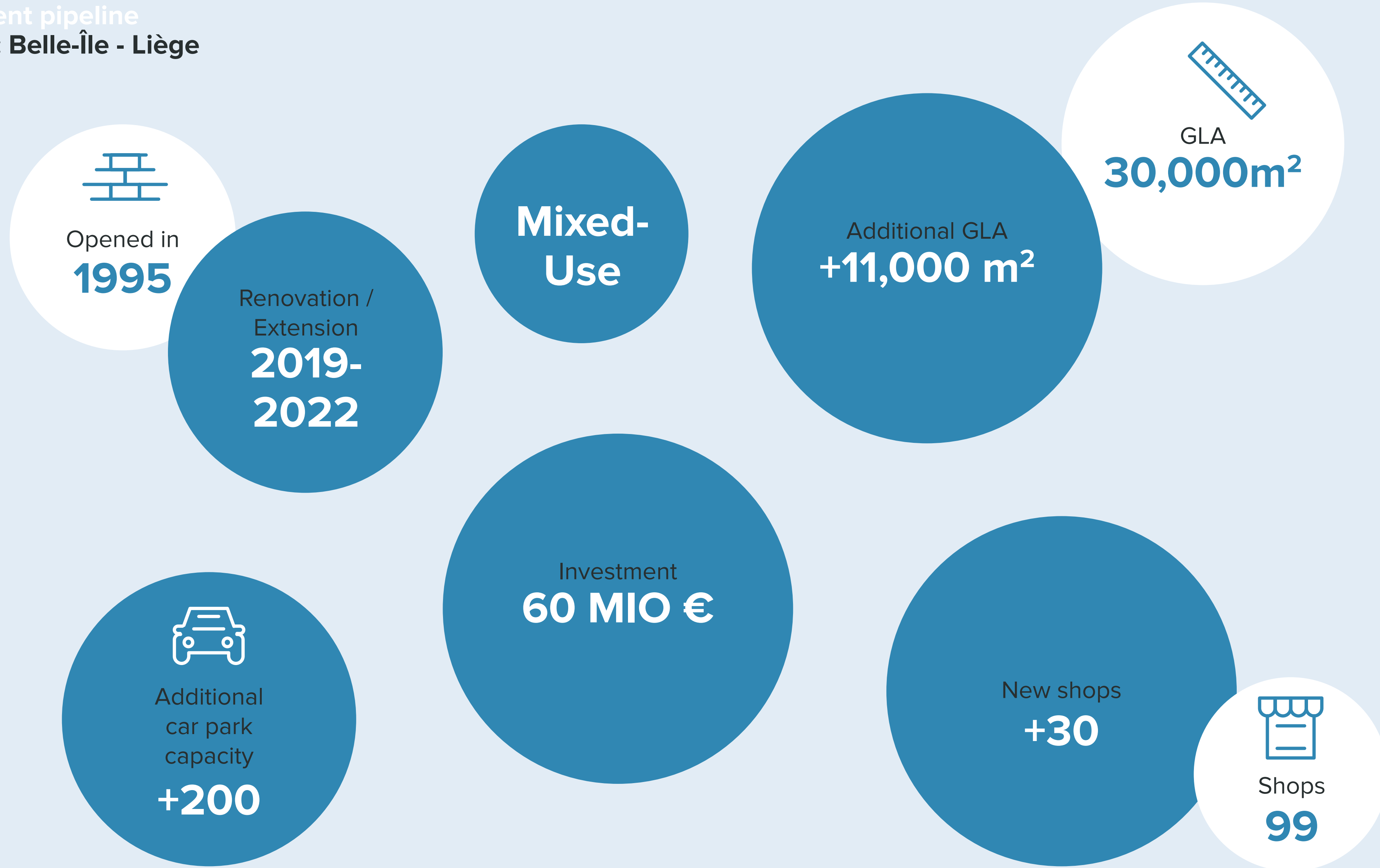


Waterloo

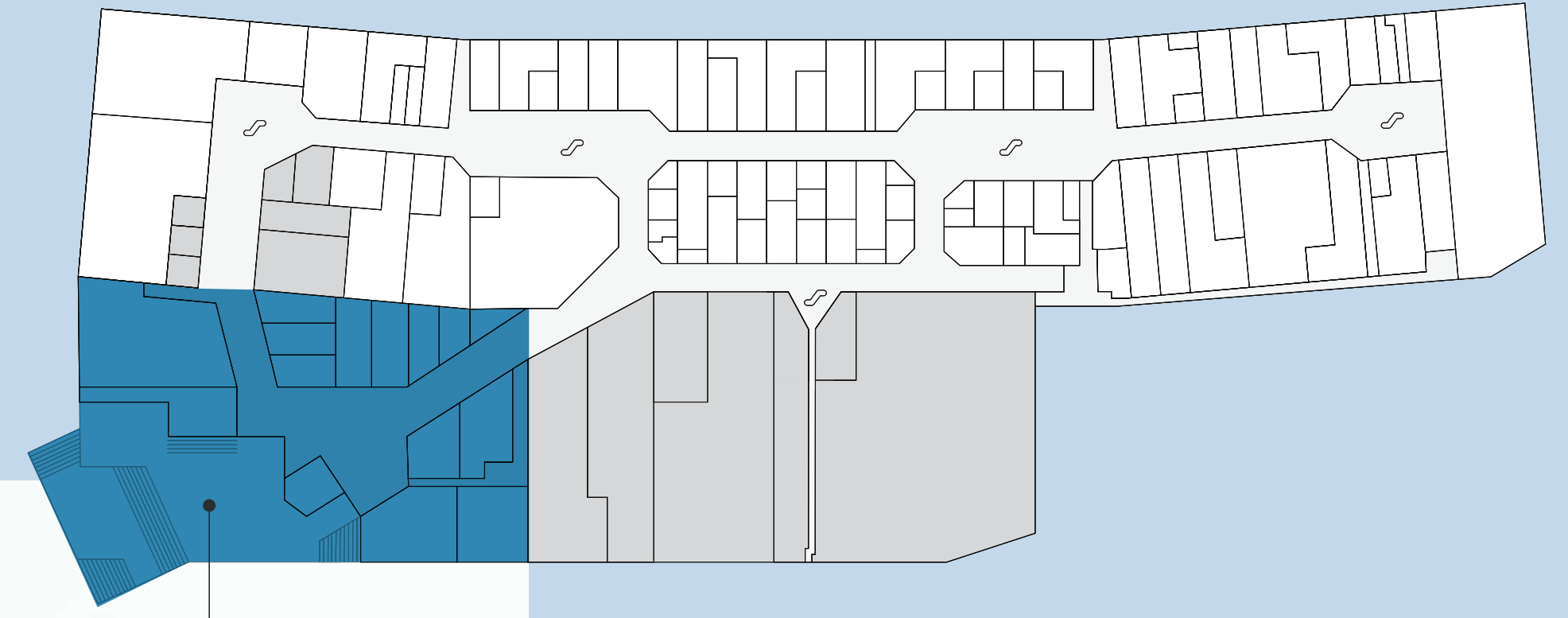
Opening / renovation date	📅	1967
GLA	📏	3,500m ²
Number of tenants	🏠	12
Parking #	🚗	95
Anchor tenants	📍	Exki, Press Shop, Club, Planet Parfum

