

**Consolidated annual report
of the Board of Directors
of the Management Company
2011**



Key figures past 5 years

	2007	2008	2009	2010	2011
Results (x € 1,000)					
Net rental income	23,559	25,157	25,947	25,322	26,238
Profit	41,174	26,567	15,793	21,054	38,301
Direct result ¹⁾	20,882	22,291	22,768	22,495	23,126
Indirect result ¹⁾	20,292	4,276	-6,975	-1,441	15,175
Balance sheet (x € 1,000)					
Investment properties ²⁾	370,427	381,095	381,873	395,381	398,408
Development projects	9,079	9,558	13,179	27,815	74,428
Shareholders' equity	378,778	383,801	380,980	380,691	397,909
Number of shares	5,331,947	5,331,947	5,331,947	5,331,947	5,331,947
Fair value investment properties ²⁾ (x € 1,000)					
Retail	217,900	231,575	237,090	252,221	256,913
Offices	<u>152,527</u>	<u>149,520</u>	<u>144,783</u>	<u>143,160</u>	<u>141,495</u>
	<u>370,427</u>	<u>381,095</u>	<u>381,873</u>	<u>395,381</u>	<u>398,408</u>
Share data (x € 1)					
Direct result	3.92	4.18	4.27	4.22	4.34
Indirect result	3.80	0.80	-1.31	-0.27	2.84
Gross dividend	3.80	3.86	3.92	3.92	4.00
Net dividend	3.23	3.28	3.33	3.33	3.16
Net asset value before profit distribution	71.04	71.98	71.45	71.40	74.63
Direct result per share	3.92	4.18	4.27	4.22	4.34
Profit per share	7.72	4.98	2.96	3.95	7.18

¹⁾ see note 3.23

²⁾ Fair value has been computed after deduction of the transaction costs (10% - 12.5%) incurred at the sales process. The independent real estate expert has carried out the valuation in conformity with "International Valuation Standards" and "European Valuation Standards".

Key information

	2007	2008	2009	2010	2011
Share price 31/12	50.15	48.01	61.5	68.5	66.9
Share price/Direct result 31/12	12.8	11.5	14.4	16.2	15.4
Market capitalisation 31/12 (mln)	267.4	256.0	327.9	365.2	356.7
Net asset value per share	71.04	71.98	71.45	71.4	74.63
Dividend	3.80	3.86	3.92	3.92	4.00
Dividend yield 31/12	7.58%	8.04%	6.37%	5.72%	5.98%
Pay-out ratio	96.9%	92.3%	91.8%	92.9%	92.2%
Free float	31.8%	30.7%	30.7%	30.7%	30.7%

Information

Information is available at Wereldhave Belgium:

Tel: +32 2 732 19 00

investor.relations@wereldhavebelgium.com

www.wereldhavebelgium.com

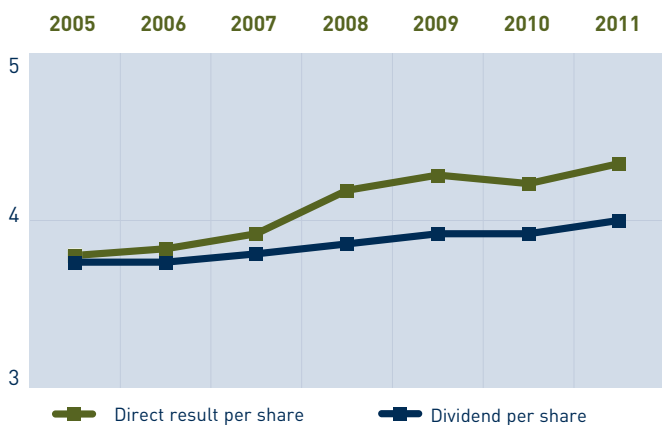
Wereldhave Belgium shares are traded at the NYSE Euronext continuous stock exchange in Brussels.

Ticker: WEHB / ISIN BE0003724383

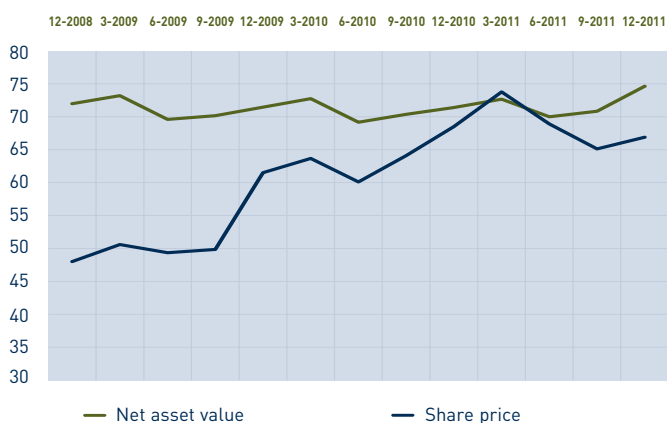
Financial agenda

- 11.04.2012** Annual General Meeting of Shareholders
- 16.04.2012** Ex-dividend date
- 18.04.2012** Dividend record date
- 19.04.2012** Dividend payable
- 09.05.2012** First quarter results 2012
- 01.08.2012** Half-year results 2012
- 31.10.2012** Third quarter results 2012
- March 2013** Financial report 2012

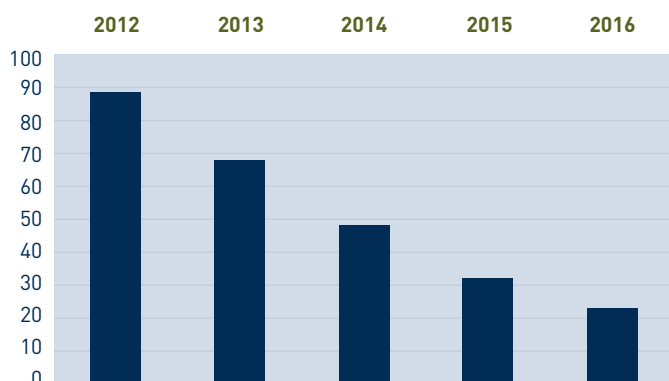
Direct result and dividend per share (x €)



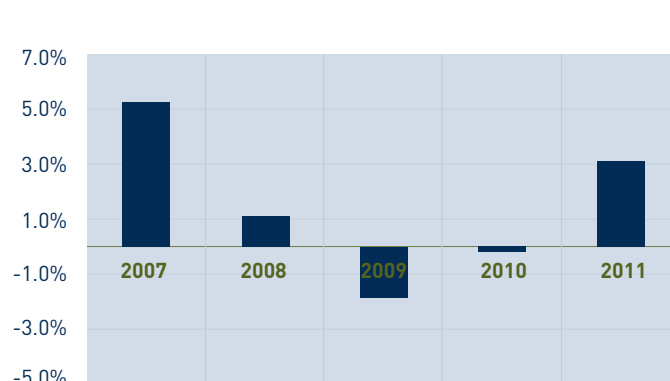
Share price / Net asset value (before profit distribution, x €)



Guaranteed contracted rent compared to 2011 (as a %)



Revaluation real estate portfolio



General

Organisation

Wereldhave Belgium is a listed investment company for commercial real estate in Belgium. For its new investments, Wereldhave Belgium primarily focuses on shopping centres. The value of the investment properties portfolio, including development properties, amounts to € 472.8 mln. The existing retail portfolio of € 331.3 mln (70% of the total portfolio) contains shopping centres in Liège, Nivelles and Tournai. In addition, the portfolio contains offices in Brussels and Antwerp. The development portfolio comprises expansions of shopping centres in Nivelles, Tournai and Waterloo and an interest in the renovation and expansion of a shopping centre in Genk.

Wereldhave Belgium wants to create value by actively managing shopping centres and (re)developing shopping centres for its own portfolio. Via its own employees, Wereldhave Belgium maintains direct contact with the tenants. That way, Wereldhave Belgium is immediately aware of the concerns of its tenants and has recent market information at hand. This knowledge is also used when developing other projects.

Structure

Wereldhave Belgium has been a Real Estate Investment Fund (Sicafi) since January 15, 1998. The fund is governed by the Royal Decree of December 7, 2010 and by the law of July 20, 2004 and is recognized as such by the Financial Services and Markets Authority.

The company has the fiscal status of a Real Estate Investment Fund and is, therefore, not subject to corporate tax, except on possible exceptional profits and on disallowed expenditures.

Wereldhave Belgium Services SA, a wholly-owned subsidiary of Wereldhave N.V., acts as real estate manager of the investment properties portfolio.

Wereldhave Belgium shares are traded at the NYSE Euronext continuous stock exchange in Brussels.

Wereldhave N.V., The Hague, held 69.31% of the shares directly or indirectly at December 31, 2011.

ING Financial Markets acts as liquidity provider.

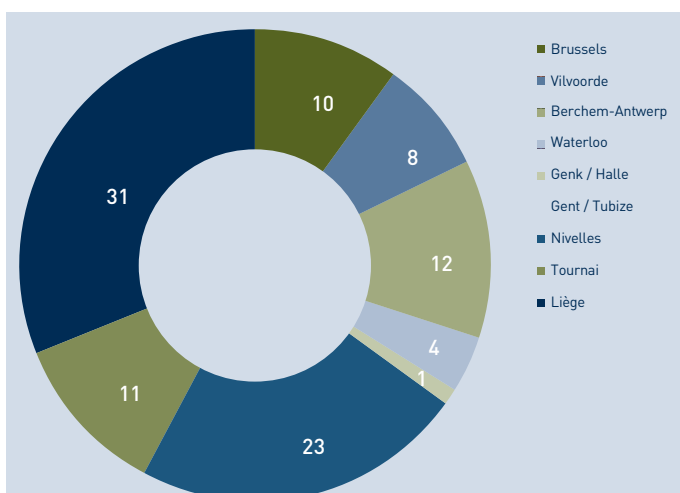
Property valuation

Wereldhave Belgium values its properties at market value, less transaction costs. The portfolio investment properties is valued externally every three months by independent real estate experts.

Financial position

Wereldhave Belgium has solid balance sheet ratios. With a debt ratio of 18.3% (statutory 18.6%) and a solvency of 80.2%, Wereldhave Belgium is one of the most solid property funds listed in Europe.

Geographical breakdown (as a % of fair value)



Rental income vs. market rent (€ x 1000)



Strategy outline

Mission

Wereldhave Belgium's mission is to be a professional property investor and landlord generating an attractive long-term investment result in combination with a low-risk profile on its entire property portfolio. Shopping centres are preferred as future investments and/or expansions.

Strategy

Wereldhave Belgium aims for stable growth of both the direct result and the dividend. To achieve this, the key focal areas of Wereldhave Belgium's strategy are value creation and risk diversification. Value is created for shareholders by:

1. achieving rent growth through active management of shopping centres
2. (re)developing shopping centres for its own portfolio.

Wereldhave Belgium spreads the risks of its investments across different regions in Belgium.

Active management

Wereldhave Belgium invests in shopping centres that are dominant in their catchment areas. With active management by its own specialists, the sicafi continues to reinforce the market position of its centres, focusing on increasing visitor numbers, retail sales and rental income. It invests in the appeal, quality and sustainability of its shopping centres. With their high occupancy levels, shopping centres contribute to the consistency of Wereldhave Belgium's results.

In-house development

The second method of value creation is to develop high-quality property at cost for the Company's own portfolio. In-house development of projects makes it possible to optimally gear the quality to user demands and the timing of the investment to market conditions.

Objectives

Wereldhave Belgium aims to achieve stable growth in the direct result per share and dividend, with a payout ratio of at least 80%.

Wereldhave Belgium aims to an increase in its shopping centre exposure in the portfolio investment properties. The gradual disposal of the office properties will be continued when sales opportunities occur.

Wereldhave Belgium has solid capital ratios with a current solvency rate of approximately 80.2%. In view of this context, the Management Company considers it acceptable to fund growth by lowering the solvency margin. This will enable Wereldhave Belgium to utilise any attractive acquisition opportunities as they come up in the period ahead.

Corporate Governance and structures

Introduction

Wereldhave Belgium attaches great importance at achieving a balance between the interests of the providers of risk-bearing capital and the other stakeholders in the company. Matters such as transparency, adequate provision of forward-facing information and business ethics, form a part of this philosophy. Business ethics is anchored in "Business Principles" and Code of Conduct for staff, both of which are published on our website www.wereldhavebelgium.com.

Wereldhave Belgium fully applies the Belgian Corporate Governance Code 2009. The code can be found on <http://www.corporategovernancecommittee.be>

The size the Company is considered here as is the specific management structure of Wereldhave Belgium, and therefore the Corporate Governance Principles are relevant for the management structure of the Management Company.

The Board of Directors shall dedicate a specific chapter to Corporate Governance in its Annual Report, in which the Corporate Governance practices in the tax year of the Company are discussed, including the specific information required by the applicable legislation and the Corporate Governance Code. In compliance with Section 96 §2 of the Companies Act, the Corporate Governance Statement must at least include the following information:

- the Corporate Governance Code applied by the company;
- the main characteristics of the internal systems for control and risk management (regarding financial reporting);
- the shareholders structure, as deduced from the transparency statements the company has received from its shareholders and specific financial and business information;
- and the composition and operation of the management and its committees.

The Company is a partnership limited by shares offering an issue for public subscription and whose shares are noted on the NYSE Euronext Brussels stock exchange. The Company is listed as investment company as provided by Section 19 of the Law of 20 July 2004 regarding some forms of collective management of investment portfolios, and is recognised by the FSMA as public Real estate investment fund under Belgian law (Real estate investment company with fixed capital).

The Company endeavours stable growth of the direct result and dividend. In order to achieve this, value creation and risk spreading are central to the Company's strategy. Value creation for the Shareholders mainly occurs by:

1. Realising rental growth by active management of shopping centres;
2. (Re)developing shopping centres for the own portfolio.

The Company spreads the risk of its investments over the various regions in Belgium.

The rules, procedures and work methods on which the management and control of the Company are based are defined in the Corporate Governance Charter and its Annexes.

Compliant to Section 96, §2, 1° of the Companies Code (as modified by the Law of 6 April 2010 to reinforce the good governance of listed companies) and the Royal Decree of 6 June 2010 including the Corporate Governance Code for good governance by listed companies the Company applies the Corporate Governance Code as its reference code.

The Corporate Governance Charter is subject, without prejudice to the articles of association of the Company and the relevant provisions in Belgian law, like the Company Code. Possible summaries or descriptions of legal and statutory provisions, Company structures or contractual relations in the Corporate Governance Charter are only clarifications and should not be construed as judicial or fiscal advice on the interpretation or enforcement of such provisions or relations.

The Corporate Governance Charter must be read together with the articles of association of the Company, the Annual report and other information made available by the Company occasionally. Additional information on any fiscal year relating to the pertinent changes and events of the previous fiscal year will be communicated in the Corporate Governance Statement, which is a specific chapter of the Annual report.

The Corporate Governance Charter can be consulted on the website of the Company (www.wereldhavebelgium.com) and will be revised as often as necessary.

Description of the structure of the corporate governance

The Company has the legal form of a Partnership limited by shares under Belgian law.

The Company has active and sleeping partners. The active partners are principally and unlimited liable of all obligations of the Company. The sleeping partners are responsible for the debts and losses of the Company merely up to the amount of their input, providing that they do not carry out any management acts.

1. Statutory Management Company

Based on its articles of association, the Company is managed by one or several Management companies, which must have the capacity of acting partner.

The Management Company is appointed by an Extraordinary General Meeting of Shareholders, held before a notary public and in accordance with the requirements for change of its bylaws.

The Management Company is competent to carry out all actions of internal management which are necessary or useful to realise the Company's object, with the exception of those actions legally reserved to the General Meeting of Shareholders.

The Management Company carries out its duty through its Board of Directors. The appointment as Management Company is unlimited in time.

2. Board of Directors

According to Law and its articles of association, the Company is managed autonomously and exclusively in the interest of the Shareholders. This principle is very strictly applied: the Company, the Board of Directors and the Executive Managers do not pay attention to special interests of Shareholders, of the Management Company, of the Directors, of the Promoter or of the Executive Managers. The interests considered in the scope of the management of the Company are not limited to the Shareholders and extend to all elements of the notion "social interest" to which is referred in the Belgian Companies Code.

The Board of Directors is the leading body of the Company. It acts collegially.

The Board of Directors has the task of defining the strategic direction of the Company, the supervision of the management of the Managing Directors and the general state of affairs in the Company and its Affiliates, in order to raise the long term value of the Company on behalf of the Shareholders. For that purpose it examines whether the risks are assessed correctly and verifies if they are addressed through regular and strict controls.

The Company's responsibility, mix and diversity in general, are a.o. criteria helping the Board of Directors in its decision making process.

The Board of Directors has both a supervisory and advising role directed to the interest of the Company, the company and all its Shareholders. The Board of Directors acts as a college with a mutual responsibility without mandate and independent of the partial interests involved in the Company.

2.1 Composition

The Board of Directors is composed of a minimum of four members, of which:

- a majority are non-executive Directors, i.e. Directors who have no active functions in the Company;
- at least three Directors qualify as "independent" in the sense of the Companies Code and Annex A of the Corporate Governance Code; and
- a majority of Directors have no connection with the promoter.

The list of the members of the Board of Directors, published in the Corporate Governance Statement, indicates which Directors are independent.

The Board of Directors is composed in such a way that a balance of competences and professional experience in disciplines such as real estate, finance and general management exists, without excluding candidate Directors whose experience in other areas and personality would be assets to the Company.

Every Director also must have the personal attributes enabling him to execute his mandate flexibly and collegially, but with full independence of mind. He must have an immaculate reputation of integrity (mainly at the level of confidentiality, conflicts of interest and the prevention of abuse of privileged information), have a critical and business-like attitude and be able to develop a strategic vision.

Every Director must also be sufficiently motivated and have enough time to be present at the meetings of the Board of Directors – and if need be at the meetings of the committees he is member of – and prepare those meetings.

For the composition of its Board of Directors the Company prefers complementarity of the competences, experience and knowledge and, as much as possible, a mix of genders and diversity in general.

Two Directors are appointed as Managing Directors and are in charge of the day-to-day management of the Company. In accordance with Section 38, § 2 of the Law of 20 July 2004 on certain types of collective management of investment portfolios, they qualify as "Executive Managers". The Managing Director does not also act as Chairman of the Board of Directors. The Managing Directors are assisted by a compact management organisation in the execution of their duties.

The Board of Directors decided not to create a "management committee" in the sense of the Companies Code.

2.2 Duration, appointment, evaluation and extension of the Directors' mandates

2.2.1 Duration

The duration of the Directors' mandates is limited to four years. The mandates are renewable.

The Directors are appointed and their mandate is renewed by the General Meeting of Shareholders of the Management Company, on proposal by the Board of Directors.

In order to ensure the continuity of duties of the Board of Directors and to prevent several Directors resigning concomitantly, the Board of Directors establishes a schedule on the basis of which Directors step down.

2.2.2 Appointment

In accordance with Section 38, § 2 of the Law of 20 July 2004 on certain types of collective management of investment portfolios the persons involved in the management or policymaking of the Company, without participating in the effective management, must possess the required know-how and appropriate experience for the execution of their task.

Before submitting proposals to the General Meeting of Shareholders the Board of Directors shall:

- 1) Collect advice and recommendations, in particular:
 - regarding the number of Directors it deems desirable, without falling under the legal minimum,
 - regarding the consistency of the profile of the Director whose mandate could be extended as required by the Board of Directors,
 - regarding the definition of the suitable profile, based on the general selection criteria for the Directors and based on the latest evaluation of the operation of the Board of Directors (which demonstrates the current and required competences, know-how and experience within the Board of Directors), and possible special criteria applied in the search for one or several new Directors,

2) for its part interview the candidates, if required check their *curriculum vitae* and references, take note of their other mandates (in listed Companies or other) and evaluate them.

The Board of Directors ensures that appropriate plans exist for the succession of the Directors, ensures that each appointment or each renewal of Directors mandates, both for Executive and non-executive Directors, guarantee the continuity of operations of the Board of Directors and its committees and maintain the balance in the competences and experience amongst their members.

Non-executive Directors are fittingly made aware of the scope of their duties when they place their candidature, in particular on the time management in the context of their assignment. They may not consider more than five directorships in listed Companies. Possible changes in their other relevant commitments and new commitments outside the Company, are communicated to the Chairman of the Board of Directors at the appropriate time.

Each proposal for appointment of a Director by the General Meeting of Shareholders is associated with a recommendation by the Board of Directors. The proposal indicates the proposed duration of the mandate, which may not be longer than four years, and contains relevant information about the professional qualifications of the candidate, together with a list of the functions already filled by the candidate. The Board of Directors indicates which candidates meet the independence criteria of Annex A of the Corporate Governance Code. Without prejudice to the applicable legal provisions in this matter, appointment proposals are notified at least 30 days before the General Meeting of Shareholders together with the other topics on the agenda.

In case of (re)appointment, it is necessary to proceed to a prior review to the profile's attributes. The reasons for re-appointment will be explained to the General Meeting of Shareholders. For re-appointment the way the candidate has filled his task as Director is considered. The presence during the underlying session period of a conflict of interest will be involved in the decision.

If one or more Directors' mandates become available, the remaining Directors have the right to fill these provisionally until the next General Meeting of Shareholders which will carry out the final election.

2.2.3 Professional development

The Chairman ensures that new Directors receive an adequate initial training to enable them to contribute quickly to the Board of Directors.

The Directors shall permanently update their knowledge of the business of the Company and the development of the real estate sector. The Directors allocate sufficient time to efficiently carry out their function and take on their responsibilities.

2.2.4 Evaluation

Under the leadership of its Chairman, the Board of Directors regularly evaluates (at least every two to three years) its extent, composition, performance and that of its committees, as well as its interaction with the Executive Managers.

This evaluation process strives for four objectives:

- assess the operation of the Board of Directors and its committees;
- check whether the important subjects were appropriately prepared and discussed;
- evaluate the actual contribution of every Director, his presence at the meetings of the Board of Directors and the committees as well as his constructive involvement in the discussions and the decision making process; and
- determine whether the current composition of the Board of Directors or the committees is in line with the desirable one.

The non-executive Directors regularly evaluate their interaction with the Executive Managers. They meet at least once a year for that purpose.

The contribution of each Director is periodically assessed to - considering changing circumstances - adapt the composition of the Board of Directors. In case of re-appointment the commitment and efficiency of the Director is evaluated, in accordance with a previously defined transparent procedure.

Based on the results of the evaluation, the Board of Directors acts by identifying strengths and dealing with weaknesses. As the case may be, this entails that new members are presented for appointment, that there are proposals for not renewing the mandate of existing members or that measures deemed necessary to the efficient operation of the Board of Directors are taken.

