



WDP

WAREHOUSES
WITH BRAINS



PRESS RELEASE

Regulated information

Wednesday 20 October 2021



Interim statement as at 30 September 2021

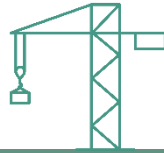
- EPRA Earnings per share over 9M 2021 of 0.83 euro (+10% year-on-year)
- 100 million euros in new investments during the third quarter of 2021
- Robust balance sheet, strong liquidity position, and diversified property portfolio
- Confirmation of EPRA Earnings per share forecast for 2021 of 1.10 euro (+10% year-on-year)



1. Summary

- **EPRA Earnings:** 150.6 million euros over 9M 2021, notably with an increase of 14.8% compared to 2020 (131.2 million euros). EPRA Earnings per share over 9M 2021 are 0.83 euro, an increase of 10% over the 0.76 euro achieved in 2020. This result is driven by the continuous stream of deliveries of pre-let projects.
- **Occupancy rate:** remains high at 98.7% on 30 September 2021, compared to 98.6% as of 31 December 2020, based on very healthy market dynamics. The average term (until the first option of termination) of the lease contracts of the WDP portfolio is 5.9 years.
- **Portfolio:** revaluation of the portfolio of 590 million euros or +12% year-to-date (of which 216 million euros in Q3 2021), mainly driven by a downward yield shift of 60 BPS in the existing portfolio as well as unrealised capital gains on the projects.
- **Balance sheet:** the gearing ratio (proportional) on 30 September 2021 is 39.4% (compared to 46.6% as of 31 December 2020), driven by capital increases (268 million euro through ABB, contribution in kind and optional dividend) and the revaluation of the portfolio (590 million euros). The net debt / EBITDA (adjusted) amounts to 7.7x.
- **Growth plan 2019-23 status:** identification of an investment volume of approximately 100 million euros during the third quarter of 2021 – a total of 300 million euros during the first nine months of 2021. These investments are a mix of projects on own land, property acquisitions and an expansion of land holdings. These investments bring the total volume within the growth plan to 1.3 billion euros, in line with the targeted growth rate and driven by the underlying structural market trends (such as e-commerce, omni-channel, technological developments, sustainability and reflection within the supply chain).
- **Outlook:** for 2021 WDP confirms its expectation for an EPRA Earnings of 1.10 euros per share (an increase of 10% compared to 2020). Based on these forecasts, a similar increase in the dividend to 0.88 euro gross per share is projected for 2021 (payable in 2022). These profit forecasts are based on the current knowledge and situation and barring unforeseen circumstances (such as, the further evolution and consequences of the COVID-19 pandemic).


2. Operating activities during Q3 2021



PROJECTS

OCCUPANCY RATE

98.7%



RENTED

10% LEASE CONTRACTS MATURING IN 2021

- 90% renewed
- Confirmation of trust

COMPLETED	ONGOING	POTENTIAL
SURFACE AREA		
294,000 m²	821,000 m²	> 1,000,000 m²
INVESTMENTS		
258 million euros	523 million euros	
INITIAL GROSS RENTAL YIELD		
6.3%	6.5%	
5.7% in West Europe 8.6% in Romania	6.0% in West Europe 8.2% in Romania	
AVERAGE LEASE TERM		
10 years	12 years	

ACQUISITIONS

78 million euros



RENT COLLECTION Q3 2021

99% of the rents collected



2.1. Acquisitions and disposals

2.1.1. Acquisitions

During 2021, acquisitions – a combination of existing sites and additional land holdings – could be realised for a total investment volume of approximately 78 million euros. All these acquisitions were made at fair value as per valuation reports prepared by the independent property experts. WDP generates an overall initial gross rental yield of approximately 5.8%.¹

2.1.2. Acquisitions made in the course of the third quarter of 2021²

Belgium

Lokeren, Brandstraat 30

At the beginning of October 2021, WDP became the owner of the DPG Media Services site with a uniquely conspicuous location along the E17 in Lokeren. This location comprises 37,000 m² of built-up area (mainly for printing and packaging and a cross-dock warehouse) with an additional surface area of approximately 20,000 m² with future development potential. DPG Media Services will continue to rent the premises based on a 3-6-9 rental agreement at market conditions. The DPG site is the second WDP site in this industrial zone along the E17 motorway in Lokeren. Earlier, the Global Distribution Centre was realised here for Barry Callebaut.³ Moreover, with this transaction, WDP further expands its partnership with DPG. Previously, the existing DPG site in Asse⁴ was added to the portfolio, after which the site was redeveloped into the new headquarters of Ahold Delhaize.

This acquisition was realised by means of a contribution in kind for a total investment value of approximately 26 million euros.⁵

Romania

Timisoara

Acquisition of a strategic land holding of over 60,000 m² for future development. This parcel is located next to the Sport Mechanical Workshop bicycle factory, an exclusive supplier to Decathlon. WDP is investing 5 million euros for this acquisition.

¹ Excluding land reserves.

² Based on 100% of the investment for the fully consolidated entities (including WDP Romania) and the proportionate share for the joint ventures (i.e. 55% for Luxembourg and 50% for Germany).

³ See [press release](#) dated 4 July 2019.

⁴ See [press release](#) dated 17 October 2018.

⁵ This acquisition was achieved with a contribution in kind of the site to WDP. See *5.3 Management of financial resources - Events after the balance sheet date* and the [press release](#) of 7 October 2021.



2.1.3. Overview of all acquisitions during 2021

Location	Tenant	Lettable area (in m ²)	Investment budget (in million euros)
BE Gent	Gates	20,000	12
BE Lokeren, Brandstraat 30	DPG Media Services	36,905	26
BE		56,905	38
NL Zoetermeer	Fully let	10,000	7
NL Zuid-Limburg	land reserve	176,779	19
NL		186,779	26
RO Bucharest - Dragomiresti	land reserve	154,690	5
RO Bucharest - Stefanestii de Jos	land reserve	189,200	5
RO Bucharest - Stefanestii de Jos	land reserve	61,960	5
RO		405,850	14
Total		649,534	78

2.1.4. Disposals

No sales were realised during the third quarter of 2021. At present, an amount of 20.3 million euros of *Assets held for sale* is listed on the balance sheet.

2.2. Projects completed during 2021

As announced, WDP successfully delivered the following pre-let projects with a total lettable area of 294,000 m² over the first nine months of 2021. The initial gross rental yield on the total of these completed projects amounts to 6.3%⁶, with an investment value of approximately 258 million euros. The average lease term is 10 years.

Location	Tenant	Delivery date	Lettable area (in m ²)	Investment budget (in million euros)
BE Asse - Mollem, Zone 5 nr. 191, 192, 320, 321	AMP	3Q21	3,200	2
BE Courcelles, rue de Liège 25	Conway	2Q21	2,190	2
BE Heppignies, rue de Capilône 6	Trafic	2Q21	13,000	5
BE Lokeren, Industrieterrein E17/4	Barry Callebaut	3Q21	60,000	92
BE Londerzeel, Weversstraat 27-29	Colruyt	2Q21	20,000	9
BE			98,390	110
NL Bleiswijk, Prismalaan West 31	Boland	1Q21	16,400	18
NL Den Haag, Westvlietweg	CEVA Logistics	3Q21	26,000	19
NL Dordrecht	Crocs Europe	1Q21	48,000	56
NL Ridderkerk, Nieuw Reijerwaard	Kivits Groep Holding	1Q21	4,500	2
NL			94,900	95
RO Bucharest - Stefanestii de Jos	Decathlon	1Q21	10,000	5
RO Bucharest - Stefanestii de Jos (1)	LPP	3Q21	22,000	10
RO Craiova	Profi	2Q21	58,000	33
RO Paulesti	Rosti	2Q21	11,000	7
RO			101,000	54
Total			294,290	258

⁶ This represents an initial gross rental yield of approximately 5.7% in West Europe and 8.6% in Romania.





2.3. Projects under development

WDP expects to generate an initial gross rental yield of approximately 6.5% from the projects under development amounting to around 523 million euros, with a total lettable area of approximately 821,000 m².⁷ These projects are a mix of new construction for both existing and new customers. This development pipeline is 92% pre-let and the average lease term amounts to 12 years.

2.3.1. Projects identified during the third quarter of 2021⁸

The Netherlands

Zwolle - cluster for e-commerce related activities

WDP is developing warehouse space for e-commerce related activities on three locations in the Zwolle region, totalling around 63,000 m² based on an investment budget of around 51 million euros.

Breda

After completion – expected in the course of the second quarter of 2022 – an AGF distributor will move into a newly built warehouse with a surface area of approximately 1,500 m² in the AGF cluster that WDP has redeveloped at the IABC in Breda. This site will be rented out for a ten-year period. WDP projects an investment budget of approximately 3 million euros for completion of this project.

Romania

Bucharest – Stefanestii de Jos

Construction of a car park in the immediate vicinity of various WDP properties on this site. It is scheduled for completion during the fourth quarter of 2021. The investment is approximately 4 million euros.

⁷ This represents an initial gross rental yield of approximately 6.0% in West Europe and 8.2% in Romania.

