WDP

Annual financial report 2009

This registration document is a translation of the registration document in Dutch. In the event of any discrepancy the Dutch version shall prevail, the English version being a free translation. Warehouses De Pauw Comm. VA is responsible for ensuring consistency between the Dutch and English versions. The Dutch version of this document can be consulted at www.wdp.be.

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warehouses with brains

Risk factors

Anyone who invests in property is seeking security. WDP's strategy consequently aims to guarantee investor stability in terms of both the dividend and longer-term income. This strategy goes hand in hand with the management of various risks in order to mitigate them as far as possible.

Strategic management

Risks relating to the economic environment

The nature of its activities makes WDP sensitive to the economic climate. A poorer economic environment will depress economic activity, which can reduce companies' demand for storage and distribution spaces. This can in turn result in higher vacancy levels, lower rents and the potential bankruptcy of tenants.

The impact of this risk on WDP's results and valuations is limited by the long duration of the leases (over 75% of the contracts expire after 2014), the diversification across industry sectors of the customer portfolio and a low average rent per m^2 of the portfolio. Also, the quality of tenants is very good, as no increase in rent arrears has been identified to date.

The location of WDP's properties also plays a vital role in this regard. They are sited mainly on the Breda-Antwerp-Brussels-Rijsel corridor. Good accessibility and proximity to consumers are indispensable conditions for the presence of logistics companies. However attractive it may be, a building that does not fulfil those essential conditions will not attract any interest among potential tenants.

In addition, the geographic location of WDP's portfolio limits its sensitivity to economic developments, as 94% of the portfolio is located in Western Europe. This region is less exposed to cyclical economic fluctuations compared to growth markets such as Central and Eastern Europe, where WDP is also active.

Risks relating to the property market

As a niche player in a highly specific segment of the property market, WDP also has to take into account various risks inherent to this specific property sector.

The economic quality of property assets is expressed by the duration of the building's useful lifetime – the period during which it can be leased – and by the risk of it remaining unoccupied. For warehouses, this depends essentially on two factors to which WDP pays particular attention.

The first is the site's geographic location. WDP's land and buildings are all situated at logistical interfaces or secondary locations with potential for growth. The quality of the location is in all cases guaranteed by the site's accessibility – by road, rail, waterways or air transport – and by the proximity of an extensive market which guarantees future demand for semi-industrial premises.

The technical qualities of storage and distribution spaces are the second factor. The parameters that WDP takes into account are notably the headroom, the floor load-bearing capacity, fire safety achieved by sprinkler systems and the accessibility of loading and unloading bays. The importance of technical building quality is continually increasing. In addition, the storage spaces are evolving into multi-purpose, multi-functional storage spaces that are required to satisfy specific statutory norms and standards.

Risk factors

Risks related to investment and development activities

WDP develops its property portfolio in various ways. On the one hand, there are its own development activities for storage and distribution spaces. These are limited to 7,8% of the investment value of the portfolio.

On the other hand the expansion of the portfolio is realised via potential acquisitions (either by purchases, mergers with existing companies or possibly partial assets transfers in lieu of cash contributions). An extensive technical, legal, accounting and tax due diligence review is performed for each acquisition, supported by outside experts.
In 2009 the portfolio was expanded by EUR 73 million, of which 47% through mergers, partial assets transfers, purchases or sales, and 53% through own development of storage and distribution spaces.

The company's risk profile is therefore limited, as most of these premises have been (pre) let for long periods to first-rate tenants.

Risks relating to property valuations

Property is not like an indexed bond with a pre-defined return. Profit – or loss – is determined by two inseparably linked factors.

The first is the recurrent annual net rental income, which constitutes the rental return on the invested capital. In the case of the cepic, this income is expressed in the income statement under 'Property result'. The second factor relates to the fluctuations in medium to long-term property values, i.e. changes in the fair value of the property. The property portfolio is valued on a quarterly basis by independent property surveyors. In the cepic's income statement, changes in the fair value of property are disclosed as (unrealised) 'Result on the portfolio'. Despite the general economic situation, the risk of a write-down of the property value is limited. This is partly due to the fact that 35% of the portfolio consists of land, which has historically been least susceptible to falls in value. Also, merely 6% of the total portfolio is located in Central and Eastern Europe, which are usually hit harder by the difficult economic situation than Western Europe. Lastly, WDP is viewed as relatively cheap compared to the market (averaging EUR 38,74 m^2/year for storage spaces and EUR 86,00 m^2/year for associated offices). During an economic slowdown, comparatively low rents are expected to reduce the likelihood of vacancies, and therefore also the associated risk of a fall in value of the portfolio.

It is the combination of property as investment instrument and fluctuations in value that determines the quality of the investment and the total profit in the longer term.

Risk factors

Property management

Risks relating to tenants and credit risks

WDP aims to develop a portfolio of stable and solvent tenants. In this respect, the leasing activity offers the advantage that the rent has to be paid in advance. Rents are payable on a monthly, quarterly or (exceptionally) annual basis. Therefore a tenant's potential payment problems can be identified swiftly and appropriate solutions sought. In addition the majority of tenants are asked for an advance for rental costs and taxes for which WDP is liable as lessor, but which can be contractually charged on to the tenant. Advances are likewise payable on a monthly, quarterly or (exceptionally) annual basis. The customary rental guarantee of at least three months' rent paid to WDP as the owner also constitutes a security.

The creditworthiness of WDP's tenants is very good. It is reflected in the fact that in 2009 only EUR 270.000 (0,49% of total rental income) was recorded in write-downs for bad debts. In addition, the creditworthiness of potential new tenants is screened on the basis of a credit review by an external agency, to anticipate potential payment problems.

In addition to tenants' creditworthiness it is important to enter into long-term leases with a view to safeguarding future rental income flows.

As vacancies or a tenant's insolvency can never be totally ruled out, the re-letting potential of a building is very important. Here again, the aforementioned location and technical qualities are decisive for re-letting. The average occupancy rate in 2009 was 95%. A 1% fall in occupancy would reduce rental income by an average 1,3% to EUR 54,2 million.

Maintenance risks

WDP is able to keep maintenance and repair costs to a minimum through its investments in high-quality and technically advanced buildings. The quality of its tenants, the long-term leases and the perfect state of its buildings when they are completed or purchased also contribute to the guaranteed quality of the buildings, as does the technical due diligence review that is performed on the acquisition of a building.

Investments are made where necessary to maintain the technical quality of the buildings. Construction and renovation work is performed either by WDP's own technical team or by calling in external specialists. These projects are monitored internally, in terms of both timely completion and budget.

The costs for non-rented spaces or other costs associated with the turnover of tenants are limited through the long-term relations WDP maintains with its tenants and through the active commercial management of its property portfolio to limit vacancies.

Risk of destruction of the buildings

As with any building, storage and distribution premises can be damaged by fire, storms or other disasters. WDP has insured this risk for a total value of EUR 630 million (situation at the end of December 2009). The insured value is based on the rebuilding cost, which is the cost of reconstructing the building as new, including architects' fees and VAT. As such disasters often result in the vacancy, or partial vacancy, of premises, this risk has also been insured (loss of rental income for a period of up to two years). At 31 December 2009 the total fair value of the portfolio[1] was EUR 815 million.

Financial management

WDP's property portfolio is financed on the one hand with shareholders' equity and with debt on the other. This debt financing has a significant impact on profitability and also determines the liquidity risk.

Liquidity risks

The liquidity risk consists mainly in the risk that the cepic might not at all times have sufficient funds to finance its activities or to meet its ongoing payment obligations and would as a result be in default in respect of its counterparties and investors.

WDP adopts a conservative and cautious strategy to optimally limit this risk. This financing strategy comprises:
- a balanced distribution over time of maturities of financial liabilities and lease debts (25% due in less than 1 year, 43% due between 1 and 5 years and 32% due in more than 5 years);
- a diversification of sources of financing by issuing commercial paper (from 1 to 9 months) and by entering into straight loans (from 1 to 3 months) and long-term bank loans, mainly bullet loans (from 4 to 8 years);
- spreading the financing across various banks.

The loans entered into also comprise covenants relating mainly to the maximum gearing permitted under the cepic status (which is 65%). WDP's gearing at 31 December 2009 was 55,25%.

Interest rate risks

WDP has hedged interest rate risks on its financial liabilities mainly through Interest Rate Swaps (IRS). These hedges serve to convert floating rates of interest to fixed rates and are used to hedge the risk of a sharp rise in interest rates. As at 31 December 2009 WDP had hedged 88% of these liabilities for a remaining term of 6,2 years at an average fixed interest rate of 3,93% (excl. bank margin).

As a result of the recent crisis in the banking industry the interest rate levels of the reference rates (such as Euribor) have fallen to historic lows. Due to the interest rate hedges already contracted as at 31 December 2009, WDP is unable to profit fully from these low rates of interest. With a view to minimising interest rate risks, however, this decision is completely justified.

On the other hand the banks are applying margin increases to existing and new loans, which partly reduce the effect of the low interest rate levels.

1 *Exclusive solar panels.*

Risk factors

Foreign currency risks

WDP concentrates its activities mainly in the euro area, the activities in the Czech Republic and Romania excepted. The outstanding euro positions of these subsidiaries relate to the financing provided from within the group. Translation differences resulting from the revaluation of these positions from local currencies into euros have a minimal impact on total equity and results. Accordingly, no specific transactions were entered into to hedge against exchange rate fluctuations.

The secret of a good property investment lies in weighing up and limiting all these risk factors. Only then can a suitable balance be found between short-term operating profit and potential long-term added value. This clearly also depends on the quality of the people in decision-making roles, for which WDP can rely on an experienced management team and Board of Directors.

Warehouses De Pauw –
Warehouses with Brains

Presentation of WDP

A highly individual approach

Warehouses De Pauw (WDP) is currently the leading operator in the Belgian semi-industrial property market. The WDP cepic focuses its activities on developing a high-quality logistics and semi-industrial property portfolio, which it pursues in practice by:

- development of specific storage and distribution premises;
- completion of customised projects at the user's request;
- investment in spaces for customers who wish to engage in sale and leaseback transactions;
- investing in existing buildings that have been leased.

The multifunctional nature of a building plays a crucial role in each investment. The useful life of the building is in fact determined by the potential for leasing it again after the departure of the present tenant. Furthermore, WDP retains the projects it has acquired or completed within its portfolio, so that the added value achieved remains within the closed-end property investment company. In terms of the geographic location of premises, WDP systematically selects strategic intersections for storage and distribution. WDP also places great importance on the development of long-term relations with its customers. The cepic strives to become a genuine partner to them and assist in resolving their property problems. This objective is clearly demonstrated in its slogan: 'WDP – Warehouses with Brains'.

Portfolio

On 31 December 2009, WDP held 93 sites in its portfolio, located in five countries: Belgium, France, the Netherlands, Romania and the Czech Republic. The total surface area of land at the sites in the portfolio was 3,755 million m^2, along with 1,303 million m^2 of buildings, with over 70.000 m^2 in the development pipeline. In accordance with the IAS 40 fair value measurement, the market value of WDP's property portfolio amounted to EUR 815,4 million at the end of 2009.

Stock market listing and capitalisation

The WDP cepic has been listed on Euronext Brussels since 28 June 1999. Since 2003 it has been included in the 'next prime' segment of European mid-caps and the VLAM21 index, as well as the EPRA (European Public Real Estate Association) index since 2004. In 2005, WDP was also included in the Euronext Bel Mid index. Since 17 December 2004, WDP shares have also been listed on Euronext Paris. At the end of 2009, the closed-end property investment company's market capitalisation[2] exceeded EUR 400 million.
WDP targets investors in logistics properties who are interested primarily in a stable dividend policy.

Shareholders

WDP developed from the assets of the family group Jos De Pauw from Merchtem, Belgium, which remains the reference shareholder with a 31% strategic stake in the closed-end property investment company (for an overview of the company's evolution, see '7. Key dates in the history of WDP' on page 75 in the financial section).

Other than that, its shareholders are mainly Belgian and foreign private and institutional investors, none of which have reported holdings of more than 3% of the total number of shares.

2 Market capitalisation is calculated as follows: net asset value (excluding IAS 39 result) before profit distribution multiplied by the number of shares at the end of the period.

Warehouses De Pauw – Warehouses with Brains

Overview of the most important participations in WDP on 31 December 2009

Name	Number of voting rights (on a total of 12.533.938)	% voting rights
Robert De Pauw	982.796	7,84
Anne De Pauw	982.796	7,84
Tony De Pauw	982.796	7,84
Kathleen De Pauw	982.796	7,84
De Pauw NV	1.438	0,01
Total	**3.932.622**	**31,37**

Robert, Anne, Tony and Kathleen De Pauw entered into an agreement to act in mutual consultation concerning:

- the exercise of their voting rights with a view to a long-term common policy;
- the property, acquisition or transfer of shares.

WDP has only one category of shares. Holders are entitled to one vote per share at the Annual General Meeting of Shareholders (also see note XII on page 40 in the financial section).

A strategy aimed at continuing growth

Priority markets

Alongside its home market of Belgium, WDP's principal priority markets have traditionally been the Netherlands and France. Most of the properties and projects are therefore in prime locations in the Rotterdam-Breda-Antwerp-Brussels-Lille corridor. WDP aims to have a dominant presence in this Western European logistical heartland in order to be able to provide its customers with optimal services. Given the presence of major ports such as Antwerp and Rotterdam and the high purchasing power of this densely populated region, the Board of Directors of the management company of the cepic WDP Comm. VA expects that demand will be sustained here in the future despite fluctuations in the world economy. WDP's second growth region is Central Europe. WDP has been active for several years in the Czech Republic and has also been active in Romania, the new south-eastern gateway to Eastern Europe, since 2007.

Growth prospects

At the end of 2009, WDP's pre-let projects scheduled for completion in 2010 amounted to almost EUR 36 million. The development of a strategic reserve of land and constant attentiveness to new opportunities in the market ensure that growth prospects are regularly renewed. WDP's reserve of land at year-end 2009 totalled 1.009.668 m^2, of which 861.441 m^2 in Romania, 96.450 m^2 in Belgium, 27.777 m^2 in France and 24.000 m^2 in the Czech Republic.

In view of the current market circumstances, WDP is obviously very cautious regarding new speculative projects. In doing so, using loans already obtained or attracting potential new financing have to be taken into consideration as well as the solvency of possible new tenants and the rental possibilities. In addition, the existing investment plan is continually evaluated against the changing economical environment. Based on the balance sheet as at 31 December 2009 the cepic can draw a further EUR 255 million in loans before reaching the statutory maximum gearing of 65%.