The Board of Directors can decide to be assisted by external specialists in this evaluation process.

Under the leadership of the Chairman, the Board of Directors notes the self assessment reports of the Committees it created, evaluates the composition and extent of these Committees and decides on the possible adjustments proposed by these Committees.

Upon preparation of the Corporate Governance Statement of the Annual report, there will be an annual evaluation of the compliance with procedures, rules and regulations applicable to the Board of Directors.

The Corporate Governance Statement contains information on the main characteristics of the evaluation process of the Board of Directors, its committees and its individual Directors.

2.3 Remuneration of the Directors

The amount of the remuneration of the non-executive Directors is defined by the general meeting of shareholders of the Management Company, upon proposal of the Board of Directors.

The total remuneration consists of an annual fixed amount.

The amount of remuneration of the executive Directors is defined in an agreement with the Management Company and is defined by the Board of Directors. The same procedure applies to any review of the remuneration of the Executive Managers.

The Remuneration policy of the Company aims to offer to those involved in the management of the Company such a remuneration that enables to attract the desired profiles, keep and motivate them, which is in line with the characteristics and challenges of the Company, while the risks are managed healthily and effectively and the costs for the various remunerations remain under control.

The Company wishes to offer those involved a remuneration level that equals the fees offered by other Companies for similar functions.

To remain up-to-date with the remunerations paid out in the market, the Company participates in benchmarks by social secretariats or specialised consultants. It sometimes consults those specialists, outside any benchmark.

For the identity of the various categories of beneficiaries of fees, please refer to the other chapters of the Corporate Governance Charter.

Management Company

For the execution of its mandate, the Management Company, Wereldhave Belgium SA receives a fixed fee. This fee covers the expenses of the independent Directors. For the non-independent Directors, no expenses are currently charged to the Company. The remuneration reflects the responsibilities and the time allocation of the independent Directors, in relation to the limited scope and complexity of the Company.

The remuneration method of the Statutory Management Company is described in the articles of association of the Company. It can therefore only be modified by a decision of changing the articles of association by the General Assembly of Shareholders. The fee of the Management Company in 2011 is set at € 95,000.

The fee is due per calendar year, but only becomes payable after approval of the annual accounts of the tax year by the General Meeting of Shareholders.

The calculation of the fee is subject to control by the Auditor.

Directors

Directors do not receive performance-linked remuneration and no remuneration in shares or stock options, nor advantages in kind or benefits linked to pension schemes.

List of individual remunerations on tax year 2011

Non-executive Directors	Fixed
Dirk Goeminne BVBA (as from April 1, 2011) represented by Dirk Goeminne	11.250
MDCS BVBA (as from April 1, 2011) represented by Philippe Naert	11.250
GEFOR NV (as from April 1, 2011) represented by Jacques de Smet	11.250
B. Graulich (to October 31, 2011)	12.500
B. De Corte (to May 10, 2011)	5.342

Executive Directors

J. (Hans) Pars	unpaid mandate
L. Plasman	unpaid mandate (employee statute)

2.4 Current members of the Board of Directors

The Board consists of the five following members:

- Johannes (Hans) Pars (49) residing at Nieuwegracht 52, 3512 LT Utrecht is Managing Director since May 15, 2009. His mandate terminates immediately after the General Meeting of Shareholders of May 10, 2013. Mr. Pars is also Managing Director of Wereldhave SA. Nationality: Dutch (attendance rate in 2011: 100%)
- Luc Plasman (58), residing in Puydt 20, 1547 Bever, Director and Managing Director since July 1, 2011, forms the executive management of Wereldhave Belgium with J. (Hans) Pars. He has long experience in (re)development of property projects and also is Chairman of the Belgian Luxembourg Council for shopping centres. His mandate terminates on June 30, 2015. Nationality: Belgian (attendance rate in 2011: 100%)

- Dirk Goeminne BVBA (Oudeheerweg-Heide 77, 9250 Waasmunster) permanently represented by Dirk Goeminne (56), is independent Director since April 1, 2011. Dirk Goeminne has international experience in various retail groups and therefore can have important input in strategic decision making. His mandate terminates on March 31, 2015. Nationality: Belgian Other directorships in listed companies: VandeVelde SA (attendance rate in 2011: 75%)
- MDCS BVBA (Fairybankhelling 2/202, 8670 Koksijde), permanently represented by Philippe Naert (68), is independent Director since April 1, 2011. Philippe Naert has international experience in general management and marketing. His mandate terminates on March 31, 2015. Nationality: Belgian Other directorships in listed companies: KBC Group SA (attendance rate in 2011: 50%)
- GEFOR SA (Hagedoorlaan 96, 1180 Brussels), permanently represented by Jacques de Smet (62), is independent Director since April 1, 2011. Jacques de Smet has international financial experience in various types of Companies. His mandate terminates on March 31, 2015. Nationality: Belgian Other directorships in listed companies: Elia SA, SABCA SA (attendance rate in 2011: 75%)

2.5 Statements on Directors and Executive management

Wereldhave Belgium NV, Statutory Management Company, confirms, based on the information at its disposal that:

- for at least the past five years neither it, nor its Directors or, in case of Companies acting as Director, their permanent representative, nor members of the Executive Management:
 - have been convicted of fraud;
 - were the subject of official or publicly expressed accusations and/or imposed sanctions by a legal or supervisory authority (including recognised professional organisations), or ever been declared incompetent to act as member of the management of a Company or to act in the context of the management or the execution of the activities of a Company;
 - have had a leading function as member of the management, leading or supervisory bodies of a Company that have been declared bankrupt, under legal composition or in liquidation.

- there are currently no employment agreements or service providing agreements with Directors, nor with the company, nor with the Statutory Management Company, providing for specific payments at the termination of employment;
- the employment agreements or service providing agreements concluded between the Statutory Management Company and/or the Company and the members of the Executive Management do not provide specific payments at the termination of employment.

2.6 Chairmanship

The Board of Directors appoints one of its independent Directors as Chairman, based on his knowledge, know-how, experience and mediation skills.

The role of the Chairman consists in independently facilitating the operation of the Board of Directors and promoting the quality of the management of the Company.

The Chairman has the specific duties of:

- communication with the Managing Director(s);
- standing as Chairman of the Board of Directors and the associated tasks, as set out in the Corporate Governance Charter and the articles of association of the Company;
- leading the General Meeting of Shareholders;
- negotiating with the possible advisors appointed by the Board of Directors;
- discussing the results of the annual evaluation of the operation of the Board of Directors with the members of the Board;
- The Chairman also takes initiatives on subjects such as selection, (re)appointment of members of the Board of Directors, fees, contacts/ communication with external advisers, in preparation of the debate on these subjects at the plenary meeting of the Board of Directors; and
- The Chairman ensures in particular that best practice for Corporate Governance is applied to the relations between the Shareholders, the Board of Directors and the Executive Managers.

The Chairman further ensures that:

- new members of the Board of Directors follow an introduction and training programme;
- the members of the Board of Directors receive all required information for the correct execution of their task on time; and that
- there is enough time for consultation and decision making by the Board of Directors.

Furthermore, the Chairman carries out the tasks appointed to him by law, the articles of association of the Company and the Board of Directors.

2.7 Tasks of the Board of Directors

In addition to its legal and statutory obligations, the Board of Directors carries out the assignment of Management Company and in such capacity is entrusted with the following tasks:

- The Board of Directors will watch over the values and the strategy of the Company, its willingness to take risks and the main management policies.
 - Strategic decisions including investments and disinvestments, lease strategy, the general operation of the Company and decide on any initiative presented to the Board of Directors;
 - The Board of Directors provides the necessary financial and human resources to enable the Company achieving its objectives;
 - When achieving its objectives the Board of Directors takes social responsible enterprising and diversity in general into account;
- The Board of Directors supervises:
 - the performance of the Executive Management and the achievement of the Company's strategy;
 - the efficiency of the Audit committee;
 - the integrity of the Company;
 - the timely publication of financial and non-financial information in compliance with existing legislation and regulations;
 - approving a structure of internal control and risk management and evaluate its implementation, taking the evaluation of the Audit committee into account;
 - the performance of the Auditor and the internal audit function, taking the evaluation of the Audit committee into account;
 - a description of the main features of the internal control and risk management systems and their publication.
- The Board of Directors decides on the structure of the Executive Management and defines the competences entrusted to the Executive Managers. They will be integrated in the internal regulations of the Board of Directors and the executive management.
- Taking measures for a smooth and effective dialogue with the current and potential Shareholders, based on mutual understanding of objectives and interests.
- Ensuring that the obligations to all Shareholders are met.

2.8 Compliance with applicable rules

By accepting his mandate, the Director complies with all the applicable rules of the Management Company and with regard to the Company, and in particular the legislation on real estate management companies, the articles of association of the Company and the Management Company, the Corporate Governance Charter and the Terms of Reference.

2.9 Right of information

Any Director, both of the Management Company and the Company, has the right to receive all information and documents required for the correct execution of his function, except information and documents relating to “corporate opportunities”, defined in the Corporate Governance Charter, and in the cases defined therein.

2.10 Operation

General

The articles of association of the Company provide that the Management Company must be organised in such a way that within its Board of Directors at least two physical persons collegially supervise the Managing Directors for actions relating to the Company.

Frequency

The Board of Directors meets at least four times a year, and as often as necessary.

Frequency and schedule of the meetings are defined by the Board in close consultation with the Managing Directors. The meeting schedule is defined for the whole calendar year at the end of the third quarter of the previous calendar year at the latest.

The Board of Directors discusses the strategy and the risks related to the Company at least once a year.

Notice of meeting and agenda

The Board of Directors meet after notice by its Chairman or two Directors. The notice must occur at least 24 hours before the meeting.

The notices are validly made by letter or any other telecommunication means with a material carrier. They include the agenda.

The agenda indicates the topics that will be addressed at the meeting.

The Chairman ensures that the Directors receive appropriate and correct information in due time before the meetings in order to enable the Board of Directors to make knowledgeable deliberations.

In the preparation of the meeting of the Board, the Directors spend enough time on examining the information and the documents they receive, and request additional information and documents when they deem it appropriate. They shall actively participate in the work of the Board of Directors.

Chairmanship and secretariat

The Chairman presides every meeting. If absent he will be replaced by the oldest Director.

The Board of Directors has appointed a secretary of the Company, who also fills the function of Compliance Officer. All Directors have access to the secretary.

Proxies

Any Director unable to attend can be represented by another member of the Board of Directors at a specific meeting. The proxy must occur in writing, or by any other means of telecommunication with a material carrier.

A Director can represent several colleagues and vote, in addition to his own vote, as many times as he had proxies.

Decisions, quorum and majority

Unless in case of force majeure, the Board of Directors can only validly deliberate and decide if at least half of its members are present or represented. If that condition is not met, a new meeting must be called which, providing that two Directors are present or represented, will validly deliberate and decide on the topics on the agenda of the previous meeting.

Any decision of the Board of Directors is taken by absolute majority of the present or represented Directors and, if one or several abstains, at majority of the other Directors. In case of division, the vote of the person presiding the meeting is decisive.

All Directors have one vote. Blank votes and abstentions are considered as not cast when the number of votes is counted. If after a second vote the majority about a decision to be made is not obtained, the proposal is considered rejected.

In exceptional cases that can be suitably justified by utmost urgency and the interest of the Company the Board of Directors can take decisions in writing. However, this procedure can not be used for the approval of annual accounts and, as the case may be, for a call of the authorised capital. The written decisions must be taken by unanimous agreement of the Directors. The signature of the Directors will be placed either on a single document, or on several copies thereof. Those decisions will have the same validity as if they were taken at a regular meeting of the Board of Directors and will carry the date of the latest signature placed by the Directors on the document mentioned above.

Minutes

The deliberations and votes of the Board of Directors give a summary of the discussions, specify the decisions taken and indicate possible reservations of specific Directors.

They are signed by the Chairman of the Board of Directors and at least one other Director and the members who so wish.

The original is destined for archiving by Wereldhave Belgium NV, the Company keeping a copy for its own archives.

The Chairman, a Managing Director, both acting together with another Director are authorised to certify copies or excerpts of the minutes.

2.11 Conflicts of interest and conflicts of functions

The Director arranges his personal and business interests in such a way that any conflict with the interest of the Company is excluded and is in the sole interest of the Shareholders.

The Director informs the Board of Directors of any conflict of interest and in such case does not take part to the vote on the item concerned, in compliance with the Company Code.

Any Director who detects that an action presented to the Board of Directors is of such nature to interest another Company in which he holds a Director's mandate or any other mandate, immediately informs the Chairman of the Board of Directors. Unless if the unit to which he belongs applies appropriate "Chinese Walls" procedures, he withdraws from any deliberation and decision process relating to this action and does not receive the information relating to it, in accordance with the provisions in the Corporate Governance Charter.

A Director may accept mandates in other Companies, if he does not execute more than five Directorships in listed Companies and complies with the transactions on the publication of these mandates defined in the Corporate Governance Charter. Any Director planning to accept a directorship in addition to the one carried out (with the exception of Director mandates in Companies controlled by the Company and Director's mandates which in the opinion of the Director involved are not of such nature to influence his availability), reports this fact to the Chairman with whom he examines whether this new burden leaves him sufficient availability for the Company.

2.12 Transactions in securities of the Company

For transactions in securities of the Company, the Director is subject to preventive rules on market abuse in Annex 7 to the Corporate Governance Charter.

He must inform the Compliance Officer prior to any transaction, among others.

2.13 Integrity and dedication

For all Directors, both executive and non-executive, and for the latter irrespective of whether they are independent or not, it is necessary that they can decide based on independent judgement.

The Directors ensure that they receive detailed and accurate information, they will study in depth to obtain and maintain good insight in the main aspects of the company activities. They request clarification whenever they deem it necessary.

Although they are part of the same body, both executive and non-executive Directors each play a specific complementary part in the Board of Directors:

- the executive Directors provide the Board of Directors with any relevant and financial information to ensure the latter can effectively fulfil his role;
- the non-executive Directors present the strategy and the main policy lines, as proposed by the Executive Managers, in a critical and constructive way for discussion, and help elaborating it further;
- the non-executive Directors meticulously assess the performance of the Executive Managers in view of the agreed objectives.

Directors must cautiously treat the confidential information they received in their capacity of Director.

A Director will intermittently resign in case of insufficient participation, structural discordance of insights, incompatibility of interests or when it is otherwise warranted, such as if it has appeared on sufficient grounds that the integrity of the Director is jeopardised.

A business relation between a Director and the Company will be reported in the Annual report.

A Director immediately reports a (potential) direct or indirect conflict of interest to the Chairman. A Director involved in a conflict of interest situation shall provide all information to the Chairman, including the relevant information on his spouse, registered partner or other life partner, foster child and blood relatives and relatives in the second degree. This Director will not participate in the evaluation of the Board of Directors on the existence of a conflicting interest.

A "conflicting interest" exists when the Company plans to enter a transaction with a legal entity:

- (i) in which the Director has a personal financial interest;
- (ii) a manager of which has a family relation with a Director; or
- (iii) for which a Director fills a managerial or supervising function.

The number of management mandates of a member of the Board of Directors in other listed companies and similar functions in unlisted companies or organisations is limited to guarantee a good distribution of tasks. For defining the number of director mandates can be deemed acceptable in such Company types in individual cases, the work burden resulting from these functions is ultimately decisive. The maximum number of directorships in listed companies is five however.

Each Director states all director's positions and similar other functions in November, which are likely to influence the work load. Declaration is made by updating a curriculum vitae to be sent out by the Secretary for publication in the Annual report. In the Annual report the age, profession, main function, nationality and all other director's mandates in listed companies of all individual directors are provided for. Furthermore the main side functions, if interesting for the fulfilment of the task of Director, are indicated.

The Directors need the approval of the Board of Directors for accepting directorships in other listed companies and similar functions in unlisted companies or organisations. The members of the Board of Directors will request approval prior to the publication of a possible appointment. The request will be submitted to the Chairman. The Chairman shall submit such a request relating to himself to two other members of the direction.

The Board of Directors takes all necessary and useful measures for effective and efficient application of the Belgian regulation on market abuse. In that context it complies with the provisions and directives included in a policy to the Corporate Governance Charter which is an integral part of it.

3. The committees of the Board of Directors

In compliance with the Sections 522, 526bis and 526quater of the Companies Code, the Management Company may, in its lap and under its exclusive liability, create one or several advisory committees, such as, for example, a strategic committee, an audit committee, an appointment committee and a remuneration committee, and set their internal regulations.

The Board of Directors has created an Audit committee. The role, the composition and the operation thereof are defined in the Internal Regulation of the Audit Committee in Annex 3 to the Corporate Governance Charter and is an integral part of it. Moreover, the Board of Directors defines the composition and the operation of the committee in the Corporate Governance Statement.

As the Company only meets one of the three criteria defined by Section 526 of the Companies Code, the Board of Directors has decided not to create a strategic committee, an appointment committee and a remuneration committee. The Board of Directors considers the tasks concerned as tasks of the plenary Board of Directors. The Board of Directors is of the opinion that its limited scope enables efficient consultation on the concerned topics, which means those separate committees are superfluous. For the same reason no supervisory college of the Executive Managers is created as the responsibilities are executed by the Directors who are not Executive Managers.

3.1 The strategic committee

The strategic committee discusses subjects which can impact on the Company strategy. In view of the limited number of Directors and the importance of strategic thinking exercises this task is filled by the plenary Board of Directors. The strategic committee is presided by the Chairman.

3.2 The Audit committee

3.2.1 Composition and remuneration

The committee consists of two members appointed by the Board of Directors of the Management Company from the independent Directors. Complying with the recommendation of the Corporate Governance Code that the Audit committee at least needs to have three members would lead to it that almost the whole Board is part of the Audit committee.

The members of the Audit committee must have relevant knowledge and experience corresponding with the provisions of Corporate Governance Code, in particular in accounting, audit and financial matters, with a least one 'independent' Director holding a higher studies certificate in economics or finance or has acquired relevant experience in these matters. The Chairmanship of the Audit committee is not filled by the Chairman.

The length of the mandate of the members of the Audit committee may not exceed the length of their Director's mandate. The end of the mandate of Director of a member of the Audit committee results in the end of his mandate in the Audit committee.

If a maximum of four meetings are held per year, the members of the Committee are not paid session fees, unless otherwise decided by the Board of Directors.

3.2.2 Chairmanship

The Board of Directors of the Management Company appoints the Chairman of the committee. He may not be the Chairman of the Board of Directors of the Management Company.

The Chairman of the Audit committee calls the meetings and defines the agenda, after consulting the Financial Director (CFO).

The Financial Director (CFO) ensures that the members of the Committee, after critical and constructive discussion of the points on the agenda, reach a consensus.

The Chairman takes the necessary measures to create a climate of trust within the Committee and ensures its efficient operation. He ensures amongst others that each new member of the Committee is induced smoothly, with the necessary personal contacts and the communication of useful information regarding the operation of the Committee to guarantee a quick and efficient co-operation.

The Chairman is also the privileged conversation partner of the Board of Directors for any matter the Committee is competent for.

3.2.3 Responsibilities

The Audit Committee helps the Board of Directors and the Executive Managers with monitoring the accuracy and sincerity of the Company accounts and the quality of internal and external audits and the information supplied to Shareholders and the market. With that purpose the Committee advises and makes the necessary recommendations to the Board of Directors of the Management Company and the Executive Managers.

Special tasks of the Audit committee:

1. In the context of financial reporting and monitoring of the process for its compilation:
 - ensure the accounting integrity of the financial information provided by the Company; compiling statutory annual accounts, consolidated accounts, quarterly reports and designing important financial communication for publication;
 - examine any change in application of the accounting principles, analyse and validate the evaluation rules and reporting;
 - inform with the Financial Director (CFO) on methods used for accounting processing of significant and unusual operations; when various accounting processes are possible;
 - discuss the main financial reports with the Financial Director (CFO) and the Auditor.
2. in the framework of the monitoring of the efficiency of the internal audit systems and the risk management of the Company:

- the procedures for internal audit and risk management applied by the Company and its affiliates to ensure that the risks were identified, managed and reported correctly to the Audit committee;
- check the description of procedures for internal audits and risk management which must be included in the management report;
- examine the report the Executive Managers must present to the Board of Directors, the FSMA and the Auditor on the evaluation of internal audit procedures, examine its clarification and the risk management in the Annual Report;
- examine the specific measures created to enable staff or other persons in contact with the Company expressing their concern on possible irregularities in financial reporting or other matters in confidence;
- approve the operational rules of internal audit and their possible modifications; ensure the monitoring of efficiency of the internal audit and execute the task it was given according to the relevant rules of operation.

3. in the context of the monitoring of the annual and half-yearly accounts:

- ensure the follow-up of the questions and recommendations of the Auditor;
- previously examine the drafts of statutory annual accounts and consolidated annual accounts and express their opinion before presenting it to the Board of Directors;
- if necessary hear the Financial Director (CFO) and the Auditor.

4. in the context of the follow-up of the external audit:

- advise the Board of Directors on appointment, re-appointment or dismissal of the Auditor and the amount of fees that must be defined for the execution of its task;
- check the independence of the Auditor from the Company;
- previously approve any assignment entrusted to the Auditor of the Company and which falls outside their legal task. Check the nature and scope of other than audit services provided, and define and apply a formal policy which defines which types of other than audit services are excluded, allowed after examination by the Committee or automatically allowed, all this in consideration of the 'one-to-one' rule;
- be informed of the work programme of the Auditor of the Company;
- check the efficiency of the procedure for external audit.

For the execution of its tasks the Committee discusses the main subjects with the Financial Director (CFO), the Auditor and any other person in the Company whose hearing is deemed necessary.

After reporting to the Chairman of the Board of Directors the Audit Committee can request any advice and assistance it deems necessary for the execution of its tasks from legal, accounting or other advisers.

The Board of Directors has the sole decision competence however.

The execution of its tasks by the Audit committee does not in any way release the Board of Directors and its members from their own obligations and responsibilities.

3.2.4 Operation

The Audit committee meets as often as necessary for the correct operation and at least four times a year, upon request of its Chairman, one of its members, the Chairman, a Managing Director and the Financial Director (CFO). If necessary or upon request of one of its members or the Auditor the Chairman of the Audit committee can call extraordinary meetings. The members are expected they attend all meetings of the committee. The Audit committee can speak with any relevant person, without the presence of an Executive Manager. The Chairman of the Audit committee can request the Auditor to attend a meeting of the Audit Committee if needed.

The Audit Committee meets at least once a year with the Auditor for an exchange of ideas on any matter under its competence, and any matter raised by the audit process.

The Audit committee may be assisted by the secretary of the Company for the execution of its duties.

