



WERELDHAVE

Update third quarter 2014

Schiphol, October 16, 2014



Summary

Wereldhave is well on track in achieving its strategic objectives for 2014:

- Wereldhave reconfirms its full year 2014 outlook
- Occupancy in the retail portfolio above 98%
- Like-for-like rental growth of the retail portfolio at least 200 bps above indexation
- General costs with € 14m at target

Samenvatting

Wereldhave is goed op weg om de strategische doelen voor 2014 te behalen:

- Wereldhave bevestigt de eerder afgegeven verwachting voor geheel 2014
- Bezettingsgraad van de retail portefeuille boven de 98%
- Like-for-like (LFL) huurgroei van de retail portefeuille ten minste 200 bps boven indexatie
- Beheerkosten met € 14m conform doelstelling

Operations

Gross rental income for the first nine months of 2014 amounted to € 97.1m, a decrease of 4.1% compared to the same period in 2013. The decrease is mainly due to disposals in the United States, the United Kingdom and the Netherlands, which mainly impacted Q1 2014. The disposals were for the major part offset by the acquisition of two shopping centres in the Netherlands (De Vier Meren in Hoofddorp and De Koperwiek in Capelle aan den IJssel) and like for like rental growth.

Occupancy

% / €m	Occupancy (%)			Portfolio Value *	
	Q3 2014	Q2 2014	Q4 2013	€m	%
Belgium	98.0%	98.7%	99.2%	426	22.4%
Finland	99.3%	99.2%	99.4%	485	25.5%
Netherlands	98.4%	98.0%	97.0%	677	35.6%
Shopping centres	98.5%	98.5%	98.4%	1,588	83.4%
Belgium	92.5%	92.8%	91.8%	126	6.6%
Paris	99.0%	99.0%	99.0%	189	9.9%
Spain		83.5%	81.0%	-	
Offices & Other	95.9%	92.8%	91.7%	315	16.6%
Total portfolio	98.0%	97.2%	96.6%	1,903	100.0%

* Valuation value, based on June 30 including Q3-14 acquisitions and movements from development

The EPRA occupancy rate increased to 98.0% as at 30 September 2014 (30 June 2014: 97.2%). Occupancy in the shopping centres remained stable at 98.5%. In the Netherlands occupancy increased due to good letting results. This was offset by decreases in Belgium, due to the inclusion of the Ghent shopping centre and the acquired part of Kortrijk Ring Shopping Centre, which have slightly below average occupancy rates. Occupancy of the offices and other portfolio improved to 95.9% (June 30, 2014: 92.8%), mainly due to the disposal of the Spanish portfolio.

LFL net rental growth

Overall LFL growth of the retail portfolio is at or above the increased target of 200 bps above indexation. Positive developments in Finland and Belgium are compensating slightly below target LFL growth in the Netherlands. The overall LFL growth of the offices and other portfolio is also positive.

General costs

General costs for the first nine months of 2014 are in line with the targeted € 14m for the full year 2014.

Investment Portfolio

During the third quarter, Wereldhave Belgium acquired 11,000 m² of the Kortrijk Ring Shopping Centre from Redevco at a net initial yield of 6.25%. The transaction was completed on September 15, 2014.

On September 24, 2014, Wereldhave transferred the entire Spanish portfolio to Axia Real Estate for € 99.5m gross, which reflects a result on the disposal of 4% after municipality taxes and fees (book value at 30 June 2014 amounted to € 91.8m and at 31 December 2013 to € 92,3m). The agreement includes an additional earn out/profit share mechanism based on the performance of the portfolio, that could provide a further upside between € 0 - € 2.5m (another 0 - 3% on the book value per 30 June 2014), to materialise in 2014/2015. The management office in Madrid will be closed in 2014. The closing costs amount to approx. € 1.0m.

Committed (in €m)	Total investment	Capex (net) so far	Capex spent 2014	Expected NIY	Percentage prelet	Completion
Itis (FIN)	102	90	15	7,0%	93%	Q4 2014
Issy-Les-Moulineaux (Noda, FR)	138	132	18	7,0%	65%	Q4 2014
Genk (BEL)	86	74	19	6,5%	75%	Q4 2014
Dutch redevelopment program (NL)	79	16	16	5,9%		2016
Dutch refurbishment capex	30	10	6	-		2016
Total	435	322	74			

In Belgium, the mixed-use development project in Ghent was transferred to the investment portfolio early in July 2014. Occupancy is at 92%. The renovation (11,400 m²) and expansion (11,800 m²) of Genk Shopping 1 is nearing completion, scheduled for the end of 2014. Letting is progressing and now stands at 75%. Wereldhave anticipates that at the end of 2014 occupancy will be in the range between 75-80% and between 85-90% at the end of 2015. The building permit for the Tournai retail park is expected to be granted at the end of 2014.

In Finland, the refurbishment of the Itis shopping centre is almost finalized. Nearly 80% of the former Stockmann space has been let. There was a queue of more than 500 meters waiting for the Gigantti electronics store to open doors on September 18, 2014. Intersport will open a shop of 500 m² in November and Zara, another major signing, will open a flagship store of 2,800 m² early in December, before the Christmas shopping season. Footfall in Itis is increasing, particularly in the weekends, attracting substantially more families with children visiting Itis by car. Year to date August visitor numbers went up by 10%, and increasing even further in September and October. Wereldhave anticipates that interest from fashion retailers will increase in view of the new openings and the increasing footfall. Overall Itis is 93% prelet.

Works on the Dutch shopping centres De Eggert, De Rooselaar, Etten-Leur and Koningshoek are progressing well. In De Eggert, H&M opened their new shop in August, along with completion of the new food & beverage square. In Roosendaal the former post office was refurbished and let to ANWB and Xenos. In Maassluis, a second part of the shopping centre was refurbished. Leasing activity in all Dutch centres was high with several new first-time tenants for Wereldhave, bringing occupancy to 98.4%. Footfall numbers are increasing, particularly in Kronenburg, due to the successful refurbishment and re-tenanting.

In Paris, leasing of Noda is still at two thirds of the building; talks with prospective tenants continue. Wereldhave still aims for a single tenant to take up the remainder of the building.

Financing

On July 27, 2014, Wereldhave completed a EUR 265m private placement in 7 notes with maturities ranging from 7 to 15 years. The issuance was made through a private placement to 5 Institutional Investors with maturities up to 15 years. The average interest costs of the notes is 2.9 %.

Wereldhave has taken the opportunity both to extend the maturity of its debt and to fix the interest. The maturity of its debt increased from 3 years at the end of 2013 to 5.5 years with interest rates fixed for 95 % of debt.

Nominal interest bearing debt was € 1,050m at 30 September 2014, which together with a cash balance of € 255m gives a net debt of € 795m. Total borrowing capacity amounted to € 653m and the Loan-to-value ratio (based on the June 2014 portfolio valuations) decreased to 33.6% (June 30, 2014: 35.4%). As at 30 September 2014 the EPRA NAV per share (based on the June 30, 2014 valuations) was € 63.75 and the average cost of debt and ICR were 2.6% and 6.5 respectively.

Outlook reconfirmed

Wereldhave reconfirms its outlook for 2014 of a direct result between € 3.35 and € 3.45 per share, as well as a like-for like rental growth for the retail portfolio of at least 200bps above indexation.

Schiphol, October 16, 2014
Wereldhave N.V. Board of Management

Conference call / webcast

The update for the third quarter of 2014 will be explained during a conference call, to be held today at 10:00 CET. A live webcast will be available at www.wereldhave.com. Questions may also be asked by e-mail.

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