Consolidated key figures
Key figures

Consolidated result (EUR x 1.000)	31-12-2009	31-12-2008	31-12-2007
NET CURRENT RESULT			
Net rental result	54.126,90	46.644,87	38.348,13
Other operating income/expenses	3.645,89	235,46	-71,44
Property result	**57.772,79**	**46.880,33**	**37.276,69**
Property charges	-1.082,89	-1.194,63	-1.389,44
Corporate management costs	-3.325,17	-3.453,60	-2.675,48
Net property result	**53.364,73**	**42.232,10**	**34.211,77**
Financial result excl. IAS 39 result	-18.086,19	-12.751,73	-7.691,24
Taxes on net current result	-220,45	-396,41	-114,88
Deferred taxes on net current result	-1.022,67	-360,90	-161,33
Net current result	**34.035,42**	**28.723,06**	**26.244,32**
RESULT ON PORTFOLIO*			
Variations in the fair value of investment property (+/-)	-26.790,51	-17.918,94	27.300,54
Result from sale of investment property (+/-)	10,81	80,32	-930,17
Deferred taxation on portfolio income	4.104,74	2.101,21	-238,82
Portfolio result	**-22.674,96**	**-15.737,41**	**26.131,55**
IAS 39 RESULT			
Fair value change of financial instruments (IAS 39 impact)	-10.923,05	-29.184,26	689,16
Deferred taxes on revaluation IRS	0,00	413,68	131,04
IAS 39 result	**-10.923,05**	**-28.770,58**	**820,20**
NET RESULT	**437,41**	**-15.784,93**	**53.196,07**
Net current result/share**	3,14	3,34	3,05
Result on portfolio/share**	-2,29	-1,83	3,04
Net result/share**	-0,21	-1,84	6,49
Proposed payment	32.256,72	25.272,71	23.351,98
Distribution percentage (in relation to the net current result)	94,77%	87,99%	88,98%
Number of shares at the end of the period	12.533.938	8.592.721	8.592.721
Gross dividend/share	2,94	2,94	2,72
Net dividend/share	2,50	2,50	2,31
Growth NAV/share (before profit distribution)	-1,14	-5,69	4,11
Growth NAV/share (after profit distribution)	0,30	-2,77	3,51

* *Result on the portfolio excludes the variations in the real value on the solar panels. These are valued in conformity with IAS 16 in which the added revaluation is stated directly under shareholders' equity. In 2009 this amounted to EUR 12,3 million.*

** *Earnings per share are calculated on a pro-rata-temporis basis for the number of shares entitled to dividend over 2009 (first six months 9.400.454, from 01/07/2009 12.533.938). The net result per share on the basis of the full-year result and the weighted average number of shares entitled to dividend is EUR 0,04 per share.*

Some figures are rounded and therefore totals shown in some tables may not represent exact arithmetical totals of the figures preceding them.

Consolidated key figures
Key figures

Consolidated balance sheet (EUR x 1.000)	31-12-2009	31-12-2008	31-12-2007
Intangible assets	286,61	183,63	105,00
Investment properties	815.391,78	742.129,30	614.104,00
Other tangible assets (solar panels included)	55.232,14	32.359,32	1.090,00
Non-current financial assets	11.737,25	10.618,30	9.598,84
Finance lease receivables	194,76	277,39	355,00
Trade receivables and other non-current assets	168,25	319,50	470,16
Deferred tax assets	835,73	760,73	665,00
Non-current assets	**883.846,52**	**786.648,16**	**626.388,00**
Assets held for sale	14.198,82	4.642,42	2.476,00
Finance lease receivables	82,63	77,54	73,00
Trade receivables	9.678,42	4.255,64	10.057,00
Tax receivables and other current assets	3.107,64	2.597,77	13.379,00
Cash and cash equivalents	2.203,86	1.273,31	9.015,00
Deferred charges and accrued income	2.958,60	3.208,07	2.062,00
Current assets	**32.229,97**	**16.054,75**	**37.062,00**
TOTAL ASSETS SHAREHOLDERS' EQUITY	**916.076,49**	**802.702,91**	**663.450,00**
Capital	97.853,12	68.913,37	68.913,00
Premiums on issue	63.960,55	0,00	0,00
Reserves	171.524,92	187.288,07	219.449,00
Result	59.603,67	25.612,71	38.202,00
Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties (-)	-27.123,83	-22.106,43	-18.662,00
Translation differences	1.025,01	1.599,00	1.857,00
Minority interests	0,00	0,00	441,00
Shareholders' equity	**366.843,44**	**261.306,71**	**310.200,00**
Non-current liabilities	413.650,52	328.895,23	219.118,00
Current liabilities	135.582,53	212.500,96	134.132,00
Liabilities	**549.233,05**	**541.396,19**	**353.250,00**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**916.076,49**	**802.702,91**	**663.450,00**

	31-12-2009	31-12-2008	31-12-2007
NAV*/share	29,27	30,41	36,10
NAV* (excl. IAS 39 result)/share	32,05	33,20	35,54
Share price	33,93	30,15	45,50
Premium/discount on price compared with NAV* (excl. IAS 39 result)	5,87%	-9,18%	28,03%
Debts and liabilities included in gearing	506.145,28	506.054,64	334.815,39
Balance sheet total	916.076,49	802.702,91	663.450,00
Gearing**	55,25%	63,04%	50,47%
Fair value of the portfolio (solar panels included)	869,47	773,20	614,10

* *NAV = Net Asset Value = Shareholders' equity before profit distribution for the current financial year.*

** *For the calculation method of the level of debt, refer to the Royal Decree dated 21 June 2006 with regard to financial statements of cepics.*

Consolidated key figures
Notes to the consolidated key figures

Profit and loss account

The property result rose by 23,2% in 2009 to EUR 57,8 million, from EUR 46,9 million in 2008. This increase resulted from further growth of the portfolio due to acquisitions and the successful completion of own projects in both Belgium (including the DHL transaction carried out at the start of 2009 and the completion of the projects in Aarschot, Courcelles (phase I) and Nivelles) and the Netherlands (completion of the projects in Raamsdonksveer and Ridderkerk) as well as France (completion of the projects in Libercourt and Seclin). For details on these acquisitions and completions, see the 'Management Report' on page 57-60. The average occupancy rate of the WDP portfolio in 2009 was 95%. The occupancy rate decreased in line with expectations from 99% on 31 December 2008 to 92% on 31 December 2009.

The income from solar panels also had a substantial impact on the result, mainly from the second quarter of 2009 onwards. For the full financial year this amounted to EUR 3,7 million.

This property result includes an amount of EUR 527.000 for write-downs of trade receivables, mainly due to the write-down of EUR 397.000 on the receivable due from Kinnarps as a result of a legal dispute with this former tenant. In addition, WDP's policy is to write off all trade receivables that are more than six months past due.
The property costs and other general expenses were EUR 4,4 million in 2009, down 5,2% from 2008. After the rise in 2008 owing to the growth of the portfolio and the associated expansion of the internal structure, WDP is successfully controlling costs. The operating margin[3] improved to 92,4%.

The net property result for 2009 therefore was EUR 53,4 million, compared to EUR 42,2 million in 2008.

The financial result (excluding IAS 39 result) was EUR -18,1 million in 2009, compared to EUR -12,8 million in 2008. This decline was attributable to the execution of the investment plan in 2008 and 2009 that was financed by additional debt on the one hand and shareholders' equity on the other. The average interest charge in 2009 was 4,11%, edging down by 0,33% from 2008. EUR 437 million of the total financial liabilities (EUR 495 million) has been hedged, principally via Interest Rate Swaps (IRSs).

Taxation comprises the taxes currently payable, mainly at the subsidiaries that do not have the tax status of a cepic (Czech Republic, Netherlands, Romania), and the taxes on disallowed expenses in Belgium. In addition, deferred taxes are recognised for movements in the fair value of investment property, for instance. As these declined in 2009, they have a positive impact on the profit and loss account.

The portfolio result (excluding the associated impact of deferred taxes) in accordance with IAS 40 was EUR -26,8 million in 2009, or EUR -2,29 per share. This result is due to decreases in the fair value of the portfolio in the Netherlands (EUR -11,7 million), France (EUR -2,9 million), the Czech Republic (EUR -4,5 million), Romania (EUR -7 million) and Belgium (EUR -0,7 million) due to lower valuations by the property surveyors, mainly in the first half of the year. In the second half of 2009 applied yields stabilised. The decreases for the full financial year were partly offset by the increase in fair value on completion of finalised projects in Aarschot and Libercourt and other projects, and the recognition at fair

3 *Net property result divided by the property result and multiplied by 100.*

value of the current project developments in Belgium and the Netherlands (in line with the updated IAS 40 directive) and the added value on the solar panel project (taken directly to equity). A small additional value is realised by the sale of two non-strategic buildings.

The impact of the IAS 39 result was EUR -10,9 million, compared to EUR -28,8 million in 2008. This negative impact is due to the further negative movements of the fair value of interest rate hedges entered into (mainly Interest Rate Swaps) on 31 December 2009 as a result of falling interest rates. Movements in the fair value of these interest rate hedges are taken in full through profit and loss and not equity. This relates to an unrealised result and a non-cash item.

On balance, the total net result of the group in 2009 was EUR 437.000, compared to EUR -15,8 million in 2008. The net current result for 2009 consequently amounted to EUR 34 million, up 18,5% from EUR 28,7 million in the 2008 financial year. This resulted in net current earnings per share of EUR 3,14 (compared to EUR 3,34 last year), taking account of the new shares issued as part of the capital increase on 30 June 2009.

Dividend

The Board of Directors of WDP will propose to the General Meeting to distribute a total dividend[4] for 2009 of EUR 2,94 gross or EUR 2,50 net. This is the same as the 2008 dividend, despite the increase in the total number of shares to 12.533.938. This dividend is allocated equally to the coupon no. 18 already detached on 29 June 2009 and the still-attached coupon no. 19, both payable on 5 May 2010. This corresponds to a gross dividend of EUR 1,47 (net dividend of EUR 1,25) for coupon 18 and a gross dividend of EUR 1,47 (net dividend of EUR 1,25) for coupon 19.

Balance sheet

The fair value of the investment property (including the project developments) at 31 December 2009 was EUR 815,4 million compared to EUR 742,2 million at the start of the financial year. Fair value is recognised in the consolidated balance sheet by applying IAS 40 and is calculated by deducting the transaction costs from the investment value. The investment value of the portfolio is the value measured by the independent property surveyors, before deduction of transaction costs. For a detailed discussion of the portfolio, see 'Review of the consolidated property portfolio' on page 84.
This value of EUR 815,4 million comprises EUR 752,1 million for completed buildings in the portfolio (standing portfolio), an increase of EUR 87,5 million compared to the portfolio a year earlier.

In addition, the fair value of projects in progress was EUR 63,3 million. This relates to the investment plan in progress, including project developments of the sites in Genk, Merchtem, Puurs and Ternat (Belgium), Nijmegen, Ridderkerk, Tilburg and Venlo (the Netherlands) as well as phase II of Libercourt in France. These also include the land reserves in Sint-Niklaas, Nivelles, Courcelles and Libercourt and the land bank in Romania at a fair value of EUR 37,8 million.

The substantial increase in the value of the other tangible fixed assets is chiefly attributable to the investments made in the solar panels. Their fair value at 31 December 2009 was determined at EUR 54,1 million, in accordance with IAS 16 applying the revaluation models.

4 The dividend is distributed on the basis of the statutory result of the cepic.

Notes to the consolidated key figures

As a result, the planned investments in solar panels have been completed for a capacity of 10 MWp.

Together with the measurement at fair value of the investments in solar panels, the value of the total portfolio increased to EUR 869,5 million, from EUR 773,2 million at year-end 2008.

The non-current financial assets mainly comprise amounts receivable from associated companies, more specifically an amount of EUR 11,1 million relating to the financing of the activities in Romania.

The shareholders' equity of the group at 31 December 2009 is EUR 366,8 million, compared to EUR 261,3 million at year-end 2008. The net asset value per share (excluding the general IAS 39 result and before profit distribution for the financial year) was EUR 32,05 at 31 December 2009. This represents a limited decrease from EUR 33,20 at 31 December 2008. The net asset value including the IAS 39 result was EUR 29,27 per share at 31 December 2009, compared to EUR 30,41 at 31 December 2008.

The total (long-term and short-term) financial debts rose to EUR 496 million in 2009, from EUR 477 million at 31 December 2008. Within this total, short-term financial debts decreased from EUR 180 million to EUR 122 million. This decrease was possible in part due to the reduction of short-term debts (commercial paper and straight loans) by repayment with a portion of the funds raised in the capital increase realised at 30 June 2009. The long-term debts increased further from EUR 297 million to EUR 374 million.

Owing to the further negative movements in the fair value of the interest rate hedges entered into, the other long-term financial commitments rose to EUR 32,5 million, from EUR 21,2 million at the end of 2008.

The gearing, calculated in accordance with the Royal Decree of 21 June 2006, decreased from 63,04% at 31 December 2008 to 55,25% at 31 December 2009. This was the result of various initiatives WDP took in 2009 to reduce the gearing, including the capital increase of 30 June 2009 amounting to EUR 73,6 million, the contribution of the DHL portfolio in the first quarter of 2009 worth EUR 21,9 million via a share transaction and a number of sales and the additional value recognised for the solar panels of EUR 12 million in 2009.