After each meeting of the Audit committee the Chairman of the Audit committee (or in his absence, another member of the Audit committee appointed for this) reports at the next meeting of the Board of Directors on the execution of his tasks and in particular after meetings dedicated to the compilation of the annual accounts destined for publication.

3.3 The appointment committee

The appointment committee was created to advise the Board of Directors on appointments submitted to the General Meeting of the Management Company. It also advises on key position recruitments within the Management Company and the Company, even if these do not need to be approved by the General Meeting of the Management Company.

Due to the limited size of the Board of Directors the appointment committee is composed of the plenary Board of Directors, and is presided by the Chairman of the Board.

The appointment committee meets at least twice a year. If circumstances request it, it will also meet at intervals.

3.4 The remuneration committee

As the Company only meets one of the three criteria defined by Section 526 of the Company Code, the Board of Directors sees the tasks concerned as tasks of the plenary Board of Directors. The Chairman of the Board of Directors (if he is a non-executive Director) or another non executive Director presides this committee.

The remuneration committee has the following tasks:

- it makes proposals on the remuneration policy for Directors and the members of executive management to the Board of Directors, and where applicable, the resulting proposals which need to be presented to the Shareholders by the Board of Directors;
- it makes proposals to the Board of Directors on the individual remuneration of the Directors and the members of the executive management, including variable remuneration and long term performance bonuses of any type,
- it prepares the remuneration report that is added to the Corporate Governance Statement in the annual financial report by the Board of Directors;
- it clarifies the remuneration report at the ordinary General Meeting of Shareholders.

The remuneration committee meets at least twice a year and as often as it is deemed necessary.

4. Executive managers – Executive management

In accordance with Section 38 of the law of 20 July 2004 on certain types of collective management of investment portfolios, the actual management of the Company is entrusted to at least two persons, who hold the title of "Executive Manager".

The Executive Managers currently are:

J. (H.) Pars, Managing Director of the Board of Directors of the Management Company

L. Plasman, Managing Director of the Board of Directors of the Management Company

4.1 Role

The roles of the Executive Managers mainly are to:

- propose the strategy of the Company to the Board of Directors;
- the preparation of all decisions to be taken by the Board of Directors to fulfill its obligations;

- execute the decisions of the Board of Directors regarding the acquisition or the transfer in any form of properties of shares of real estate companies;
 - decide on any acquisition or transfer of properties or shares of real estate companies with a value, according to the general strategy defined by the Board of Directors;
 - lease real estate properties, and more generally enter into agreements in this respect, in accordance with the general strategy defined by the Board of Directors;
 - ensure the day-to-day management of the Company and report to the Board of Directors;
 - follow-up the treasury status of the Company; the presentation to the Board of Directors of a current, accurate and comprehensive view on the operational and financial developments of the Company and its affiliates;
 - internal audits (systems for the identification, evaluation, management and follow-up of financial, property-linked and other risks, including the internal audit and risk management systems relating to the process of financial reporting, including the Annual report and the Consolidated annual accounts), organise, without prejudice to the supervisory role of the Board of Directors, based on the framework approved by the Board of Directors;
 - supervise the preparation of the financial statements, corresponding to the applicable standards for Annual accounts, accounting standards and valuation rules of the Company;
 - the mandatory publication of the annual accounts by the Company;
 - present an objective and understandable evaluation of the financial situation, the budget and the business plan and the follow-up thereof to the Board of Directors; and
 - hire and dismiss staff members and define their remuneration.
- steer and lead the management team of the Company conform with the decisions of the Board of Directors,
 - monitor the executable, targeted, reliable and correct preparation of the financial statements, according to accountancy standards and the evaluation rules of the Company, present the financial statements to the Board of Directors,
 - assess the financial situation, the budget and the business plan of the Company objectively and understandably, and submit the evaluation to the Board of Directors,
 - carry out internal audits (systems for the identification, the assessment, the evaluation, the management and the follow-up of financial and other risks), without prejudice to the monitoring role of the Board of Directors and the Managing Directors,
 - report to the Board of Directors, the FSMA and the Auditor on the evaluation of the internal audit system,
 - prepare the publication of the financial statements and the other financial and non-financial information.

The Executive Managers of the Company execute their assignments without prejudice to the competencies of the Board of Directors.

4.3 Operation

The Executive Managers meet as often as required and at least twice a month.

The Executive Managers take the necessary measures in view of a climate of trust and close mutual co-operation, by contributing to open discussions and the constructive presentation of diverging opinions.

The Executive Managers carry out their assignments collegially.

4.4 Corporate Governance

The Executive Managers act in the sole interest of the Shareholders. They organise their personal and business activities in such a way as to avoid any direct or indirect conflict of interests with the Company (as explained in Annex 8 to the Corporate Governance Charter).

They make no decisions and do not act in matters within their responsibility, but where they are likely to be placed in a situation of conflict of interest with the Company or the sole interest of its Shareholders.

4.2 Assignments

The Executive Managers participate in the execution of activities of the Company and the definition of its business policy. In that context their main tasks are:

- overall, apply the decisions of the Board of Directors,
- analyse the general business policy and general strategy of the Company and, if needed, make proposals in this respect to the Board of Directors, actually implement the general strategy and general business policy of the Company as decided by the Board of Directors,
- define the opportunities or the needs at investment, disinvestment and funding level, and as the case may be make proposals in the matter to the Board of Directors,

The Executive Managers shall comply with the provisions of the Belgian Corporate Governance Code and the Corporate Governance Charter, in particular regarding the rules to prevent the conflicts of interest and market abuse. The provisions in chapter 3 regarding “Integrity and dedication” of Directors apply to Executive Managers.

4.5 Supervision

The Executive Managers are responsible for the execution of their assignments that they carry out under supervision of the Board of Directors and without prejudice to the assignments of the members of the Board of Directors. The Executive Managers regularly report to the Board of Directors on the execution of the assignments.

4.6 Remuneration

The remuneration policy of Wereldhave Belgium relating to the Executive Management is a concern of the Board of Directors. The remuneration of the executive management is assessed each year. The Board of Directors has developed and approved an appropriate remuneration policy consisting of two parts:

- a fixed fee, including a contribution for insurance and pension;
- a variable fee, paid after the end of the tax year involved.

Wereldhave Belgium complies with the provisions of the Company Code and the Royal Decree regarding Property management companies, as well as with the principles of the Corporate Governance Code.

The Board of Directors annually analyses the remuneration policy by the members of the Executive Management and examines whether adjustments are needed to adapt the policy. All components of the remuneration policy are analysed. The analysis involves benchmarking to the remuneration policy of other listed property Companies.

Remuneration of the members of the Executive Management

The amount of the remuneration of the members of the Executive Management consists of the following components: a fixed remuneration, a variable remuneration in the short term and a pension scheme.

The **fixed remuneration** of the members of the Executive Management is defined according to their individual responsibilities and competences. That remuneration is not related to the result of the Company.

The **variable remuneration** is defined based on the effective realisation of financial and qualitative objectives which are defined and assessed annually by the Board of Directors. Those

objectives are defined according to specific criteria, weighed according to importance, approved by the Board of Directors.

For the tax year 2011 the evaluation criteria for the definition of the variable fees are the following: result per share, level of attendance, the evolution of the development portfolio and general management.

The Board of Directors evaluated the realisation of these objectives for 2011 and set the variable fee to 39% of the fixed fee. Regarding tax year 2012 the variable fee will depend on the realisation of the following objectives: the net result per share, the degree of occupancy, the level of debt, the evolution of the development portfolio and the general management.

The Board of Directors shall submit the non-spread in time of the variable remuneration to the General Meeting of Shareholders.

The members of the executive management benefit from a **group insurance** of the type ‘defined benefit’ with the Vivium company. The group insurance has the objective (i) the payment of a capital life benefiting the subscribed on the date of retirement (ii) the payment of a capital death in case of death of the subscribed before retirement, in favour of his beneficiaries (iii) the payment of a disability benefits in case of accident or illness.

The other benefits include a hospitalisation insurance (€ 707), the availability of a company car and the refund of professional expenses made in the context of their function.

The Ordinary General Meeting deciding on the annual report of the Board of Directors shall also decide on the remuneration report in a separate vote.

Remuneration of the Executive Management:

2011	Salary	Bonus	Pension scheme	Total
J. Pars	Honorary mandate			
L. Plasman	€ 168,192	€ 66,500	€ 106,838	€ 341,530

2010	Salary	Bonus	Pension scheme	Total
J. Pars	Honorary mandate			

Currently no employment agreements or service providing agreements are concluded with the members of the Executive Management which provide specific cash benefits upon termination thereof.

5. Shareholding

5.1 Capital

All shares of the Company are ordinary shares and provide equal rights.

Each share is entitled to one vote.

The Company has not issued other than ordinary shares.

There are no shares with special voting or powers of control rights. The Company is non aware of any Shareholders or voting agreements between Shareholders.

The General Meeting of Shareholders of the Board of Directors can decide on an increase of the authorised capital or on an increase thereof within the limits provided for in the articles of association.

The current amount of the authorised capital of the Company and the current number of shares of the Company can be consulted on the website of the Company (www.wereldhavebelgium.com).

5.2 Structure of the Shareholding

The Promotor holds, directly and indirectly, 69.3% of the shares of the Company in total.

The other shares are held both by institutional and private investors.

There are no share packages greater than 5% known in the Company, other than the share package held directly and indirectly by the Promotor.

5.3 Relation with the Shareholders

The Company ensures equal treatment of the Shareholders and respects their rights.

The Management Company is fully accountable to the providers of the risk bearing capital. This justification is done at the General Meeting of Shareholders. Hence, the Company attaches great importance to the presence of the Shareholders at this General Meeting of Shareholders. The Company encourages the Shareholders to attend the General Meetings of Shareholders.

The General Meeting of Shareholders is used to communicate with the Shareholders. The Board of Directors will provide such information that together with additional sound sector and investment analyses, render good communication and critical evaluation of strategy, risks, activities and financial results possible.

Each Shareholder can participate in the General Meeting of Shareholders and exercise his voting right according to legal provisions. Shareholders who cannot attend the General Meeting of Shareholders have the right to exercise their voting right by proxy. All available documentation and meeting documents are obtainable in advance on the website of the Company (www.wereldhavebelgium.com).

The required percentage of shares to be held by a Shareholder to be allowed to submit proposals to the General Meeting of Shareholders, is 3% of the capital of the Company. The processing thereof should not affect the orderly process of the General Meeting of Shareholders.

When calling a General Meeting of Shareholders the Company provides sufficient information on the topics on the agenda and the resolutions submitted by the Board of Directors. In addition to the formalities imposed by the Companies Code in this matter, the Company uses its website to divulge all relevant information and documentation regarding the exercise of voting rights of the Shareholders.

The Chairman presides the General Meeting of Shareholders and takes the necessary measures to ensure that any relevant question of the Shareholders is answered. During the General Meeting of Shareholders the Directors answer questions asked by the Shareholders about the Annual report or the topics on the agenda.

The Secretary of the Company draws up the minutes of the meeting. The minutes are signed by the Chairman and the Secretary of the Company. In principle the minutes are published within one month after the General Meeting of Shareholders on the Company's website and sent by mail upon request, free of charge. The minutes are in principle not a topic of the next General Meeting of Shareholders agenda. By doing so one would insufficiently consider the fact that the Shareholding could have significantly changed in the meantime and that the vote on the minutes would therefore be held by Shareholders who might not have been present at the previous General Meeting of Shareholders.

6. Other provisions relating to Corporate Governance, as published in the Corporate Governance Charter

6.1 Rules of conduct regarding financial transactions

6.1.1 Introduction

Insider trading is purchasing or selling shares or other financial instruments using accurate and important, but unpublished information on the Company, its clients or suppliers in view of obtaining an unfair advantage. Privileged information is information that could be used by a reasonable investor in his investment decision. Insider trading is unethical and illegal in most countries. It is also unethical and as the case may be illegal to divulge privileged information obtained in the context of one's function, other than in the normal context of exercising one's function.

The Company has decided to improve the prevention against insider trading by adopting a policy and implementing a specific procedure. Abuse of privileged information falls under Criminal Law: the persons involved as well as the Company can be the subject of criminal and/or administrative prosecutions. They also increase the risk that procedures are introduced against the Company, its Directors and the Executive Managers and that their liability is entailed in procedures regarding fraud on financial instruments. Notwithstanding its Insiders policy, the Company expects a legal and ethical conduct from its Directors, Executive Managers and employees.

6.1.2. Objective

The Company has adopted the Insiders policy for the attention of its Directors, Executive Managers, employees, their family members and appointed third parties who have access to privileged information on the Company, to prevent any (indication of) violation of the Law

- the purchase and sale of securities issued by the Company while the person involved held privileged information (unpublished, accurate and important information which could considerably affect the rate of the financial instruments involved),
- the divulgence of privileged information to third parties.

6.1.3 Application area

The present Insiders policy applies to Directors, Executive Managers, employees of the Wereldhave group, their relatives and all third parties which hold privileged information on the Company through their relations (together the *"Insiders"*).

The policy applies to all transactions on securities issued by the Company, including the shares, share options and any securities the Company could issue, such as preferential shares, convertible bonds, warrants and listed options or any derivated product. The policy also applies to all securities whose underlying value is the Company share irrespective of the issuer. The securities purchased or sold on behalf of a Director, Executive Manager or employee of the Wereldhave group in application of a contract for the discretionary management of a securities portfolio concluded with a bank or registered financial intermediary, are not considered as being bought or sold by the Insider.

After approval of the text of the policy by the members of the Board of Directors, a copy is provided to any Director, Executive Manager, employee or appointed third party. Any new Director, Executive Manager, employee and appointed third party will receive a copy of the policy at the time of employment or the start of his relation with the Company.

6.1.4 Directors, Executive Managers and key employees

6.1.4.1 Directors and Executive Managers

The Directors and Executive Managers have regular or occasional access to privileged information. They are recommended to be very cautious when buying or selling securities of the Company, as listed in point 6.1.3 above. In case of doubt they can consult the Compliance Officer.

6.1.4.2 Key employees

Key employees have due to their position in the Company and their regular or occasional access to privileged information and must therefore be very cautious when buying or selling securities of the Company, as listed under 6.1.3 above. The Company shall update the list of key employees when appropriate to include the name of new key employees and to delete the name of the key employees who left the Company.

6.1.5 Compliance Officer

The Company has appointed the Financial Director (CFO) as Compliance Officer.

The responsibilities of the Compliance Officer include among others the following tasks:

- Managing the Insiders policy, implementing and controlling the provisions of thereof and its procedure.
- Answer all questions on the policy and its procedures.
- Define and inform those concerned on the special closed periods in which Insiders may not buy or sell securities of the Company.

- Supply any existing or future Director, Executive Manager and employee and any person who, according to the Compliance Officer has access to privileged information on the Company, with a copy of the policy and any associated document.
- Apply the Law on the prohibition of acting with privileged information. Manage and control this application.
- Adapt the policy if needed to include legal changes.
- Maintain the originals and copies of all documents required by the policy in the archives of the Company.
- Update the list of Directors, Executive Managers and key employees when required to include the new members and delete the name of the members who left the Company.

The Compliance Officer can appoint one or several persons who would take on his tasks if it would be impossible for him to exercise his tasks or if he was unavailable.

6.1.6 Definition of 'privileged information'

6.1.6.1 "Rate sensitive" information

Information on the Company is "rate sensitive" when it can be expected it could have a considerable influence on the investment decision of a reasonable investor or on the vote decision of a reasonable shareholder, or if it can be expected that its publication could have a considerable influence on the whole information available on the market on the Company. Briefly worded accurate and important information is any information of which it can reasonably be expected that it would affect the price of the securities of a Company. It is impossible to draw up an exhaustive list of information to be considered "accurate and important" but below is a list of information that usually is considered as such:

- Financial results, and more specifically the quarterly, half-yearly and annual results, and important changes in financial results or liquidity.
- The future expectations of the Company and its strategic plans.
- Possible joint ventures and acquisitions or sale of assets of a Company or the subsidiaries.
- New important contracts or the loss thereof.
- Important rent adjustments
- Share division, public or private offer of shares or bonds, or change in the dividend policy of the Company.
- Important change in the composition of higher management.
- Important social conflicts.
- Existing or potential disputes or the end thereof.

6.1.6.2 "Not public" information

Accurate and important information is "not public" unless if informed appropriately to the public via large, national and financial press services. The information must be available and the market as a whole must have had sufficient time to gain knowledge of it, before the sale or purchase of securities based on that information becomes legal.

6.1.6.3 Consultation of the Compliance Officer

Any Insider who wishes to know with certainty whether the information at his disposal is accurate, important and public is recommended to consult the Compliance Officer in the matter before selling or buying securities of the Company.

6.1.7 Policy of the Company and procedures

6.1.7.1 Prohibited activities

- Insiders may not trade in securities of the Company when they hold privileged information on the Company.
- Insiders may not trade in securities of the Company outside the trading windows as described in point 6.1.7.2 below or during special closed periods as defined by the Compliance Officer.
- Directors, Executive Managers and key employees may only trade in securities of the Company after informing the Compliance Officer according to the procedure under 6.1.7.3 below. The Directors, Executive Managers and Key employees are recommended as much as possible to preserve the documents that support the reason for trading.
- Insiders may not transfer privileged information on the Company to third parties (including their relatives, analysts, private investors, members of the investment group and the news media) except in the framework of the normal execution of their function within the Company and only after obtaining approval by the Compliance Officer. If privileged information is supplied to third parties, the Company shall take the necessary steps to guarantee the confidentiality of the information, by for example requesting the third party to confirm in writing he shall respect the provisions of the policy and/or making him sign a confidentiality agreement. Any question by third parties regarding accurate and important as yet unpublished information on the Company must be transmitted to the Compliance Officer.

- Insiders may not make recommendations on the buying or selling of securities of the Company while they hold privileged information on the Company, with the exception that Insiders must recommend third parties not to buy or sell securities of the Company if this purchase or sale would consist a violation of the law or the policy. The Company strongly recommends Insiders not to make recommendations to third parties on the buying or selling of securities of the Company, even if they have no privileged information on the Company.
- Insiders may not buy or sell securities of another listed Company or recommend third parties to buy or sell those securities or divulge privileged information on that other public Company while they hold privileged information on that Company in the context of their function within the Company.

6.1.7.2 Trading windows and closed periods

6.1.7.2.1 The trading windows for Directors, Executive Managers and Key employees.

After having informed the Compliance Officer according to the procedure described below, the Directors, Executive Managers and key employees may trade securities of the Company during a period starting at closing of the stock exchange on the second complete business day following the publication by the Company of its report on its (quarterly, half-yearly) annual results, and which ends at the closing of the stock exchange on the last day of the relevant quarter.

6.1.7.2.2 The trading windows for other Insiders.

Insiders who are not Directors, Executive Managers or Key employees may trade in securities of the Company during a period starting at stock exchange closing on the second complete business day following the publication by the Company of its report on its (quarterly, half-yearly) annual results, and which ends at the closing of the stock exchange on the last day of the relevant quarter.

6.1.7.2.3 No purchase or sale during a trading window by persons holding privileged information.

Insiders holding privileged information on the Company may not purchase or sell securities of the Company, even during the trading windows. Those who hold privileged information may only purchase or sell during a trading window after closure of the stock exchange on the second complete business day following the publication of the said information by the Company.

6.1.7.2.4 No purchase or sale during closed periods or during special closed periods.

Insiders may not purchase or sell securities of the Company outside the applied purchase or sale windows or during special closed periods defined by the Compliance Officer. Insiders may not divulge to third parties that a special closed period was defined.

6.1.7.2.5 Exceptions for extraordinary circumstances.

The Compliance Officer may, on an individual basis, authorise the purchase or sale of securities of the Company outside the applicable purchase or sale windows (with the exception of the special closed periods), in consideration of special (financial or other) circumstances.

6.1.7.3 Procedure

Directors, Executive Managers and Key employees may only purchase or sell securities of the Company after:

- having informed the Compliance Officer in writing on the involved number of securities and the nature of the planned transaction and
- having confirmed in writing to the Compliance Officer not to have held privileged information on the Company, at the
- latest two business days before the planned transaction.

The Compliance Officer may, on individual basis, authorise to purchase or sell securities of the Company outside the applicable trading windows due to special (financial or other) circumstances. In that case, the following procedure applies:

- the person concerned informs the Compliance Officer in writing of the special circumstances and the number of securities involved and the nature of the planned transaction,
- the person concerned confirms to the Compliance Officer in writing that he has no privileged information on the Company and this at the latest two business days before the planned transaction, and
- the Compliance Officer authorises this transaction in writing.

6.1.7.4 Priority of the legal restrictions

If the Law imposes additional restrictions than the Company's policy, the restrictions imposed in the Law apply. Insiders wishing to know whether there are more strict legal restrictions may consult the Compliance Officer.

6.1.8 Possible civil, criminal and disciplinary sanctions

6.1.8.1 Civil and criminal sanctions

The consequences of insider trading or divulging privileged information to third parties can be very serious. Those who violate the laws on insider trading and divulging privileged information to third parties can be condemned to paying the amount of realised profit or the avoided loss, to paying the amount of loss incurred by the person having bought the securities or to whom the securities were sold, to paying a civil compensation or a criminal fine, or to a prison sentence. The Company and/or the persons in charge of the person who committed the offence can also be condemned to paying a civil compensation or a criminal fine.

6.1.8.2 Disciplinary sanctions

In case of violation of the Insiders policy by an Executive Manager, an employee or a family member a disciplinary sanction can be imposed on the Executive Manager or the employee. The sanction can go up to dismissal due to gross negligence.

6.1.8.2 Notification of violations

Insiders who become aware of a violation of the policy provisions or the Law on insider trading or the divulging of privileged information by another Insider, must immediately inform the Compliance Officer. The Compliance Officer who is informed of the violation decides in conjunction with the legal adviser of the Company, whether the Company should publish the privileged information or not and whether the Company should report the violation to the competent authorities.

6.1.9 Reporting obligation for the Executive Managers

Persons with managerial responsibility of the Company and closely associated persons must report their personal transactions in certain categories of securities of the Company to the FSMA. This must occur within five business days after the execution of the transaction at the latest.

As long as the total amount of transactions does not exceed 5,000, the report may be delayed, at the latest until 31 January of the next calendar year. If the threshold is exceeded all the transactions carried out previously must be reported within five business days after execution of the latest transaction.

6.1.10 Questions

All questions on the provisions of the Insiders policy and its procedures should be directed to the Compliance Officer.