⁸ Based on 100% of the investment for the fully consolidated entities (including WDP Romania) and the proportionate share for the joint ventures (i.e. 55% for Luxembourg, 50% for Germany, and 29% for the WDPort of Ghent for X2O bathrooms, Overstock Home, and Overstock Garden).

2.3.2. Overview of all ongoing projects⁹

Location	Tenant	Planned delivery date	Lettable area (in m ²)	Investment budget (in million euros)
BE Geel, Hagelberg 12	DistriLog	1Q22	8,000	4
BE Heppignies	Trafic	1Q22	2,000	5
BE WDPort of Ghent	X2O / Overstock Home / Overstock Garden	1Q23	150,000	23
BE Willebroek	Maersk	4Q21	9,250	5
BE			169,250	36
LU Bettembourg (Eurohub Sud 4)	Arthur Welter Logistics / Post Courier Logistics / in commerc.	2Q22	25,000	13
LU Contern	DB Schenker + in commercialisation	1Q22	15,000	10
LU			40,000	23
NL Amsterdam, Hornweg	Fully let	3Q22	13,700	11
NL Barendrecht, Spoorwegemplacement 3-5	Fully let	3Q22	26,700	24
NL Bleiswijk	Mastermate + in commercialisation	2Q22	17,200	13
NL Breda	Fruit and vegetable company	4Q21	13,000	10
NL Breda	AGF	2Q22	1,500	3
NL Breda, Heilaarstraat 263	Lidl	2Q23	31,000	22
NL Breda, The Bay	Brand Masters / Brouwerij Frontaal / In commercialisation	1Q22	47,860	48
NL De Lier, Jogchem van der Houtweg	De Jong Verpakking	4Q22	83,000	54
NL Heerlen, Argonstraat 10-12	CEVA Logistics	4Q21	26,000	15
NL Oss, Keltenweg	Movianto	2Q22	13,500	12
NL Veghel	Alloga / Alliance Healthcare	2Q23	71,000	68
NL Weert, Witvenneveld	Thijs Logistiek	4Q21	7,700	10
NL Zoetermeer	Fully let	3Q22	6,000	9
NL Zwolle	E-commerce projects	2Q23	30,000	25
NL Zwolle	E-commerce project	4Q22	33,000	26
NL			421,160	349
RO Bucharest - Stefanestii de Jos (2)	Eobuwie	4Q21	15,640	8
RO Bucharest - Stefanestii de Jos (2)	Metro - Extension	4Q21	9,715	5
RO Buzau	Metro	2Q22	3,750	6
RO Cluj	Fedex	4Q21	2,198	2
RO North-Cluj region	Various	4Q21	19,600	10
RO Roman	Profi	4Q21	12,000	14
RO Timisoara	Profi	2Q22	57,000	38
RO Transylvania - Calan	Fully let	1Q22	25,000	19
RO			144,903	102
DE Gelsenkirchen	In commercialisation	2Q22	46,000	13
DE			46,000	13
Total			821,313	523

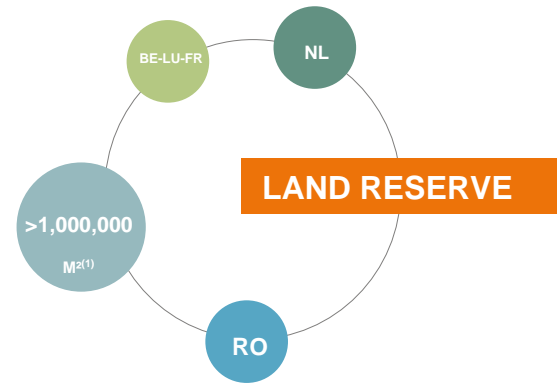
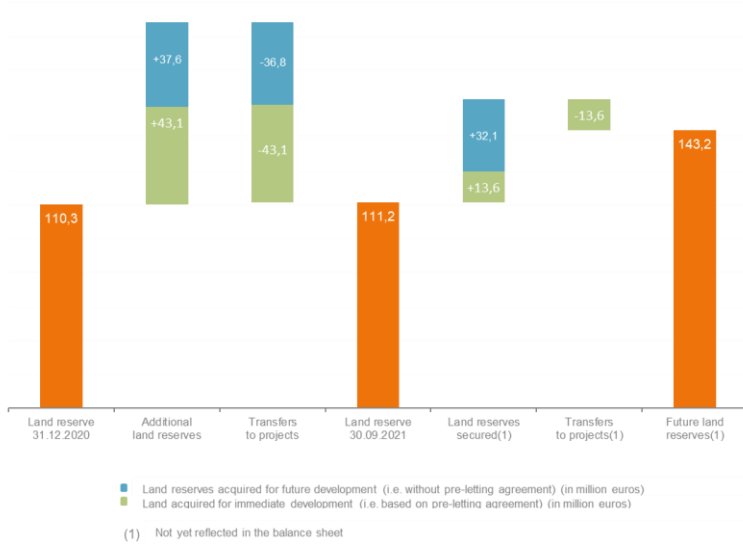
of which as of 30 September 2021 another 393 million euros must still be invested.

⁹ Based on 100% of the investment for the fully consolidated entities (including WDP Romania) and the proportionate share for the joint ventures (i.e. 55% for Luxembourg, 50% for Germany, and 29% for the WDPort of Ghent for X2O bathrooms, Overstock Home, and Overstock Garden). The lettable area for joint ventures is always shown on a 100% basis.



2.4. Further potential

Continuous replenishment of land potential



(1) Potential built-up surface area

3. ESG

3.1. WDP ESG Roadmap 2019-23

The multi-year WDP ESG Roadmap for the 2019-23 period includes numerous concrete actions within the Environmental, Social and Governance components and defines WDP's contribution to the United Nations Sustainable Development Goals (SDGs).



3.2. ESG IN 2021

3.2.1. Post-COVID-19 working TOGETHER



After a long period of working from home, forced by the outbreak of the COVID-19 pandemic, #TeamWDP now works TOGETHER in a flexible way, alternating telework with office work (a minimum of three days a week). This new form of working TOGETHER focuses on efficiency and flexibility with an eye to a good work-life balance where solidarity remains crucial. To this end, WDP staff can count on an adjusted IT infrastructure that was rolled out in the course of 2020.



WORKING TOGETHER



3.2.2. Company culture



Throughout 2021, digital **International workshops** were organised to exchange cross-country knowledge and experience among staff throughout the entire WDP group.

A [Corporate citizenship strategy](#) – #WeMakeADifference was rolled out. This strategy is fully aligned with the WDP corporate strategy and focuses on initiatives in the vicinity of the property portfolio to contribute to the UN Sustainable Development Goals. The three pillars on which we focus – #WeCare, #WeAreConscious and #WeEducate – aim to have a long-term impact on social initiatives within the local community, sustainable energy consumption by our customers, and support for students and young workers within the logistics property market, respectively.


3.2.3. Good governance



In 2021, the importance of **stakeholder engagement** was stressed in the [WDP Supplier Code of Conduct](#). This code defines the principles that WDP expects our suppliers to honour: respect for human rights, fair and proper working conditions, health and safety, environment, and ethical conduct. These topics are already covered in the WDP [Employee Code of Conduct](#). WDP's commitments to human rights were formally laid down in the [WDP Human rights policy](#) with the approval of the Board of Directors. The complete list of policies can be found [here](#).



3.2.4. Energy efficiency

<p>Energy monitoring system</p> 	<p>Solar energy</p> <p>85 MWp</p> <p>Planned realisation of 15 MWp</p>	<p>Green certified warehouses</p> <p>25%</p> <p>BREEAM EDGE</p>	<p>Green financing</p> <p>38%</p> <p>800 million euros</p>
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Following the rollout in 2020 of the energy monitoring system, which measures the public utilities (electricity, gas, and water) in WDP's entire property portfolio in order to optimise customers' energy consumption, the basis for the implementation of the **WDP Climate Action Plan** was immediately drawn up. After all, it is now possible to work with concrete data based on measurements. In 2021, WDP will draw up a climate plan that will include specific actions and targets, which take into account the 2030 and 2050 climate objectives of the European Union and the European Green Deal 2050.



3.2.5. Digitisation



WDP is convinced of the power of digitisation for the purpose of efficient working (together) and customer service.

Earlier, [WDP Xplore](#) was presented: thanks to this 360° virtual tool (future) customers can take a virtual walk through a distribution centre and get a visual presentation of the different possibilities of the new warehouse.

In addition, the preparations and development of the digitisation efforts that are part of the Brains Project have reached their final result during 2021: **MyWDP**, a digital customer portal for even better service to our customers. The user-friendly portal provides the customer with a complete overview of all relevant information about their WDP property (invoicing, insurance, etc.), presents insight into the real-time energy monitoring of the energy consumption, and offers the option of immediately consulting the WDP property management team in the event of problems. Customers in the Benelux and France use this tool. In a second phase, Romanian customers will also join this project.