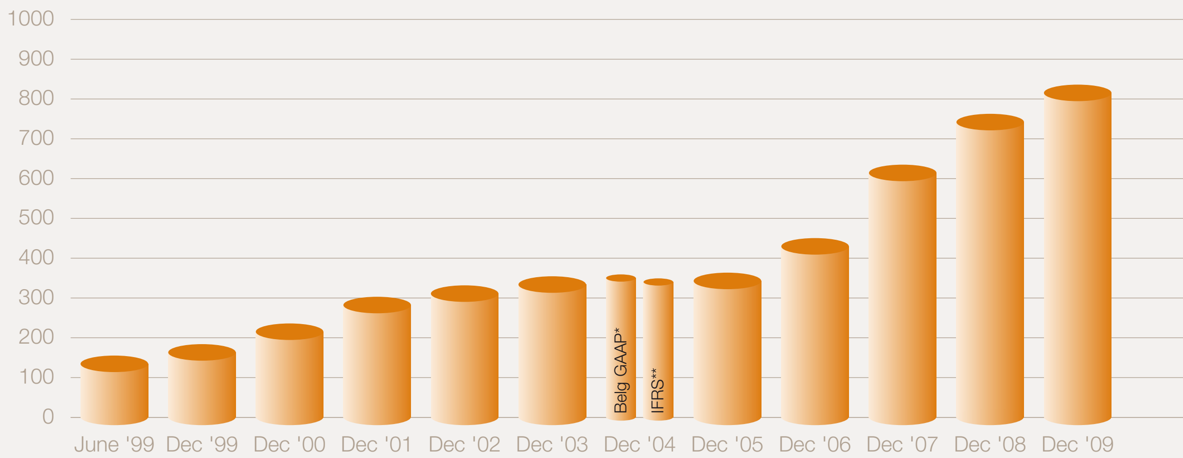
Development of a number of key figures

Evolution in fair value*** of the property portfolio

	EUR m
June '99	134,80
Dec '99	163,23
Dec '00	215,33
Dec '01	282,62
Dec '02	310,93
Dec '03	333,56
Dec '04	350,02 *
Dec '04	340,39 **
Dec '05	342,88
Dec '06	429,63
Dec '07	614,10
Dec '08	742,13
Dec '09	815,39

Increase since June 1999: 505%

Cumulative annual growth: 19%

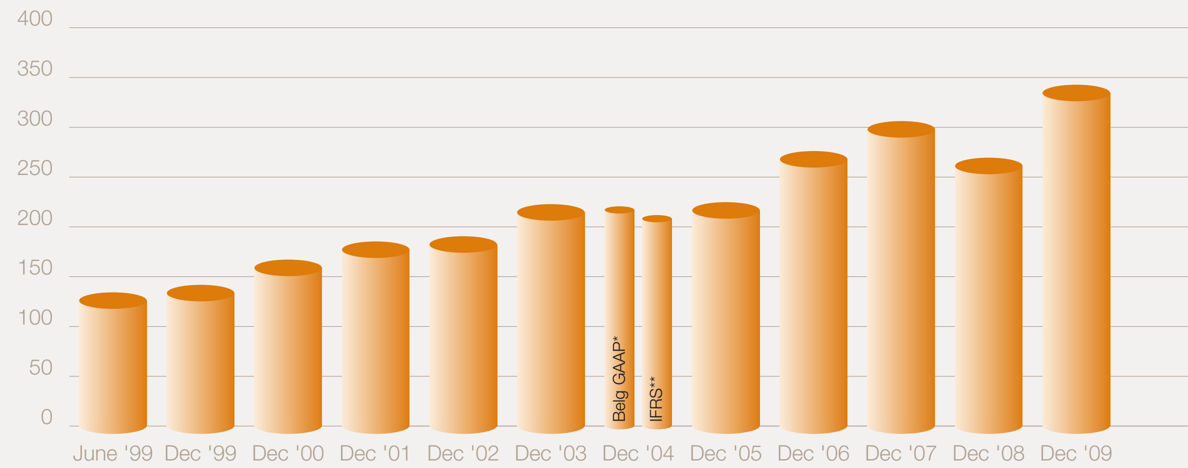


Evolution of shareholders' equity, after distribution of profits

	EUR m
June '99	125,65
Dec '99	133,80
Dec '00	159,45
Dec '01	177,14
Dec '02	182,22
Dec '03	214,53
Dec '04	217,21 *
Dec '04	207,27 **
Dec '05	216,66
Dec '06	267,84
Dec '07	297,97
Dec '08	261,31
Dec '09	334,59

Increase since June 1999: 166%

Cumulative annual growth: 11%

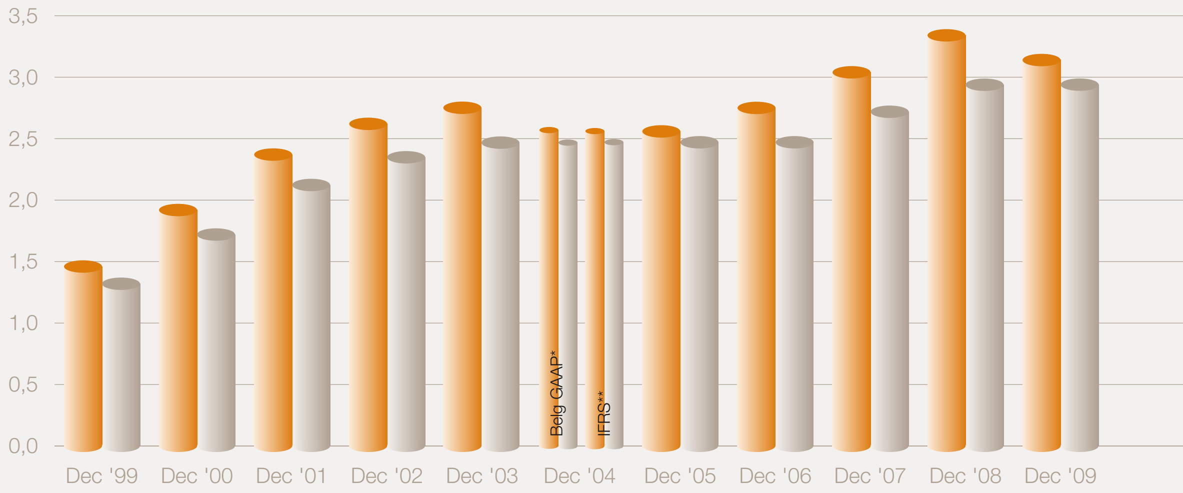


*** *Fair value: under Belgian market practice, there is a ceiling of 2,5% of the transaction costs that can be deducted for property valued at more than 2,5 million EUR. On smaller properties and foreign property the full transaction costs can be deducted.*

Development of a number of key figures

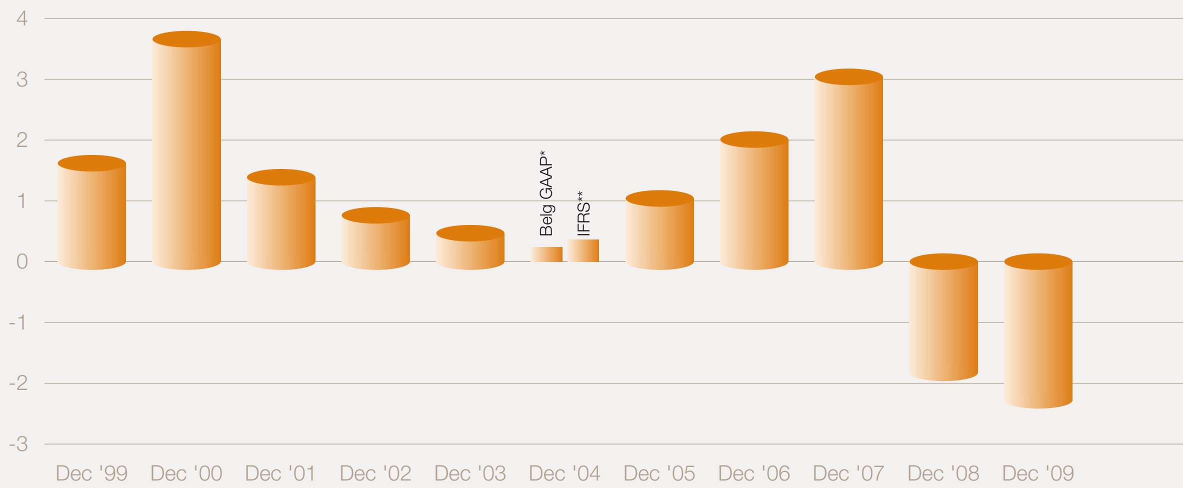
Development of net current result per share and the gross dividend per share

EUR	Net current result/share	Gross dividend/share	
Dec '99	1,46	1,32	
Dec '00	1,92	1,72	
Dec '01	2,37	2,12	
Dec '02	2,62	2,35	
Dec '03	2,75	2,47	
Dec '04	2,57	2,47	*
Dec '04	2,56	2,47	**
Dec '05	2,56	2,47	
Dec '06	2,75	2,47	
Dec '07	3,04	2,72	
Dec '08	3,34	2,94	
Dec '09	3,14	2,94	



Result on the portfolio per share

EUR		
Dec '99	1,62	
Dec '00	3,66	
Dec '01	1,39	
Dec '02	0,76	
Dec '03	0,47	
Dec '04	0,24	*
Dec '04	0,36	**
Dec '05	1,04	
Dec '06	2,01	
Dec '07	3,04	
Dec '08	-1,83	
Dec '09	-2,29	



Chairman's statement

Economic conditions in 2009 were again very challenging throughout the world. I am therefore all the more pleased to report that WDP, your cepic, performed well in an environment dominated by negative developments.

Operating profit rose by over 18%, owing to the satisfactory occupancy rate, the pre-let projects completed in 2009 and the start-up of solar panel plants. This is WDP's fourth consecutive year of double digit growth in operating profit. The higher profit was in line with the outlook announced earlier.

The property portfolio of the cepic likewise grew, on balance by EUR 100 million – up 13%. The investment programme was continued as planned, and several new acquisitions were finalised early in 2009. As a result of a sale and leaseback operation with the logistics division of DHL, WDP became the largest lessor for DHL in Belgium.

Despite the difficult economic environment, WDP did not take a passive stance. Healthy investment, avoiding risk where possible, is required to ensure the cepic's future growth. A successful capital increase was therefore carried out in June, raising over EUR 73 million. Some of this was used to finance four new projects in Belgium and abroad, worth around EUR 40 million in total.

Two of these projects are located in the Netherlands: a building for the food group Ter Beke in Nijmegen, and another for Kuehne & Nagel in Tilburg. In addition, the warehouse for Univeg in Ridderkerk was completed, attesting to the fact that WDP has become a significant player in the Dutch market as well.

With a third project – the installation of solar panels with a capacity of 2 MWp on the DHL site in Willebroek – WDP completed the solar energy project initiated in 2007. The intended objective, as defined in 2008, will be attained, i.e. an installed capacity of 10 MWp. This represents the annual consumption of 2.500 households. WDP is committed to continuing to play a leading role in sustainable business in the semi-industrial property sector. For instance, WDP aims to continue its work to develop new, profitable sustainable projects on its sites in the fields of electricity, heating, lighting, water consumption, insulation and related areas. This environmentally friendly policy of sustainable warehouses is targeted at reducing CO_2 emissions of the storage locations within the portfolio while significantly reducing lessees' energy bills.

As a result of the various initiatives, and mainly the capital increase in June, WDP's equity increased by 38%, from EUR 260 million to EUR 360 million. The funds from this operation were used in part to reduce the debt position. Gearing consequently declined 8%, from 63% to 55%. This offers not only scope for potential new projects, it also sends a positive message to potential investors. In the early part of the year in particular, investors were highly fixated on the debt position of companies in which they wished to invest. Following the stabilisation of the financial markets in the second half of the year, in tandem with the decrease in average interest expense, the importance of this issue has diminished to some extent.

The continued faith in WDP on the part of investors was manifest in the successful capital increase. The economic climate in no way diminished the strengths of the cepic. While the existing investment plan is continually evaluated in the light of the evolving economic context, WDP continues to seek new opportunities in the market. Owing to the quality of the premises and their lessees the overall occupancy rate of the portfolio held up well during the year, averaging 95% and closing at 92%. This decrease compared to the

Chairman's statement

historically high occupancy rate of 99% on 31 December 2008 is inherent in the contraction of economic activity. Accordingly, our first challenge for 2010 is to boost occupancy levels.

WDP also confirmed its reputation as a source of stable dividends. On the basis of the performance in 2009, the Board of Directors will propose to the General Meeting to distribute a total dividend of EUR 2,94 gross or EUR 2,50 net. The dividend is therefore unchanged from 2008, despite the significant increase in the total number of shares. This dividend will be allocated equally to the coupon no. 18 detached on 29 June 2009 and the still-attached coupon no. 19. Both are payable on 5 May 2010.

I would also like to look ahead for a moment. The economic crisis is not yet over and 2010 will surely be another year full of challenges. But on the basis of our present knowledge we can nonetheless already express our expectation that WDP can attain an operating profit of at least EUR 37 million in 2010. Depending on new leases in the existing portfolio that figure might even be exceeded. This would enable us to keep the dividend per share at the 2009 level without lifting the payout ratio to over 100%.

In closing, let me express my gratitude to everyone who enabled us to achieve these good results. I want to thank the members of the management team and our employees for their commitment, and my colleagues on the Board of Directors for their greatly-appreciated contributions. I am counting on everyone to help WDP to continue to prosper in 2010 and beyond as well.

Mark Duyck
Chairman of the Board of Directors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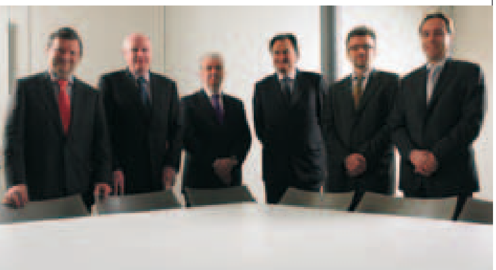
Corporate governance and structures



Since 1 January 2005, Belgian companies listed on the stock exchange are subject to the Belgian Corporate Governance Code. This legislation, which defines the various principles of good governance and transparency, was drawn up by the Corporate Governance Commission, established on 22 January 2004 upon the initiative of the Banking, Finance and Insurance Commission (CBFA), the Federation of Enterprises in Belgium (FEB) and Euronext Brussels.

WDP fully endorses the principles in the Corporate Governance Code and makes every effort to comply at all times with the standards in this area, with due regard to the size of the company and WDP's specific management structure.
For this last reason, the corporate governance principles are implemented mainly in the management structure of the statutory management company. Integrity and correctness in business conduct is and always has been a priority for the closed-end property investment company.
In this respect, WDP attaches considerable importance to the pursuit of a harmonious balance between the interests of its shareholders on the one hand and those of other parties who are involved either directly or indirectly with the company, the 'stakeholders'.

The Corporate Governance Code mandates the 'comply or explain' principle, in which deviations from the recommendations have to be justified.
The WDP Corporate Governance Charter deviates from the recommendations of the Corporate Governance Code on a few items only. The deviations from these can be explained by the limited size of the Board of Directors of the management company of WDP:

- the appointments and remuneration committee meets at least once a year. The Corporate Governance Code recommends at least two meetings per year, but given the limited size of the Board of Directors and workforce of the management company, a second meeting is superfluous;
- the Corporate Governance Code prescribes that the appointments committee should contain a majority of independent directors. WDP's appointments committee consists of the entire Board of Directors of the management company.

The appointments committee consequently consists of six members, half of which, and hence not the majority, are independent directors. The Corporate Governance Code also recommends that the remuneration committee should consist of non-executive directors exclusively. WDP's remuneration committee's composition deviates from this, since it consists of four members, three of which are non-executive directors, plus the executive chairman of the Board of Directors of the management company.

- the management company's managers are appointed for a period of six years, contrary to the maximum of four years required by the Corporate Governance Code. WDP prefers a period of six years, since this offers the managers the chance to thoroughly get to know the field of cepics, allowing WDP to profit maximally from their specific, individual experience.

This chapter of the 2009 annual financial report includes the contents of the WDP Corporate Governance Charter, which can also be found on its website **www.wdp.be**.
The description of the Board of Directors of the management company and executive management applies to the situation as at 31 December 2009.