6.2 Internal control and risk management systems

Control environment

6.2.1 Organisation of the Company

The Management Company is responsible for the design, the implementation and the operation of the internal risk management and control systems matching the business activities of Wereldhave Belgium. The Management Company is aware that no risk management and control system can provide an absolute guarantee for achieving the company objectives and preventing considerable errors, losses, fraud or the violation of laws or regulations.

The instruments for internal control and risk management are formed by the tailored administrative organisation, the investment plan to be approved yearly by the Management Company and the Business Principles and the Code of Conduct. The Company has a regulation for warning of abuses. The integrity-sensitive functions are inventorised. Special procedures apply to the recruitment of employees in such positions. Wereldhave Belgium applies strict procedures for the periodical compilation of quarterly and annual figures based on the defined bases. The internal management reports are directed to immediate reporting of developments in the value of investments and in result by share. Electronic data processing in an automated central information system is used for this purpose.

6.2.2 Organisation and internal control

The Company has created an appropriate administrative organisation in which the internal control is anchored. The business processes are documented in a database accessible to all employees online. The system not only guarantees the continuity of the business processes, but also stores and shares the knowledge present in the Company. The business processes are further detailed in task descriptions per function. The system of Administrative Organisation / Internal Control is based on function division where possible. The system also includes an automated information system with access based on task descriptions. Both assignments and payments occur based on the 4 eyes-principle.

6.2.3 Risk analysis and control actions

The analysis of the risks is described in the section 'Risk factors' of this annual financial report (see page 27). This also describes which measures Comm. VA Wereldhave Belgium takes and the strategy applied to limit the potential impact of the risks when they could occur.

It is the task of the Board of Directors to evaluate those risks at regular intervals.

6.2.4 Financial information and communication

The process for the compilation of the financial information is structured based on previously defined tasks to be executed and time schedules to be met.

After all figures are processed and the accounting tasks are finished, the figures are verified by the department 'control & administration'. The control mainly consists of:

- The variations between the actual and budgeted figures; the budgeted annual figures and updated quarterly;
- A variation analysis between the actual and historic figures;
- An ad-hoc analysis of all material amounts and entries.

6.2.5 Parties involved in the evaluation of the internal control

The quality of the internal control is assessed during the year by:

- the commissioner in the context of the control of the half-yearly and annual figures. Based on the commissioner's recommendations internal control processes are adjusted where necessary.
- The control committee: as indicated above the control committee fills a specific task regarding internal control and risk management of Comm. VA Wereldhave Belgium.

The Board of Directors of the Management Company supervises the execution of the tasks of the Audit committee in the matter, among others by reporting by the Audit committee to the Board of Directors.

7. Statutory provisions on the Management Company and relating to a modification of Articles of Association

The Company is founded as a partnership limited by shares with one Statutory Management Company, appointed for an unlimited period. Wereldhave N.V. holds 100% of the shares of the Statutory Management Company.

There is no legal or statutory restrictions to the transfer of securities.

Subject to legal provisions no special powers of control are linked to shares in the Company. Decisions or actions which are the competence of the General Meeting of Shareholders must be approved with consent of the Statutory Management Company.

There is no legal or statutory restriction to the exercise of voting rights.

The Company is not aware of shareholders' agreements which could lead to restriction of transfer of shares and/or exercise of voting rights.

Modifications to articles of association and appointments or replacements of the members of the Management Company are applied in compliance with the Company Code. The Management Company is appointed by an Extraordinary General Meeting of Shareholders, before a notary, considering the requirements for modification to articles of association. For the appointment of an additional Management Company the approval of the other Management Company is required. The task of the Management Company can only be revoked by judgment on request of the General Meeting of Shareholders for legal reasons. The General Meeting of Shareholders needs to decide without the Management Company participating in the vote.

Pursuant to a decision by the General Meeting of Shareholders of 16 December 2011 the Management Company is authorised to increase the capital of the Company in one or several times up to a maximum of € 225 mio by contribution in cash or in kind; as the case may be by incorporating reserves or issue premiums, in accordance with the rules provided for in the Companies Code, the articles of association or the Royal Decree of 7 December 2010. This authorisation is valid for a period of five years.

There are no important agreements entered into force and to which the Company is party, that will be modified or terminated in case of modification of control on the Company after a public bid.

No agreements are entered into between the Company and the Management Company or staff that provide in remunerations when, as a result of a public take-over bid, the Management Company resigns or has to lay off personnel without valid reason or to terminate the employment contract of employees.

8. Other information according to article 34 of the Royal Decree of 14 november 2007 regarding the obligation of issuers of financial instruments who are authorised to trade on a regulated market

8.1 Capital structure

At the date of this annual financial report the authorised capital of Comm. VA Wereldhave Belgium € 224,968,918.27, divided over 5,331,947 shares, which each represent 1/5,331,947 part of the authorised capital.

There is no legal or statutory restriction to the transfer of securities.

8.2 Equity plan for employees

There currently is no equity plan for employees.

8.3 Shareholder agreements which could lead to transfer restrictions or restrictions of the exercise of voting rights

Wereldhave N.V. and Wereldhave International N.V. have reported on 28 October 2008, by virtue of Section 74, § 7, section 3, of the Law of 1 April 2007, , holding in mutual consultation more than 30% of the shares with voting right in the Company as at 1 September 2008.

Upon 31 december 2011 5,331,947 shares are in circulation, of which 39.10% are held by Wereldhave N.V., 30.21% held by N.V. Wereldhave International and 30.69% by the public.

N.V. Wereldhave International is a 100% subsidiary of Wereldhave N.V.

9. Insurance cover

Comm. VA Wereldhave Belgium and its subsidiaries must subscribe an appropriate insurance cover for the property investment portfolio. The insurance cover must meet the usual market conditions.

The Company insures the property investment portfolio at new built value. The paid premiums in 2011 amount to € 42,029. The insured value of the portfolio is € 317 mln.

Risk factors

Risks and risk management

Wereldhave Belgium recognises strategic, operational and financial risks.

Strategic risks are linked to strategic choices of the company, operational risks are directly related to the company's activities and financial risks are related to developments on the financial markets.

Hereafter follows a description of the most important business risks, the specific procedures to control the risk and the possible influence on the result or assets.

Risks

Operational

The rental risk involves the risk of the lettable and movements in market rents. Due to the economic crisis, it may take longer to rent vacated space, resulting in a loss of rental income due to vacancies. Market rents are not always in keeping with contractual rent fees, as a result of which adjustments to the rental income can be necessary when extending leases or renovating. Wereldhave Belgium keeps a constant and close eye on market rent movements.

With its strategy of portfolio renewal, Wereldhave Belgium has grown a portfolio of modern, first-class property with good letting prospects. The sicafi maintains direct contact with the tenants and regularly reports to the Management Company on all relevant market developments. The standard lease terms state that rent is to be paid in advance. Another fixed component in Wereldhave Belgium's lease agreements is formed by payment guarantees. A change of 0.5% in the occupancy levels has an effect on the direct result of € 0.1 mln (€ 0.03 per share).

The value development of the portfolio is affected by rental markets as well as financial markets. A lower value affects the capital ratios and the net asset value of the share.

The focus on shopping centres involves a higher geographical concentration, in the sense that the apportionment is implemented only on a limited number of real estate as well as a higher risk concentration.

Wereldhave Belgium's strategy safeguards its portfolio of attractive properties with excellent letting prospects. However, even the value of first-class property can decrease. The development of the portfolio's value is monitored closely. Wereldhave Belgium values its properties at market value (at the buyer's expense). The entire portfolio is valued each quarter. External valuations by independent valuers are performed. With its solid capital ratios, Wereldhave Belgium is well able to absorb any decreases in property values. A change in the average initial

yield of 0.25% has an effect of € 15.8 mln on equity (€ 2.96 per share).

Financial risks

Changes in interest rates may affect the results, the yield and the value of the property.

Of the interest-bearing debt of € 67 mln, 100% was borrowed at variable interest rates as at 31 December 2011 (2010: € 47.3 mln). Inflation rates, in combination with interest rates, are included in the management information and in the parameters set by the Management Company for the projections and forecasts that are used in determining policy. With a debt/equity ratio of 18.3% as at year end 2011, Wereldhave Belgium is one of the most soundly funded property funds listed in Europe (2010: 13.2%). A change of 0.5% in the money market interest rate has an effect of € 0.3 mln on the direct result and equity (€ 0.06 per share).

Financial transactions are only concluded with the prior approval of the Management Company.

The exemption in accordance with Article 39 § 3 of the 2010 Royal Decree relating to the shopping centre 'Belle-Ile' in Liège on the prohibition of investing more than 20% of the assets in a single property project has been renewed till September 30, 2012.

The company refers to note 31 with regard to the legal procedure.

Other risks

Operational risks

The bad debt risk is the risk of a contract party defaulting on payments to Wereldhave Belgium. If 1% of the debtors were to default, this would have an effect of € 0.3 mln on the direct result (€ 0.06 per share). With an on-line application, Wereldhave Belgium monitors outstanding receivables and assesses the adequacy of its provision for bad debts on a monthly basis. Moreover, the standard lease conditions require rents to be paid in advance, and the creditworthiness of every new tenant is assessed before any new lease is signed. The risk is limited further by bank guarantees provided by tenants.

Development risk

The risk that the ultimate project costs deviate from the original budget is managed by means of transparent budgeting and highly-disciplined project management. The Company also endeavours to ensure that it can determine itself whether and when the various project phases commence. Completion and purchase obligations are only concluded subject to an explicit decision of the Management Company.

Financial

The refinancing risk comprises the risk that loan agreements cannot be renewed, or can only be renewed subject to less favourable conditions. This risk is mitigated by maintaining solid equity ratios, maintaining relations with various international banks and maintaining sufficient credit facilities (both committed and uncommitted). The Management Company reviews the cash flow forecasts and the resulting funding requirements on a regular basis.

Financial transactions comprise the risk that is attached to financial transactions such as interest rate swaps. Only reputable major financial institutions with investment grade credit ratings are eligible as counter parties. Financial transactions are only concluded with the prior approval of the Management Company.

Strategic risks

In order to maintain the fiscal statute sicafi, a number of statutory requirements have to be met. The Management Company devotes continuous attention to maintaining the status. The distribution obligation and funding limits are calculated periodically and on an ad-hoc basis in connection with refinancing, investments and preparing the dividend proposal. Wereldhave Belgium satisfied the requirements for the fiscal status during 2011.

Risk management

The Management Company is responsible for the organisation, implementation and functioning of the internal risk management and control systems that are geared to Wereldhave Belgium's business activities. The Management Company is aware that there is no risk management and control system that can provide absolute guarantees in terms of achieving the business objectives and preventing significant errors, losses, fraud or the violation of laws or regulations.

The instruments for internal control and risk management consist of the tailored administrative organisation, the annual investment plan, to be approved on a yearly basis by the

Management Company and the Business Principles and Code of Conduct. Wereldhave Belgium has rules in place for reporting irregularities. All integrity-sensitive positions have been identified, and special procedures are in place for hiring employees for these positions.

Wereldhave Belgium has set up its own, tailor-made administrative organisation in which internal control is embedded. The business processes are documented in a database that is available on-line to all employees. This system not only safeguards the continuity of business processes, but also records and disseminates the knowledge present in the company. The business processes are further defined in task descriptions per function. The Administrative Organisation/Internal Control system is based on a division of functions to the greatest possible extent. This system includes a computerised information system with access being based on the task descriptions. Both contracting and payment take place based on the 'four-eyes' principle.

Wereldhave Belgium has strict procedures in place for the periodic preparation of quarterly and annual figures based on approved accounting principles. The internal management reports are designed to immediately identify developments in the value of investments and the result per share. Electronic data processing is used in a computerised, integrated central information system.

Wereldhave Belgium aims to guarantee the reliability and continuity of its IT organisation and automated data processing by employing a system of preventative and repressive measures. This system is designed to safeguard the integrity, exclusiveness, availability and verifiability of the automated data processing and data storage. Daily backups are made of the data files. Each week the backup files are deposited in an external safe. A fallback agreement has been established with an external service provider.

Investor relations

For all Wereldhave Belgium stock related questions: investor.relations@wereldhavebelgium.com.

2011 in short

Shopping centres

For future investments, Wereldhave Belgium focuses to increase the importance of shopping centres in the portfolio. The sicafi focuses on mid-sized centres that are dominant in their catchment area, and preferably with the potential for further expansion. By the end of 2011, the importance of shopping centres amounted to 70% of the portfolio investment properties. Through proactive management the sicafi works to further reinforce the market position of its shopping centres. Rent renewals were successfully extended to higher contractual rents. All shopping centres are fully occupied.

Offices

During 2011 eight new leases were signed, both in the business park "De Veldekens" in Antwerp and in the 'Business & Mediapark' in Vilvoorde for a total area of approximately 6,000 m². Most of these contracts started in the second half of 2011. The office building Orion (5,230 m²), situated at Bischoffsheimlaan 22-25 in Brussels, is fully let as of September 1, 2011. A lease for nine years was completed with 'Bruxelles-Formation'. Consolidation of the current occupancy and the renegotiation of rental agreements that are coming to an end are of prime importance to the Management Company. Mid August 2011, the office building at Avenue Régent 58 in Brussels was sold. The selling price of € 2.8 mln was in line with the fair value.

Over 2011, the average occupation rate of the offices portfolio amounted to 83.1%.

Development properties

By developing projects for its own portfolio and at cost, Wereldhave Belgium aims to create value for its shareholders. Wereldhave Belgium aims to maintain a healthy balance between the size of the development portfolio and the existing investment properties portfolio.

The construction of the extension (12,500 m²) of the shopping centre in Nivelles is almost completed. Opening of the extension is scheduled for the end of March 2012. Meanwhile, about 95% of the project has already been let.

The project in Tournai involves a substantial expansion of the shopping centre whilst a retail park will also be integrated. The building/planning application will probably be submitted in the first quarter of 2012.

Meanwhile the building permit application, regarding the redevelopment and extension of the shopping centre 'Shopping Genk 1', has been submitted. The works are expected to start by the end of 2012.

For more detailed information, see chapter 'Development projects'.

Results

Profit

The profit for 2011 amounts to € 38.3 mln (2010: € 21.1 mln). The profit per share amounts to € 7.18 (2010: € 3.95). The increase is mainly due to the improved revaluation result and higher rental income.

The revaluation of the investment properties amounts to € 15.2 mln (2010: € -0.9 mln).

The profit consists of the direct and indirect result.

Direct result

The direct result for 2011 amounts to € 23.1 mln (2010: € 22.5 mln). This slight increase is mainly due to a higher occupancy rate in the office portfolio resulting in a direct result per share of € 4.34 (2010: € 4.22).

EPRA occupancy on December 31, 2011 stood at 93.1%, an increase of 1.7% compared to December 31, 2010. EPRA occupancy levels per sector on December 31, 2011 (December 31, 2010) were 100% (100%) for retail and 83.1% (80.6%) for offices.

Indirect result

The indirect result arises mainly from realised and unrealised changes in the value of assets in the portfolio. Revaluation of the investment properties portfolio for 2011 amounts to € 15.2 mln (2010: € -0.9 mln).

On August 4, 2011, the office building at Avenue Régent 58 in Brussels was sold. The selling price of € 2.8 mln was in line with the fair value.

Dividend

A gross dividend of € 4.00 (net € 3.16) will be proposed to the General Meeting of Shareholders resulting in a pay-out level of 92.3%, compared to the statutory direct result. The dividend is payable as of April 19, 2012, against delivery of coupon 15. Financial services are provided by BNP Paribas.

Stock market development

In 2011, Wereldhave Belgium shareholders achieved a return (incl. dividend) of 3.4% (2010: 16.8%). The return of the EPRA Index Europe amounts to -9.4%. The price/direct result ratio at the end of 2011 was 15.4.

Share price 2011 (x €)



Share price / direct result ratio



Equity and Debt

Shareholders' equity at the end of 2011 before distribution of profit amounted to € 397.9 mln, i.e. 80.2% of the balance sheet total (2010: € 380.7 mln or 86.2%). Wereldhave Belgium's guideline for the longer term is a solvency ratio of about 70%. Strong balance sheet ratios reduce the sensitivity to interest rate movements and increase the ability to make new investments.

Of the 5,331,947 shares in circulation at December 31, 2011, 39.10% were held by Wereldhave N.V., 30.21% by Wereldhave International N.V. and 30.69% by the general public (free float).

The net asset value per share at December 31, 2011, including the profit for the current year, amounts to € 74.63 (December 31, 2010: € 71.40).

At December 31, 2011 the Company had utilised two external financings: a revolving credit of € 60 mln with maturity at April 16, 2016 and a non committed credit line (€ 26 mln) with no

end date. The borrowings are at floating interest rates and are shown at fair value in the balance sheet. As the company does not make use of any hedging instruments, variations in interest charges may influence the result. It concerns only credit facilities for which there are no guarantees. Fair value does not differ from the nominal value as it concerns short term advances at floating interest rates.

In accordance with the Royal Decree of December 7, 2010, the debt ratio on the total of assets to December 31, 2011, amounts to 18.3% (2010: 13.2%). The disputed fiscal claim of € 50.9 mln is not taken into account in the calculation. For that matter, the total sum of the fiscal claim is guaranteed by Wereldhave N.V., shareholder of Wereldhave Belgium.

Developments in the case regarding the matter of a penal dispute arising from the sale of a company in 1993 can be found in note 31.

Development of the property portfolio

In 2011, the construction of the extension of the shopping centre in Nivelles is almost completed. Opening is scheduled for March 30, 2012. With the extension, the rentable floor area almost doubled. End 2011, about 95% of the project had already been let.

The extension of the shopping centre in Tournai and the redevelopment of the shopping centre 'Shopping 1' in Genk are still in the planning and consent stages.

Mid 2011, the office building at Avenue Régent 58 in Brussels was sold. The selling price of € 2.8 mln was in line with the fair value.

The average occupancy rate of the investment properties portfolio over 2011, expressed as a %age of theoretical rent, amounted to 93.1% (2010: 89.0%).

The exemption in accordance with Article 43 § 3 of the 1995 Royal Decree relating to the shopping centre 'Belle-Ile' in Liège on the prohibition of investing more than 20% of the assets in a single property project has been renewed and is valid till September 30, 2012.

The value of the investment properties portfolio amounted to € 398.4 mln at December 31, 2011.

The average yield of the investment properties portfolio with a 100% occupation amounts to 6.2%.

Ultimo 2011, Wereldhave Belgium has a stake in the listed stock exchange real estate certificates 'Kortrijk Ring Shopping Centre' (16.2%) and 'Basilix' (6.9%). At December 31, 2011, fair value of the portfolio real estate certificates amounted to € 11.4 mln (December 31, 2010: € 11.5 mln).

Property valuation at 01/01/11 (x € 1,000)

Retail	252,221
Offices	143,160
	<u>395,381</u>

Property valuation at 31/12/11 (x € 1,000)

Retail	256,913
Offices	141,495
	<u>398,408</u>

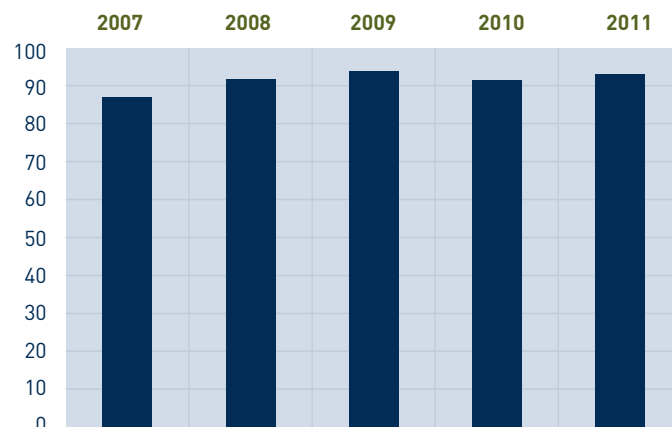
Insured value of property portfolio at 31/12/11 (x € 1,000)

Retail	169,913
Offices	146,941
	<u>316,854</u>

Prospective theoretical rent (based on 100 % occupancy) over 2012 (x € 1,000)

Retail	17,217
Offices	12,323
	<u>29,540</u>

Average occupancy rate (as a % of rental income)



Introduction

Wereldhave Belgium is strongly convinced that sustainability is not at odds with commercial management. Both are based on making sound investment decisions, in selecting buildings in which people feel comfortable, which provide in a need (of society) and remain to do so. The various sustainability needs and requirements of stakeholders require careful consideration. This is why Wereldhave Belgium has conducted a stakeholder analysis to define four specific areas of attention: its own organisation, new investments, construction and property development, and property management.

Within these themes Wereldhave Belgium annually sets targets and initiatives. For the year 2011 the following initiatives were formulated: the implementation of an energy-management system, the procurement of green energy, the certification of buildings with BREEAM and the implementing of green leases for retail property.

Organisation

Sustainability is a process of continuous improvement. For this reason Wereldhave Belgium is convinced that sustainability needs to form an integral part of its business. Chaired by the CEO, Wereldhave's sustainability task force meets every month to initiate new sustainability programmes and to evaluate current programmes.

In 2011, sustainable pages were placed on the Wereldhave's intranet, where employees can find information with respect to sustainability, varying from lists with sustainable materials to a greenlease toolkit. Sustainability is a recurring item in the internal Wereldhave newsletter, informing employees about initiatives and progress made. Finally, presentations are given to the employees regarding sustainability issues, like BREEAM requirements, energy management and targets for the coming year.

In 2011 Wereldhave Belgium started using sustainability contracts for service providers. Wereldhave Belgium furthermore shares knowledge for sustainability cooperation projects.

New investments

In the future Wereldhave Belgium shall assess the quality of prospect buildings with the BREEAM in use guideline. This guideline is not yet in use for retail and further elaboration will have to prove whether this methodology will indeed become the standard for standing investments. For the time being Wereldhave Belgium applies its own criteria for standing investments. A good location with a range of facilities and access to good public transport are part of these criteria.

Construction and property development

Wereldhave Belgium's principle with regard to new developments is to achieve at least a BREEAM 'Good' rating, but preferably a BREEAM 'Very Good' rating. Energy and water reducing measures, attention for a healthy indoor environment and excellent accessibility by public transport make this score possible.

The Nivelles shopping centre was awarded the 'Very Good' BREEAM design certificate in 2011. Examples of certain components of this certificate are: sustainable construction site management, solar panels and energy reducing measures, a healthy indoor lighting plan and water reducing measures. In order to achieve the BREEAM certificate in retail, cooperation with tenants is essential. Retailers set their own requirements when it comes to finishing and furnishing their shop (also called the 'fitting out'). To provide a broader base for sustainability in the shopping centres, (light) greenleases were concluded with new tenants. More about green leases can be found in the paragraph 'property management'.