07. Development pipeline

07. Development pipeline
Committed: Belle-Île - Liège



07. Development pipeline
Committed: Belle-Île - Liège



New extension



07. Development pipeline 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

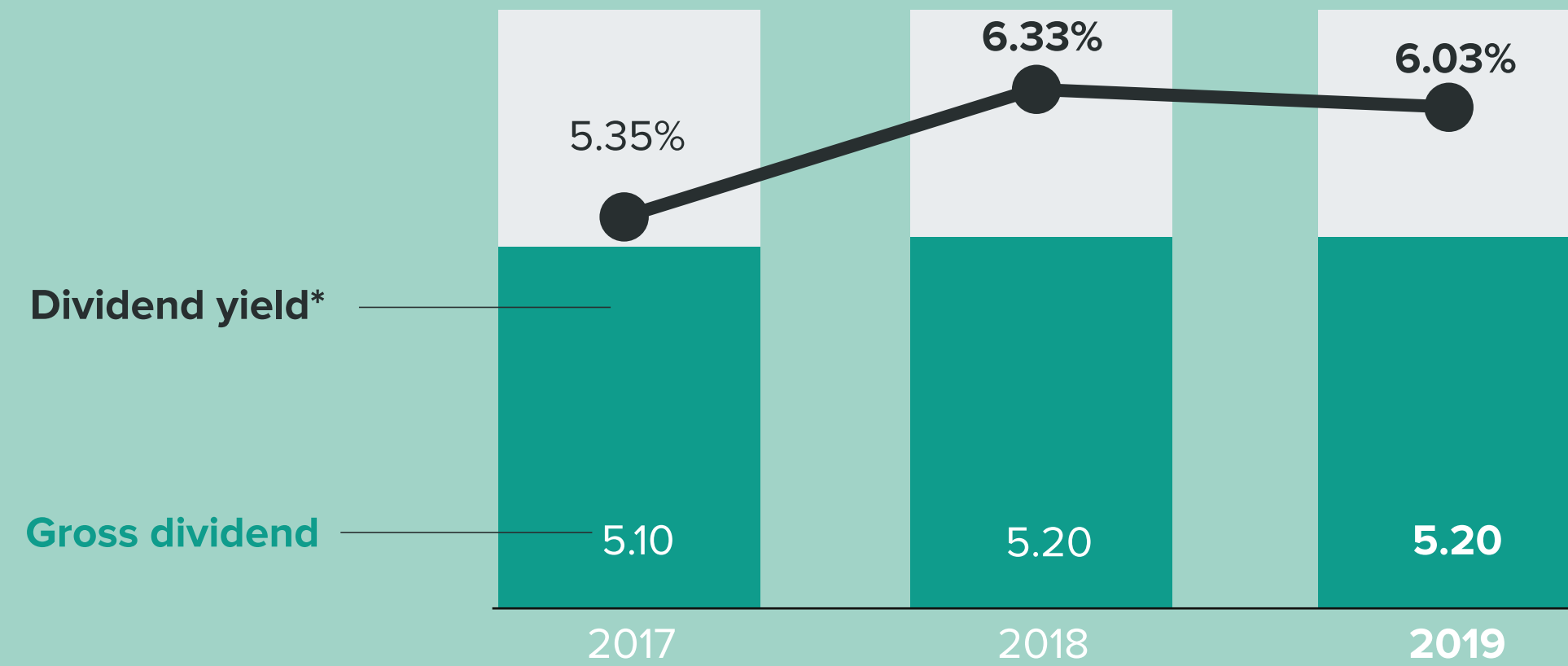
Refurbishing single tenant building to multi-tenant concept with small kiosks for services. Renovation of façade and circulation to roof parking including new parking deck. Development of mixed-use cluster with retail on ground floor and topping up with residential program.



08. Forecast & dividend policy

08. Forecast & dividend policy

Dividend



*SHAREPRICE PER END OF YEAR

Actuals 2019

EPRA Earnings per share	€ 5.92
Dividend per share	€ 5.20
Pay-out ratio	89%*
Distribution in optional dividend expected	

Forecast 2020

Estimated EPRA Earnings per share in a range between	€ 5.55 - 5.65
---	---------------

* SUBJECT TO APPROVAL OF THE GENERAL ASSEMBLY

9. Share price evolution

09. Share price evolution

Bel-20 and EPRA against Wereldhave Belgium (10yr)



09. Share price evolution

Synthetic European Retail REIT Index against Wereldhave Belgium (10yr)



10. 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
Cédric.biquet@Wereldhave.com



Wereldhave
BELGIUM