Board of Directors
(from l. to r.) Dirk Van den Broeck, Frank Meysman, Mark Duyck, Tony De Pauw, Alex Van Breedam, Joost Uwents.

Corporate governance and structures

1. The Board of Directors

1.1. A few words about the context: the limited partnership with share capital

Warehouses De Pauw is a limited partnership with share capital (Comm. VA).
The limited partnership has two types of partners. The first consists of the general partner, whose name appears in the company's commercial name and who has unlimited liability for the commitments it makes. The general partner of WDP Comm. VA is De Pauw NV. Then there are limited or 'sleeping' partners, who are shareholders and whose liability is limited to the extent of their investment, without being jointly or severally liable.

It is characteristic of a limited partnership with share capital (Comm. VA) to be managed by a (statutory) management company, which needs to have the capacity of managing partner which, for all intents and purposes, cannot be dismissed and holds the veto right against all important decisions by the General Meeting.
The management company is free to resign at any time. However, its mandate can only be withdrawn by the decision of a judge called upon for this purpose by the General Meeting of shareholders, for legal reasons. The management company cannot take part in the vote on this General Meeting resolution.

The General Meeting can only deliberate and take decisions when the management company is represented. The management company needs to agree to any modification in the articles of association and the General Meeting resolutions on actions concerning the company's interests with regard to third parties, such as the distribution of dividends and any decision that has an impact on the company's capital.

1.2. The Board of Directors of the management company, De Pauw NV

1.2.1. Mandate of the Board of Directors

The Board of Directors performs various tasks for the cepic. It:

- outlines its strategy and policy;
- approves all major investments, divestment and other significant transactions in order to achieve the goals set out by WDP Comm. VA;
- monitors the quality of its management, notably through an in-depth analysis and detailed discussion of the annual financial statements, as well as by an annual assessment of its operations;
- ensures that the company's management is consistent with its strategy;
- is responsible for informing the press and analysts about the company's financial information;
- deals with such matters as:
  - approving the budget and the annual and interim financial statements;
  - proposing the dividend to the General Meeting of WDP Comm. VA;
  - allocation of authorised capital;
  - convening ordinary and Extraordinary General Meetings.

1.2.2. Current composition of the Board of Directors

The Board of Directors of the management company is responsible for ensuring that the corporate governance rules are respected at all times.

In this context, WDP has expressly opted for the presence of a sole representative from the reference shareholder on the Board, and for at least as many independent directors as non-independent directors.

The Board of Directors of the management company currently has three independent directors and three non-independent directors.

The following provisions apply to the composition of the Board of Directors of the management company:

- the Board of Directors is composed of a minimum of four members – at least three of whom are independent – and a maximum of ten members;
- one or several directors, accounting for no more than half of the total number, can be executive directors, in other words they can exercise an operational function within WDP;
- the individual expertise and experience of the Board members have to be complementary;
- the individual contribution of each of the directors guarantees that no individual or group of directors can influence the decision-making;
- directors should bear in mind the company's interests, forge an entirely independent opinion and contribute to decision-making;
- any independent director who ceases to comply with the criteria of independence (as defined by the Board of Directors) is obliged to inform the Board.

1.2.3. Functioning of the Board of Directors

The Board of Directors of the management company meets at least four times a year, on the invitation of the chairman. One of these meetings is set aside for deliberating the company's strategy. The dates of the meetings are established in advance for the entire year, in order to limit the risk of absences as far as possible.

Additional meetings also have to be organised each time that the closed-end property company's interests so require or at least two directors so request.
The chairman is responsible for the management and smooth running of the Board meetings and sets out the agenda of the meetings in consultation with the CEO. This agenda contains a fixed list of points to be discussed, which are prepared in depth and are the subject of detailed documentation, so that all the directors have the same information well in advance. These documents are sent to all the Board members by the Friday before the week during which the Board meeting is to take place at the latest, so that each of them can prepare for it appropriately.

The position of chairman of the Board of Directors and CEO cannot be exercised by the same person.

The Board of Directors appoints a company secretary. This person is responsible for monitoring and observing Board procedures and the relevant laws and regulations.

Only the members of the Board of Directors can take part in the deliberations and cast their votes. The Board's vote is only valid if the majority of its members are present or represented.

Resolutions of the Board are passed by a simple majority of votes. In the event of a tied vote, no decision is taken.

On the chairman's invitation, executive directors who are not Board members and specialists in a particular field may attend a Board meeting in order to inform or advise the Board.

The Board of Directors may also seek the advice of an independent expert at any time. For matters concerning financial information or administrative organisation, the Board can call upon the internal auditor and/or independent auditor directly.

1.2.4. Appointment, remuneration and evaluation of the Board of Directors

Appointments

Directors are appointed by the General Meeting of Shareholders of De Pauw NV, following a recommendation from the appointments committee of the Board of Directors of the managing director, which assesses all the candidatures. Depending on whether the appointment is for an executive or non-executive director, the non-independent and independent directors have a greater influence respectively.

The selection of a new director is based on a professional, objective selection procedure. Care is taken during all appointments so that the capacities and know-how within the Board of Directors are guaranteed.

A new director is appointed as soon as a directorship becomes vacant.

The General Meeting of management company De Pauw NV can dismiss directors at any time.

Directors are appointed for a period of six years. Their appointment can then be renewed as many times as the General Meeting wishes, as long as the age limit of 65 years is respected. A director's mandate consequently ends at the end of the General Meeting of the year during which he reaches the age of 65.

Directors are authorised to hold directorships in other companies, be they listed or otherwise. They should inform the chairman of the Board of Directors of any such directorships.

The directors must respect agreements relating to discretion and mutual confidentiality. They should also strictly comply with all the legal principles and practices relating to conflicts of interest, inside information, etc. When a transaction presenting a potential conflict of interest is considered, the corresponding provisions of the Company Code and the Royal Decree relating to cepics are applied. With regard to share transactions conducted by directors on their personal behalf, WDP's rules of procedure have to be respected (see also '4.1. Code of conduct regarding financial transactions', page 45).

Remuneration

The General Meeting allocates a fixed remuneration to the executive directors combined with remuneration related to performance or results.

The Board of Directors can decide to grant additional remuneration to the chairman for additional work, such as part-time executive tasks. Remuneration can also be granted to directors who are assigned special functions or mandates. They are accounted for as general expenses.

The remuneration committee meets once a year to consider the budget for directors' remuneration.

Disclosure of remuneration

The management company's remuneration in 2009 amounted to EUR 825.000. The larger part of this amount relates to the total cost of the Board of Directors in 2009, including the executive management bonus system.

Overview of individual remuneration

Non-executive director	Fixed (EUR)	Variable (EUR)
bvba MOST	16.500	-
Alex Van Breedam	16.500	-
Dirk Van den Broeck	16.500	-
Executive directors		
Tony De Pauw	180.000	84.000
Joost Uwents	180.000	84.000
Part-time executive chairman of Board of Directors		
Mark Duyck	173.500	

This remuneration includes a fixed payment of expenses for each director of EUR 3.500 annually. Furthermore, no options nor any other benefits are provided, save a company car for the executive directors.

The criteria and targets on the basis of which the variable remuneration is granted to the executive directors were determined by the remuneration committee at the start of the financial year. The following criteria were applied for the financial year 2009: operating result of the group, occupancy rate, execution of the solar energy project and change of the capital structure. These criteria and targets were evaluated by the remuneration committee after the close of the financial year. On the basis of the results achieved the variable remuneration was granted to the directors Tony De Pauw and Joost Uwents.

Evaluation

The evaluation of directors is conducted on the one hand on a continuous basis, in particular by their colleagues. When a director has any doubts concerning the contribution of one of his colleagues, he can request this to be included as a point on the agenda of a meeting of the Board of Directors, or notify the chairman, who may then, at his own discretion, take any necessary steps.

In addition, directors are also individually assessed by the Board of Directors each year. Interim assessments can be conducted if circumstances so require.

1.2.5. Current members of the Board of Directors

The Board is made up of the following six members:

- **Mark Duyck** (Lindekensweg 73, B-1652 Alsemberg) has been a director since 1999, chairman of the Board of Directors since 2003 and executive chairman since 2006. He is an economist and has an MBA. After holding various positions, notably in European and American companies, he held various management positions during a 15-year period at Brussels Airport.
  In the past five years, he has also been a director of SN Brussels Airlines*, Valck Group* and Switch NV*, and managing director of Coconsult bvba, companies where he is also a strategic adviser.

  His mandate ends on 27 April 2011 (attendance rate in 2009: 100%).

- The bvba MOST, (Drielindenbaan 66, B-1785 Merchtem), represented by **Frank Meysman**, has been an independent director since 2006.
  Mr. Meysman has in-depth knowledge and international experience in marketing and in this respect is able to reinforce WDP's customer focus. He has been a director at several international companies including Procter & Gamble, Douwe Egberts and Sara Lee. In the past five years, he has also been a director of GIMV, Picanol, Spadel, Pinguin*, Palm, MOST bvba, Grontmy NV and Corporate Express*. He is also chairman of the Board of Directors of JBC.

  His mandate ends on 25 April 2012 (attendance rate in 2009: 100%).

- **Alex Van Breedam** (Duffelshoek 5, B-2550 Kontich) has been an independent director since 2003. He holds a PhD in applied economic sciences and several Master's degrees. After gaining experience with KPMG, he has since 2000 coordinated the launch of the Flanders Institute of Logistics and is an independent expert in Supply Chain Management, specialising in strategic assistance for logistics companies. He has held the post of director general of the Flemish Institute of Logistics since 2003. He is also a part-time lecturer and is a guest professor at three Flemish universities.
  In the past five years he has been a director of Tri-Vizor NV, Advisart bvba (managing director) and Business Development Logistics bvba (partner).

  His mandate ends on 29 April 2015 (attendance rate in 2009: 100%).

- **Dirk Van den Broeck** (Leo de Bethunelaan 79, B-9300 Aalst) has been an independent director since 2003. He has been a partner of Petercam since 1988 and a director there since 1994. He represents Petercam on several Boards of Directors of property companies involved in the issuing of mortgage debentures.
  Dirk Van den Broeck graduated in law and economic sciences.
  In the past five years, he has also been a director of 3P (L) SARL, 3P Air Freighters Ltd, 3P Air Freighters Belgium SA, ASL Aviation Group Ltd, AMP Ltd, Beaulieulaan NV, Belgian European Properties*, Certifimmo SA*, Certifimmo II SA*, Certifimmo III SA*, Distri-Invest NV, EQM Funds Plc*, ALINSO NV, Financière Sainte Gudule cvba*, Foncière Tour Louise SA*, German Residential Property SA*, Immobilière de la Place Sainte Gudule SA, Immo-Régence SA, Meli NV, NIBC Petercam Derivatives NV*, New Paragon Investments Ltd, New Phoenix Investments Ltd, Nouvelle Imter NV*, Omega

* *These mandates have ended at present.*

Preservation Fund Luxembourg*, Omega Preservation Fund*, PAM Alternative Investments Plc, Park De Haan NV, Petercam & Associés SCRL, Petercam Capital UK Ltd, Petercam Management Ireland Ltd, Petercam Management Services NV, Petercam SA, Petercam Services SA, Promotus bvba, QAT Investments SA*, QAT II Investments SA*, QAT ARKIV SA*, Reconstruction Capital II Ltd, Resilux NV*, Schumanplein SA*, Serviceflats Invest NV, Urselia NV, Vastgoedmaatschappij Leopold III-laan NV*, Wilma Project Development NV and WPD Holding NV Winprover*.

His mandate ends on 3 January 2011 (attendance rate in 2009: 100%).

- **Tony De Pauw**, (Ganzenbos 5, B-1730 Asse), CEO since 1999, represents the principal group of shareholders, i.e. the Jos De Pauw family.
  In the past five years, he has also been a director of Ensemble Leporello vzw.

  His mandate ends on 27 April 2011 (attendance rate in 2009: 100%).

- **Joost Uwents**, (Hillarestraat 4 A, B-9160 Lokeren), director since 2002, forms the WDP management team together with Tony De Pauw.
  He is a commercial engineer and holds an MBA.

  His mandate ends on the last Wednesday of April 2014 (attendance rate in 2009: 100%).

The directors Alex Van Breedam, Dirk Van den Broek and bvba MOST (permanently represented by Frank Meysman) meet the independence criteria as stated in Article 526ter of the Company Code.

1.2.6. Declarations concerning directors and executive management

WDP's statutory management company declares, based on the information at its disposal, that:

- at least in the past five years neither it, nor its directors or members of the executive management:
  - have been convicted of fraud;
  - have been the object of officially and publicly expressed accusations and/or imposed sanctions by legal or supervisory authorities, or have been declared unfit to act as a member of the management of an issuing entity by a judicial authority;
  - in the capacity of director, have been involved in a bankruptcy or judicial decomposition.
- at present, no employment contracts have been concluded with the directors, nor with the cepic, nor with the statutory management company, that provide for payments upon termination of employment;
- the employment contracts concluded between the statutory management company and the members of the executive management provide for no special payments upon termination of employment.

* *These mandates have ended at present.*

Number of shares in possession on 31-12-2009

Non-executive directors	Number of	% shares
bvba MOST	0	0,00
Alex Van Breedam	0	0,00
Dirk Van den Broeck	148.000	1,18
Executive directors		
Tony De Pauw	982.796	7,84
Joost Uwents	13.334	0,11
Part-time executive chairman of Board of Directors		
Mark Duyck	1.423	0,01

1.2.7. Conflicts of interest

Conflicts of interest resulting from a directorship

The legal regulation relating to conflicts of interest for directors, as established in Section 523 of the Company Code, applies to decisions or actions arising from the competences of the Board of Directors that satisfy the following conditions:

- they must relate to a director's direct or indirect proprietary interest, i.e. an interest with a financial impact;
- the interest must be conflicting.

The potential 'conflict' relates to the company's interest in the proposed decision or action and the interest of the director concerned in it.

In accordance with this regulation, directors are obliged to point out any potential conflicting proprietary interest to the other directors before a decision is taken.
They are required to leave the meeting during the discussion of the relevant item on the agenda.
They must not take part in the deliberations or the vote taken on this item of the agenda.

During the financial year 2009 two decisions were taken by the Board of Directors of De Pauw NV, duly applying Section 523 of the Company Code, as part of the public capital increase with pre-emptive rights that was completed on 30 June 2009. Mr Dirk Van den Broeck is an independent director of the cepic and also a partner of Petercam NV, one of the banks assisting in the transaction.

As required by Section 523 of the Company Code, the relevant minutes of these meetings of the Board of Directors are set out below. They demonstrate that the decisions concerned were taken and actions were undertaken in the interests of the cepic, at arm's length and were in line with the cepic's investment policy.