Although Wereldhave Belgium already applies a material checklist since the end of the nineties, this item can still be seen as one of its biggest challenges for the future. Shortage of raw materials for building materials will increase the coming decades. Careful consideration of materials and (construction) waste management are items in the internal materials checklist, the requirements for new projects and sustainability contracts with construction companies.

In addition, during the previous year Wereldhave Belgium has taken measures for the safety of people who work in, for or at Wereldhave Belgium properties. Examples are roof safety and the installing of cameras in shopping centres and office buildings.

Property management

Tenants increasingly attach importance to sustainability and now also take initiatives themselves. Wereldhave Belgium is pleased with these developments and encourages sustainability suggestions from its tenants. Active shopping centre management provides opportunities to improve the sustainability of the retail portfolio. In 2011, Wereldhave Belgium connected energy meters to an energy management system for a substantial part of the portfolio. 'Measuring is knowledge' and therewith the start of active energy management. The platform registers 15 minute energy-use values, which are used to distinguish the various energy consumption profiles and to analyse energy consumption during the course of the day. The system became operational during the third quarter of 2011, but the first analyses show interesting results.

As from the end of 2012, it will become possible to determine a carbon footprint of all energy procured by Wereldhave Belgium using the energy management system, since the data is based on the actual energy use. Wereldhave Belgium procures 100% green energy. Solar panels will be placed at the extension of Nivelles shopping centre. With the procurement of green energy and the installation of sustainable energy sources, Wereldhave Belgium already pushed back its carbon footprint considerably, even before the metering has started.

In 2011 Wereldhave Belgium made a first step in the field of waste management of buildings in the portfolio. Tenants are also involved in the waste segregation. New bins were placed for the separation of waste in different flows. Retailers will be confronted actively with the analysis of energy consumption, aiming for cooperation. Greenleases will be applied, including a sustainable fitting out. All the new tenants of the 12,500 m² newly developed extension of the Nivelles shopping centre signed a (light) greenlease in 2011. Although over the last few years a lot of progress has been achieved, further improvement will always remain possible. 'Value for tomorrow' starts with taking responsibility today.

The Belgian real estate market

The uncertainty regarding the macroeconomic situation increased further during the second half of 2011. Due to the disagreement among the European countries on solutions to the euro crisis, the market is very concerned about the decisions that will be taken. This has resulted in extremely polarised real estate markets.

The best real estate in top locations is much in demand among investors but lower quality assets are having a tougher time.

The Belgian retail market once again proved to be very strong and stable in 2011, with turnovers almost identical giving 1 or 2% (up or down) to those of 2010. This stability could also be seen in rental levels, which increased slightly in the main shopping streets and shopping centres. On the other hand, in secondary locations rents were under pressure. The trends in shopping centres are very similar. Here we are also seeing that the better centres do not have a lack of occupancy and slightly increased rental levels.

In general, retailers have become more careful and opportunistic when it comes to renting new shops, but top locations remain very popular, among established retailers as well as newcomers.

A number of new brands such as Forever 21, River Island, Hollister and Abercrombie & Fitch opened their first shop in Belgium in 2011, but local groups such as Lola & Liza, Veritas and Apple also remain very expansive.

The pressure on good locations is also being reinforced because few important new projects will be coming to the market in 2012 and 2013.

In addition, current and forthcoming legislation is increasingly interfering with the realisation of new projects outside city centres.

An investment in well-located retail property is considered as a good defensive investment and continues to do well. The share of retail in investment transactions continues to increase.

The demand for offices in Brussels was very low. Companies are postponing their strategic decisions because of the economic climate. The uptake in Brussels in 2011 was 319,000 m² or 35% lower than in 2010, which is the lowest uptake figure of the past decade.

As there are few new transactions, the focus of owners is first and foremost on keeping current tenants. The lack of occupancy is 11.8% and is stable.

Top rents in Brussels have remained fairly stable. Lease agreements and contributions towards modern buildings at good locations have hit rock bottom. Lease agreements for less prestigious buildings or locations could still drop in view of the high lack of occupancy and the negative economic climate.

The investment volume in 2011 increased by 45% compared to 2010. Due to the scarcity of top products, the yield has dropped to almost 5%. There have been almost no transactions at secondary locations.

Rental growth by active shopping centre management remains one of the key tasks for the Management Company. The development projects in Nivelles, Tournai, Genk and Waterloo are in the planning or consent stages and are closely monitored. The Management Company will do everything possible in order to structurally consolidate and increase the occupancy rate.

The Management Company of Wereldhave Belgium declares:

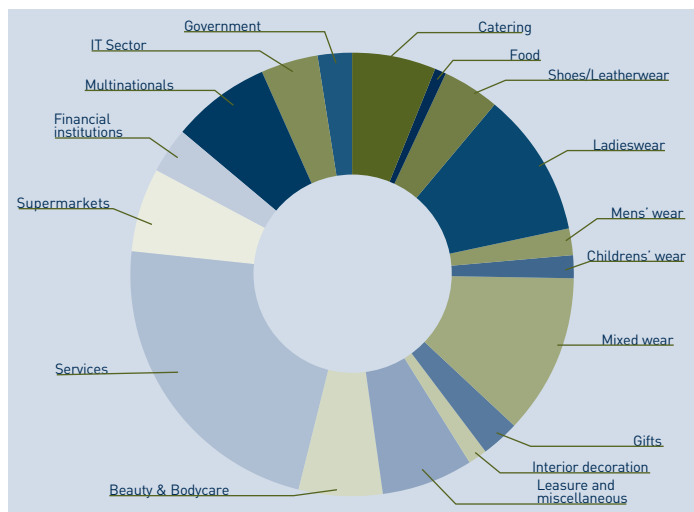
1. that based on the assessment performed and taking into account the recommendations of the Corporate Governance Code, the internal risk management and control systems of Wereldhave Belgium are adequate and provide a reasonable degree of certainty that the financial reporting as included in this Annual Report is free of material misstatement. The Management Company has no evidence that this risk management and control system would not have functioned in accordance with the description or that this system would not have functioned properly in the current year;
2. that the Annual Accounts present a true and fair view of the assets, liabilities, financial position and result of Wereldhave Belgium and the companies included in the consolidation; and
3. that the Annual Report provides a true and fair view of the situation on the balance sheet date, the course of business during the financial year of Wereldhave Belgium and the affiliated companies, the figures of which have been included in its Annual Accounts; and
4. that the main risks confronting Wereldhave Belgium and its affiliated companies have been described in this Annual Report.

Statutory Management Company
Wereldhave Belgium SA

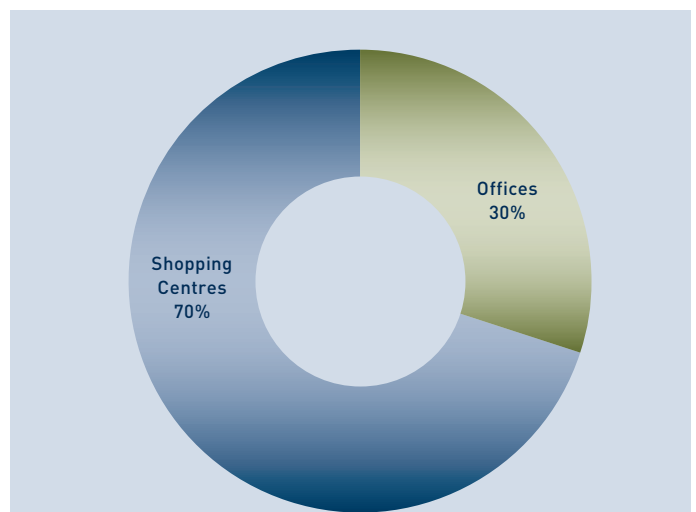
D. Goeminne, Chairman
J. de Smet
P. Naert
J. Pars
L. Plasman

Vilvoorde, February 24, 2012

Breakdown investment properties (as a % of rental income)



Breakdown by sector (as a % of fair value)



Real estate portfolio



Portfolio summary at December 31, 2011

	Location	Diversification of the portfolio (in % of valuation)	Rentable area (m ²)	Parking spaces (number)	Number of tenants	Rental income in 2011 (x € 1,000)	Average occupation 2011 (in % of rental income)
Commercial							
Shopping Centre "Belle-Ile" **	4020 Liège Quai des Vennes 1	31	30,252	2,200	90	9,707	100
Shopping Centre Nivelles	1400 Nivelles Chaussée de Mons 18	12	16,195	802	60	2,997	100
Shopping Centre "Les Bastions"	7500 Tournai Bd. W. de Marvis 22	9	15,540	1,260	52	2,830	100
Waterloo	1410 Waterloo Chaussée de Bruxelles 193-195	3	3,347	95	12	760	100
Offices							
Madou Center	1000 Brussels Bischoffsheimlaan 1-8	7	12,162 504 *	150	1	2,435	100
Regent 58	1000 Brussels Regentlaan 58	0	3,135 32 *	32	4	75	0
Orion Center	1000 Brussels Bischoffsheimlaan 22-25	2	5,205 25 *	64	5	335	100
Jan Olieslagerlaan	1800 Vilvoorde J. Olieslagerlaan 41-45	1	3,048 29 *	82	4	335	100
Business- & Mediapark	1800 Vilvoorde Medialaan 30	2	5,449 201 *	178	7	583	75
Business- & Mediapark	1800 Vilvoorde Medialaan 32	1	3,907 120 *	123	3	576	75
Business- & Mediapark	1800 Vilvoorde Medialaan 28	4	12,772 246 *	305	4	1,290	78
De Veldekens I	2600 Berchem Roderveldlaan 1-2	3	11,192 368 *	238	3	557	43
De Veldekens II	2600 Berchem Roderveldlaan 3-4-5	5	16,003 1,008 *	316	13	1,996	93
De Veldekens III	2600 Berchem Berchemstadionstraat 76-78	4	11,192 208 *	217	16	757	70
Development projects		16					
Total		100	152,140			25,235	93

* archives

** concerning the risk of seizure of the shopping centre, see note 31

'Belle-Ile' Shopping Centre



1 Quai des Venes, 4020 Liège
 Year of construction: 1994
 Location: Belle-Ile is located to the Southeast of Liege, by the "Autoroute des Ardennes" - E25
 Rentable area: 30,252 m²
 The shopping centre houses 96 shops
 Parking: 2,200 spaces

Shopping Centre in Waterloo



Chaussée de Bruxelles 193-195, 1410 Waterloo
 Year of construction: 1967
 Location: Centre of Waterloo
 Rentable area: 3,347 m²
 The shopping centre houses 11 shops
 Parking: 95 spaces

Shopping Centre in Nivelles



18A Chaussée de Mons, 1400 Nivelles
 Year of construction: 1974 - Upgrading: 2008
 Location: The Nivelles Shopping Centre is located on the outskirts of Nivelles, at the "Nivelles-Sud" exit of the E19 motorway between Brussels and Paris
 Rentable area: 16,195 m²
 The shopping centre houses 64 shops
 Parking: 802 spaces

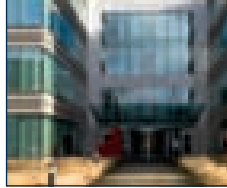
Offices in Vilvoorde



Jan Olieslagerlaan 41-45, 1800 Vilvoorde
 Year of construction: 1998
 Location: in the "Business Class" office park, near the station of Vilvoorde
 Rentable area: 3,048 m² offices

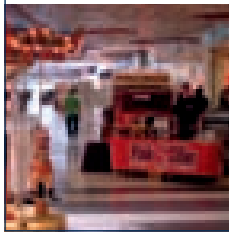


Medialaan 30-32, 1800 Vilvoorde
 Year of construction: 1999
 Location: in the "Business- & Mediapark", in the immediate vicinity of the Brussels Ring Road (exit 6) and the airport
 Rentable area:
 Medialaan 30: 5,449 m² offices
 Medialaan 32: 3,907 m² offices



Medialaan 28, 1800 Vilvoorde
 Year of construction: 2001
 Location: in the "Business- & Mediapark", in the immediate vicinity of the Brussels Ring Road (exit 6) and the airport
 Rentable area: 12,772 m² offices

'Les Bastions' Shopping Centre



22 Boulevard Walter de Marvis, 7500 Tournai
 Year of construction: 1979 - Renovation: 1996
 Location: The "Les Bastions" shopping centre is situated along the ring road around Tournai
 Rentable area: 15,540 m²
 The shopping centre houses 56 shops
 Parking: 1,260 spaces

Offices in Antwerp "de Veldekens"



Veldekens I
Roderveldlaan 1-2, 2600 Berchem - Antwerp
 Year of construction: 2001
 Location: alongside the Antwerp ring road
 Rentable area: 11,192 m² offices

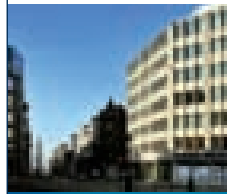


Veldekens II
Roderveldlaan 3-4-5, 2600 Berchem - Antwerp
 Year of construction: 1999
 Location: alongside the Antwerp ring road
 Rentable area: 16,003 m² offices



Veldekens III
Berchemstadionstraat 76-78, 2600 Berchem - Antwerp
 Year of construction: 2002
 Location: alongside the Antwerp ring road
 Rentable area: 11,192 m² offices

Office buildings in Brussels



Madou Centre
Bischoffsheimlaan 1-8, 1000 Brussels
 Year of construction: 1975 - Renovation: 2002
 Location: along the inner ring road, in the Art-Loi quarter
 Rentable area: 12,162 m² offices



Orion Centre
Bischoffsheimlaan 22-25, 1000 Brussels
 Year of construction: 1990
 Location: along the inner ring road, in the Art-Loi quarter
 Rentable area: 5,205 m² offices

Development projects

Shopping centre in Nivelles

The extensive renovation and expansion of the shopping centre in Nivelles, is almost completed. The opening of the new part of the centre is envisaged on 30 March 2012. As a result of the expansion the lettable floor space in Nivelles has nearly doubled. In March this year commercialisation of the new part started. As of March 2012, Nivelles can boast well-known fashion tenants such as H&M, Esprit, A.S. Adventure, IKKS and JBC. Leasing Director Evelyne Duchi elaborates on this process and explains why Wereldhave Belgium was able to attract large and well-known tenants. "International chains didn't even bother to look at Nivelles in the old situation. We are now able to meet the requirements of these real crowd-pullers that are looking for bigger and modern spaces."

Evelyne Duchi, who joined Wereldhave Belgium with the acquisition of ING Real Estate Development Belgium, attributes the increased popularity to the expansion of the shopping centre from 16,000 m² to 28,500 m² resulting in the scale that the larger chains require these days. Delhaize, C&A, HEMA and Disport were already among the tenants of the centre, one of the three Wereldhave Belgium owns, next to 'Belle-Ile' in Liege and 'Les Bastions' in Tournai.

Higher prices

Even under today's challenging market conditions, Evelyne Duchi met quite some interest among retailers. "We noticed that it takes longer to negotiate and to finalise a contract. However the market knows us and is aware of what Nivelles has on offer regarding consumer population and the critical mass which has been reached by the expansion. Apart from that, many current tenants felt their shop space became too tight. With the enlargement and by replacing some of them to larger lots, we have solved their problems and were able to negotiate even slightly higher prices."

This resulted in a very successful commercialisation process. At the end of 2011 the centre was almost fully let. "In the end I had to put some requests on hold, as I rather wanted to attract other names to optimise the composition of the offer", she says.

Strong increase in number of visitors

Currently the Nivelles shopping centre has 64 shops. After completion of the expansion and relocation of a number of tenants the centre offers 66 shops in the renovated old part and about 40 shops in the new part. Among the new tenants will be retail sectors that were underrepresented until now such as fashion, shoes, toys, hobby, cookware and food.

Special attention has been paid to a natural flow from the old part to the new part. This has been done by creating uniformity with a new shop front design, light effects and colours. Of course parking facilities have been enlarged too, namely from 800 above ground only to 1,300, of which 650 underground. Parking is free.

As a result of the expansion Wereldhave Belgium expects a strong increase in the number of visitors to the centre. "We expect a growth in the number of visitors from 3 million now, to 4.5 – 5 million within the first years", says Evelyne Duchi. "These will be new consumers, but also returning inhabitants of Nivelles, who turned to other, more modern shopping centres further away."

Sector

Retail

Type

Extension

Size

Extension shopping centre: 12,500 m² GLA

Total shopping centre after extension: 28,500 m² GLA

Retail parc: about 8,000 m² GLA

Opening

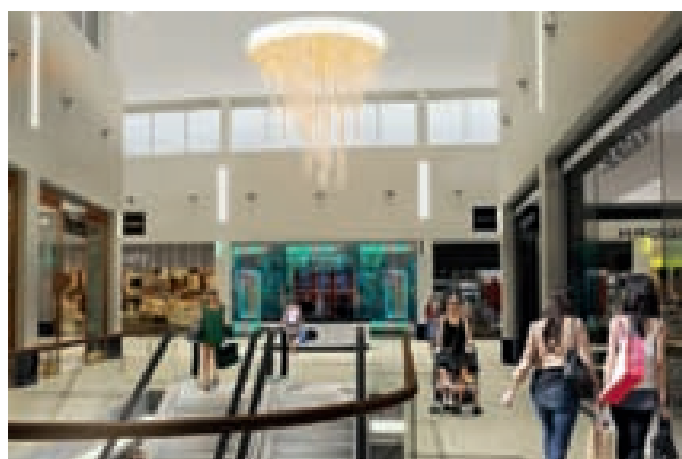
March 30, 2012

Expected yield

8%

Status

In 2008 the existing shopping centre was completely renovated. Mid 2010, construction of the extension started. The project serves as a pilot project for sustainability of shopping centres. Opening is foreseen on March 30, 2012 and it is expected that all units will be let at opening. The procedure for permit applications for the construction of an adjacent retail park (Nivelles II – about 8,000 m²) has started.



Genk Shopping I

Sector

Retail

Type

Redevelopment/extension

Size

Extension shopping centre: 11,500 m² GLA

Total shopping centre after extension: 27,100 m² GLA

Estimated completion

2014

Expected yield

6.75% - 7.25%

Status

The project consists of the renovation and extension of Genk Shopping I, in the city centre of Genk. The centre is largely owned by Redevco. Important tenants are Carrefour, Sportsdirect, M&S, WE, Vero Moda, Etam, America Today and Hunkemöller. After completion the total floor space will amount to ca. 27,100 m². The shopping centre will be developed in a joint venture with Redevco and Wereldhave Belgium will take a 50% stake in the existing Redevco share of the centre and its extension (see note 33 "Important events occurred after the financial year" on page 73).

Shopping centre «Les Bastions» in Tournai

Sector

Retail

Type

Extension

Size

Retail park: 10,000 m² GLA

Extension shopping centre: 14,500 m² GLA

Total shopping centre after extension: 32,500 m² GLA

Estimated completion

Retail park: 2014

Extension shopping centre: 2016

Expected yield

Tournai I: 7% - 7.25%

Tournai II: 6.5% - 7%

Status

Tournai I consists of a retail park of 10,000 m² with 360 parking spaces and about 16 apartments on a plot of land opposite of the Les Bastions shopping centre. Tournai II relates to the extension of the existing centre with 14,500 m² on the current parking lot. Both projects are still in the planning phase and the procedure for permit applications has started in 2011. Several sustainability items have been included in the design.



Waterloo

Sector

Retail

Type

Redevelopment

Size

10,000 m² GLA

Estimated completion

2016

Expected yield

6.75%-7.25%

Status

The project consists of the redevelopment of an existing shopping centre in Waterloo, a wealthy city just below Brussels with spending power above the national average. The development plan consists of a non covered shopping centre of 10,000 m² with a parking garage, an attractive square and a pedestrian area.

Forum Overpoort in Gent

Sector

Retail/student homes

Type

Redevelopment/extension

Size

3,700 m² GLA

119 student homes with shared facilities

Estimated completion

September 2013

Expected yield

6.75%-7%

Status

The project consists of the (re) development and conversion of the former students restaurant of the University of Gent that opened its doors in 1971. The University of Ghent has given the building in leasehold ("erfpacht – emphytéose") to Wereldhave Belgium for a period of 99 years.

The concept behind the (re)development of 'Forum Overpoort' includes the development of shops, services and catering functions specifically targeted at university and college students as well as 119 new student homes (different types). There is also a studio for a concierge, who guarantees a permanence/sustainability in the students' residence. Both the programs will function autonomously in the same building.



Real estate experts report

Resolutions of the real estate experts, prepared on December 31, 2011, following the valuation of the property portfolio at December 31, 2011, as referred to in Section 29, paragraph 1,

of the Royal Decree of December 7, 2010 with respect to real estate investment funds.

Troostwijk – Roux CBVA

Evaluation principles for the property portfolio

The value is based on an inspection carried out by one or more chartered surveyors, taking into account the location, construction type, zoning requirements and maintenance status at the time of assessment. The valuations are also based on data supplied by the client and/or third parties if necessary, which we assume to be correct.

The valuation has been carried out in conformity with IVS and EVS.

Investment Properties

Investment properties are valued at fair value. Fair value is based on the market rent minus the operating costs. To determine the fair value, the net capitalization factor and the net present value of the difference between market rent and contractual rent, of forecasted vacancy and of necessary future investments are determined for each object. This value is reduced by the standard transaction costs (registration tax 10% - 12.5%).

Development projects

Property that is being constructed or developed for future use as investment property is classified as a development project. Development projects are initially valued at cost and are subsequently valued at fair value. Fair value measurement on development projects is only applied if the fair value is considered to be reliably measurable.

Analysis portfolio investment properties

At December 31, 2011 the fair value of the portfolio investment properties amounted to € 183,950,000. This amount is recognized for an amount of € 182,744,577 in the balance sheet under "investment properties" and for an amount of € 1,205,423 under "trade receivables and other non-current assets".

At December 31, 2011 the fair value of the offices portfolio and the shopping centre "Les Bastions" in Tournai, registered in the real estate expert report of Troostwijk-Roux amounted to € 183,950,000.

Cushman & Wakefield

Our methodology is based on the Market Value. The method used is the capitalization of the estimated market rent (MR) with corrections to take account of the rent effectively paid and/or any other element that could influence the value of the property such as cost of void.

In a first step, we determine the market rent. We analyze at which level the individual shops could be let tomorrow in the market. To determine this value, we based ourselves on our experience, our internal data and on transactions currently going on in the market, while taking into account the market conditions, the location, the accessibility, the efficiency for retail, the site, and the buildings' characteristics both of the shopping centre as a whole and of the individual units.