3.3. ESG reporting via recognised international standards and ESG rating agencies

		2019	2020	Ambition
Corporate ratings	 MSCI	BB Dec 2018	BBB ▲	A
	 ISS ESG	Not Prime D+	Not Prime C- ▲	Prime C
Index	 Dow Jones Sustainability Indexes	22/100	42/100 ▲	Inclusion



4. Financial results

150.6 ^{+14.8%} million euros
EPRA Earnings

0.83 ^{+10%} euros
EPRA Earnings
per share

5.6 billion euros
Fair value of
the property portfolio

98.7 %
Occupancy rate

5.9 years
Average term
of the leases

91.3 %
Operating
margin

1.4 %
Like-for-like rental growth

18.3 euros
EPRA NTA per share

4.1. Consolidated key figures and EPRA performance indicators

Consolidated key figures

	30.09.2021	31.12.2020
Operational		
Fair value of property portfolio (including solar panels) (in million euros)	5,626.8	4,766.5
Gross initial yield (including vacancies) ¹ (in %)	5.4	6.1
Net initial yield (EPRA) (in %)	4.9	5.4
Average lease term (until first break) ² (in years)	5.9	5.9
Occupancy rate ³ (in %)	98.7	98.6
Like-for-like rental growth (in %)♦	1.4	2.3
Operating margin ⁴ (in %)♦	91.3	91.2
Financial	30.09.2021	31.12.2020
Loan-to-value (in %)♦	37.9	45.0
Gearing ratio (proportionate) (in line with the GVV/SIR Royal Decree) (in %)	39.4	46.6
Net debt / EBITDA (adjusted) (in x)♦	7.7	8.3
Interest Coverage Ratio ⁵ (in x)	5.6	4.9
Average cost of debt (in %)♦	2.1	2.1
Average remaining duration of outstanding debt (in years)	4.5	4.6
Weighted average maturity of all drawn and undrawn credit lines	4.4	4.9
Hedge ratio (in %)♦	86.4	89.6
Average remaining term of hedges ⁶ (in years)	6.6	6.9
Result (in million euros)	30.09.2021	30.09.2020
Property result	207.6	180.5
Operating result (before the result on the portfolio)	189.6	164.6
Financial result (excluding change in the fair value of financial instruments)♦	-30.0	-28.4
EPRA Earnings♦	150.6	131.2
Result on the portfolio (including share joint ventures) - Group share♦	525.7	110.4
Change in the fair value of financial instruments - Group share	39.5	-38.9
Depreciation and write-down on solar panels (including share joint ventures) - Group share	-0.8	-4.6
Net result (IFRS) - Groupe share	715.1	198.1
Details per share (in euros)	30.09.2021	30.09.2020
EPRA Earnings♦	0.83	0.76
Result on the portfolio (including share joint ventures) - Group share♦	2.89	0.64
Change in fair value of the financial instruments - Group share	0.22	-0.22
Depreciation and write-down on solar panels - Group share	0.00	-0.03
Net result (IFRS) - Group share	3.93	1.14
IFRS NAV ⁷	17.4	12.7
EPRA NTA♦	18.3	13.6
EPRA NRV♦	19.8	14.6
EPRA NDV♦	17.4	12.7

The Alternative Performance Measures (APM), for example the EPRA key performance measures, used by WDP, are accompanied by a symbol (♦). Their definition and reconciliation can be consulted in the Annexes of this document.

1. Calculated by dividing annualised contractual gross (cash) rents by fair value. The fair value is the value of the property investments after deduction of transaction costs (mainly transfer tax).

2. Including the solar panels which are included in the remaining weighted average term of the green energy certificates.

3. Calculated based on the rental values for the leased properties and the non-leased surfaces, including the income from solar panels. Ongoing projects and/or renovations are not considered.

4. Based on the comparison between 9M 2021 and 9M 2020.

5. Defined as operating result (before the result on the portfolio) divided by interest charges less interest and dividends collected less the fee for financial leasing and other.

6. The remaining duration of debt at fixed rate and interest rate hedges entered into to hedge the debt against interest rate fluctuations.

7. IFRS NAV: Net asset value before profit distribution of the current year in accordance with the IFRS balance sheet. The IFRS NAV is calculated as the shareholders' equity as per IFRS divided by the number of shares entitled to dividend on the balance sheet date.

EPRA key performance indicators

30.09.2021 31.12.2020

EPRA NTA (in euros per share)	18.3	14.3
EPRA NRV (in euros per share)	19.8	15.7
EPRA NDV (in euros per share)	17.4	13.5
EPRA Net Initial Yield (in %)	4.9	5.4
EPRA Topped-up Net Initial Yield (in %)	4.9	5.4
EPRA vacancy rate (in %)	1.3	1.5
EPRA Cost Ratio (incl. direct vacancy costs) (in %)	9.6	10.6
EPRA Cost Ratio (excl. direct vacancy costs) (in %)	9.4	10.2

The definition and reconciliation of the Alternative Performance Measures (APM), for example the EPRA key performance measures, used by WDP, are to be consulted in the Annexes of this document.

4.2. Notes to the profit and loss account of 30 September 2021 (analytical scheme)

4.2.1. Property result

The property result amounts to 207.6 million euros over the first nine months of 2021, an increase of 15.0% compared to last year (180.5 million euros). This increase is driven by continued portfolio growth in 2020-21, primarily through new pre-let development projects. On a like-for-like basis, rental income levels increased by 1.4% driven by the indexation of leases and an increase in the occupancy rate.

The property result also includes 15.1 million euros of income from solar panels, compared to 14.6 million euros last year, based on higher income from a higher installed capacity partly compensated by a lower income from an organic basis, as a result of above-normal irradiation during 2020.

The other operating income primarily includes a one-off income of 3.6 million euros related to the green certificates in Romania. The historical PV projects in Romania receive 4 fixed plus 2 deferred certificates per unit of energy produced. Previously, the turnover for the 2 deferred certificates was never recognised in the accounts given the legal uncertainty. However, a recent amendment to the law ensures that these certificates can be recuperated on a linear basis starting in 2021 by selling these on the energy market over a period of ten years. Hence, the 3.6 million euros in operating income reflects the value of this future receivable discounted for risk and time.¹⁰

Gross rental income by country

(in euros x 1.000)	Belgium	The Netherlands	France	Romania	Total IFRS	Luxembourg ¹	Germany ¹
I. Rental income	56,776	91,384	5,064	35,116	188,341	2,153	201
III. Costs related to leases ²	153	364	512	-338	690	46	0
Rental income, net of rental-related expenses	56,929	91,747	5,576	34,778	189,031	2,199	201

1. Taken into account the proportional share in WDP's rental income for Luxemburg (55%) and Germany (50%).

2. The heading Costs related to leases consists of Provisions for trade receivables and Rent to be paid for leased premises.

4.2.2. Operating result (before the result on the portfolio)

The operating result (before result on portfolio) amounts to 189.6 million euros over the first nine months of 2021, an increase of 15.2% compared to the same period last year (164.6 million euros). Property and other general expenses amounted to 18.0 million euros over the first nine months of 2021, an increase of 2.0 million euros year-on-year in line with the growth of the portfolio. The operating margin remains high at 91.3%.

¹⁰ The net impact on the P&L is 2.6 million euros after deduction of 16% corporation tax and 15% minority interests.

4.2.3. Financial result (excluding changes in the fair value of the financial instruments)

The financial result (excluding changes in the fair value of the financial instruments) amounts to -30.0 million euros over the first nine months of 2021, an increase of 5.9% compared to last year (-28.4 million euro) due to higher average outstanding financial debts as well as the significant reinforcement of the liquidity position (especially through additional free credit lines). This financial result includes the recurring cost of -2.0 million euros for land under concession, which in accordance with IFRS 16 is accounted for in the *Financial result*.

Total financial debts (in accordance with IFRS) amount to 2,104.8 million euros as on 30 September 2021, compared to 2,050.1 euros in the same period last year. The average interest rate was 2.1% over the first nine months of 2021, stable compared to the same period in 2020.

4.2.4. EPRA Earnings

WDP EPRA Earnings over the first nine months of 2021 amount to 150.6 million euros. This result marks an increase of 14.8% compared to the result of 131.2 million euros in 2020. The EPRA Earnings per share are up 9.5% year-on-year, to 0.83 euros, including an increase of 4.9% in the weighted average number of outstanding shares. This increase in EPRA Earnings is primarily driven by the strong growth of the WDP portfolio in 2020-21 from pre-let projects in of the Netherlands and Romania.

4.2.5. Result on the portfolio (including share joint ventures) – Group share⁹

The result on the portfolio (including share joint ventures and after tax) – Group share over the first nine months of 2021 amounts to +525.7 million euros or +2.89 euro per share. For the same period last year, this result amounted to +110.4 million euros or 0.64 euro per share. This breaks down by country as follows: Belgium (+286.4 million euros), the Netherlands (+192.5 million euros), France (+30.3 million euros), Romania (+12.8 million euros), Germany (-0.1 million euros) and Luxembourg (+3.8 million euros).

The revaluation of the portfolio (excluding deferred taxes on the portfolio result and the result on the disposal of investment properties) amounts to 590.0 million euros, an increase of +12% year-to-date. This revaluation is driven by the yield shift in the existing portfolio (-60 BPS during 9M 2021) and by the unrealised capital gains on the projects (both completed and ongoing).