Meeting of the Board of Directors of De Pauw NV, statutory management company of WDP Comm. VA, of 26 May 2009

'Mr Dirk Van den Broeck referred to the item of the agenda in which the Board was asked to approve in principle the draft Engagement Letter (including agreements on the fees of the banks, which can result in effectively acting as Underwriter) to engage ING Belgium NV ('ING') and Petercam NV ('Petercam') as supporting banks in the potential implementation of a capital increase in cash with pre-emptive rights (the 'Transaction').

Mr Dirk Van den Broeck declared, and the other Board members took note of the fact, that he could derive an indirect benefit from the decision to be considered in this item of the agenda.

Mr Dirk Van den Broeck is a partner of Petercam and to implement this item on the agenda, the Board would approve in principle the engagement of ING and Petercam by WDP and grant individual powers of attorney to Tony De Pauw, Mark Duyck and Joost Uwents (to act individually or jointly with one or two of the other holders of such power of attorney) to pursue further negotiation of and to sign the Engagement Letter. Mr Dirk Van den Broeck would therefore not take part in the deliberations and the vote on this item of the agenda.

Mr Dirk Van den Broeck declared that (i) in his judgement the draft Engagement Letter contained no provisions, conditions or modalities (and, in particular, agreements on fees) that were outside the scope of provisions that were customary (and reasonable) in practice for such an agreement (partly in view of the proposals from other banks recently received by the management); (ii) that it was important for the proposed development of the activities of WDP within its investment policy and in the light of the statutory limit for the gearing of the cepic to execute the transaction (the proceeds of which would be used for those purposes); and (iii) that this, partly in view of the above, was in the interests of WDP.

After the aforementioned declaration given in advance, the meeting deliberated on this matter and unanimously reached the decisions set out below. Mr Dirk Van den Broeck did not take part in the deliberations and the vote on this item of the agenda.

The members of the Board confirmed (i) that in their judgement the draft Engagement Letter contained no provisions, conditions or modalities (and, in particular, agreements on fees) that were outside the scope of provisions that were customary (and reasonable) in practice for such an agreement (partly in view of the proposals from other banks recently received by the management); (ii) that it was important for the proposed development of the activities of WDP within its investment policy and in the light of the statutory limit for the gearing of the cepic to execute the transaction (the proceeds of which would be used for those purposes); and (iii) that this, partly in view of the above, was in the interests of WDP.

The Board approved the draft Engagement Letter and granted individual powers of attorney to Tony De Pauw, Mark Duyck and Joost Uwents (to act individually or jointly with one or two of the other holders of such power of attorney) to pursue further negotiation of the Engagement Letter as attached to these minutes, and on behalf of WDP to sign the definitive Engagement Letter (adapted as applicable as a result of such further negotiation).'

Meeting of the Board of Directors of De Pauw NV, statutory management company of WDP Comm. VA, of 26 June 2009

'The chairman declared that Mr Dirk Van den Broeck (insofar as necessary, as he had already given the same declaration before approval of the Engagement Letter concluded as part of the transaction) had referred to item a) on the agenda, in which the Board was asked to approve the Underwriting Agreement (including the agreements on the fees for the banks, including Petercam NV ('Petercam')) in which, in accordance with the modalities and conditions of this Underwriting Agreement, ING Belgium NV ('ING') and Petercam as Joint Bookrunners and Dexia Bank Belgium NV ('Dexia') as Co-manager guarantee the payment of the new shares subscribed to by investors (except the Family Jos De Pauw) as part of the transaction.

The chairman declared on behalf of Mr Van den Broeck, and the other members of the Board took note of the fact, that Mr Van den Broeck could derive an indirect benefit from the decision to be considered in item a) on the agenda.

Mr Van den Broeck is a partner of Petercam.

Mr Van den Broeck declared (i) that in his judgement the Underwriting Agreement contained no provisions, conditions or modalities (and, in particular, agreements on fees) that were outside the scope of provisions that were customary (and reasonable) in practice for such an agreement (partly in view of the proposals from other banks recently received by the management); (ii) that it was important for the proposed development of the activities of WDP within its investment policy and in the light of the statutory limit for the gearing of the cepic to execute the transaction (the proceeds of which would be used for those purposes); and (iii) that this, partly in view of the above, was in the interests of WDP. Mr Van den Broeck had also commented that the agreements on fees as included in the Underwriting Agreement did not depart from the agreements contained in the Engagement Letter relating thereto.

After the aforementioned declaration given in advance, the meeting deliberated on this matter and unanimously reached the decisions set out below. Mr Van den Broeck was neither present nor represented and therefore did not take part in the deliberations and the vote on this item of the agenda.

The members of the Board confirmed (i) that in their judgement the Underwriting Agreement contained no provisions, conditions or modalities (and, in particular, agreements on fees) that were outside the scope of provisions that were customary (and reasonable) in practice for such an agreement (partly in view of the proposals from other banks recently received by the management); (ii) that it was important for the proposed development of the activities of WDP within its investment policy and in the light of the statutory limit for the gearing of the cepic to execute the transaction (the proceeds of which would be used for those purposes, as detailed in the prospectus drawn up for the transaction); and (iii) that this, partly in view of the above, was in the interests of WDP.

After discussing the matter the Board unanimously (with regard to those directors taking part) approved the Underwriting Agreement, and the Board unanimously (with regard to those directors taking part) granted a special power of attorney to Mark Duyck, Tony De Pauw and Joost Uwents, with the power to act individually or together with another holder of such power of attorney, to sign on behalf of and for the account of WDP the Underwriting Agreement and documents related to it such as (but not limited to) Officer Certificates that would be requested in this connection. The definitive draft of the Underwriting Agreement is attached to these minutes as Annexe 1. The holder(s) of a power of attorney are required to sign a substantially identical version on behalf of and for the account of the company.'

Conflicts of interest as intended in Article 524 of the Company Code

The cepic is also required to follow the procedure stipulated in Article 524 of the Company Code should it make a decision or perform a transaction that is related to the cepic's relations to an associated company.

Functional conflicts of interest

The legislation of Article 24 of the Royal Decree of 10 April 1995 concerning cepics applies to WDP Comm. VA. This article contains legislation on functional conflicts of interest that stipulates that the cepic should inform CBFA if and when certain persons (an exhaustive list of which is set out in the same Article, among which the management company and the directors of the management company) act as a counterparty concerning, or gain any benefit from, a transaction with the cepic or with a company it controls. In its statement to the CBFA, WDP should demonstrate its interest in the planned transaction, along with the fact that the transaction concerned is within the scope of the investment policy of the cepic. Furthermore, transactions that involve such a conflict of interest should take place at normal market conditions. If such a transaction concerns property, the valuation of the property expert is binding.

Such transactions, along with the data to be reported, are publicly disclosed without delay. They are explained in the annual financial report and – if applicable – in the interim report.

As part of the public capital increase transaction with pre-emptive rights that was completed on 30 June 2009, a conflict of interest arose in respect of Mr Dirk Van den Broeck, as he is simultaneously an independent director of the cepic and a partner at Petercam, one of the banks assisting in the transaction. The prescribed procedure was followed at that time.

1.3. Specialist committees established by the Board of Directors

With a view to the application of the Corporate Governance Code, De Pauw NV Board of Directors set up four specialist committees as from autumn 2004: a strategic committee, an audit committee, an appointments committee and a remuneration committee. These committees are not statutory, but have been established in accordance with the Corporate Governance Code, with the exception of the deviation mentioned at the beginning of this chapter, on page 24.

All of these committees can invite people who are not committee members to attend their meetings. They can also request, on behalf of the company, external professional advice on subjects relating to the committee's specific competences. They are nevertheless required to inform the chairman of the Board of Directors beforehand.

After each committee meeting, all of the members of the Board of Directors receive a copy of the minutes of the meeting and its conclusions.

1.3.1. The strategic committee

The strategic committee deals with subjects that could influence the company's strategy.

Given the limited number of directors and the importance of strategic discussions, this is undertaken permanently by the entire Board of Directors.

The strategic committee is chaired by the chairman of the Board of Directors.

Name	Position	Attendance rate
Mark Duyck	Executive chairman	100%
bvba MOST	Independent director	100%
Alex Van Breedam	Independent director	100%
Dirk Van den Broeck	Independent director	80%
Tony De Pauw	CEO	100%
Joost Uwents	Executive director	100%

1.3.2. The audit committee

The Board of Directors appoints an audit committee from its midst. The audit committee is made up of the non-executive directors of the Board of Directors.

At least one member of the audit committee has the necessary expertise in the field of accountancy and audit and should, as of 1 July 2011, meet the criteria of independent director as stipulated in Article 526ter of the Company Code.

The audit committee is chaired by an independent director, elected from the members of the Board of Directors. The chairman organises the proceedings of the audit committee and can invite members of the management team, the chairman or the independent auditor to take part in the meetings in their capacity as expert.

The audit committee performs the following tasks:

- monitoring the financial reporting process;
- monitoring the efficiency of the systems for WDP's internal control and risk management;
- monitoring the internal audit and its effective operation;
- monitoring the statutory audit of the annual accounts and the consolidated financial statements, including the follow-up of questions and recommendations made by the auditor;
- assessing and monitoring the auditor's independence, in particular in relation to additional services provided to the company.

The audit committee reports to the Board of Directors on a regular basis on the execution of its tasks, and in any case when the Board of Directors draws up the annual accounts, the consolidated financial statements and, if applicable, the summary income statement intended for publication.

Prior to each half-yearly meeting of the Board of Directors, an interim report is drawn up that is presented to the audit committee by the auditor.

The committee meets two times a year, each time prior to the start of a meeting of the Board of Directors. The Corporate Governance Code recommends at least four meetings a year, but in WDP's judgement the two meetings at which the auditor is present are sufficient.

Name	Position	Attendance rate
bvba MOST	Independent director	100%
Alex Van Breedam	Independent director	100%
Dirk Van den Broeck	Executive chairman	100%

1.3.3. The appointments committee

The appointments committee was established to advise the Board of Directors on appointments to be proposed to the General Meeting of Shareholders. It also gives its opinion on recruitment to key posts, even if this does not have to be approved by the General Meeting.

Given the limited size of the Board of Directors, the appointments committee is made up of the entire Board of Directors and is chaired by the chairman of the Board. The appointments committee consequently consists of six members, half of which – and not the majority (as prescribed by the Corporate Governance Code) – are independent directors. However, the chairman cannot chair the appointments committee meeting to consider the election of his successor.

The appointments committee meets at least once a year, before the final meeting of the Board of Directors of that year. It also meets at other times if circumstances so require. The Corporate Governance Code recommends at least two meetings per year, but given the limited size of the Board of Directors and the workforce of the management company, WDP is of the opinion that a fixed second meeting would be superfluous.

Name	Position	Attendance rate
Mark Duyck	Executive chairman	100%
bvba MOST	Independent director	100%
Alex Van Breedam	Independent director	100%
Dirk Van den Broeck	Independent director	100%
Tony De Pauw	CEO	100%
Joost Uwents	Executive director	100%

1.3.4. The remuneration committee

The remuneration committee is responsible for formulating proposals for the remuneration of directors and the company's remuneration policy regarding its executive management. It is made up of all the independent directors and the chairman of the Board of Directors.

The remuneration committee meets at least once a year, before the final meeting of the Board of Directors of that year. It also meets at other times if circumstances so require. The Corporate Governance Code recommends at least two meetings per year, but given the limited size of the Board of Directors and the workforce of the management company, WDP is of the opinion that a fixed second meeting would be superfluous.

Name	Position	Attendance rate
Mark Duyck	Executive chairman	100%
bvba MOST	Independent director	100%
Alex Van Breedam	Independent director	100%
Dirk Van den Broeck	Independent director	100%

2. The executive management

The cepic WDP Comm. VA is a self-managed fund. It does not delegate the management of its property assets to a third party, but manages them itself in consultation with the management company. The management is therefore not involved in any other property activity, but works exclusively for WDP's stakeholders.

2.1. Executive management tasks

WDP's executive management, under the responsibility of the CEO of the management company, is responsible for:

- the preparation, proposal and execution of the strategic objectives and the group's general policy plan, as approved by the Board of Directors;
- defining the standards that must be observed in implementing this strategy;
- the implementation of Board resolutions, monitoring performance and results;
- reporting to the Board.

2.2. Current composition and allocation of tasks

Tasks are divided amongst the executive management as follows:

Tony De Pauw is the CEO.
He bears primary responsibility for:

- Overall management, i.e. providing day-to-day management of the WDP team
- Investment policy, specifically, identifying, evaluating and negotiating for potential new acquisitions in the regions in which WDP is active
- Management of the property portfolio, more specifically setting policy for the management of existing premises (maintenance, refurbishment and improvement work), in consultation with the facility managers
- Project management, following up on ongoing new construction projects by liaising with the project managers.

Joost Uwents is executive director.
He bears primary responsibility for:

- Financial policy and internal reporting. This includes cash management, debtor and creditor management, management of loans and interest charges, and reporting to the various levels in consultation with the finance manager.
- Marketing, particularly developing commercial initiatives targeting existing and potential customers, in conjunction with the marketing manager
- Commercial policy, which consists in designing the approach to maximise occupancy in the long term, focusing on both existing and potential customers. This is done together with the various commercial managers.

- Investor relations, i.e. communications with retail and institutional investors through contacts with financial analysts and journalists, as well as directly with investors at roadshows and other events.

The management team can also count on the support and professional experience of the chairman of the Board of Directors, who works on a part-time basis (three days a week) in his capacity as executive chairman.

2.3. Functioning of the executive management

The members of the executive management work together closely and in constant consultation. Major decisions on day-to-day management are taken unanimously in accordance with agreements made with the Board of Directors.
If the executive management does not reach an agreement, the decision is passed to the Board of Directors.

External representation of the company is conducted in accordance with procedures established by the executive management in consultation with the Board of Directors.

A weekly management meeting is held, attended by both the members of the management team and the chairman of the Board of Directors in his capacity as executive chairman. The Board of Directors is entitled to see the agenda and minutes of these meetings. An agenda is drawn up before each meeting and is sent well in advance to all the management team members and the executive chairman so that they can prepare for the meeting appropriately. This agenda contains matters including operational decisions relating to day-to-day operations, the situation of projects in progress and leases and the evaluation of new projects under consideration.

With regard to the company's day-to-day operations, decisions are taken by a majority of votes. Decisions regarding new projects or acquisitions, however, require a unanimous agreement. If this is not achieved, the decision is left to the Board of Directors.

2.4. Responsibility to the Board of Directors

The executive management submits all the relevant financial and business information to the Board of Directors of the management company every three months. The following information is provided: key figures, an analytical presentation of the results in relation to the budget, an overview of the changes in the property portfolio, the consolidated financial statements and relevant detailed disclosures relating to the consolidated financial statements.