The assigned rental price per m² for each individual shop is applicable over the total area of the shop and is not based on the "Zone-A" principle. Consequently to arrive at an annual estimated rental value (ERV) per shop we only have to multiply the rental price per m² with the total area for each individual shop. This "Zone-A" principle is mostly only used for inner-city shops. It means that over the full width of the shop, the area situated in the first 10 m starting from the front and going to the back are seen as having a rental level of 100% of the estimated rental value/m², where the area situated in the next 10 m only counts for 50% of the estimated rental level per m² and all the other area (including all the upper floors) only counts for 25% or is estimated on a flat rate bases depending on the location and usability.

Once an ERV is assigned to each shop we then calculate the adjusted ERV; depending on the current rental level, this will be the current passing rent (PR) plus 60% of the difference between the current rent and the ERV or this will be 100% the ERV. The first occurs when the ERV is higher than the current PR. In this case, during renegotiations, the landlord will seldom succeed in attaining a new rent of 100% the ERV. Most of the time the tenant will undertake legal steps to avoid this and it is common practice for judges to determine the new rent equal to the old rent + 60% of the difference between the PR and the MR. It is very unlikely that a landlord will be able to attain this before the end of the current contract. The second scenario occurs when the current PR is higher than the ERV. This is very unlikely to continue after the first break and so estimate that the rent after renegotiation will be brought down to the ERV level.

The second step consists in evaluating at which yield an investor would be ready to buy the entire property. This is not done on the individual shops level, but is done for the shopping centre as a whole. Again we base ourselves on our market experience and that of retail investment team including the info derived from recent deals. We obtain a Gross Market Value before corrections.

In a third step we take into account all necessary corrections which influence the gross market value.

The corrections include current or future void, foreseeable (re) letting cost and incentives, planned refurbishments, etc...

These corrections will come in addition or in deduction of our initial Gross Market Value to arrive at the Gross Market Value after corrections or also called: the Investment Value.

To finally arrive at the Net Market Value, we exclude from the Investment Value; the registration duties of 10% in Flanders and of 12.5% in Brussels and Wallonia and also the notary fees. These notary fees are legally fixed and are proportional and degressive. This means that the percentage decreases as the investment price increases.

At December 31, 2011 the fair value of the shopping centre “Belle-Ile” in Liège, the “Nivelles shopping centre” (existing) in Nivelles and Waterloo Shopping in Waterloo, registered in the real estate expert report of Cushman & Wakefield, amounted to € 215,793,000.

At December 31, 2011 the fair value of the “Nivelles shopping centre” (extension) in Nivelles, registered in the real estate expert report of Cushman & Wakefield, amounted to € 54,620,000.



Consolidated Annual Accounts 2011

Consolidated Annual Accounts 2011

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Consolidated balance sheet at December 31, 2011

(x € 1,000)

	Note	December 31, 2011		December 31, 2010	
Assets					
I. Non-current assets					
A. Goodwill	27	<u>2,020</u>		<u>1,891</u>	
C. Investment properties	6		2,020		1,891
Investment prop. excl. dev. projects	6	398,408		395,381	
Development projects	7	<u>74,428</u>		<u>27,815</u>	
			472,836		423,196
D. Other tangible assets	8	358		90	
E. Financial tangible assets					
Assets available for sale					
Real estate certificates	9	11,371		11,523	
G. Trade receivables and other non-current assets	10	<u>1,341</u>		<u>1,790</u>	
			13,070		13,403
II. Current assets					
B. Current financial assets					
D. Trade receivables	11	4,517		1,155	
E. Tax receivables and other current assets	11	695		652	
F. Cash and cash equivalents	12	<u>3,281</u>		<u>1,899</u>	
			8,493		3,706
Total assets			<u>496,419</u>		<u>442,196</u>
Shareholder's equity					
A. Capital	13	224,969		224,969	
C. Reserves					
Available reserves		5,627		5,627	
Accumulated result		127,395		127,272	
Variations in the fair value of financial assets available for sale	14	1,617		1,769	
D. Net result book year		<u>38,301</u>		<u>21,054</u>	
			397,909		380,691
Liabilities					
I. Non-current liabilities					
A. Provisions					
Pension obligations	15	188		252	
B. Non-current financial debts					
a. Credit institutions	16	60,000			
b. Leasehold obligations				3,949	
c. Other					
Rent guarantees received	17	156		156	
F. Differed taxes - liabilities	18	<u>1,186</u>		<u>1,714</u>	
			61,530		6,071
II. Current liabilities					
B. Current financial debts					
a. Credit institutions		7,000		47,280	
c. Other		307		298	
D. Trade payables and other current debts					
c. Other					
Suppliers		23,029		4,996	
Taxes, remunerations and social security contributions		428		99	
F. Accruals and deferred income					
Real estate income received in advance		629		1,334	
Other		<u>5,587</u>		<u>1,427</u>	
			36,980		55,434
Total shareholder's equity and liabilities			<u>496,419</u>		<u>442,196</u>
Net asset value per share (x € 1)			74.63		71.40

Consolidated profit and loss account to December 31, 2011

(x € 1,000)

	Note	2011	2010
I. Rental income	21		
Rent		25,235	24,817
Indemnification for early termination of lease		<u>1,003</u>	<u>505</u>
Net rental income		26,238	25,322
V. Recovery of rental charges and taxes normally paid by the tenant on let properties		3,181	2,988
VII. Rental charges and taxes normally paid by the tenant on let properties		<u>-3,740</u>	<u>-3,316</u>
Property result		<u>-559</u> 25,679	<u>-328</u> 24,994
IX. Technical costs			
Recurrent technical costs			
Repairs		-514	-890
Compensation for total guarantees		-144	-133
Insurance premiums		<u>-43</u>	<u>-38</u>
		-701	-1,061
X. Commercial costs			
Agency commissions		-278	-338
Publicity		-113	-37
XII. Property management costs			
(Internal) property management costs		<u>-519</u>	<u>-341</u>
Property charges	22	<u>-910</u>	<u>-716</u>
Property operating result		24,068	23,217
XIV. General company costs	23		
Staff costs		-859	-487
Other		-730	-519
XV. Other operating income and charges		<u>714</u>	<u>-201</u>
Operating result before result on the portfolio		<u>-875</u> 23,193	<u>-1,207</u> 22,010

	Note	2011	2010
XVI. Result on disposals of investment property			
Net property sales (selling price – transaction costs)		2,698	
Book value of the property sold		<u>-2,782</u>	
	24	-84	
XVII. Result on disposals of other non financial assets			
Net sales of other non financial assets (sale price - transaction costs)		4	23
Book value of the sold other non financial assets			
		4	23
XVIII. Change in fair value of the portfolio investment properties			
Positive variations in the fair value of investment property		21,050	3,404
Negative variations in the fair value of investment property		<u>-6,303</u>	<u>-4,290</u>
	24	14,747	-886
XIX. Other portfolio result			<u>-555</u>
			<u>-555</u>
		<u>14,667</u>	<u>-1,418</u>
		<u>37,860</u>	<u>20,592</u>
Operating result			
XX. Financial income			
Interest and dividends received		898	908
XXI. Net interest charges			
Nominal interest charges on loans		-784	-301
XXII. Other financial charges			
Bank charges and other commissions		<u>-28</u>	<u>-41</u>
Financial result	25	<u>86</u>	<u>566</u>
Pre-tax result		37,946	21,158
XXIV. Corporate tax			
Corporate tax		-157	-104
Positive deferred taxes on market fluctuations		<u>512</u>	
Tax	26	<u>355</u>	<u>-104</u>
Net result		<u>38,301</u>	<u>21,054</u>
Net result shareholders of the Group		<u>38,301</u>	<u>21,054</u>
Result per share (x € 1)		7.18	3.95
Diluted result per share (x € 1)		7.18	3.95

The consolidated annual accounts comprise the balance sheet, the profit and loss account, the global result statement, the cash flow statement and the statement of movements in equity together with the notes on pages 54 to 74.

Global result statement 2011

(x € 1,000)

	2011	2010
I. Net result		
Net result before variations in the fair value of investment property	23,126	22,495
Variations in the fair value of investment property	14,663	-886
Project costs business combinations		-555
Net result	37,789	21,054
II. Other elements of the global result		
C. Variations in the fair value of financial assets available for sale	-152	-442
F. Taxes on result regarding "other elements of the global result"	512	
	360	-442
Global result	38,149	20,612
Minority interests	0	0

Consolidated cash flow statement to December 31, 2011

(x € 1,000)

	01-01-2011/31-12-2011	01-01-2010/ 31-12-2010
Cash flow from operating activities		
Net result	38,301	21,054
Interest and dividends received	-856	-849
Result exclusive dividend received	37,445	20,205
Variations in the fair value of investment property	-14,747	886
Movements in provisions	-1,098	1,145
Movements in short term debts	-344	-128
	-16,189	1,903
Net cash flow from operating activities	21,256	22,108
Cash flow from investment activities		
Real estate certificates		-16
Investments	-19,900	-17,372
Interest and dividends received	856	849
Net cash flow from investment activities	-19,044	-16,539
Cash flow from financing activities		
Credit institutions	19,720	15,000
Dividend paid	-20,550	-20,901
Net cash flow from financing activities	-830	-5,901
Net cash flow	1,382	-332
Cash & bank balances		
At January 1	1,899	2,231
Increase/decrease cash and bank balances	1,382	-332
At December 31	3,281	1,899

The consolidated annual accounts comprise the balance sheet, the profit and loss account, the global result statement, the cash flow statement and the statement of movements in equity together with the notes on pages 54 to 74.

Consolidated statement of movements in equity for 2011

(x € 1,000)

	Notes	Shareholders			Total	
		Share capital	Reserves	Result		Revaluation fair value of financial assets
Balance at January 1, 2010		224,969	5,627	148,173	2,221	380,980
Revaluation financial assets available for sale	a				-442	-442
Profit book year				21,054		21,054
Dividend over 2009	b			-20,901		-20,901
Balance at December 31, 2010		224,969	5,627	148,326	1,769	380,691
Balance at January 1, 2011		224,969	5,627	148,326	1,769	380,691
Revaluation financial assets available for sale	c				-152	-152
Transfer from reserves				-30		-30
Profit book year				38,301		38,301
Dividend 2010	d			-20,901		-20,901
Balance at December 31, 2011		224,969	5,627	165,696	1,617	397,909

Notes

a	Revaluation financial assets available for sale	
	Real estate certificates	-442
b	Dividend paid 2009	
	€ 3.92 (netto € 3.332) per share	-20,901
c	Revaluation financial assets available for sale	
	Real estate certificates	-152
d	Dividend paid 2010	
	€ 3.92 (netto € 3.332) per share	-20,901

The consolidated annual accounts comprise the balance sheet, the profit and loss account, the global result statement, the cash flow statement and the statement of movements in equity together with the notes on pages 54 to 74.

Notes to the consolidated annual accounts

1. General Information

Wereldhave Belgium (the company) has the status of a Real Estate Investment Fund with fixed capital (sicafi). The company invests in offices, shopping centres, possibly (additionally) residential property and other real estate. Shopping centres are preferred as future investments.

The company is managed by the sole Statutory Management Company, represented by the Board of Directors. The Board of Directors of the Management Company, Wereldhave Belgium NV, is composed of at least four members. One is Executive Board member of Wereldhave N.V. and three have the legal position of Independent Director.

The company quotes at the NYSE Euronext continuous stock exchange in Brussels.

The consolidated annual accounts from January 1 to December 31, 2011, are the result of the consolidation of Wereldhave Belgium with its subsidiaries. The consolidated annual accounts and consolidated annual report were approved by the Board of Directors of the Management Company on February 24, 2012. The General Meeting of Shareholders will be held on April 11, 2012 at the registered offices of the company. The General Meeting of Shareholders is authorised to change the approbation of the result within legal limits.

Wereldhave N.V., Nassaulaan 23, The Hague, held 69.31% of the shares directly or indirectly at December 31, 2011.

2. Fiscal status

The company has the fiscal status of a Real Estate Investment Fund and is, therefore, not subject to corporate tax, except on possible exceptional profits and on disallowed expenditures.

3. Accounting policies

3.1 Basis of preparation annual accounts 2011

The Group's functional currency is the Euro. The financial statements of Wereldhave Belgium have been presented in Euros, rounded to the nearest thousand. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the EU. The consolidated financial statements and the company financial statements have been prepared on the historical cost basis, unless specified otherwise.

The accounts have been prepared before distribution of profit. The consolidated balance sheet and the profit and loss account are established in accordance with the scheme applicable to all Belgian sicafis, conforming to the Royal Decree of December 7, 2010.

In 2011 the below mentioned new IFRS standards or interpretations thereon became applicable. These new or adjusted standards and interpretations did not affect Wereldhave Belgium's reporting for the year 2011. It concerns the following standards and interpretations:

- IAS 1 Presentation of financial statements;
- IFRS 1 First-time adoption of IFRSs;
- IAS 24 Related party disclosures;
- IAS 32 Financial instruments: presentation - Classifications of rights issues;
- IFRIC 14 Prepayments of a minimum funding requirement and
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments.

In the years to come, the following (amended) standards will become applicable:

- IAS 1 Presentation of financial statements;
- IAS 12 Income Taxes;
- IFRS 7 Financial instruments: disclosures;
- IFRS 9 Financial instruments and subsequent amendments;
- IFRS 10 Consolidated financial statements;
- IFRS 11 Joint arrangements;
- IFRS 12 Disclosure of interests in other entities;
- IFRS 13 Fair value measurement and
- IAS 19 Employee benefits.

The IASB has made adjustments to IAS 12 Income Tax that still have to be ratified by the EU. The adjustments provide for an exemption to the general principles of this standard for real estate investments that are incorporated using the fair value model in accordance with IAS 40 Investment Property. The adjustments assume that for the evaluation of deferred taxes, there is a refutable assumption that the balance sheet value of such an asset will be entirely realised by selling it. This change is relevant if the tax rate to be applied differs depending on whether the asset is sold or used. This can occur within Wereldhave Belgium in certain situations.

The adjustments to IAS 19 concern the incorporation in the accounts of pledged pension schemes and severance pay. The most important adjustment relates to incorporating changes in the pledged pension schemes and the fund investments. The adjustments require the direct acknowledgement of the changes in the pledged pension schemes and in the fair value of the fund investments via the realised and unrealised result statement as they occur, and eliminate the 'corridor method' that was permitted in the previous version of IAS 19.

The adjustment to IFRS 11 concerns the incorporation of joint ventures for which the economic reality is decisive ('substance over form'). The legal structure of a joint venture is no longer decisive for the reporting. In addition, the number of options for incorporating joint ventures has been limited: proportional consolidation of joint ventures is no longer permitted.

3.2 Consolidation

Subsidiaries

Subsidiaries are those entities for which the group has the power to determine the financial and operating policies, generally speaking for a participation of more than half the voting rights. The existence and the impact of potential voting rights that may be exercised or converted at that time are included in the assessment of whether the group has control over another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are consolidated until the date on which control ends.

Acquired identifiable assets and liabilities and conditional obligations in a business combination are initially valued at the fair value on the acquisition date. For each acquisition, the choice can be made to either value the minority interest at fair value or to value the proportional part of the minority interest in the net assets of the party taken over. The surplus costs of the acquisition above the fair value of the group's share of the identifiable acquired net assets are included as goodwill. If the costs of the acquisition are lower than the fair value of the net assets of the subsidiary acquired, the difference is incorporated in the profit and loss account.

Intercompany transactions, balances and unrealised profits on transactions between subsidiaries are eliminated. Unrealised losses are also eliminated. The basic principles of financial reporting for subsidiaries have where necessary been adapted to guarantee the consistency with the basic principles for the group.

Incorporating acquisitions

For acquisitions, Wereldhave Belgium assesses whether it is IFRS 3 R 'Business Combinations' or IAS 40 'Investment Property' that applies. Acquisitions are deemed to be a business combination if there is an acquisition of assets, rental activities and such a management organisation that the acquired entity can function autonomously as a company, with the aim of generating economic profits. Wereldhave Belgium does not necessarily consider acquisitions of real estate that for business economic reasons are purchased within a legal company to be a business combination, but assesses each acquisition individually on the basis of the aforementioned business characteristics.

For the acquisition of business combinations, the fair value of the participation acquired is offset against the price paid for the acquisition. If the fair value is lower, the difference between the sums paid and the fair value is accounted for as goodwill. If the sums paid are lower, the difference is accounted for directly in the profit and loss account.

If an acquisition is not qualified as a business combination, it is incorporated on the basis of the individual assets and liabilities; additional acquisition costs are capitalised and no goodwill or tax deferrals are taken into account.

The purchase method is used to incorporate the acquisition of subsidiaries by the group. The cost price of an acquisition is determined on the basis of the fair value of the assets, any equity instruments issued and any obligations contracted or taken over on the date of the transaction. Costs relating directly to the acquisition are incorporated in the profit and loss account.

3.3 Equity

The objective of Wereldhave Belgium, when managing capital (as presented in the annual accounts), is to safeguard the group's going concern, provide returns for the shareholders, benefits for other stakeholders and to maintain such a capital structure to optimize the cost of capital. The definition of equity used by the company equals the judicial definition of Company Law, corrigated with the expected payment of dividend. Further Wereldhave Belgium manages its capital to ensure that it meets the requirements from laws and regulations (Royal Decree of December 7, 2010).

Wereldhave Belgium may adjust the amount of dividends, return capital to shareholders, issue new shares or sell assets to maintain or adjust the capital structure.

3.4 Business Combinations and goodwill

When the company takes control of an activity, as defined in IFRS 3 R– Business Combinations, the assets, liabilities and possible identifiable liabilities of the acquired activity are entered at their fair value. The difference between the fair value of the consideration transferred to the seller and the share of Wereldhave Belgium in the fair value of the acquired net assets is a goodwill asset on the balance sheet. If the difference is negative, then this surplus (negative goodwill or badwill) is booked into the result after confirmation of the values.

The costs related to the acquisition, such as advisor fees, are booked directly as expenses (indirect result).

3.5 Impairment of non-financial assets

Assets having an indefinite useful life, e.g. goodwill, are not subject to amortization and are tested on an annual basis for impairment. Assets subject to amortization are reviewed for impairment when events or changes in circumstances occur which give an indication that the book value may not be recoverable. Impairment is recognized in the profit and loss account for the amount that the book value of an asset exceeds the recoverable amount, being the fair value minus selling costs. Non-financial assets other than goodwill, which are impaired, are assessed for possible recovery of the impairment on each reporting date.

3.6 Investment properties

Investment properties are those properties which are held to earn rental income or for capital appreciation or for both. On acquisition, investment properties are recognised at cost, including transaction costs. Investment properties are stated at fair value at the balance sheet date. Fair values are based on the estimated amount for which a property could be exchanged on the date of valuation in an arm's length transaction.

Fair value is based on the capitalisation of market rents less operating costs like maintenance, insurances costs and fixed charges. The net capitalisation factor and the present value of the differences between market rent and contracted rent, of vacancies and of maintenance expenditure to be taken into account are calculated for each property individually. Sale costs at the expense of the purchaser, among which transfer tax, is deducted from the fair value. At first balance sheet date after purchase, these sale costs are recognised in the income statement. After acquisition subsequent expenditure is added to the asset's carrying amount when it is probable that future economic benefits will flow to the entity. All other expenditure, such as repairs and maintenance, are charged to the income statement during the financial period in which they are incurred. The part property in own use is not significant and therefore not classified separately as property in own use.

Real estate investments that are located on an emphyteutic lease parcel are valued at fair value in the same way as other real estate investments, providing that the fair value of the real estate includes the cash value of the obligations to pay the lease as a deduction. For reporting purposes, emphyteutic lease is incorporated as financial rental, so that the balance sheet value of these future obligations is added to the value of the real estate. At the same time, the emphyteutic lease obligations are initially valued on the balance sheet for the lowest of either the fair value of the obligation of the cash value of the minimum emphyteutic lease payments. Valuation then occurs at the amortised cost price.

The portfolio is valued quarterly at fair value by an independent external valuer in conformity with "International Valuation Standards" and "European Valuation Standards". Valuation differences are recognised in the income statement.

Development projects

Property that is being constructed or developed for future use as investment property is classified as a development project. Development projects are initially valued at cost and are subsequently valued at fair value. Fair value measurement on development projects is only applied for if the fair value is considered to be reliable measurable. If not, development projects are valued at historical cost less durable impairments. The following criteria are adopted to determine when a reliable fair value of development projects can be determined:

- building permit obtained;
- agreements with general contractors signed;
- sufficient finance arrangements in place;
- > 70% pre let.

The cost price comprises the cost price of the work carried out, the costs of personnel directly related to the project, charged with technical supervision and project management on the basis of time spent and the capitalised interest charges until the delivery date on the basis of the interest charges to be attributed directly to the development project or on the basis of the group's average effective interest rate if there is no specific project financing. Interest charges comprise interest and all the costs of Wereldhave Belgium relating to attracting money.

The fair value of project developments is determined in exactly the same way as real estate investments providing that the capitalisation factor is adjusted for any development risks present. If possible, the fair value is determined by independent real estate experts. If this is not possible, an internal calculation model with similar parameters is used.

Impairment losses are recognised in the income statement. Development projects are transferred to investment properties on the date of technical completion.

3.7 Other tangible assets

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

- Office furniture: 10 years
- Equipment: 3-5 years
- Cars (excl. residual value) 4 years

Other tangible assets are yearly tested for impairment.

Gains and losses on disposals are recognised in the income statement.

3.8 Financial assets

Financial assets will include items due after more than twelve months, unless mentioned otherwise. Capital gains on disposals are accounted for under results on disposals. Acquisitions and sales are accounted for based upon trade date. Wereldhave Belgium classifies its financial assets in the following categories:

- at fair value through profit or loss;
- loans and receivables; and
- available for sale.

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

The fair value of financial instruments is, if available, determined by relevant quoted (bid) prices. In case that the valuations are not available on markets, the fair value is based on information from banks, which is recalculated in an internal calculation model. When information from banks is also not available only internal calculation models are used.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading.

Financial assets at fair value through the income statement are initially and subsequently valued at fair value. The fair values are current bid prices in case these are available. In case an open market value is not available, the fair value is based on information of banks, which is recalculated with internal calculation models.

Loans and receivables

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

Loans issued and other receivables are taken into account, initially at fair value plus transaction costs directly attributable to the loan and subsequently at an amortised cost basis. Amortised cost is taken to the income statement under interest income and expense on the basis of the effective interest method.

When there is objective evidence that the company will not be able to collect all amounts due, an impairment of loans and receivables is established via the income statement to the amount collectible. Indicators for non collectability are amongst others significant financial difficulties of a debtor, non-compliance of payment conditions and bankruptcy.

Financial assets available for sale

Financial assets available for sale are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Financial assets available for sale are initially recognised at fair value plus acquisition costs and subsequently valued at fair value. Valuation results are directly taken to the comprehensive income. In case a decline of the fair values is significant or prolonged, impairments will be accounted for as impairment in the income statement under revaluation result. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognized in comprehensive income are included in the income statement as results on disposal.