4.2.6. Changes in the fair value of financial instruments – Group share⁹

The changes in fair value of financial assets and liabilities – Group share¹¹ amount to 39.5 million euros or 0.22 euro per share over the first nine months of 2021 (compared to -38.9 million euros or -0.22 euros per share in 2020). This positive impact is due to the variation of the fair value of the concluded interest rate hedges (Interest Rate Swaps) as of 30 September 2021 due to the increase in long-term interest rates in the course of 2021.

The change in the fair value of these interest rate hedges has been fully accounted for in the profit and loss account, not in equity capital. Since this impact involves a non-cash and unrealised item, it is

¹¹ Changes in the fair value of financial assets and liabilities – Group share (non-cash item) are calculated based on the mark-to-market (M-t-M) value of interest rate hedges concluded.

excluded from the financial result in the analytical presentation of the results and is shown separately in the profit and loss account.

4.2.7. Depreciation and write-down of solar panels (including share joint ventures) – Group share⁹

The solar panels are valued on the balance sheet at fair value based on the revaluation model in accordance with IAS 16 *Tangible fixed assets*. In compliance with IAS 16, WDP must include a depreciation component in its IFRS accounts according to the residual service life of the PV installations. The depreciation is calculated based on the fair value from the previous balance sheet date. This newly calculated net book value is subsequently revalued at the fair value. This revaluation is booked directly in the equity capital insofar that it still exceeds the historical cost price, plus accumulated depreciations. If it does not, then it is entered in the profit and loss account. The depreciation component amounts to -3.9 million euros and a reversal of already booked depreciation on solar panels of +3.2 million euros. Since this impact involves a non-cash and unrealised item, it is excluded from the financial result in the analytical presentation of the results from the operating result and is shown separately in the profit and loss account.

4.2.8. Net result (IFRS) – Group share⁹

The EPRA Earnings along with the result on the portfolio, changes in the fair value of financial instruments and the depreciation and write-down on solar panels result in a net result (IFRS) – Group share of 715.1 million euros over the first nine months of 2021 (compared to the same period last year, when this figure was 198.1 million euros).

The difference between the net result (IFRS) – Group share of 715.1 million euros and the EPRA Earnings of 150.6 million euros can mainly be attributed to the increase in value of the portfolio and the positive fair value variations in the interest rate hedging instruments.

When preparing the profit and loss account, a situation was taken into account as of 1 January 2021 in which WDP could not continue to qualify as FBI in the Netherlands, due to the current significant uncertainty in view of the tax ruling that was revoked as of 1 January 2021, as previously explained at the publication of the 2020 annual results in January 2021.¹²

This has an impact on EPRA Earnings of approximately 1 million euros per quarter, and an impact on portfolio result over 9M 2021 of 57.3 million euros through a deferred tax on the portfolio result. WDP processes these commissions in its accounts out of a principle of prudence. Given that a tax ruling is not an absolute requirement to be able to apply for the FBI regime and that WDP is of the opinion that it meets all the conditions and that circumstances and facts are unchanged, the company will continue to file its tax returns as an FBI.

¹² See the [press release](#) dated 29 January 2021.



4.3. Notes to the balance sheet as at 30 September 2021

4.3.1. Property portfolio¹³

According to the independent property experts Stadim, JLL, Cushman & Wakefield, CBRE and BNP Paribas Real Estate, the fair value¹⁴ of WDP's property portfolio in accordance with IAS 40 is 5,487.6 million euros as at 30 September 2021, as compared to 4,644.1 million euros at the start of the financial year (including *Assets held for sale*). Together with the valuation at fair value of the investments in solar panels¹⁵, the total portfolio value amounts to 5,626.8 million euros, compared to 4,766.5 million euros at the end of 2020.

This value of 5,626.8 million euros includes 5,118.9 million euros in completed properties (standing portfolio),¹⁶ Projects under development account for a value of 257.5 million euros. In addition, WDP has strategic land reserves, with a fair value of 111.2 million euros, representing a development potential of more than 1 million square meters of lettable area.

The investments made in solar panels are valued at a fair value of 139.2 million euros as at 30 September 2021.

Overall, the portfolio is valued at a gross rental yield of 5.4%¹⁷. The gross rental yield after deduction of the estimated market rental value for the non-let portions is 5.4%.

¹³ Under IFRS 11 *Joint arrangements*, the joint ventures are incorporated using the equity accounting method. With regard to portfolio reporting statistics, the proportionate share of WDP in the Luxembourg's portfolio (55%) and the German portfolio (50%) is shown.

¹⁴ For the exact valuation method, we refer to the [BE-REIT press release](#) of 10 November 2016.

¹⁵ Investments in solar panels are valued in accordance with IAS 16 by applying the revaluation model.

¹⁶ Including a right of use of 57 million euros, related to the land held through a concession in accordance with IFRS 16.

¹⁷ Calculated by dividing the annualised contractual gross (cash) rents and the rental value of the unlet parts by the fair value. The fair value is the value of the investment properties after deduction of transaction costs (mainly transfer tax).



Portfolio statistics by country

	Belgium	The Netherlands	France	Luxembourg	Romania	Germany	Total
Number of lettable sites	81	103	7	3	57	1	252
Gross lettable area (in m ²)	1,950,062	2,404,050	183,243	50,161	1,192,485	6,287	5,786,289
Land (in m ²)	3,820,415	4,489,962	494,866	83,357	5,145,875	52,888	14,087,363
Fair value (in million euros)	1,799	2,609	161	61	846	12	5,488
% of total fair value	33%	48%	3%	1%	15%	0%	100%
% change in fair value (YTD)	16%	10%	19%	9%	3%	-1%	11%
Vacancy rate (EPRA) ^{1,2}	3.4%	0.5%	0.9%	1.2%	0.7%	0.0%	1.3%
Average lease length till first break (in y) ²	5.0	5.7	3.8	8.3	6.6	4.2	5.7
WDP gross initial yield ³	4.9%	5.2%	4.7%	5.4%	7.7%	6.3%	5.4%
Effect of vacancies	-0.1%	0.0%	0.0%	-0.1%	-0.1%	0.0%	-0.1%
Adjustment gross to net rental income (EPRA)	-0.2%	-0.3%	-0.1%	-0.5%	-0.1%	-0.1%	-0.3%
Adjustments for transfer taxes	-0.1%	-0.4%	-0.2%	-0.3%	-0.1%	-0.4%	-0.3%
EPRA net initial yield ¹	4.4%	4.5%	4.3%	4.6%	7.4%	5.7%	4.9%

1. Financial performance indicator calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. Please see www.epra.com.

2. Excluding solar panels.

3. Calculated by dividing the annualised contractual gross (cash) rents and the rental value of the unlet properties by fair value. The fair value is the value of the property investments after deduction of transaction costs (mainly transfer tax).

4.3.2. NAV per share

The EPRA NTA per share amounts to 18.3 euros as of 30 September 2021. This represents an increase of 4.0 euros compared to an EPRA NTA per share of 14.3 euros on 31 December 2020 as a result of profit generation (+), dividend distribution (-), capital increases (+), and portfolio revaluation (+). IFRS NAV per share¹⁸ amounts to 17.4 euros as of 30 September 2021 compared to 13.5 euros as of 31 December 2020.

¹⁸ The IFRS NAV is calculated as the equity capital as per IFRS divided by the total number of shares entitled to dividend on the balance sheet date. This is the net value according to Belgian GVV/SIR legislation.



5. Management of financial resources

LOAN-TO-VALUE

37.9%



100% FINANCING NEEDS COVERED

- 100% refinancing till at least the end of 2022 covered
- 100% CAPEX 2021-22 covered
- 100% commercial paper covered

GEARING RATIO

7.7x
Net debt / EBITDA (adjusted)

5.6x
Interest Coverage Ratio

LIQUIDITY

600 million euros
Undrawn credit facilities

2.1%
Cost of debt



MATURITY OF OUTSTANDING DEBT

4.5 years
Debt maturity

86%
Hedge ratio

6.6 years
Maturity of hedges

GREEN FINANCING

800 million euros
38% of the outstanding financing





5.1. Financial position

Total financial debt (according to IFRS) has slightly decreased to 2,104.8 million euros per 30 September 2021 compared to 2,119.5 million euros at the end of December 2020, given the capital increase through ABB at the start of the year that financed the realisation of the projects during 2021. Short-term financial debt of 401.9 million euros include the commercial paper programme (199.8 million euros), short-term straight loans (23.9 million euros) and long-term financing maturing within the year (178.2 million euros).

The balance sheet total rose from 4,790.4 million euros as of 31 December 2020 to 5,657.1 million euros as of 30 September 2021. The gearing ratio (proportional) fell to 39.4% per 30 September 2021 compared to 46.6% as of 31 December 2020, driven by the capital increases (268 million euros through ABB, contribution in kind and optional dividend), and the revaluation of the portfolio (590 million euros). The loan-to-value, which compares the net financial debt with the value of the portfolio¹⁹, is 37.9% as of 30 September 2021 compared to 45.0% at 31 December 2020.

The weighted average maturity of WDP's outstanding financial liabilities as of 30 September 2021 is 4.5 years²⁰ and the weighted average maturity of all drawn and undrawn lines is 4.4 years. At 2020 year-end, this was 4.6 and 4.9, respectively.