The members of the executive management who are also executive directors also report on the exercising of their responsibilities to their colleagues on the Board of Directors.

2.5. The effective management

At least two members of the Board of Directors – each of them natural persons – provide the effective management of the cepic. In the past financial year, these tasks were performed by Tony De Pauw and Joost Uwents. Their tasks in view of the actual management of the cepic are explained above (see '2.2 Current composition and allocation of tasks', page 39).

2.6. Appointments, remuneration and evaluation

2.6.1. Appointments

The CEO is selected and proposed by the Board of Directors.

The CEO and the chairman jointly submit their selection and nominations for the executive management to the appointments committee for approval

2.6.2. Remuneration

WDP's salary policy with regard to its executive management is the responsibility of the remuneration committee, which formulates proposals in relation to the Board of Directors. The remuneration of the CEO and executive managers is assessed annually.

The committee has drawn up a new remuneration policy under the supervision of the chairman of the Board of Directors, which is made up of four parts:

- fixed remuneration;
- variable remuneration linked to the past year's operating results;
- an insurance and pension contribution;
- long-term incentive.

2.6.3. Disclosure of remuneration

The total cost of the independent directors and the executive chairman amounts to EUR 237.000 (100% fixed). The total cost of the executive management is EUR 535.000 (30% variable remuneration + long-term incentive). For more details, see 'Disclosure of remuneration' on page 28.

At present, no employment contracts have been concluded with the executive directors that provide for payments upon termination of employment.

2.6.4. Evaluation

The executive management is assessed by the Board of Directors on the basis of objectives and performance.

Under the new structure, the evaluation of the CEO will be conducted by the Board of Directors. The other executive managers will be assessed by the CEO and the remuneration committee.
The objectives used as a basis for the evaluation are defined by the CEO and the executive managers, in consultation with the remuneration committee.

2.7. Conflicts of interest

The legislation of Article 24 of the Royal Decree of 10 April 1995 concerning cepics applies to Warehouses De Pauw Comm. VA. This article contains a legislation on functional conflicts of interest that stipulates that the cepic should inform the Banking, Finance and Insurance Commission (CBFA) if and when certain persons (an exhaustive list of which is set out in the same Article, among which the management company and the directors of

Family
Jos De Pauw
31%

Public
69%

Family
Jos de Pauw
100%

Independent experts/supervisory authorities

Banking, Finance and Insurance Commission

Chartered Surveyors

Statutory Auditor

WDP Comm. VA

Management

De Pauw NV

Board of Directors

Management team

Joost Uwents

Tony De Pauw

Investments
Commercial policy
Finance and Administration
Investor Relations
Technical Management

the management company) act as a counterparty concerning, or gain any benefit from, a transaction with the cepic or with a company it controls. In its statement to the CBFA, WDP should demonstrate its interest in the planned transaction, along with the fact that the transaction concerned is within the scope of the investment policy of the cepic.

Furthermore, transactions that involve such a conflict of interest should take place at normal market conditions. If such a transaction concerns property, the valuation of the property expert is binding.

Such transactions, along with the data to be reported, are publicly disclosed without delay. They are explained in the annual financial report, and – if applicable – in the interim report.

Outside of the ambit of its obligation in accordance with Article 24 of the Royal Decree of 10 April 1995 concerning cepics, WDP furthermore demands that each member of the executive management should avoid a conflict of interest whenever possible.
Should a conflict of interest arise concerning a matter that is within the authority of the executive management, and on which it must decide, the person involved shall inform his colleagues of this. They will then decide whether or not their colleague can take part in the vote on the matter to which the conflict of interest relates and whether that colleague can be present during the debate on this point.

There is ‘a conflict of interest for a member of the executive management’ if:
- the member or one of their close relatives has a property interest which conflicts with a company decision or transaction;
- another company which does not belong to the group and in which the member or one of their close relatives exercises a directorship or management position has a property interest which conflicts with a company decision or transaction.

3. Structures abroad

In order to manage its foreign property assets optimally, WDP Comm. VA has created subsidiaries in various European countries:

France
- Etablissement stable WDP, Rue Cantrelle 28, 36000 Châteauroux.
- WDP France SARL, Rue Cantrelle 28, 36000 Châteauroux.

Netherlands
- WDP Nederland BV, Postbus 78, Gebouw C, 2740 AB Waddinxveen.
- Royvelden Vastgoed, Postbus 78, Gebouw C, 2740 AB Waddinxveen.

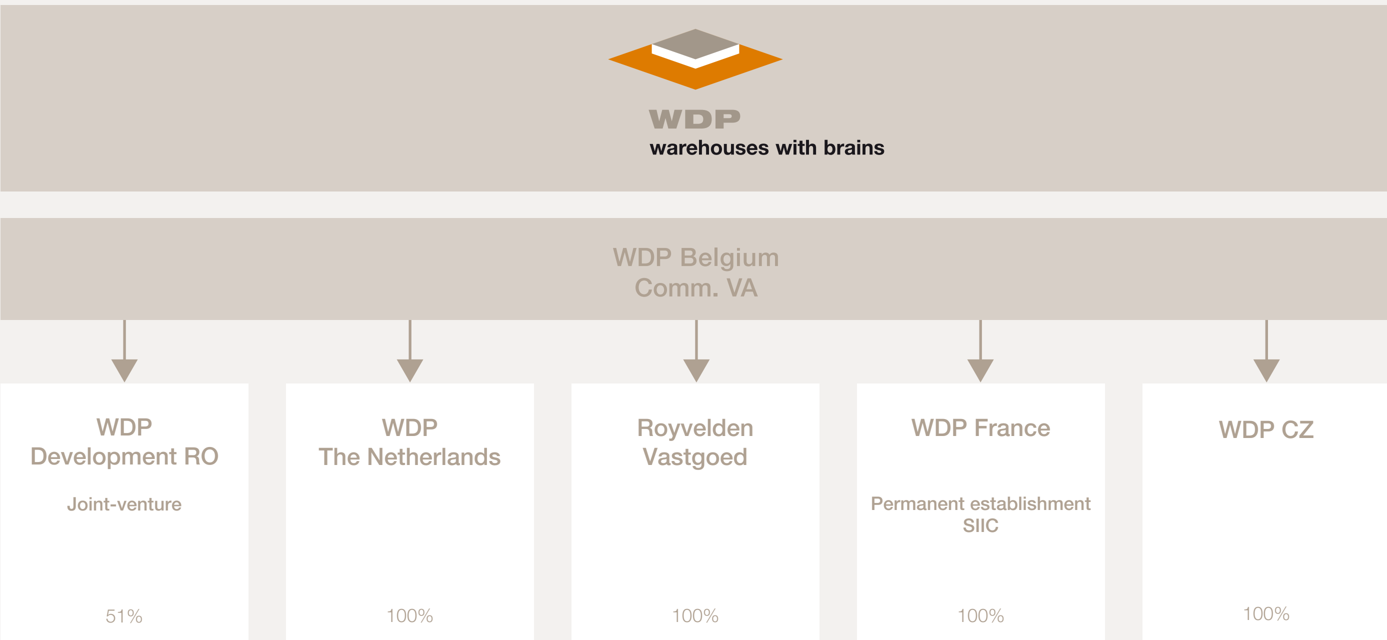
Romania
- WDP Development RO, Baia de Arama no. 1, sector 2, Bucharest, a 51-49 joint-venture with entrepreneur and Romania specialist Jeroen Biermans.

Czech Republic
- WDP CZ sro, Hvězdova 1716/2b, 14078 Prague.

The group’s companies share various characteristics.
- The company structure is the local equivalent of a private limited liability company (BVBA).

Corporate governance and structures

- WDP has a 100% stake in all the companies abroad except for the WDP Development RO joint-venture (51%), apart from a single share held by De Pauw NV, owing to the prohibition of 100% shareholding.
- Subsidiaries' results are subject to local corporate taxation, except WDP France, which benefits from SIIC status, providing exemption from corporate taxation and capital gains tax. More information on the SIIC status is available on our website **www.wdp.be**.
- Net profits can be distributed to WDP, so that exemption from tax deduction at source can be claimed on the grounds of parent-subsidiary legislation. The profits of foreign subsidiaries are included in the consolidation, after deduction of depreciation on the property and deferred taxes payable on capital gains.
- The companies are managed by the Belgian management. Bookkeeping and administration are undertaken by local accountancy firms:
  - for France: Barachet, Simonet, Roquet, in Châteauroux;
  - for the Netherlands: FSV administratieve dienstverlening, in Zaltbommel;
  - for Romania: Mattig Petrescu & Partners, in Bucharest;
  - for the Czech Republic: KŠD ŠŤOVÍČEK Economic Services in Prague.
- The financing strategy: in principle, WDP's foreign investments are financed as far as possible with foreign capital, as these companies are subject to local corporate tax – unlike WDP Comm. VA in Belgium, which is a closed-end investment company, and WDP France, which has SIIC status. This financing is arranged through a combination of bank loans and market-based, direct or indirect subordinated group loans between WDP Comm. VA and the various subsidiaries.



In the choice between these financing methods, the effect of this financing on the consolidated debt rate of WDP (the maximal debt rate that is to be respected on the consolidated level amounts to 65% in accordance with Article 52 §1 of the Royal Decree of 10 April 1995 regarding cepics) is always taken into account. On the consolidated level, the deferred group loans do not affect the group's debt rate, but where bank loans are concerned, the effect on the consolidated debt rate should always be examined.

In applying this financing strategy (next to the debt rate), two important tax principles that vary from country to country must be taken into account:

- the rules regarding companies' thin capitalisation obligation;
- the percentage of withholding tax charged on interest for group loans paid to the country of origin.

4. Other corporate governance provisions, as published in the Corporate Governance Charter

4.1. Code of conduct regarding financial transactions

4.1.1. Compliance officer

The compliance officer is responsible for checking that the rules set out in this Charter with regard to market abuse are respected. He should have a sufficient number of years' experience within the company. At WDP, the executive director Joost Uwents has been appointed as the compliance officer.

4.1.2. Directives relating to transactions involving the company's shares

The following guidelines apply to all the members of the Board of Directors, members of the executive management and all the members of staff of WDP Comm. VA and De Pauw NV and the staff of the independent property surveyors who have access to information that they know or should know to constitute inside information. Inside information is understood as any information not publicly disclosed that is accurate and directly or indirectly relates to one or more issuers of financial instruments or one or more financial instruments and that, if it were publicly disclosed, could significantly affect the price of those financial instruments (or that of financial instruments derived from them.
The statutory auditor is subject to the legal provisions and code of ethics of the 'Institut des Reviseurs d'Entreprises' (IRE/IBR).

These guidelines also apply to transactions concluded under the company's programmes to acquire its own shares.

Obligation of disclosure
Both where the management company and the directors of the management company are concerned, WDP applies the stipulations of Article 25bis §2 of the Law of 2 August 2002 concerning the supervision of the financial sector and financial services, relating to the reporting of the transactions made by these persons. This means that persons with management responsibilities at WDP Comm. VA (the management company and its permanent representative), along with the persons who are closely affiliated with them (in the meaning of Article 2, 23° of said Law of 2 August 2002) and the directors of De Pauw NV are bound to declare each transaction to purchase shares issued by WDP Comm. VA on their own behalf to the compliance officer (stating all information required in order to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420


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Rij 1
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Rij 2
Zaandam
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Rij 3
Tilburg
430

enable the compliance officer to report to CBFA as is legally required) in the course of the working day following the working day when the transaction was made.

The compliance officer should report each notification to the CBFA as soon as possible and within five working days after the execution of the transaction at the latest. However, the compliance officer can postpone such notifications until 31 January of the following calendar year at the latest if the total amount of transactions made by the same person during the current calendar year remains below the EUR 5.000 limit. Should this limit be exceeded, the compliance officer shall report all transactions made by the same person so far within five working days after execution of the last transaction of said person.

This system, in which the compliance officer reports de facto on behalf of the person concerned, does not alter the fact that the obligation of disclosure de jure exclusively exists on account of the individual persons obliged to make a disclosure, namely the persons with management responsibilities and those closely related to them, and that they remain responsible for this.

Disclosure of price-sensitive information

The Board of Directors undertakes to communicate any price-sensitive information as quickly and clearly as possible. All of the members of the Board of Directors, the executive management and staff who obtain potentially price-sensitive information regarding WDP are obliged to inform the compliance officer accordingly.

The directors undertake to preserve the confidential nature of price-sensitive information and not to disclose it in any form whatsoever, nor enable anyone to gain access to it, unless the prior consent of the chairman of the Board of Directors has been granted.

Ban on the misuse of inside information

In this respect, WDP operates in accordance with Article 25, §1, 1° of the Article of 2 August 2002 relating to the supervision of the financial sector and financial services.

Ban on market manipulation

WDP complies with the provisions of Article 25, §1, 2° of the Article of 2 August 2002 relating to the supervision of the financial sector and financial services.

Closed periods

As from the sixteenth working day after the end of each quarter until the date of publication of the results for the quarter (closed periods), it is forbidden to sell or purchase the company's shares or other financial instruments. The partial sale of shares with a view to financing the exercise price or any tax payable on the capital gain is also forbidden during these periods.

The compliance officer can authorise derogations to this principle in exceptional cases. He can also impose occasional closed periods on the basis of significant price-sensitive information known to the Board of Directors and the executive management. In such cases, it has to be information that is required to be publicly disclosed.

These occasional closed periods begin at the moment when the information becomes known to the Board of Directors and the executive management. They last until the moment when the information is released to the public.

The fixed and occasional closed periods apply to WDP's Board of Directors, executive management and all members of staff.
The compliance officer will systematically draw up a list of all the other people who have knowledge of the results and/or occasional price-sensitive information.

Transactions which are always prohibited
Short-term speculative transactions are always prohibited. This means that short-term option transactions, so-called 'short selling' and the hedging of options granted under share option schemes are not allowed.

Transactions which are always authorised, including during closed periods
- Purchases and sales are possible even during closed periods on condition that purchase and sale orders were given outside these periods. Restricted purchase and sale orders cannot be altered during closed periods.
- The exercising of options granted under a share option scheme.
- The sale of shares acquired through this exercise is nevertheless prohibited.
- The acquisition of shares in the context of a dividend payment.
- Transactions undertaken in the context of discretionary management of capital outsourced to third parties.

4.2. Shareholder relations and the General Meeting

The company will treat all WDP shareholders equally. Shareholders have access to the Investors section of the website, where they are provided with all the information they need to act in knowledge of the facts. They can also download from the website any documents required to take part in the voting at the Annual General Meeting. This part of the website also includes the most recent version of the coordinated articles of association and the Corporate Governance Charter.