Dividends on financial assets are recognised in the income statement as other income and expense when the right to receive payments is established.

3.9 Other long term assets

Rent free periods and other leasing expenses

These costs are initially recognised at cost and subsequently valued at amortised cost over the remaining term of the lease and are recognized via non-current assets under 'trade receivables and other non-current assets'.

3.10 Non-current assets available for sale

Non-current assets (or a disposal group) are held for sale in case its carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition. Further the sale must be highly probable, management must be committed to a plan to sell the asset and an active program to locate a buyer and complete the plan must have been initiated. The sale should be completed within one year from the date of classification.

Non-current assets (or disposal group) classified as held for sale shall be measured at the lower of its carrying amount and fair value less costs to sell. No remeasurement takes place when the assets are already measured at fair value. Non-current assets held for sale or the assets from a disposal group shall be presented separately from other assets in the balance

sheet. The liabilities of a disposal group classified as held for sale shall be presented separately from the other liabilities. Those assets and liabilities that are held for sale shall not be offset. Investment properties available for sale are valued in accordance with IAS 40.

A disposal group is a group of assets and liabilities that is sold or intended to be sold in one transaction.

3.11 Trade receivables

Trade receivables are recognised initially at fair value and subsequently at amortised cost, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms. Indicators for such an event are among others significant financial difficulties of a debtor, non-compliance to payment conditions and bankruptcy. The amount of the provision is the difference between the asset's carrying amount and the estimated future cash flows. The movement in the provision is recognised as property expenses in the income statement. When trade receivables are uncollectible, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited against property expenses in the income statement.

3.12 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and cash 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.

3.13 Share capital

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction from the proceeds.

3.14 Provisions

A provision is recognised in the balance sheet when a legal or implicit obligation would exist, as a result of a past event and when it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

3.15 Interest bearing debt

Interest bearing debts are initially recognised at fair value, less direct attributable transactions costs. Any difference between nominal and book value is recognised in the income statement over the period of the interest bearing liabilities on the basis of the effective interest per loan. The short term portion of loans outstanding to be repaid within twelve months is shown under current liabilities.

3.16 Employee benefit plans

Defined contribution plans

Defined contribution plans are pension schemes to which a group company makes a fixed annual contribution. The movement in obligations for defined contribution pension plans are recognised as an expense in the income statement.

Defined benefit plans

Defined benefit plans are pension schemes where participants can derive statutory benefits at the pension date. The net receivable or liability in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned for their service in the current and prior periods. That benefit is discounted to determine its present value and the fair value of any plan assets is deducted.

The defined benefit obligation is calculated annually by independent actuaries using the "projected unit credit method". The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. In markets where there is no deep market in such bonds, the market yields (at the balance sheet date) on government bonds are used.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are recognised under financial income and expenditure, over the average remaining service period of employees, if and as far as the balance of these gains and losses exceeds 10% of the higher of the actuarial obligations or the value of assets ('corridor method').

3.17 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently at amortised cost basis using the effective interest method.

3.18 Leases

Properties leased out under operating leases are included in investment property in the balance sheet.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable under other non-current assets.

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

Leases of assets where the group company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding obligations, net of finance charges, are included in long term liabilities. The interest element of the finance cost is charged to the income statement over the lease period. The investment properties acquired under finance leases are carried at their fair value.

3.19 Revenue

Rental income

Rental income from investment property leased out under operating lease is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives having the nature of rent free periods are recognised as an integral part of the rental income. The incentives are amortised over the term of the lease, limited to the first break of the lease. Amortizations are charged to rental income.

Rental income does not include amounts charged to tenants in respect of common costs. Rental income is shown on an accrual basis.

Variable rental income such as rental income from investment property or rental income from incidental rental are accounted for in the profit and loss account for the period to which they relate if they can be reliably assessed. If assessment is not possible, they will be incorporated at the time of realisation.

3.20 Expenses

Charges and taxes payable by tenants on let properties (+/-)

These are shown on a gross basis when the property owner acts as a principal. In the presentation on a gross basis costs and charges are shown separately. Costs and charges are shown on an accrual basis.

Property expenses

The amount consists of operating cost for the account of the owner attributable to the accounting period, such as

- technical costs
- charges and taxes of vacant properties
- insurance premiums
- property management
- commercial costs

Technical costs include (major) repairs and maintenance to buildings, costs of studies regarding maintenance and repairs, costs for total guarantees and costs of vacant properties.

Commercial costs include the depreciation of expenditure in connection with a letting. The expenditure is depreciated over the term of the lease.

Investment property depreciation charges are not recognised since investment properties are valued at fair value (see note 3.6 'Investment properties'). The fair value calculation takes into account technical and economical obsolescence.

General costs

The amount comprises general costs attributable to the accounting period. Direct staff costs relating to property management are included in property expenses. Direct staff costs relating to supervising and monitoring development projects are capitalised on the basis of time spent.

3.21 Interest

Interest comprises the total of interest attributable to the accounting period on loans, other debts, accounts receivable and cash and bank balances and is split between interest received and paid. Due to the amortised cost valuation of interest bearing debts as well as amortization of the liability portion of convertible bonds, interest will include interest addition to interest bearing debts on the basis of the effective interest rate per loan.

Interest directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective assets, starting at the moment of undertaking activities that are necessary to prepare the asset for its intended use till completion unless no further development takes place. The interest capitalised is calculated the groups weighted average cost of borrowings or the borrowing cost of a specific project financing.

3.22 Corporate tax

Income tax on profit and loss for a year comprises current tax. 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 adjustment to taxation in respect of previous years.

3.23 Direct and indirect result

In the notes to the consolidated financial statements Wereldhave Belgium presents results as direct and indirect results, enabling a better understanding of results. The direct

result consists of rental income, property charges, general costs and financial result. The indirect result consists of the valuation results, results on disposals, actuarial profit and losses from pension schemes and other results not taken into account for the direct result. This presentation is not obligatory under IFRS.

3.24 Segment reporting

A segment consists of assets and activities with specific risks and results, with differences per sector. As Wereldhave Belgium's portfolio investment properties is only located in Belgium, segment information is provided by investment property type, offices and retail. Segment reporting presents results, assets and liabilities per sector. Results, assets and liabilities by segment contain items that can be directly attributed to that sector.

3.25 Dividends

Dividends are recognised as debts to shareholders in the year in which they are attributed.

3.26 Important assessments

Investment properties

The assets of the company mainly consist of the property portfolio. The market value of these assets cannot be assessed using official quotations or listings.

A valuation based on fair value is a time- and place-based estimate. The estimate is based on a price level on which two well informed parties under normal market conditions would make a transaction for that specific property on the date of valuation. The fair value of a property in the market can only be determined with assurance at the moment of the actual sale of the property.

An independent external valuer bases his fair value valuation on his own market knowledge and information.

The fair value is based on a net yield calculation, where market rents are capitalised and normative property expenses (such as the costs of maintenance, insurance and expenses) are deduct-

ed. The yields used are specific for the country, the location, the type of property, the level of maintenance and the general lettable-ability of every single property. The determination of applicable yields is based upon comparable transactions, added with market and building specific knowledge and remaining other assumptions.

Apart from assumptions with regard to yields, costs for future maintenance investments are also taken into account in the valuation. Furthermore, explicit assumptions are made per lettable location and per tenant with regard to the possibility of (re)letting, the start date of such (re)letting and the costs related hereto. Finally, adjustments are made for expected costs of vacancy (present and future) and for differences between the market rent and contractual rent. Sales costs at the expense of the buyer, including transfer tax, are deducted from the market value.

General assumptions with regard to the valuation of investment property have been disclosed in note 3.6.

4. Direct and indirect result (x € 1,000)

In accordance with note 3.23, the company itemises hereafter the result. The statutory direct investment result is retained and is the base for the distribution obligation.

Consolidated direct and indirect result to December 31, 2011

(x € 1,000)

In accordance with legal regulations, the direct statutory result is used as basis for the payment of dividend. The direct result consists of rental income, property charges, general costs and financial result. The indirect result consists of the valuation results, results on disposals, actuarial profit and losses from pension schemes and other results not taken into account for the direct result. This presentation is not obligatory under IFRS.

	01-01-2011/31-12-2011		01-01-2010/31-12-2010	
	Direct	Indirect	Direct	Indirect
Net rental income	26,238		25,322	
Rental charges and taxes normally paid by the tenant on let properties	-559		-328	
Property charges				
IX. Technical costs	-701		-1.061	
X. Commercial costs	-391		-375	
XII. Property management costs	-519		-341	
XIV. General company costs	-1,589		-999	
XV. Other operating income and charges	714		-201	
Operating results before result on the portfolio	23,193		22,017	
XVI. Result on disposals of investment property		-84		
XVII. Result on disposals of other non financial assets	4		23	
XVII. Change in fair value of the investment properties				
- positive		21,050		3,404
- negative		-6,303		-4,290
Other portfolio result				-555
Result on the portfolio		14,663		-1,441
Operating result	23,197	14,663	22,040	-1,441
Financial result	86		559	
Pre-tax result	23,283	14,663	22,599	-1,441
Corporate tax	-157		-104	
Positive deferred taxes on market fluctuations		512		
Net result	23,126	15,175	22,495	-1,441
Profit per share (x € 1)	4.34	2.84	4.22	-0.27

5. Segment information (x € 1,000)

The segmentation of rental income, property charges, investment properties and revaluations are segmented to the following sectors:

2011	Offices	Retail	Total
Net rental income	9,769	16,469	26,238
Recovery of rental charges and taxes normally paid by the tenant on let	-428	-131	-559
IX. Technical costs			-701
Repairs	-416	-98	
Compensation for total guarantees	-86	-58	
Insurance premiums	-19	-24	
X. Commercial costs			-391
Agency commissions	-275	-2	
Publicity	-44	-70	
XII. (Internal) property management costs	-193	-326	-519
Property operating result	8,308	15,760	24,068
XIV. General company costs and other operating income and charges			-875
Operating result before result on the portfolio			23,193
XVI. Disposals of investment property			-84
Net property sales	2,698		
Book value of the property sold	-2,782		
XVII. Disposals of other non financial assets			4
XVIII. Variations in the fair value of investment property			14,747
Positive variations in the fair value of investment property	1,786	19,264	
Negative variations in the fair value of investment property	-2,746	-3,557	
Operating result			37,860
Financial result			86
Result before taxes			37,946
Corporate tax			-157
Positive deferred taxes on market fluctuations		512	512
Tax			355
Net result			38,301
Investment properties			
Balance at 01/01	143,158	252,223	395,381
Investments	2,059	-447	1,612
Disposals	-2,762		-2,762
Revaluation	-960	5,137	4,177
Balance at 31/12	141,495	256,913	398,408

Segment information – continued

2010	Offices	Retail	Total
Net rental income	9,766	15,556	25,322
Recovery of rental charges and taxes normally paid by the tenant on let properties	-217	-111	-328
IX. Technical costs			-1,061
Repairs	-771	-119	
Compensation for total guarantees	-81	-52	
Insurance premiums	-19	-19	
X. Commercial costs			-375
Agency commissions	-338		
Publicity	-14	-23	
XII. (Internal) property management costs	-133	-208	-341
Property operating results	8,193	15,024	23,217
XIV. General company costs and other operating income and charges			-1,200
Operating result before result on the portfolio			22,017
XVII. Disposals of other non financial assets			23
XVIII. Variations in the fair value of investment property			-886
XIX. Other portfolio result		-555	-555
Operational result			20,599
Financial result			559
Result before taxes			21,158
Taxes			-104
Net result			21,054
Investment properties			
Balance at 01/01	144,783	237,090	381,873
Investments	92	14,302	14,394
Disposals			
Revaluation	-1,717	831	-886
Balance at 31/12	143,158	252,223	395,381

6. Investment properties (x € 1,000)

	2011	2010
Balance at January 1	395,381	381,873
Purchases (business combinations - note 28)		15,096
Disposals	-2,762	
Reclassification of land	-2,084	
Investments	3,696	-702
Revaluations	4,177	-886
	<hr/>	
Balans at December 31	<u>398,408</u>	<u>395,381</u>

Mid August 2011, the office building at Avenue Régent 58 in Brussels was sold (€ -2.8 mln). The land, located next to the shopping centre "Les Bastions" in Tournai and which is the subject of the construction of a retail park and an expansion of the shopping centre, is reclassified under "Investment property - development projects" (€-2.1 mln). The investments mainly concern the purchase of the bare ownership of the plot of land located on the Chaussée de Bruxelles 195 at Waterloo (€ 3.7 mln).

The investment properties portfolio, valued at € 54.8 mln, is charged with securities. These securities are the subject of a legal mortgage with reference to the disputed tax claim (see notes 20 and 31).

The investment properties portfolio was valued by CVBA Troostwijk-Roux and Cushman & Wakefield, independant real estate experts, at December 31, 2011.

Value investment properties according to the external valuation reports	399,700
Book value of rent free periods and other leasing expenses to be amortised. This amount is recognised in the balance sheet under "Non-current assets - Trade receivables and other non-current assets".	<hr/> -1,292
Balance sheet valuation	<u>398,408</u>

Investment properties are valued at fair value. Fair value is based on the market rent minus the normative operating costs. To determine the fair value, the net capitalisation factor and the net present value of the difference between market rent and contractual rent, of forecasted vacancy and of necessary future investments are determined for each object. This value is reduced by the normative transaction costs (registration tax 10% - 12.5%).

7. Development projects (x € 1,000)

	2011	2010
Balance at January 1	27,815	13,179
Acquisitions (business combinations - note 28)		4,312
Purchases	1,683	
Reclassification of land	2,084	
Investments	31,611	10,142
Revaluations	10,569	
Capitalised interest (average interest rate 2.64%)	666	182
Balance at December 31	<u>74,428</u>	<u>27,815</u>

Purchases: The purchases concern the establishment of a leasehold right (€ 1.5 mln) in which Wereldhave Belgium will be the holder of a long-lease right on a parcel of land located on the site "Overpoort" in Gent and the purchase of a plot of land (€ 0.2 mln) that fits in the optimisation of the mobility of the Shopping Nivelles site.

Reclassification of land: The land, located next to the shopping centre "Les Bastions" in Tournai and which is the subject of the construction of a retail park and an expansion of the shopping centre, is reclassified under "Investment property - development projects" (€ 2.1 mln).

Investments (€ 31.6 mln): The investments concern mainly the construction works regarding the extension of the shopping centre in Nivelles. These were almost completed by the end of 2011. The official opening is envisaged on March 30, 2012. The realised project costs related to the other development projects are run-up and study costs.

Revaluation: The portfolio investment properties/development projects, besides the extension project of the shopping centre in Nivelles (revaluation €10.6 mln), is measured at cost as fair value can not adequately be determined given the fledgling state of the projects (see accounting policies 3.6).

8. Other tangible assets (x € 1,000)

	Office equipment	Cars	Total
Balance at January 1, 2011	78	12	90
Purchases (+/-)	240	60	300
Depreciation (+/-)	-35	3	-32
Balance at December 31, 2011	<u>283</u>	<u>75</u>	<u>358</u>
Balance at January 1, 2010	35	66	101
Purchases (+/-)	60	-42	18
Depreciation (+/-)	-17	-12	-29
Balance at December 31, 2010	<u>78</u>	<u>12</u>	<u>90</u>
	December 31, 2011	December 31, 2010	
Total costs of acquisition	739	439	
Total depreciation	<u>-381</u>	<u>-349</u>	
Net book value	<u>358</u>	<u>90</u>	

9. Financial assets (x € 1,000)

	<u>December 31, 2011</u>	December 31, 2010
Financial assets available for sale: real estate certificates		
Balance at January 1	11,523	11,948
Purchase real estate certificates		17
Revaluation (via shareholder's equity - note 14)	-152	-442
	<hr/>	<hr/>
Balance at December 31	<u>11,371</u>	<u>11,523</u>

The portfolio investments in real estate certificates consists of

1. an interest of 16.22% (18,382 real estate certificates) in the shopping centre at Kortrijk – Kuurne. By the end of 2011, fair value amounted to € 8.0 mln (2010: € 8.1 mln). By the end of 2011, the closing price on NYSE Euronext, fixing market, amounted to € 425.0.
2. an interest of 6.9% (9,142 real estate certificates) in the shopping centre "Basilix" in Brussels. By the end of 2011, fair value amounted to € 3.4 mln (2010: € 3.4 mln). By the end of 2011, the closing price on NYSE Euronext, fixing market, amounted to € 370.2.

The portfolio real estate certificates is valued at fair value based on the quotation market (level 1, IFRS 7).

Real estate certificates are current values representing a long term liability in a proportional share of the earnings of a specific real estate. Part of the value of the attached coupons is represented by said earnings and the balance by amortisation of capital.

10. Trade receivables and other non current assets (x € 1,000)

	<u>December 31, 2011</u>	December 31, 2010
Loans	41	51
Guarantee	8	
Capitalised rent investments	256	315
Capitalised brokerage fees		416
Capitalised rent free periods	1,036	1,008
	<hr/>	<hr/>
Total	<u>1,341</u>	<u>1,790</u>

The accounting policies regarding the trade receivables can be found in note 3.11.

11. Current receivables (x € 1,000)

	<u>December 31, 2011</u>	December 31, 2010
Trade receivables (tenants)	4,517	1,155
Tax receivables and other current assets	695	652
	<hr/>	<hr/>
Total	<u>5,212</u>	<u>1,807</u>

As it concerns short term financing, the fair value of the receivables corresponds with the book value.

The property tax to be recovered due to vacancy amounts to € 144 at December 31, 2011 (2010: € 144).

12. Cash and cash equivalents (x € 1,000)

	<u>December 31, 2011</u>	December 31, 2010
Bank	<u>3,281</u>	<u>1,899</u>

This heading gives an overview of the financial accounts at different financial institutions.

13. Share capital (x € 1,000)

	Amounts	Number of shares
Capital		
At December 31, 2010	224,969	5,331,947
At December 31, 2011	224,969	5,331,947
Bearer shares, dematerialised shares, and registered shares without nominal value		
Registered		3,636,218
Bearer/dematerialised		1,695,729
Total		5,331,947

Shareholders

Of the 5,331,947 shares in circulation at December 31, 2011, 39.10% were held by Wereldhave N.V., 30.21% by N.V. Wereldhave International and 30.69% by the general public.

The Statutory Management Company is entitled to increase the authorised capital in one or more issues by a maximum amount of € 224,968,917.27. This authorisation has been renewed on December 16, 2011 and is valid for five years.

Available reserves

These reserves are held according to the continuity principle because of the take-over of 'NV Groter Berchem' as from January 1, 1999. These reserves were definitively taxed at the moment of take-over.

14. Change in fair value of financial assets and liabilities

	2011	2010
Financial assets available for sale		
At January 1	1,769	2,211
Revaluation	-152	-442
At 31/12	1,617	1,769

The portfolio investments in real estate certificates consists of:

1. an interest of 16.22% (18,382 real estate certificates) in the shopping centre at Kortrijk – Kurne.
By the end of 2011, the closing price on NYSE Euronext, fixing market, amounted to € 425.0.
2. an interest of 6.9% (9,142 real estate certificates) in the shopping centre "Basilix" in Brussels.
By the end of 2011, the closing price on NYSE Euronext, fixing market, amounted to € 370.2.

15. Pension obligations (x € 1,000)

	2011	2010
Net liability at January 1	252	66
Movements in liabilities	-64	186
Net liability at December 31	188	252

With reference to the "Defined Benefit Plan" in favour of the staff of the sicafi (20,6), a provision of € 188 is foreseen. The provision has been recalculated by an external actuary. The actuarial assumptions are in conformity with the market. No specific assets were used for these liabilities.

16. Long-term financial debts

Wereldhave Belgium disposes of a credit line (revolving credit) of € 60 mln with end date April 30, 2016, that has been taken completely by the end of 2011. The loans are at floating interest rates (weighted average interest rate 2.71%) and are presented in the balance sheet at fair value. As the company does not make use of any hedging instruments, variations in interest charges may influence the result. It concerns only credit facilities for which there are no guarantees. Fair value does not differ from the nominal value as it concerns short term advances at floating interest rates.

17. Other long term liabilities (x € 1,000)

	December 31, 2011	December 31, 2010
Guarantee tenants	156	156

18. Deffered taxes (x € 1,000)

	December 31, 2011	December 31, 2010
Deffered taxes	1,186	1,714

19. Current liabilities (x € 1,000)

	December 31, 2011	December 31, 2010
Credit institutions	7,000	47,280
Other	117	
Trade payables	22,912	4,996
Taxes, remunerations and social security	428	99
Unclaimed dividends previous book years	307	298
Rental income received in advance	629	1,334
Other	5,587	1,427
Total	36,980	55,434

Credit institutions: Wereldhave Belgium disposed of a credit line (not committed) of € 26 mln with no end date of which € 7 mln had been taken by the end of 2011. The loans are at floating interest rates (weighted average interest rate 1.71%) and are presented in the balance sheet at fair value. As the company does not make use of any hedging instruments, variations in interest charges may influence the result. It concerns only credit facilities for which there are no guarantees. Fair value does not differ from the nominal value as it concerns short term advances at floating interest rates.

Trade payables: the trade payables concern, on the one hand, the short-term trade payables obligations related to the construction of the expansion of the shopping centre in Nivelles (€ 21,780 mln) and, on the other hand, the suppliers obligations (€ 1,132 mln).

20. Securities

Debt guaranteed by securities on company assets for a principal amount of € 50.9 mln (2010: € 50.9 mln). These securities are the subject of a legal mortgage with reference to the disputed tax claim. With reference to the above, a guarantee was submitted by Wereldhave N.V. (see note 31).

21. Rental income (x € 1,000)

Office and trade properties are subject to (trade) lettings with various expiry dates. Rents are adjusted yearly by the index of health. The leases define the rent, the rights and obligations of the lessor and the lessee, notice and renewal options and the common charges. Recovery income of charges and taxes are not included in the rental income. Rent loss as a result of vacancy, expressed as a percentage of theoretical rent amounted to 6.9% (2010: 11.0%).

The five main tenants represent 25.8% of the rental income.

The future aggregate contractual rent from leases as to December 31, 2011 is shown in the following table:

	2011	2010
Year 1	24,718	22,225
Year 2 – year 4	40,593	43,381
Year 5	6,944	4,725
Total	72,255	70,331

22. Property charges (x € 1,000)

	2011	2010
Technical costs	701	1,061
Commercial costs	391	375
Management expenses (note 23)	519	341
Total	1,611	1,777

Technical costs comprise the cost of vacancy (€ 292) of the investment properties (note 3.20).