On 30 September 2021, the total undrawn and confirmed long-term credit lines amounted to approximately 600 million euro²¹, which can be used to cover the projects under development (of which 393 million euros still had to be invested as of 30 September 2021) and the maturity dates of the long-term debt (approximately 250 million euros) until the end of 2022 can be accommodated, taking into account the expected cash flow in Q4 2021 (50 million euros) and the potential annual impact of the retained earnings and the optional dividend in 2022 (combined 114 million euros in 2021).

The average cost of debt was 2.1% over the first nine months of 2021 and is expected to decrease to 1.8% by the end of 2021. The Interest Coverage Ratio²² is equal to 5.6x for the same period, compared with 4.9x for the full financial year 2020. The hedge ratio, which measures the percentage of financial debt at a fixed or floating interest rate and then hedged via Interest Rate Swaps (IRSs) is 86% with a weighted average hedging term of 6.6 years.

5.2. Significant events after the balance sheet date

The acquisition of the DPG Media Services site in Lokeren was realised by means of a contribution in kind of the site in WDP against payment of 769,186 new WDP shares. The transaction has led to a 25.7 million euros increase in equity capital.²³

¹⁹ Based on IFRS statements including solar panels and receivables from and participations in joint ventures.

²⁰ Including the short-term debt: this mainly includes the commercial paper programme that is fully covered by back-up facilities.

²¹ Excluding the credit facilities to hedge the commercial paper programme.

²² Defined as operating result (before result on the portfolio), divided by interest rates, minus interest and dividend collection, minus compensation for financial leasing and others.

²³ See [press release](#) dated 7 October 2021.



6. Outlook 2021

WDP confirms its expected EPRA Earnings per share for 2021 of 1.10 euros, up 10% on 2020.

Based on this outlook, WDP intends to propose a gross dividend of 0.88 euros for 2021 (payable in 2022), a similar increase, based on a low pay-out rate of 80%.

The expectations are based on the following underlying assumptions:

- A strong impact on portfolio growth in 2020-21 primarily due to pre-let new construction projects.
- A minimum average occupancy rate of 98% and the stable payment behaviour of customers with rent collection following a regular and consistent pattern: currently WDP has received 99% of the rents for Q3 2021. As for the past due rent invoices for September 2021 (for monthly rents) and the fourth quarter of 2021 (for quarterly rents), WDP has already collected 85%²⁴.
- A fiscal provision if WDP could not continue to qualify as an FBI in the Netherlands, this is motivated by caution given the current significant uncertainty created by the withdrawal of the fiscal ruling as of 1 January 2021 by the Dutch tax authorities.²⁵
- A gearing ratio that – based on the current portfolio value – remains around the current level of 39% by the end of 2021 and an average cost of debt of 2.1% that will decrease to 1.8% by the end of 2021.

These profit forecasts are based on the current knowledge and situation and barring unforeseen circumstances (such as, the further evolution and consequences of the COVID-19 pandemic).

²⁴ For reference, in analogy to the 85% for October/Q4 rentals, the figure was 93% for July/Q3 rentals at the occasion of the publication of the Q2 2021 results – the difference is related to the fact that the date of publication between Q3 and Q2 results differs by eight working days. Hence, payment behavior is fully in line for both periods and according to long-term historical data.

²⁵ See the [press release](#) dated 29 January 2021.



7. Financial calendar

28 JANUARY 2022

Publication of 2021 annual results

22 APRIL 2022

Publication of Q1 2022 results

27 APRIL 2022

Annual General Meeting on the 2021 financial year

28 APRIL 2022

2021 ex-dividend date

29 APRIL 2022

Record date dividend 2021

18 MAY 2022

Payment date dividend 2021

29 JULY 2022

Publication of HY 2022 results

19 OCTOBER 2022

Publication of Q3 2022 results

For any changes, reference is made to the financial agenda on the WDP [website](#).

8. Financial overview – Key figures 30 September 2021 – Analytical (results and balance sheet)

Profit and loss account

(in euros x 1.000)	9M 2021	9M 2020	Δ y/y (abs.)	Δ y/y (%)
Rental income, net of rental-related expenses	188,595	168,733	19,862	11.8%
Indemnification related to early lease terminations	435	0	435	n.r.
Income from solar energy	15,150	14,575	575	3.9%
Other operating income/costs	3,416	-2,823	6,239	n.r.
Property result	207,597	180,485	27,112	15.0%
Property charges	-6,672	-6,134	-538	8.8%
General Company expenses	-11,292	-9,785	-1,508	15.4%
Operating result (before the result on the portfolio)	189,632	164,567	25,066	15.2%
Financial result (excluding change in the fair value of the financial instruments)	-30,034	-28,357	-1,677	5.9%
Taxes on EPRA Earnings	-5,897	-1,730	-4,167	n.r.
Deferred taxes on EPRA Earnings	84	-690	774	n.r.
Share in the result of associated companies and joint ventures	1,509	835	674	n.r.
Minority interests	-4,690	-3,450	-1,241	36.0%
EPRA Earnings	150,605	131,176	19,429	14.8%
Variations in the fair value of investment properties (+/-)	584,267	109,918	474,348	n.r.
Result on disposal of investment property (+/-)	6,410	409	6,002	n.r.
Deferred taxes on the result on the portfolio (+/-)	-66,371	-3,140	-63,231	n.r.
Share in the result of associated companies and joint ventures	3,684	3,706	-22	n.r.
Result on the portfolio	527,989	110,892	417,097	n.r.
Minority interests	-2,268	-461	-1,807	n.r.
Result on the portfolio - Group share	525,721	110,431	415,290	n.r.
Change in the fair value of financial instruments	39,520	-38,890	78,410	n.r.
Change in the fair value of financial instruments	39,520	-38,890	78,410	n.r.
Minority interests	0	0	0	n.r.
Change in the fair value of financial instruments - Group share	39,520	-38,890	78,410	n.r.
Depreciation and write-down on solar panels	-402	-4,823	4,421	n.r.
Share in the result of associated companies and joint ventures	0	0	0	n.r.
Depreciation and write-down on solar panels	-402	-4,823	4,421	n.r.
Minority interests	-368	233	-601	n.r.
Depreciation and write-down on solar panels - Group share	-770	-4,590	3,820	n.r.
Net result (IFRS)	722,402	201,804	520,597	n.r.
Minority interests	-7,326	-3,678	-3,648	n.r.
Net result (IFRS) - Group share	715,075	198,126	516,949	n.r.



Key ratios

(in euros per share)	9M 2021	9M 2020	Δ y/y (abs.)	Δ y/y (%)
EPRA Earnings ¹	0.83	0.76	0.07	9.5%
Result on the portfolio - Group share ¹	2.89	0.64	2.25	n.r.
Change in the fair value of financial instruments - Group share ¹	0.22	-0.22	0.44	n.r.
Depreciation and write-down on solar panels - Group share ¹	0.00	-0.03	0.02	n.r.
Net result (IFRS) - Group share ¹	3.93	1.14	2.79	n.r.
EPRA Earnings ²	0.82	0.75	0.07	9.0%
Weighted average number of shares	181,919,959	173,495,986	8,423,973	4.9%
Number of shares entitled to dividend	184,003,007	174,713,867	9,289,140	5.3%

1. Calculation based on the weighted average number of shares.

2. Calculation based on the number of shares entitled to dividend.



Profit and loss account

(in euros x 1.000)	Q3 2021	Q3 2020	Δ y/y (abs.)	Δ y/y (%)
Rental income, net of rental-related expenses	64,166	57,872	6,295	10.9%
Indemnification related to early lease terminations	0	0	0	n.r.
Income from solar energy	5,881	5,466	414	7.6%
Other operating income/costs	2,327	285	2,041	n.r.
Property result	72,374	63,623	8,750	13.8%
Property charges	-2,427	-1,755	-672	38.3%
General Company expenses	-3,973	-3,396	-577	17.0%
Operating result (before the result on the portfolio)	65,973	58,472	7,501	12.8%
Financial result (excluding change in the fair value of the financial instruments)	-9,238	-9,928	690	-6.9%
Taxes on EPRA Earnings	-2,121	-841	-1,280	n.r.
Deferred taxes on EPRA Earnings	84	-40	124	n.r.
Share in the result of associated companies and joint ventures	443	528	-85	n.r.
Minority interests	-1,530	-1,286	-245	n.r.
EPRA Earnings	53,611	46,906	6,705	14.3%
Variations in the fair value of investment properties (+/-)	213,545	28,431	185,114	n.r.
Result on disposal of investment property (+/-)	0	187	-187	n.r.
Deferred taxes on the result on the portfolio (+/-)	-10,782	-752	-10,030	n.r.
Share in the result of associated companies and joint ventures	1,388	-437	1,826	n.r.
Result on the portfolio	204,151	27,428	176,723	n.r.
Minority interests	380	-38	418	n.r.
Result on the portfolio - Group share	204,531	27,390	177,141	n.r.
Change in the fair value of financial instruments	7,004	-8,712	15,716	n.r.
Change in the fair value of financial instruments	7,004	-8,712	15,716	n.r.
Minority interests	0	0	0	n.r.
Change in the fair value of financial instruments - Group share	7,004	-8,712	15,716	n.r.
Depreciation and write-down on solar panels	-823	-1,557	734	n.r.
Share in the result of associated companies and joint ventures	0	0	0	n.r.
Depreciation and write-down on solar panels	-823	-1,557	734	n.r.
Minority interests	19	46	-27	n.r.
Depreciation and write-down on solar panels - Group share	-803	-1,511	707	n.r.
Net result (IFRS)	265,474	65,351	200,123	n.r.
Minority interests	-1,131	-1,278	146	n.r.
Net result (IFRS) - Group share	264,342	64,073	200,270	n.r.