In accordance with the conditions and terms stipulated in Articles 6 to 13 of the law of 2 May 2007, any natural or legal person who, directly or indirectly, purchases shares carrying voting rights of the company, is obliged to inform the latter and the Banking, Finance and Insurance Commission of the number of shares in their possession if the voting rights associated with these shares reach or exceed 3% of the total of the existing voting rights. This threshold was incorporated in the articles of association in accordance with Article 18 of the law of 2 May 2007, along with the legal thresholds referred to in the following paragraph.

This notification is also obligatory in the event that additional shares are acquired, directly or indirectly, if as a result of this acquisition the number of voting rights associated with the acquired shares amounts to or exceeds 5%, 10%, 15%, 20%, or any following increment of 5 percentage points, of the total number of voting rights. This notification is also obligatory in the event that the shares with voting rights are sold, directly or indirectly, if such disposal results in the voting rights falling below the aforementioned thresholds.

Corporate governance and structures

No special control rights are granted to any specific categories of shareholders. WDP currently has only one reference shareholder, which has a (sole) representative on the Board of Directors.

The notice convening a General Meeting should mention the agenda and the proposals for decisions. The convocation should take place through an announcement in the Belgian Official Gazette and one national daily newspaper, at least twenty-four days prior to the meeting.
The registered shareholders shall receive the convocation fifteen days prior to the meeting by means of a letter, unless they have agreed explicitly and in writing that the convocation should take place by other means. The notes of the General Meeting and the voting results are to be published as soon as possible on the WDP website, **www.wdp.be**.

The chairman presides over the Annual General Meeting. He sets aside sufficient time to answer all questions that the shareholders wish to ask about the annual financial report or points on the agenda. The results of the votes are published on the website as soon as possible after the General Meeting.

Shareholders who wish to have certain points placed on the agenda of a General Meeting have to submit them to the Board of Directors at least two months in advance. This period of notice is required so that the company's interests can be taken into account, legal deadlines are met for convening the Annual General Meeting and to give the Board of Directors reasonable time to examine the proposals. The Board of Directors is not obliged to accept these proposals.

Shareholders representing over one-fifth of the authorised capital can request an Extraordinary General Meeting to be convened.

4.3. Misuse of company property and corruption

WDP directors, executive management and staff are prohibited from using WDP's property or creditworthiness for their private purposes. They can only do so if they have been duly authorised for this purpose.

They also undertake not to accept any advantage in the form of a gift or entertainment from customers or suppliers, except where this is compatible with customary, admissible commercial practices.

In the event of a breach of this rule, the Criminal Code will be applied.

If a director, executive manager or member of staff is unsure whether or not an act constitutes 'misuse of company property' or 'corruption', they should request prior authorisation from the chairman of the Board of Directors. Such authorisation, however, will clearly not exempt them from any potential criminal liability.

5. Statutory provisions relating to the management company and modification of the articles of association

5.1. The statutory management company

The management company is appointed by an Extraordinary General Meeting sitting under the conditions required for the amendment of the articles of association. The management company is free to resign at any time. However, its mandate can only be withdrawn by the decision of a judge called upon for this purpose by the General Meeting of Shareholders, for legal reasons.

The company is represented for each act of disposition of its property in the sense of the legislation applicable to cepics by its management company, De Pauw NV, acting through two natural persons who are required to be members of its management.

Since 1 September 2002, Tony De Pauw is appointed as permanent representative of De Pauw NV in view of its mandate as statutory management company, without, however, infringing on Article 18 of the Royal Decree of 10 April 1995 relating to cepics. The management company De Pauw NV was appointed for an indefinite period.

The management company is authorised, for the duration of three years as from the publication of the minutes of the Extraordinary General Meeting of 31 March 2009 (published in the Appendices to the Official Belgian Gazette of 23 April 2009), to for the company's account, dispose of or accept as security its own shares on behalf of the company, without any prior decision by the General Meeting, if such acquisition or disposal is necessary in order to protect the company from any serious or imminent damage.

The management company is also authorised, for the duration of five years after the Extraordinary General Meeting of 31 March 2009, to acquire for the company's account, accept as security and resell (even outside the stock exchange) the company's own shares at a share price that may not be lower than EUR 0,01 per share (acquisition and accept as security) or 75% of the closing price on the trading day preceding the date of the transaction (reselling) and that may not exceed EUR 70,00 per share (acquisition and accept as security), or 125% of the closing price on the trading day preceding the date of the transaction (reselling) without the company being authorised to hold over 20% of the total amount of shares issued.

5.2. Modification of the articles of association

The Extraordinary General Meeting can only validly decide on a modification of the articles of association if the meeting's participants represent at least one half of the authorised capital and if the management company is present. If this quorum has not been reached or if the management company is not present, a further convocation is required and the second meeting will validly consider and reach a decision, whatever the proportion of share capital represented and irrespective of the management company's absence.

A modification of the articles of association is only adopted if it has been previously approved by the Banking, Finance and Insurance Commission, if it has obtained three quarters of the votes related to the shares present or represented and if the management company is present or represented and has given its consent.

6. Statutory auditor

The non-trading, limited liability cooperative company (CVBA) Deloitte Bedrijfsrevisoren, established at Berkenlaan 8b, 1831 Diegem, represented by Mr. Rik Neckebroeck, was appointed on 25 April 2007 as the statutory auditor of WDP Comm. VA.
The statutory auditor's mandate includes auditing WDP group's consolidated financial statements and the annual accounts of the WDP group.
The statutory auditor's mandate will end at the end of the Annual General Meeting in 2010.

In France, the company Deloitte & Associés, established at rue de Luxembourg 67, 59777 Euralille, represented by Mr. Jean-Yves Morisset, was appointed as the statutory auditor of the subsidiary WDP France SARL.

In the Czech Republic, the company Deloitte & Associés, established at Karolinská 654/2, 186 00 Prague 8, represented by Ms. Diana Rogerová, was appointed as the statutory auditor of the subsidiary WDP CZ sro.

The fees for the services of the auditor of WDP Comm. VA and subsidiaries in respect of the financial year 2009 are EUR 72.095 (excl. VAT). The fees for other statutory audit services in the financial year 2009 are EUR 18.900 (excl. VAT). Fees relating to other advisory services (for instance, due diligence work) in the financial year 2009 are EUR 71.745 (excl. VAT).

7. Other provisions in relation to Article 34 of the Royal Decree of 14 November 2007 relating to the obligations imposed on issuers of financial instruments admitted to trading on a regulated Belgian market

7.1. Capital structure

As at the date of this annual financial report, the authorised capital of WDP Comm. VA amounts to EUR 100.521.835,66, divided into 12.533.938 shares, each of them ordinary shares of no-par value, which each represent 1/12.533.938 part of the capital. None of these shares are entitled to any extraordinary voting or entitled to any special rights.

7.2. Share plan for employees

At the moment, WDP Comm. VA does not provide a share plan for employees. Please refer to the information in 7.5.

7.3. Shareholder agreements, which could lead to limitation of transfers or limitation of the exercise of voting rights

Under Article 74, §6 of the Act of 1 April 2007 relating to public issues, the family group Jos De Pauw has confirmed in writing that a verbal agreement exists between them so that they can act in mutual agreement at General Meetings, in order to exercise their votes as a single entity in these General Meetings. In this declaration, they also confirm the terms of this mutual agreement

7.4. Statutory provisions relating to the appointment/replacement of the management company and modification of the articles of association

It is characteristic of a limited partnership with share capital that this company is managed by a management company, which should hold the form of a managing partner, which for all intents and purposes, cannot be dismissed, and possesses veto rights on all important decisions made by the General Meeting. The management company can resign at any time. However, the mandate of the management company cannot be revoked unless there is a judicial verdict by demand of the General Meeting based on legal grounds. The management company cannot take part in the vote on this General Meeting resolution.

The General Meeting can only deliberate and take decisions when the management company is represented. It has to agree to any modification in the articles of association and the General Meeting resolutions on actions concerning the company's interests with regard to third parties, such as the distribution of dividends and any decision that has an impact on the company's capital.

With regard to the Board of Directors of the management company, we refer to '1.2. The Board of Directors of the management company, De Pauw NV' on page 25.

7.5. Authority of the management with regard to the issue or purchase of shares

The management company is authorised, for the duration of three years as from the publication of the notes of the Extraordinary General Meeting of 31 March 2009, to acquire for the company's account, dispose of or accept as security its own shares, without any prior decision by the General Meeting, if such acquisition or disposal is necessary in order to protect the company from any serious or imminent damage.

The management company is also authorised, for the duration of five years after the Extraordinary General Meeting of 31 March 2009, to acquire for the company's account, accept as security and resell (even outside the stock exchange) the company's own shares at a share price that may not be lower than EUR 0,01 per share (acquisition and accept as security) or 75% of the closing price on the trading day preceding the date of the transaction (reselling) and that may not exceed EUR 70,00 per share (acquisition and accept as security), or 125% of the closing price on the trading day preceding the date of the transaction (reselling) without the company being authorised to hold over 20% of the total amount of shares issued.

The management company of De Pauw NV, used the aforementioned authorisation under the Articles of Association on 3 July 2009 and bought 1.490 shares in the company's own capital on Euronext Brussels, for an average price of EUR 28,11 per share. These shares were transferred on 6 July 2009 to employees of WDP as part of an incentives programme.

On 31 December 2009, WDP Comm. VA did not hold any own shares. The management company De Pauw NV held 1,438 shares. The total nominal value of these shares is EUR 49.098,65.

Declarations

WDP's statutory managing company declares that no government interventions, lawsuits or arbitrations exist that could influence – or in a recent past influenced – the cepic's financial position or its yield. It also declares that to its knowledge, no circumstances or facts exist that could lead to such government interventions, lawsuits or arbitrations.

Furthermore, the managing company declares that:

- the annual accounts, drawn up in accordance with the applicable standards for annual accounts, give a true and fair view of the group's equity, financial position and of the results of the issuer and of the companies taken up into the consolidation;
- the annual financial report gives a true and fair view of the development and results of the company and of the issuer's position and of the companies taken up into the consolidation, along with a description of the main risks and uncertainties they face.

This annual financial report contains statements referring to the future. Such statements enclose unknown risks, insecurities and other factors that could result in the current results, financial position, performance and realisations differing from any future results, financial position, performance and realisations expressed or implicated by such statements referring to the future. Given these uncertain factors, such statements referring to the future do not contain any guarantees.

WDP's statutory managing company is responsible for the information provided in this annual financial report. The statutory managing company has made any reasonable efforts in order to verify this information. It declares that, to its knowledge, the data in this annual financial report are a fair presentation of the reality, and that no information has been omitted which would, if reported, alter the effect of this annual report.

The statutory managing company of WDP Comm. VA declares that there have been no significant changes in the financial or commercial position of the group following 31 December 2009.

Management Report

1. Introduction

WDP continued its investment programme in 2009, despite the challenging economic environment, and completed several new acquisitions early in the year. These included a 'sale and leaseback' operation with the logistics division of DHL, making WDP the largest lessor of this company in Belgium.

A successful capital increase in June reinforced the basis for further growth of the portfolio. The EUR 73,6 million raised was used to reduce the short-term debt position, and to finance new projects in Belgium and abroad (some EUR 39 million).

These funds have now been fully allocated to various projects:

- the construction of a building of 13.000 m² for the Ter Beke food group in Nijmegen (Netherlands) – project value EUR 15 million
- the construction of a new logistics centre for Kuehne & Nagel in Tilburg (Netherlands) – project value EUR 11 million
- the installation of solar panels on the DHL site in Willebroek – project value EUR 6 million
- the construction of a distribution centre of 16,000 m² for Terumo Europe in Genk – project value EUR 7 million.

The overall occupancy rate of the portfolio remained on par during the year. At the end of June it was 97,2%, having nudged down only slightly from the historically high occupancy rate of 99% at 31 December 2008. At the end of the third quarter a decrease was recorded, as expected, and on 31 December 2009 the occupancy rate was 92%. This equates to an average of 95% for the full year 2009 (see also '6. Leases in 2009' on page 61).

2. Projects completed in 2009

These completed projects represent a total investment value of EUR 94 million.

Belgium

- **Aarschot – Nieuwlandlaan:** a building of 8.500 m² for Distrilog on a site of 15.000 m². The premises have been let for a fixed period of nine years since mid-March 2009.

- **Courcelles – rue de Liège (phase I):** a total of 30.000 m² of warehouses can be built on this site in two phases. April 2009 saw the completion of 10.000 m² out of the total of 20.000 m² for the first phase. They have been pre-let to Blount Europe NV, part of the US Group Blount Inc. The remaining 10.000 m² of the first phase were completed at the end of the year.

- **Nivelles – chaussée de Namur:** a semi-industrial building of 10.000 m² that was renovated.

France

- **Lille (Libercourt) – Zone Industrielle – Le Parc à Stock (phase I):** a new construction project totalling 60.000 m². The first phase comprises 36.000 m², of which 24.000 m² have now been completed for ID Logistics. The remaining 12.000 m² still under construction, of which half have likewise been pre-let to ID Logistics, will be completed early in 2010.

- **Lille (Seclin) – rue Marcel Dassault:** a new construction project of 12.000 m² consisting of three cells, of which two have been let to PSA Peugeot Citroën. The third cell was completed in the first half of 2009 and is still up for rent.

Netherlands

- **Raamsdonksveer – Zalmweg:** a 'sale and leaseback' transaction under which WDP acquired a site of 7.000 m² from the Palm group. The site has been let to Beer and Selected Beverages (BSB), a logistical alliance of beverage manufacturers including Palm that supplies the Dutch market. BSB has established its distribution centre for the Netherlands on the site and is renting this for a fixed ten-year period. WDP also acquired the adjacent site of almost 4.200 m² on which it completed an expansion of 2.760 m² for BSB at the end of June 2009.

- **Ridderkerk – Handelsweg:** the capacity of the Univeg distribution centre for fruit and vegetables for various Dutch retail chains was virtually doubled by a warehouse on several levels.

- **Venlo – Edisonstraat (phase I):** the construction of a new logistics centre of 28.000 m² on a site of 50.000 m² that was acquired in November 2007. An old Philips plant was located on this site, which was vacated when its owner, Belden, realigned its activities and established its EMEA headquarters on another part of the site. As the demolition and soil remediation of the site took considerably longer than initially expected, WDP was not able to commence construction work before the start of 2009. 13.000 m² were completed at the end of 2009.

3. Projects in progress

The total investment budget (including land already held in the portfolio) for these projects in progress is EUR 76 million.

Belgium

- **Genk – Brikkenovenstraat (phase II):** a 17.000 m² expansion is being built in a second phase on the site of 60.000 m² that is part of the 'Hermes' logistics park, on the former Winterslag mine site. WDP has signed a three-year rental agreement with Terumo Europe for a storage warehouse of 17.000 m² and adjacent offices. The new distribution centre will be operational by 1 April 2010.