23. General expenses (x € 1,000)

	2011	2010
Staff costs		
Salaries	1,524	565
Social security	482	171
Allocation salary cost development projects	-1,652	-218
Profit sharing	252	-11
Pension and insurance costs	384	95
Other staff costs	112	22
Subtotal staff costs	1,102	624
Allocated to management/property charges (22%)	-243	-137
Staff costs	859	487
Other costs		
Audit fees	77	62
Advisory fees	94	148
Other costs	765	455
Subtotal other costs	936	665
Allocated to management/property charges (22%)	-206	-146
Other costs	730	519

Other operating income and charges

Other income	-1,107	-174
Sicafi costs	160	127
Investment fund tax	305	305
Subtotal other operating income and charges	-642	258
Allocated to management/property charges (22%)	-72	-57
Other operating income and charges	-714	201
Total	875	1,207

Apportionment key relating to the appropriation of general costs to property charges.

Over 2011, 22% of the general costs (€ 521) have been assigned to management/property charges (2010: 22%). This apportionment key has been computed normatively considering the distribution of tasks inherent to the employees and other general costs.

Pension costs

Pension costs comprise premiums relating to the employee pension plan.

Employees

During 2011 an average of 20.6 (FTE) people (2010: 6.7) were employed by the sicafi.

The profit share, paid to employees, is based on four indicators. These are the occupancy rate, property charges, general costs and the size of the portfolio. For each indicator, a target has been set. The score against the target determines the final result. The maximum profit share is a one month's salary.

Management Company

The remuneration of the Management Company is decided upon by the General Meeting of Shareholders and is fixed on € 95,000.

Wereldhave Belgium SA and the members of the Board of Directors of the Management Company do not hold any shares or options in Comm. VA Wereldhave Belgium SA and/or Wereldhave Belgium SA. No loans, advances or guarantees have been extended by the Company to Wereldhave Belgium SA nor to members of the Board of Directors.

24. Result disposals of investment properties and valuation differences (x € 1,000)

	2011	2010
Result disposals of investment properties	-84	
Gains	21,050	3,404
Losses	-6,303	-4,290
Total	14,663	-886

25. Financial result (x € 1,000)

	2011	2010
Financial income		
Coupon real estate certificates	856	869
Interest received	42	39
	898	908
Interest costs	-784	-301
Other	-28	-41
	-812	-342
Total	86	566

Interest costs (€ -784) comprise the interest paid regarding the cash management of the company.

26. Taxes on result (x € 1,000)

Taxes are calculated on possible exceptional and favourable advantages and on rejected expenditures.

Deferred taxes are not recognised as there are no differences between the accounting and the fiscal result.

	2011	2010
Corporate taxes	-157	-104
Positive deferred taxes on market fluctuations	512	
Total	355	-104

27. Goodwill

On December 31, 2010, Wereldhave Belgium took over the staff organisation and several development projects of ING REDH Belgium. The acquisition resulted in a goodwill which originates from a positive difference between the acquisition cost and the fair value of the acquired asset (see annual report 2010 - note 26 "Business Combinations").

Depreciation test

At the end of the financial year of 2011 the goodwill was subjected to a depreciation test by comparing the net book value of the project developments (in other words the fair value plus 100% of the goodwill allocated minus the deferred taxes) to their utility value. The test showed that no depreciation has to be booked for the goodwill.

28. Business Combinations

Acquisition of activities ING Real Estate Development Holding Belgium (ING REDH Belgium)

In the consolidated annual account for the financial year that ended on 31 December 2010, the fair value of the assets and liabilities of the acquisition of ING Real Estate Development Holding Belgium (ING REDH Belgium) was determined on a provisional basis.

The definitive purchase price and allocated fair value of the assets and liabilities obtained for ING REDH Belgium have in the meantime been determined, so that the provisional figures have been adjusted. This adjustment relates to an additional tax assessment with regard to the (re)development project in Waterloo

	2011	2010
Investment properties	21,311	21,311
Receivables	264	264
Cash & bank balances	252	252
Differed taxes	-1,714	-1,714
Leasehold liabilities	-3,949	-3,949
Short-term loans	-5,280	-5,280
Other short-term debts	-227	-227
Net identifiable assets and liabilities	10,657	10,657
Purchase price	-12,677	-12,548
Goodwill	-2,020	-1,891

29. Result per share

The result per share is calculated on the basis of the total profit after tax and the average number of outstanding shares during the year (2011: € 4.34; 2010: € 4.22). No financial instruments convertible into shares have been distributed.

30. Dividend

The Board of Directors of the Management Company proposes a gross dividend per share of € 4.00; net: € 3.16, (2010: gross € 3.92; net: € 3.33), totalling to € 21.3 mln (2010: € 20.9 mln). The dividend is not provided in the consolidated financial statements.

Calculation of the dividend is made in accordance with the Royal Decree of December 7, 2010.

31. Claim

On December 23, 1996 Wereldhave Belgium NV (former MLO NV and eligible party of Wereldhave Belgium) received a registered supplementary assessment in the amount of € 35.9 mln for the 1994 tax year. This assessment relates to a notification of reorganization dated November 18, 1996, whereby the administration maintains that, in this case, the succession of a number of actions should be considered as a hidden distribution of dividends to the shareholders of MLO NV. The Management is of the opinion that the imposed supplementary assessment is by no means justified, as neither the company nor its shareholders were in any way involved in the transactions to which the administration refers, and the company has always accepted all judicial consequences of the various legal transactions, and that any hidden distribution of dividends as described in the notification of reorganization was out of the question. On the basis of the above and advice obtained from an external fiscal advisor, the Manager is convinced that the company has strong arguments to contest the supplementary assessment successfully. For the 1993 tax year the tax administration has imposed a direct advance income tax assessment in the amount of € 15.07 mln, on (as the administration maintains) the "hidden distribution of dividends" to the shareholders of NV MLO on December 15. The notice of assessment relating to the above was sent on July 28, 1999. As the Manager contests the principle of "hidden distribution of dividends", and has always observed all judicial consequences of the various transactions, he is of the opinion that this direct tax assessment is not justified. These assessments represent a legal mortgage inscription for a principal amount of € 50.9 mln. With reference to the above, a guarantee was submitted by Wereldhave N.V. to the sicafi covering the full registered amount of the disputed fiscal claim. This case is also the subject of a penal procedure. On June 7, 2007 the Raadkamer/Chambre du Conseil decided to remand the company as well as its representatives to the Court. Wereldhave Belgium lodged an appeal against this decision. On November 19, 2009, the Court's Indictment Division of Brussels has pronounced the prosecution against Wereldhave Belgium largely inadmissible, particularly in relation to tax fraud and money laundering. Wereldhave Belgium was only referred to the Penal Court because of the existence of complaints of tax falsehood and use of false tax documents. The Penal Court decided at the audience of November 18, 2010 to declare the case as inadmissible due to an exceeding of the reasonable period. The Public Ministry lodged an appeal

against this ruling. On the hearing of the Court of Appeal held on February 7, 2012, the case was set into continuation at the hearing of March 8, 2012.

The prosecutor is demanding the liquidation of Wereldhave Belgium; the disqualification of several officials of the company and the seizure of Belle-Ile in Liege. On December 31, 2011 the fair value of the shopping centre amounts to € 146.5 mln. Only the amount of the contested tax charges (€ 50.9 mln) has been guaranteed by the Dutch company Wereldhave N.V. The Board of Directors of the Management Company, advised by external consultants, confirms that both the administrative and the penal procedure can be disputed successfully. The findings of external advisors confirm the opinion of the Board of Directors of the Management Company. As a result, no impairment provision was posted.

32. Related Group companies

The remuneration of the Management Company is decided upon by the General Meeting of Shareholders and is fixed at € 95,000.

The principal amount of the contested tax charges (for a principal amount of € 50.9 mln – see note 31 'Claim') has been guaranteed by the Dutch company Wereldhave N.V. Besides the decreed dividends and above mentioned remuneration to the Management Company, there have been no transactions with Group companies in 2011.

33. Important events occurred after the financial year

The Management Company of Wereldhave Belgium Comm.VA has drawn up, together with the Board of Managers of Redevco Retail Belgium Comm.V, a partial demerger proposal by which Redevco Retail Comm.V contemplates the contribution of its commercial real estate in Genk consisting in (A) several stores in private property and 798/1000 of the common parts in co-ownership of the shopping centre "Shopping Center Genk I" and in (B) the shopping centre Genk-Stadsplein – Sint-Martinusplein, consisting in (i) the "Winkelcentrum Stadsplein Noord" (being part of the co-ownership Woon- en winkelcentrum Stadsplein Noord), (ii) the "Winkelcentrum Stadsplein Zuid" (being part of the co-ownership Woon- en winkelcentrum Stadsplein Zuid), (iii) the "Winkelcentrum Residentie Esplanade" (being part of the co-ownership Residentie Esplanade) and the "Winkelcentrum Sint-Martinusplein" (which is today owned in full ownership by Redevco Retail Belgium) to the capital of Wereldhave Belgium whereby new shares will be allocated to the partners of Redevco Retail Belgium Comm.V in proportion to their stakeholding in the company to be demerged, this without implying the dissolution of Redevco Retail Belgium Comm.V. This transaction amounts to approximately € 69 mln.

The aforementioned partial demerger proposal, which will be filed at the Clerk's office of the Tribunal of Commerce of Brussels, will be submitted for approval to the vote of the

respective shareholders of Wereldhave Belgium Comm.VA and Redevco Retail Belgium Comm.V to be held on April 11, 2012.

At January 13, 2012, the Company has purchased an additional 12,458 real estate certificates "Basilix" against a purchase price of € 370 per certificate (€ 4.6 mln).

34. Investment obligations

Within the context of the ongoing development projects in Nivelles (extension shopping centre), Tournai (extension shopping centre and retailpark), Genk (redevelopment shopping centre), Waterloo (redevelopment inner city shopping centre) and Gent (redevelopment mixed inner city project), the total amount of investments is estimated at € 224 mln including VAT. Upon signature of the contracts with the contractors, the company will be legally bound.

35. Remuneration auditor

Fees paid for auditing activities over 2011 amounted to € 62,808 excluding VAT and on non-auditing activities to € 28,492 excluding VAT.

36. Financial instruments

The company does not make use of financial instruments.

37. Branches

The company has no branches.

38. Research and development

In view of the nature and specific activity of the company, no operations are connected to research and development.

**Statutory Auditor's report
on the consolidated accounts
as of and for the year ended
31 December 2011**

Statutory Auditor's report to the General Shareholders' Meeting on the consolidated accounts of the company Wereldhave Belgium SCA/Comm. VA as of and for the year ended 31 December 2011

As required by law and the company's articles of association, we report to you in the context of our appointment as the company's statutory auditor. This report includes our opinion on the consolidated accounts and the required additional disclosure.

Unqualified opinion on the consolidated accounts, with an explanatory paragraph

We have audited the consolidated accounts of Wereldhave Belgium SCA/Comm. VA and its subsidiaries (the "Group") as of and for the year ended 31 December 2011, prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated accounts comprise the consolidated financial position at 31 December 2011, the consolidated profit and loss account till 31 December 2011, the global result statement, the consolidated cash flow statement to 31 December 2011 and the consolidated statement of movements in equity for 2011, as well as the summary of significant accounting policies and other explanatory notes. The total of the consolidated financial position amounts to EUR (000) 496,419 and the consolidated profit and loss account shows a profit for the year of EUR (000) 38,301.

The company's Statutory Manager is responsible for the preparation of the consolidated accounts. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated accounts 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.

Our responsibility is to express an opinion on these consolidated accounts based on our audit. We conducted our audit in accordance with the legal requirements applicable in Belgium and with Belgian auditing standards, as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated accounts are free of material misstatement.

In accordance with the auditing standards referred to above, we have carried out procedures to obtain audit evidence about the amounts and disclosures in the consolidated accounts. The selection of these procedures is a matter for our judgment, as is the assessment of the risk that the consolidated accounts contain material misstatements, whether due to fraud or error. In making those risk assessments, we have considered the Group's internal control relating to the preparation and fair presentation of the consolidated accounts, 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 Group's internal control. We have also evaluated the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Group, as well as the presentation of the consolidated accounts taken as a whole. Finally, we have obtained from the Statutory Manager and Group officials the explanations and information necessary for our audit. We believe that the audit evidence we have obtained provides a reasonable basis for our opinion.

In our opinion, the consolidated accounts give a true and fair view of the Group's net worth and financial position as of 31 December 2011 and of its results and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Without qualifying our opinion, we draw the attention to the disclosure the Statutory Manager of the company has included in the consolidated accounts, regarding the referral of the company by chambers ('raadkamer/chambre du conseil'), in the context of the penal dispute related to the sale of a company. The public prosecutor claims the confiscation of the commercial centre "Belle-Île" and the forced liquidation of Wereldhave Belgium SCA/Comm. VA. The Statutory Manager, assisted by the legal councils of the company, believes that both the administrative and the penal procedure can be disputed successfully. As a result, no adjustments were posted to the consolidated accounts, nor did the company post any impairment provision.

Additional remark

The company's Statutory Manager is responsible for the preparation and content of the management report on the consolidated accounts.

Our responsibility is to include in our report the following additional remark, which does not have any effect on our opinion on the consolidated accounts.

- The management report on the consolidated accounts deals with the information required by the law and is consistent with the consolidated accounts. However, we are not in a position to express an opinion on the description of the principal risks and uncertainties facing the companies included in the consolidation, the state of their affairs, their foreseeable development or the significant influence of certain events on their future development. Nevertheless, we can confirm that the information provided is not in obvious contradiction with the information we have acquired in the context of our appointment.

Sint-Stevens-Woluwe, 8 March 2012

The statutory auditor
PwC Reviseurs d'Entreprises scrl/Bedrijfsrevisoren bcvba
Represented by

Roland Jeanquart
Revisieur d'Entreprises/Bedrijfsrevisor



**Statutory balance sheet
and profit and loss account
2011**

Statutory balance sheet at December 31, 2011

(x € 1,000)

	December 31, 2011	December 31, 2010
Assets		
Non-current assets		
Investment properties excl. development projects	385,208	380,285
Development projects	68,751	23,585
Other tangible assets	358	90
Financial tangible assets		
Assets available for sale		
Real estate certificates	11,371	11,523
Participations in affiliated companies	10,798	10,624
Trade receivables and other non-current assets	1,333	1,790
	<u>477,819</u>	<u>427,897</u>
Current assets		
Current financial assets		
Trade receivables	12,676	1,155
Tax receivables and other current assets	498	388
Cash and cash equivalents	2,322	1,624
	<u>15,496</u>	<u>3,167</u>
Total assets	<u><u>493,315</u></u>	<u><u>431,064</u></u>
Shareholder's equity		
Capital	224,969	224,969
Reserves		
Available reserves	5,627	5,627
Accumulated result	127,463	127,307
Variations in the fair value of financial assets available for sale	1,618	1,769
Net result book year	40,499	21,058
	<u>400,176</u>	<u>380,730</u>
Liabilities		
Non-current liabilities		
Provisions		
Pension obligations	188	252
Non-current financial debts		
Credit institutions	60,000	
Leasehold obligations		
Rent guarantees received	156	156
	<u>60,344</u>	<u>408</u>
Current liabilities		
Current financial debts		
Credit institutions	7,000	42,000
Other	307	298
Trade payables and other current debts		
Other	114	
Suppliers	22,946	4,768
Taxes, remunerations and social security contributions	492	99
Accruals and deferred income		
Real estate income received in advance	629	1,334
Other	1,307	1,427
	<u>32,795</u>	<u>49,926</u>
Total shareholders' equity and liabilities	<u><u>493,315</u></u>	<u><u>431,064</u></u>
Net asset value per share (x € 1)	75.05	71.41

Statutory profit and loss account to December 31, 2011

(x € 1,000)

	2011	2010	
Rental income			
Rent	24,475	24,817	
Indemnification for early termination of lease	<u>1,003</u>	<u>505</u>	
Net rental income			
	25,478		25,322
Recovery of rental charges and taxes normally paid by the tenant on let properties	3,103	2,988	
Rental charges and taxes normally paid by the tenant on let properties	<u>-3,679</u>	<u>-3,316</u>	
	-576		-328
Property result	<u>24,902</u>		<u>24,994</u>
Technical costs			
Recurrent technical costs			
Repairs	-514	-890	
Compensation for total guarantees	-144	-134	
Insurance premiums	-43	-37	
Non recurrent technical costs			
Major repairs (building contractors, architects, engineering firm, etc.)			
Accidents			
Commercial costs			
Agency commissions	-278	-334	
Publicity	-108	-37	
Lawyers fees and legal charges			
Property management costs			
(Internal) property management costs	<u>-526</u>	<u>-341</u>	
Property charges	<u>-1,613</u>		<u>-1,773</u>
Property operating result	<u>23,289</u>		<u>23,221</u>
General company costs			
Staff costs	-902	-487	
Other	-708	-519	
Other operating income and charges	<u>637</u>	<u>-201</u>	
	-973		-1,207
Operating result before result on the portfolio	<u>22,316</u>		<u>22,014</u>

Statutory profit and loss account to December 31, 2011 - continued

Result on disposals of investment property			
Net property sales (selling price – transaction costs)	2,698		
Book value of the property sold	<u>-2,782</u>		
		-84	
Result on disposals of other non financial assets			
Net sales of other non financial assets (sale price - transaction costs)	4		23
Book value of the sold other non financial assets	<u>4</u>		<u>23</u>
		4	
Variations in the fair value of investment property			
Positive variations in the fair value of investment property	21,050		3,404
Negative variations in the fair value of investment property	<u>-2,820</u>		<u>-4,290</u>
		18,230	-886
Other portfolio result			<u>-555</u>
		<u>18,150</u>	<u>-555</u>
Operating result		<u>40,466</u>	<u>-1,418</u>
			<u>20,596</u>
Financial income			
Interest and dividends received	898		908
Interest charges			
Nominal interest charges on loans	-740		-301
Other financial charges			
Bank charges and other commissions	<u>-18</u>		<u>-41</u>
Financial result		<u>139</u>	<u>566</u>
Pre-tax result		<u>40,605</u>	<u>21,162</u>
Corporate tax			
Corporate tax	-106		-104
Positive deferred taxes on market fluctuations			
		<u>-106</u>	<u>-104</u>
Net result		<u>40,499</u>	<u>21,058</u>
Net result shareholders of the Group		<u>40,499</u>	<u>21,058</u>
Result per share (x € 1)		<u>7.60</u>	<u>3.95</u>
Diluted result per share (x € 1)		<u>7.60</u>	<u>3.95</u>

The statutory annual accounts, the notes, the statutory report of the Management Company and the Auditor's report concerning the statutory annual accounts of Wereldhave Belgium can be obtained, free of charge, at the Company's Head Office. These documents are also available on our website: www.wereldhavebelgium.com

With regard to these documents, the Auditor delivered an unqualified audit opinion on the financial statements with an explanatory paragraph referring to the note of the Statutory Management Company regarding the dispute about the sale of a company.

The statutory annual accounts, the notes, the annual report and the Auditor's report will, according to the legal regulations, be deposited at the National Bank of Belgium.

Responsibility statement according to Article 12 § 2 of the Royal Decree of November 14, 2007

The Management Company of Wereldhave Belgium declares:

1. that based on the assessment performed and taking into account the recommendations of the Corporate Governance Code, the internal risk management and control systems of Wereldhave Belgium are adequate and provide a reasonable degree of certainty that the financial reporting as included in this Annual Report is free of material misstatement. The Management Company has no evidence that this risk management and control system would not have functioned in accordance with the description or that this system would not have functioned properly in the current year;
2. that the Annual Accounts present a true and fair view of the assets, liabilities, financial position and result of Wereldhave Belgium;
3. that the Annual Report provides a true and fair view of the situation on the balance sheet date, the course of business during the financial year of Wereldhave Belgium; and
4. that the main risks confronting Wereldhave Belgium have been described in this Annual Report.

The Management Company
Wereldhave Belgium SA

D. Goeminne, Chairman
J. de Smet
P. Naert
J. Pars
L. Plasman

1. Identification of Wereldhave Belgium

Comm.VA Wereldhave Belgium, Real Estate Investment Fund (Sicafi) according to Belgian Law, registered at Medialaan 30 box 6 – 1800 Vilvoorde is a limited share partnership according to Belgian Law, which has made a public appeal to the savings domain. Wereldhave Belgium was established under the name of Rank City Wall by deed executed by Pierre Spaey, notary in Sint-Jans-Molenbeek on August 8, 1972, subsequently published in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees on August 18, under reference number 2520-9. The articles of association have been changed several times, the last time on December 16, 2011, by deed executed by Denis Deckers, notary in Brussels. Wereldhave Belgium was established for an indefinite period. The articles of association of the Property Investment Fund and the Management Company can be viewed at the Registry of the Commercial Court in Brussels, or at the company's Head Office. The annual accounts are deposited at the National Bank of Belgium, and are deposited for inspection at the Registry of the Commercial Court in Brussels.

The annual reports and accounts of Wereldhave Belgium are sent each year to the registered shareholders and, by request, to other interested parties. Decrees with respect to the appointment and/or dismissal of members of the Board of Directors of the Management Company, Wereldhave Belgium SA, are published in the Appendices to the Belgian Bulletin of Acts, Orders and Decrees. Financial reports relating to Wereldhave Belgium are published in the financial press. Other documents available to the general public are open for inspection at the registered offices of Wereldhave Belgium.

2. Main Statutory dispositions

Objective

The main objective of Wereldhave Belgium is the collective investment of publicly attracted capital in the "property" category, as referred to in Section 7, 5° of the Act of July 20, 2004 on certain forms of collective management of investment portfolios.

Nominal Capital

The authorised capital to December 31, 2011, amounts to € 224,968,918.27, represented by 5,331,947 fully paid up shares, without mention of nominal value.

Authorised Capital

The Statutory Management Company is entitled to increase the authorised capital in one or more issues by a maximum amount of € 224,968,918.27. This authorisation has been renewed on December 16, 2012 and is valid for five years.

Type of shares

The company has bearer shares, dematerialised shares and registered shares

Preferential rights in the event of capital increase

In the event of an increase in capital, the new shares, which are subscribed to in cash, are preferentially offered to shareholders, in relation to the capital share represented by their shareholding on the day of issue.

Management

The Real Estate Investment Fund is managed by one or more Management Companies. Wereldhave Belgium SA is appointed as the sole Statutory Management Company.

General Meeting of Shareholders

The annual General Meeting is held on the second Wednesday of April at 11.00 am.

Financial year

The financial year is equal to the calendar year.