Key ratios

(in euros per share)	Q3 2021	Q3 2020	Δ y/y (abs.)	Δ y/y (%)
EPRA Earnings ¹	0.29	0.27	0.02	8.5%
Result on the portfolio - Group share ¹	1.11	0.16	0.95	n.r.
Change in the fair value of financial instruments - Group share ¹	0.04	-0.05	0.09	n.r.
Depreciation and write-down on solar panels - Group share ¹	0.00	-0.01	0.00	n.r.
Net result (IFRS) - Group share ¹	1.44	0.37	1.07	n.r.
EPRA Earnings ²	0.29	0.27	0.02	8.5%
Weighted average number of shares	184,003,007	174,713,867	9,289,140	5.3%
Number of shares entitled to dividend	184,003,007	174,713,867	9,289,140	5.3%

1. Calculation based on the weighted average number of shares.

2. Calculation based on the number of shares entitled to dividend.

Consolidated balance sheet

(in euros x 1.000)	30.09.2021	31.12.2020	Δ (abs.)	Δ (%)
Intangible fixed assets	1,237	1,193	44	n.r.
Investment property	5,390,517	4,566,601	823,915	18.0%
Other tangible fixed assets (including solar panels)	143,649	126,719	16,930	13.4%
Financial fixed assets	5,714	6,929	-1,215	-17.5%
Trade receivables and other fixed assets	6,055	2,747	3,308	120.4%
Participations in associated companies and joint ventures	32,742	24,346	8,396	34.5%
Fixed assets	5,579,914	4,728,536	851,378	18.0%
Assets held for sale	20,102	15,543	4,560	n.r.
Trade receivables	14,939	12,073	2,866	n.r.
Tax receivables and other current assets	28,138	17,232	10,905	n.r.
Cash and cash equivalents	6,547	11,240	-4,693	n.r.
Accruals and deferrals	7,431	5,781	1,650	n.r.
Current assets	77,157	61,869	15,288	n.r.
Total assets	5,657,071	4,790,405	866,666	18.1%
Capital	195,510	188,130	7,380	3.9%
Issue premiums	1,181,472	923,843	257,629	27.9%
Reserves	1,106,971	917,352	189,620	20.7%
Net result for the financial year	715,075	324,610	390,466	120.3%
Shareholders' equity attributable to Group shareholders	3,199,029	2,353,935	845,094	35.9%
Minority interests	58,476	49,858	8,618	17.3%
Shareholders' equity	3,257,505	2,403,793	853,712	35.5%
Non-current financial debt	1,702,873	1,740,284	-37,411	-2.1%
Other non-current liabilities	223,275	197,847	25,427	12.9%
Non-current liabilities	1,926,147	1,938,131	-11,984	-0.6%
Current financial debt	401,898	379,170	22,728	6.0%
Other current liabilities	71,521	69,311	2,210	3.2%
Current liabilities	473,419	448,481	24,937	5.6%
Liabilities	2,399,566	2,386,612	12,954	0.5%
Total liabilities	5,657,071	4,790,405	866,666	18.1%

Key ratios

(in euros per share)	30.09.2021	31.12.2020	Δ (abs.)	Δ (%)
IFRS NAV	17.4	13.5	3.9	29.0%
EPRA NTA♦	18.3	14.3	4.0	27.8%
Share price	35.0	28.3	6.7	23.8%
Premium/Discount with respect to EPRA NTA	91.3%	97.4%	-6.1%	n.r.

(in euros x million)

Fair value of the portfolio (including solar panels) ¹	5,626.8	4,766.5	860.3	18.0%
Loan-to-value♦	37.9%	45.0%	-7.1%	n.r.
Gearing ratio (proportional) ² ♦	39.4%	46.6%	-7.2%	n.r.
Net debt / EBITDA (adjusted)♦	7.7x	8.3x	-0.6x	n.r.

The Alternative Performance Measures (APM), for example the EPRA key performance measures, used by WDP, are accompanied by a symbol (♦). Their definition and reconciliation can be consulted in the Annexes of this document.

1. Based on 100% of the fair value for the fully consolidated entities (including WDP Romania) and the proportionate share for the joint ventures (i.e. 55% for Luxembourg and 50% for Germany).

2. For the method used to calculate the gearing ratio, please refer to the Belgian Royal Decree on GVV/SIRs.

9. Financial summary – Profit and loss account and balance sheet 30 September 2021 – IFRS

Profit and loss account

(in euros x 1.000)	9M 2021	FY 2020	9M 2020
Rental income	188,341	228,401	168,758
Costs related to leases	690	48	-25
Net rental result	189,031	228,449	168,733
Recovery of property costs	0	0	0
Recovery of rental charges and taxes normally paid by the tenant on let properties	19,778	20,525	17,458
Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease	0	0	0
Rental charges and taxes normally paid by the tenant on let properties	-23,491	-24,688	-21,482
Other income and charges related to leases	22,279	18,417	15,775
Property result	207,597	242,703	180,485
Technical costs	-4,274	-5,420	-3,952
Commercial costs	-642	-685	-513
Property management costs	-1,756	-2,219	-1,669
Property charges	-6,672	-8,325	-6,134
Property operating results	200,924	234,378	174,351
General Company expenses	-11,292	-14,314	-9,785
Other operating income and expenses (depreciation and write-down on solar panels)	-402	-7,270	-4,823
Operating result (before the result on the portfolio)	189,230	212,793	159,744
Result on disposals of investment properties	6,410	408	409
Variations in the fair value of investment properties	584,267	186,417	109,918
Operating result	779,907	399,619	270,071
Financial income	378	398	321
Net interest charges	-29,104	-37,878	-27,821
Other financial charges	-1,308	-1,194	-857
Change in the fair value of financial instruments	39,520	-31,049	-38,890
Financial result	9,486	-69,723	-67,247
Share in the result of associated companies and joint ventures	5,193	4,831	4,541
Result before taxes	794,586	334,727	207,365
Taxes	-72,184	-6,126	-5,560
Net result	722,402	328,601	201,804
Attributable to:			
Minority interests	7,326	3,991	3,678
Shareholders of the Group	715,075	324,610	198,126
Weighted average number of shares	181,919,959	173,802,120	173,495,986
Net result per share (in euros)	3.93	1.87	1.14
Diluted net result per share (in euros)	3.93	1.87	1.14

Balance sheet

(in euros x 1.000)	30.09.2021	31.12.2020	30.09.2020
Fixed assets	5,579,914	4,728,536	4,526,697
Intangible fixed assets	1,237	1,193	939
Investment property	5,390,517	4,566,601	4,370,475
Other tangible fixed assets (including solar panels)	143,649	126,719	123,423
Financial fixed assets	5,714	6,929	4,934
Trade receivables and other fixed assets	6,055	2,747	2,888
Participations in associated companies and joint ventures	32,742	24,346	24,038
Current assets	77,157	61,869	67,868
Assets held for sale	20,102	15,543	15,472
Trade receivables	14,939	12,073	18,603
Tax receivables and other current assets	28,138	17,232	21,554
Cash and cash equivalents	6,547	11,240	5,105
Accruals and deferrals	7,431	5,781	7,133
Total assets	5,657,071	4,790,405	4,594,565

(in euros x 1.000)	30.09.2021	31.12.2020	30.09.2020
Shareholders' equity	3,257,505	2,403,793	2,271,908
I. Shareholders' equity attributable to the parent company shareholders	3,199,029	2,353,935	2,222,370
Capital	195,510	188,130	188,130
Issue premiums	1,181,472	923,843	923,843
Reserves	1,106,972	917,352	912,271
Net result for the financial year	715,075	324,610	198,126
II. Minority interests	58,476	49,858	49,538
Liabilities	2,399,566	2,386,612	2,322,657
I. Non-current liabilities	1,926,147	1,938,131	1,855,592
Provisions	160	170	170
Non-current financial debt	1,702,873	1,740,284	1,660,992
Other non-current financial liabilities	132,875	175,938	173,073
Trade payables and other non-current liabilities	4,755	3,552	3,446
Deferred taxes - liabilities	85,485	18,187	17,911
II. Current liabilities	473,419	448,481	467,065
Current financial debt	401,898	379,170	389,064
Other current financial liabilities	183	171	315
Trade payables and other current debts	42,583	41,439	54,743
Other current liabilities	8,824	7,049	5,618
Accrued charges and deferred income	19,931	20,652	17,325
Total liabilities	5,657,071	4,790,405	4,594,565

Cash flow statement

(in euros x 1.000)	9M 2021	9M 2020
Cash and cash equivalents, opening balance sheet	11,240	3,604
Net cash flows concerning operating activities	176,597	180,251
Net result	722,402	201,804
Taxes ¹	72,184	5,560
Net interest charges	29,104	27,821
Financial income	-378	-321
Gain(+)/loss (-) on disposals	-6,410	-409
Cash flows from operating activities before adjustment of non-monetary items and working capital	816,901	234,455
Variations in the fair value of financial derivatives	-39,520	38,890
Variations in the fair value of investment properties	-584,267	-109,918
Depreciations and write-downs (addition/reversal) on fixed assets	1,688	5,680
Share in the result of associated companies and joint ventures	-5,193	-4,541
Other adjustments for non-monetary items	1,432	3,878
Adjustments for non-monetary items	-625,859	-66,011
Increase (+)/decrease (-) in working capital requirements	-14,446	11,807
Net cash flows concerning investment activities	-233,573	-270,881
Investments	-251,041	-276,949
Payments regarding acquisitions of real estate investments	-244,982	-272,466
Purchase of other tangible and intangible fixed assets	-6,059	-4,483
Disposals	22,668	6,268
Receipts from the disposal of investment properties	22,668	6,268
Debt financing provided to real estate companies not fully controlled	-5,200	-200
Financing provided to entities not fully controlled	-5,200	-200
Net cash flows concerning financing activities	52,283	92,131
Loan acquisition	419,342	647,231
Loan repayment	-441,818	-441,236
Dividends paid²	-86,817	-78,264
Capital increase	196,906	0
Interest paid³	-35,330	-35,600
Net increase (+)/decrease (-) in cash and cash equivalents	-4,693	1,501
Cash and cash equivalents, closing balance	6,547	5,105

1. Including the deferred taxes on portfolio as well as the deferred income tax.

2. This is only the cash-out: after all, in 2021 and 2020, an optional dividend was offered, with 58% and 55% of the shareholders, respectively, opting for payout of the dividend in shares instead of cash.

3. Sinds 2021, the interest paid are shown under net cash flows concerning financing activities. Previously these were presented under net cash flow concerning operational activities. The 2020 figures have been adjusted accordingly.



10. Annexes

10.1. EPRA Performance measures

EPRA Earnings

Recurring earnings from the core operational activities. This figure is to be considered a key measure of a company's underlying operating results from its property rental business and an indicator of the extent to which current dividend payments are supported by earnings.

in euros (x 1.000)	9M 2021	9M 2020
Earnings per IFRS income statement	715,075	198,126
Adjustments to calculate the EPRA Earnings, exclude:		
I. Changes in value of investment properties, development properties held for investment and other interests	-583,864	-105,096
- Changes in the value of the real estate portfolio	-584,267	-109,918
- Depreciation and write-down on solar panels	402	4,823
II. Profit or losses on disposal of investment properties, development properties held for investment and other interests	-6,410	-409
VI. Changes in fair value of financial instruments and associated close-out costs	-39,520	38,890
VIII. Deferred tax in respect of EPRA adjustments	66,371	3,140
IX. Adjustments (I.) to (VIII.) to the above in respect of joint ventures	-3,684	-3,706
X. Minority interests in respect of the above	2,636	228
EPRA Earnings	150,605	131,176
Weighted average number of shares	181,919,959	173,495,986
EPRA Earnings per share (EPS) (in euros)	0.83	0.76

EPRA NAV indicators

The EPRA NAV indicators are obtained by adjusting the IFRS NAV in such a manner that stakeholders obtain the most relevant information about the fair value of assets and liabilities. The three different EPRA NAV indicators are calculated based on the following scenarios:

- EPRA NRV: the purpose of this indicator is to reflect what would be required to reconstitute the company through the investment markets based on the current capital and financing structure, including real estate transfer taxes.
- EPRA NTA: this is the NAV adjusted to include property and other investments at their fair value and to exclude certain items that are not expected to be firmly established in a long-term business model for investment properties.
- EPRA NDV: the EPRA Net Disposal Value provides the reader with a scenario of the sale of the company's assets, leading to the realisation of deferred taxes and the liquidation of the debt and financial instruments.

in euros (x 1 000)		30.09.2021		
		EPRA NRV	EPRA NTA	EPRA NDV
IFRS NAV		3,199,029	3,199,029	3,199,029
IFRS NAV/share (in euros)		17.4	17.4	17.4
Diluted NAV at fair value (after the exercise of options, convertibles and other equity interests)		3,199,029	3,199,029	3,199,029
Exclude:				
(V) Deferred tax in relation to fair value gains of investments properties		86,965	86,965	
(VI) Fair value of financial instruments		82,592	82,592	
(VIII.b) Intangibles as per the IFRS balance sheet			-1,237	
Subtotal		3,368,587	3,367,350	3,199,029
Include:				
(IX) Fair value of fixed interest rate debt				-990
(XI) Real estate transfer tax		280,722		
NAV		3,649,308	3,367,350	3,198,039
Number of shares		184,003,007	184,003,007	184,003,007
NAV/share (in euros)		19.8	18.3	17.4

in euro (x 1.000)		31.12.2020		
		EPRA NRV	EPRA NTA	EPRA NDV
IFRS NAV		2,353,935	2,353,935	2,353,935
IFRS NAV/share (in euros)		13.5	13.5	13.5
Diluted NAV at fair value (after the exercise of options, convertibles and other equity interests)		2,353,935	2,353,935	2,353,935
Exclude:				
(V) Deferred tax in relation to fair value gains of investments properties		18,630	18,630	
(VI) Fair value of financial instruments		129,904	129,904	
(VIII.b) Intangibles as per the IFRS balance sheet			-1,193	
Subtotal		2,502,469	2,501,276	2,353,935
Include:				
(IX) Fair value of fixed interest rate debt				-2,433
(XI) Real estate transfer tax		237,481		
NAV		2,739,950	2,501,276	2,351,502
Number of shares		174,713,867	174,713,867	174,713,867
NAV/share (in euros)		15.7	14.3	13.5

EPRA cost ratio

Administrative/operating costs including or minus the direct vacancy costs, divided by gross rental income. This figure is to be considered a key indicator to enable meaningful measurement of the changes in operating costs of a real estate company.

in euros (x 1.000)		9M 2021	FY2020
Include:			
I.	Administrative/operating expenses (IFRS)	-20,510	-27,300
	I-1. Impairments of trade receivables	283	-499
	I-2. Recovery of property charges	0	0
	I-3. Recovery of rental charges and taxes normally paid by the tenant on let properties	-2,828	-4,163
	I-4. Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease	0	0
	I-5. Property charges	-6,672	-8,325
	I-6. General company expenses	-11,292	-14,314
III.	Management fees less actual/estimated profit element	813	1,079
V.	Administrative/operating expenses of joint ventures expense	-303	-372
Exclude (if part of the above):			
VI.	Investment property depreciation	227	293
	Administrative/operating expenses related to solar panels	1,562	2,085
	EPRA costs (including direct vacancy costs)	A -18,211	-24,217
IX.	Direct vacancy costs	516	855
	EPRA costs (excluding direct vacancy costs)	B -17,695	-23,362
X.	Gross rental income (IFRS)	187,905	228,401
	Less net ground rent costs	-1,243	-1,550
XII.	Gross rental income of joint ventures	2,353	2,120
	Less net ground rent costs	-133	-139
	Gross rental income	C 188,882	228,832
	EPRA Cost Ratio (including direct vacancy costs)	A/C 9.6%	10.6%
	EPRA Cost Ratio (excluding direct vacancy costs)	B/C 9.4%	10.2%

EPRA NIY and EPRA Topped-up NIY

The EPRA NIY relates to an annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs. It is a comparable measure around Europe for portfolio valuations. In the past, there has been debate about portfolio valuations across Europe. This measure should make it easier for investors to judge themselves, how the valuation of portfolio X compares with portfolio Y.

The EPRA TOPPED-UP NIY is a measure that incorporates an adjustment to the EPRA NIY in respect of the expiration of rentfree periods (or other unexpired lease incentives such as discounted rent periods and step rents) and provides detail on the calculation of the measure and reconciliation between the EPRA NIY and EPRA TOPPED-UP NIY.

in euros (x 1.000)		30.09.2021	31.12.2020
Investment property - wholly owned		5,390,517	4,566,601
Investment property - share of joint ventures		76,811	61,415
Less developments, land reserves and the right of use of concessions		-467,359	-438,912
Completed property portfolio		4,999,969	4,189,104
Allowance for estimated purchasers' costs		258,803	221,204
Gross up completed property portfolio valuations	A	5,258,772	4,410,309
Annualised cash passing rental income		268,071	249,835
Property outgoings		-12,992	-11,615
Annualised net rent	B	255,079	238,221
Notional rent expiration of rent free period or other lease incentives		0	0
Topped-up net annualised rent	C	255,079	238,221
EPRA NIY	B/A	4.9%	5.4%
EPRA TOPPED-UP NIY	C/A	4.9%	5.4%

10.2. Alternative Performance Measures²⁶

Result on the portfolio (including the share of joint ventures) – Group share

This relates to the realised and unrealised capital gains/loss with respect to the latest valuation by the property expert, taking into account the effective or deferred capital gains tax due, including WDP's proportionate share in the portfolio of associated companies and joint ventures and excluding the minority interests.

in euros (x 1.000)	9M 2021	9M 2020
Movement in the fair value of investment property	584,267	109,918
Result on disposal of investment property	6,410	409
Deferred taxation on result on the portfolio	-66,371	-3,140
Participation in the result of associated companies and joint ventures	3,684	3,706
Result on the portfolio	527,989	110,892
Minority interests	-2,268	-461
Result on the portfolio - Group share	525,721	110,431

Changes in gross rental income with an unchanged portfolio

This the organic growth of the gross rental income year-on-year on the basis of an unchanged portfolio, excluding development projects, acquisitions and disposals during both periods of this comparison.

in euros (x 1.000)	9M 2021	9M 2020	Δ y/y (%)
Properties owned throughout the two years	149,368	147,359	1.4%
Development projects	38,205	20,988	n.r.
Acquisitions	2,483	1,256	n.r.
Disposals	202	533	n.r.
Total	190,258	170,136	n.r.
To be excluded			
Rental income of joint ventures	-2,353	-1,377	n.r.
Indemnification related to early lease terminations	435	0	n.r.
Rental income (IFRS)	188,341	168,758	n.r.

²⁶ Excluding the EPRA metrics, some of which are considered to be alternative performance measures (APM), and are reconciled under Chapter 10.1 EPRA Performance measures.



Average cost of debt

This refers to the weighted average yearly interest rate for the reporting period, taking into account the average outstanding debt and the hedging instruments during that same period.

in euros (x 1.000)		9M 2021	FY 2020
Financial result (IFRS)		9,486	-69,723
To be excluded:			
Changes in fair value of financial assets and liabilities		-39,520	31,049
Interest capitalised during construction		-3,944	-6,105
Interest cost related to leasing debts booked in accordance with IFRS 16		1,826	2,355
Other financial costs and revenues		46	-246
To be included:			
Interest expenses of joint ventures		-213	-208
Effective financial expenses (proportional)	A	-32,318	-42,877
Average outstanding financial debt (IFRS)		2,056,861	1,992,393
Average outstanding financial debt of joint ventures		24,240	22,048
Average outstanding financial debt (proportional)	B	2,081,101	2,014,441
Annualised average cost of debt	A/B	2.1%	2.1%

Financial result (excluding changes in the fair value of financial instruments)

This is the financial result according to IFRS exclusive of the change in fair value of financial assets and liabilities, and reflects the actual financial expenses of the company.

in euros (x 1.000)		9M 2021	9M 2020
Financial result		9,486	-67,247
To be excluded:			
Changes in fair value of financial instruments		-39,520	38,890
Financial result (excluding the changes in fair value of financial instruments)		-30,034	-28,357



Operating margin

The operating margin, obtained by dividing the operating result (before the result on the portfolio) by the property result. Operating margin is a measure of profitability that can indicate how well the company is managing its operating property operations.

in euros (x 1.000)	9M 2021	9M 2020
Property result (IFRS)	207,597	180,485
Operating result (before the portfolio result) (excluding depreciation and write-downs on solar panels)	189,632	164,567
Operating margin	91.3%	91.2%

Hedge ratio

Percentage of fixed-rate and floating-rate debts hedged against interest rate fluctuations by means of derivatives. This economic parameter is not an obligatory parameter under the Belgian regulated real-estate investment companies Law (Wet betreffende de gereguleerde vastgoedvennootschappen or 'GVV-Wet').

in euros (x 1.000)		30.09.2021	31.12.2020
Notional amount of Interest Rate Swaps		1,317,425	1,317,425
Fixed rate financial debt		526,538	602,098
Fixed-interest financial debt at balance sheet date and hedging instruments	A	1,843,963	1,919,523
Current and non-current financial debt (IFRS)		2,104,771	2,119,454
Proportional share in joint ventures in current and non-current financial debt		29,050	23,688
Financial debt at balance sheet date	B	2,133,820	2,143,142
Hedge ratio	A/B	86.4%	89.6%

Gearing ratio

Statutory ratio calculated based on the GVV/SIR legislation by dividing the financial and other liabilities by the total assets. For the method used in the calculation of the gearing ratio, refer to the RD on Regulated real Estate Companies.

in euros (x 1.000)	30.09.2021		31.12.2020	
	IFRS	Proportionate	IFRS	Proportionate
Non-current and current liabilities	2,399,566	2,442,473	2,386,612	2,425,925
To be excluded:				
- I. Non-current liabilities A. Provisions	160	160	170	170
- I. Non-current liabilities C. Other non-current financial liabilities - Permitted hedging instruments	83,164	83,164	129,901	129,901
- I. Non-current liabilities F. Deferred taxes Liabilities	85,485	91,789	18,187	22,460
- II. Current liabilities A. Provisions	0	0	0	0
- II. Current liabilities E. Other current liabilities Other: Hedging instruments	0	0	3	3
- II. Current liabilities - F. Accruals and deferred income	19,931	20,271	20,652	22,169
Total debt	A	2,210,826	2,217,700	2,251,222
Total assets	5,657,071	5,699,978	4,790,405	4,829,718
To be excluded:				
- E. Financial fixed assets - Financial instruments at fair value through profit and loss - Permitted hedging instruments	572	572	0	0
Total assets taken into account for the calculation of the gearing ratio	B	5,656,499	4,790,405	4,829,718
Gearing ratio	A/B	39.1%	39.4%	46.3%

Loan-to-value

The loan-to-value is obtained from the IFRS statements by dividing the net financial liabilities by the sum of the fair value of the property portfolio, the fair value of the solar panels and financing to and holdings in associated companies and joint ventures.

in euros (x 1.000)	30.09.2021		31.12.2020	
	IFRS		IFRS	
Non-current and current financial debt	2,104,771		2,119,454	
Cash and cash equivalents	-6,547		-11,240	
Net financial debt	A	2,098,224	2,108,214	
Fair value of the real estate portfolio (excluding right of use concessions)	5,356,596		4,534,584	
Fair value of the solar panels	139,200		122,353	
Financing of and participations in associated companies and joint ventures	37,884		31,275	
Total portfolio	B	5,533,680	4,688,212	
Loan-to-value	A/B	37.9%	45.0%	

Net debt / EBITDA (adjusted)

The net debt / EBITDA (adjusted) is calculated starting from the proportional accounts: in the denominator taking into account the trailing-twelve-months normalized EBITDA and adjusted to reflect the annualized impact of external growth; in the numerator taking into consideration the net financial indebtedness adjusted for the projects under development multiplied by the loan-to-value of the group (as these projects are not yet income contributing but already (partially) financed on the balance sheet).

in euros (x 1.000)		30.09.2021	31.12.2020
Non-current and current financial debt (IFRS)		2,104,771	2,119,454
- Cash and cash equivalents (IFRS)		-6,547	-11,240
Net debt (IFRS)	A	2,098,224	2,108,214
Operating result (before the result on the portfolio) (IFRS) (TTM)¹	B	242,279	212,793
+ Depreciation and write-down on solar panels		2,850	7,270
+ Share in the EPRA Earnings of joint ventures		1,931	1,257
EBITDA (IFRS)	C	247,060	221,321
Net debt / EBITDA	A/C	8.5x	9.5x

in euros (x 1.000)		30.09.2021	31.12.2020
Non-current and current financial debt (proportionate)		2,133,820	2,143,142
- Cash and cash equivalents (proportionate)		-10,212	-14,359
Net debt (proportional)	A	2,123,609	2,128,782
- Projects under development x Loan-to-value		-98,140	-115,864
- Financing to joint ventures x Loan-to-value		-974	-1,511
Net debt (proportional) (adjusted)	B	2,024,495	2,011,407
Operating result (before the result on the portfolio) (IFRS) (TTM)¹	C	242,279	212,793
+ Depreciation and write-down on solar panels		2,850	7,270
+ Operating result (before the result on the portfolio) of joint ventures (TTM) ¹		2,598	1,747
Operating result (before the result on the portfolio) (proportionate) (TTM)¹	D	247,727	221,811
Adjustment for normalized EBITDA ²		14,546	21,075
EBITDA (proportionate) (adjusted)	E	262,273	242,886
Net debt / EBITDA (adjusted)	B/E	7.7x	8.3x

1. For the calculation of this APM, it is assumed that the operating result (before the result on the portfolio) is a proxy for EBITDA. TTM stands for trailing 12 months and means that the calculation is based on financial figures for the past 12 months.

2. On a normalized basis and including the annualized impact of external growth in function of the realized disposals, acquisitions and projects.



More information



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WDP develops and invests in logistics property (warehouses and offices). WDP's property portfolio amounts to more than 5.5 million m². This international portfolio of semi-industrial and logistics buildings is spread over around 250 sites at prime logistics locations for storage and distribution in Belgium, France, the Netherlands, Luxembourg, Germany and Romania.

WDP NV/SA – BE-REIT (public regulated real estate company under Belgian law)

Company number 0417.199.869 (Register of legal entities of Brussels, Dutch section)



Disclaimer

Warehouses De Pauw NV/SA, abbreviated WDP, having its registered office at Blakebergen 15, 1861 Wolvertem (Belgium), is a public Regulated Real Estate Company, incorporated under Belgian law and listed on Euronext.

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