- **Puurs – Lichterstraat:** the currently available 14.000 m² may be renovated, according to the future lessee's wishes.

- **Ternat – Industrielaan 24:** The renovation of this site is being prepared, after which the building can be put on the market in modified form. Work will commence in early 2010. The exterior façade will be renovated in a first phase. The second phase will be initiated as soon as a lessee has been found.

- **Merchtem – Wolvertemsesteenweg 1, Bleukenweg 5:** This is an old warehouse on the periphery of city that will be converted into a retail park.

France

- **Lille (Libercourt) – Zone Industrielle – Le Parc à Stock (phase I):** The remaining 12.000 m² of phase I still need to be completed (see also ‘2. Projects completed in 2009’ on page 58).

Netherlands

- **Nijmegen – Industrieterrein Bijsterhuizen:** WDP is constructing a building of 13.000 m² here on a site of 25.000 m². The project was awarded by the Ter Beke group to house the cutting and packaging activities of Langeveld/Sleegers, acquired in 2005. These are currently spread out across four locations. In addition, the full storage and distribution for all Dutch activities of the group (both sliced cold meats and pre-prepared meals), will be centralised here. The Ter Beke group will rent the site for a fixed period of 15 years, starting 1 October 2010.

- **Ridderkerk – Handelsweg:** the construction of a car park deck on a site that was acquired at the end of 2008 as part of the Univeg transaction in 2007. Completion is planned for the second quarter of 2010.

- **Tilburg – Industrieterrein Loven:** after the demolition of an old building and soil remediation, WDP is constructing a new logistics building of 16.000 m² for Kuehne & Nagel. Completion is planned for the first quarter of 2010.

- **Venlo – Edisonstraat (phase II):** A second phase of 15.000 m² needs to be completed as soon as a lessee has been found (see also ‘2. Projects completed in 2009’ on page 58).

4. Additional potential

WDP also has several projects in the pipeline for which the required permits have been applied for; construction can therefore commence as soon as the economic conditions warrant this and/or the site in question will be pre-let.

Belgium

- **Courcelles – rue de Liège (phase II):** there is still room on this site for a second phase, with the construction of 10.000 m² of additional storage spaces (see also ‘2. Projects completed in 2009’ on page 57).

- **Nivelles – rue Buisson aux Loups:** a site with a surface area of 51.000 m², which WDP will in due course demolish and redevelop.

- **Sint-Niklaas – Europark Zuid II:** a project with a surface area of 28.000 m² on a site of 5 ha that benefits from a prime location next to the E17 motorway.

- **Trilogiport:** WDP has the concession under which 50.000 m² can be developed from 2011.

France

- **Lille (Libercourt) – Zone Industrielle – Le Parc à Stock (phase II):** the construction of 24.000 m^2 of additional storage spaces, bringing the total surface area for the project to 60.000 m^2 (see also '3. Projects in progress' on page 59).

Romania

Between the autumn of 2008 and the end of June 2009 WDP successively obtained the required PUZ permits ('zonal urbanisation plan') for the various sites in Romania. WDP has decided not to commence any projects on a risk basis here for the time being and to focus on the construction of pre-let buildings. At present, consultations are ongoing with potential lessees to establish whether projects on order can be commenced in the course of 2010. This will be done through WDP Development RO, in a 51-49 joint venture with entrepreneur and Romania specialist Jeroen Biermans.

Czech Republic

- **Mladá Boleslav – Nepřevázka:** a final building of 10.000 m^2 can be constructed on this site. A building permit has been obtained.

5. New acquisitions

Belgium

- **Nivelles – rue Buisson aux Loups:** as part of the agreement with Blount Europe NV, which has moved to the new logistics building in Courcelles, WDP definitively acquired the former industrial site of Blount with a surface area of 51.000 m^2 for an amount of EUR 2,7 million in June (see also '4. Additional potential' on page 59). The price paid is in line with the valuation by independent property surveyors, in addition to which demolition costs need to be taken into account.

On 28 January 2009, the Boards of Directors of WDP and Deutsche Post approved the agreement in principle signed by WDP with DHL Supply Chain in December 2008. This concerns the acquisition of three prime logistics sites in an excellent location. DHL Supply Chain is leasing these sites back, which make WDP the largest lessor for DHL in Belgium. Specifically, it concerns the following locations that have a total surface area of 85.000 m^2:

- Mechelen – Zandvoortstraat
- Meer – Seoulstraat
- Willebroek – Victor Dumonlaan

The 'sale and leaseback' transaction was structured as a merger and three partial demergers, for which WDP shares were issued. This led to a capital increase of EUR 21,8 million and the transfer of debts of some EUR 8 million. The deal was approved at an Extraordinary General Meeting on 31 March 2009.

Management Report

6. Leases in 2009

The occupancy rate[5] for the WDP portfolio at the end of June 2009 was 97,5%, slightly down from the historically high occupancy rate of 99% at 31 December 2008. In the fourth quarter the occupancy rate decreased to 92%, as expected. This decline was due to a decrease of 4,2% in the existing portfolio as a result of the reduced economic activity of some clients, and a decrease of 2,8% owing to the completion of own projects that were started up in 2008 and not pre-let. The remainder of these developments (15.000 m^2 in Venlo and 6.000 m^2 in Libercourt) was meanwhile put on hold until lessees would be found (see also '2. Projects completed in 2009' on page 58 and '3. Projects in progress' on page 59). Since then no new own projects were started without pre-letting. Only the projects that became vacant in Puurs (14.000 m^2) and Ternat (10.000 m^2) are currently being reviewed in order to be able to better position them in the property market after extensive renovations (see also '3. Projects in progress' on page 58).

In 2010 a maximum of 48.000 m^2 of buildings in the existing portfolio could become vacant, and vacancy could consequently increase by at most 3% in that case. For most of these buildings, however, WDP is currently in talks with existing or potential new lessees. In addition, 50.000 m^2 of let projects will be completed in 2010 that have a rental value of EUR 3,2 million per year.

7. Sales

- **Haacht (Wespelaar) – Dijkstraat*:** the retail part of the site was sold to the operator, owing to its non-strategic nature. This is a divestment of EUR 850.000.

- **Neder-Over-Heembeek – Steenweg op Vilvoorde 146*:** the site was sold to a private investor for an amount of EUR 2.045.000.

- **Sint-Niklaas – Europark Zuid II:** subject to a number of suspensive conditions, including receipt of a building permit, 111.000 m^2 of the site (or two-thirds of the surface area) was sold to Sint-Niklaas Logistics (SNL).

- **Sint-Jans-Molenbeek – Delaunoystraat 34-36*:** a warehouse and the associated land were sold to the Ligue d'Entraide Islamique. The purchase option for an amount of EUR 100.000 dated from as far back as 2003 and was extended on expiry in 2005, in anticipation of receipt of the required environmental certification. The deed was executed in January 2010. See also '9. Events after the reporting date' on page 62.

5 The occupancy rate is calculated by dividing the rental value of the let surface area by the rental value of the rentable surface area. Projects under construction and/or undergoing refurbishment are not included in the calculation

** The selling prices were in line with the expert valuations.*

8. Solar energy projects

As part of sustainable and green building, substantial investments were made in the past few years in installing solar panels on the roofs of a number of buildings (12 in total) in Belgium.

This solar energy project launched by WDP in 2007 was completed in the course of 2009, and WDP consequently attained its intended objective: installing 10 MWp, which represents the annual consumption of 2.500 households, for a total investment of EUR 40 million.

For WDP, installing the solar panels is only the starting point for a comprehensive project in sustainable business. The cepic aims to be take a lead in the greening of the semi-industrial property sector. WDP aims, for instance, to continue its work to develop new, profitable sustainable projects in the field of electricity, heating, lighting, water consumption, insulation and related areas on its sites. This environmentally friendly policy of sustainable warehouses is targeted at reducing CO_2 emissions of the storage locations within the portfolio while significantly reducing lessees' energy bills.

9. Events after the reporting date

In 2003 WDP granted the ASBL Ligue d'Entraide Islamique a purchase option worth EUR 100.000 for a warehouse with adjacent land in Sint-Jans-Molenbeek, Delaunoystraat 35-36. The selling price was fixed at EUR 750.000. The amount paid of EUR 100.000 was considered a down payment on the sales price when the option was exercised which leaves an outstanding amount of EUR 650.000. The buyer has been able to use the property since 1 September 2007 without paying a rent for this. This fits in with the overall commercial agreements. All other costs related to the property (property tax, etc.) are charged in full to the ASBL Ligue d'Entraide Islamique. The finalised deed of sale was executed in January 2010.


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Outlook

The outlook set out below comprises the outlook for the financial year 2010 for the consolidated net current result and the consolidated balance sheet of WDP Comm. VA. The estimates were prepared at the level of the net current result, and consequently include neither the impact of IAS 39 nor the impact of fair value movements on the property portfolio.

1. Assumptions

1.1. Assumptions relating to factors that WDP cannot influence directly

- The rental income does not take account of the effects of indexation estimated by the Federal Planning Bureau (+1,6% for 2010). The estimates of rental income are only affected to a limited extent by the level of inflation.
- An estimated Euribor (3 months), of 1%, to be increased by the average bank margin of 0,7%, was applied to the variable portion of the debt position (the portion that is not hedged by Interest Rate Swaps) for the full year.
- The financial result does not include the effect of possible fluctuations in exchange rates in the Czech Republic (CZK) and Romania (RON). The functional currency of the Czech subsidiary WDP CZ sro was converted to EUR with effect from 1 January 2009, and consequently the impact of potential exchange rate fluctuations is limited. The effect of exchange rates in Romania is limited to the loan financing of the subsidiary (with an impact in 2009 of EUR 202.000).
- The financial instruments (mainly IRSs) are carried at fair value in accordance with IFRS (IAS 39) in the accounts at group level. Given the current uncertainties in the financial markets, no account was taken of movements in these fair values.

1.2. Assumptions relating to factors that WDP can influence directly

Net rental result

- This result was estimated on the basis of the present contracts and signed contracts for current investment projects. The assumptions relating to rental renewals were made in accordance with market practice. Rents relating to current projects and new lease contracts that will be concluded in 2010 were estimated in accordance with current market practice.
- Renewals of lease contracts due to expire in the course of 2010 were verified on an individual basis. Accordingly, contracts that have not yet been renewed were not taken into account in the forecast.

Other operating income/expense

This comprises mainly income relating to the production of solar energy (EUR 5,1 million) and the management fee for the property that WDP allocates to tenants (EUR 600.000).

Income from solar energy derives from green electricity certificates and the income from the energy supplied. The estimate was made on the basis of statistical information on the number of hours of sunshine, which led to an estimated yield of 12,5% on the investment value of the solar panels installed.

The property management fee allocation was estimated on the basis of the current number of lease contracts and relevant fees applicable within those contracts.

Outlook

On the basis of the current lease contracts concluded by WDP up to 31 December 2009, the estimated rental income for 2010 is some EUR 55,4 million. The projects in Genk, Tilburg and Nijmegen will be completed in the course of 2010, and will on the basis of signed lease contracts generate additional rental income of some EUR 1,5 million in 2010.

Property charges and other general expenses

Property charges

These charges consist mainly of the net costs of maintenance and repairs, utilities, taxes, insurance contracts and commission. They have been estimated for 2010 on the basis of the current portfolio and prior-year figures.

Overhead costs

These charges were estimated on a case-by-case basis for the financial year 2010, partly on the basis of prior-year figures. The main charges under this heading are:

- Fees for business manager
  As business manager of WDP, De Pauw NV receives an annual fee that was approved by the remuneration committee (EUR 825.000 in 2009). Part of this fee is capitalised for current project developments.

- Remuneration of administrative staff
  These costs relate to the administrative staff working for the company. The current remuneration levels were projected for the full financial year 2010. Personnel costs vary according to a pattern connected with developments in the current workforce and the growth level targeted by WDP.

- Accommodation costs
  These costs comprise the contractual rents payable for WDP's offices in Wolvertem.

- Fees for services
  This category comprises mainly the estimated fees payable to outside advisers or experts including property surveyors, lawyers, tax specialists, accounting fees and auditor's fees for audit and consulting services.

- Communication expenses
  This category comprises the budget of the company relating to financial and business communications.

- Costs relating to the stock exchange listing and the status of WDP
  This category comprises the annual tax on undertakings for collective investment, fees payable to the financial agent and the liquidity provider, and fees for the Euronext listing.

- Depreciation and amortisation
  Depreciation and amortisation were estimated on the basis of the assets currently owned by WDP (except investment property and solar panels).

- Write-down on trade receivables
  These costs were estimated taking into account the current economic climate.

Outlook

Interest charges

- To calculate these costs, financial debt was estimated as follows:
  - outstanding debt at 31 December 2009;
  - an estimate of the additional debt for financing the ongoing investment programme in 2010.

- As WDP hedges its interest rate risk on floating rate loans via Interest Rate Swaps this was taken into account on the basis of the currently existing swap contracts. The following (fixed) weighted average interest rates were applied to the hedged portion of the outstanding debt, including an average bank margin of 70 basis points on the basis of the currently existing loans:

  - 4,62% for the first quarter of 2010;
  - 4,65% for the second quarter of 2010;
  - 4,65% for the third quarter of 2010;
  - 4,75% for the fourth quarter of 2010.

- Total financial costs were further reduced by an estimated amount in capitalised interest. This estimate takes account of the current project developments and the scope for interest capitalisation (capitalised borrowing costs on the basis of average rate of 4,5%).

Taxes

These mainly comprise the corporate income tax payable annually. The tax base of WDP in Belgium and France is virtually zero (except for the effect on disallowed expenses and unusual benefits). An estimate was drawn up on the basis of the estimated local results for the other companies forming part of the WDP group. Account was taken for the Dutch companies (WDP Nederland BV and Royvelden Vastgoed BV) of a possible reorganisation for tax purposes.

Capital expenditure

The following investments are included in the outlook:

- the completion of the project in Tilburg (pre-let to Kuehne & Nagel) in the second quarter of 2010, worth EUR 11 million;

- the completion of the project in Genk (pre-let to Terumo) in the second quarter of 2010, worth EUR 7 million;

- the implementation of the investment in solar panels for the project in Genk (0,8 MWp), worth EUR 2,4 million;

- the completion of the project in Nijmegen (pre-let to Ter Beke) in the fourth quarter of 2010, worth EUR 15 million;

- the definitive sale of two thirds of the site in Sint-Niklaas in the course of the second quarter of 2010, worth EUR 12,8 million.

Outlook

In addition, there are projects in the course of construction in Ternat, Puurs, Merchtem, Venlo (phase II) and Libercourt. These projects will possibly be completed in line with the degree to which they are let. This was not taken into account in the balance sheet forecasts. These investments will be financed with additional debt and own funds.

2. Budgeted net current result[6] 2010 versus actuals 2009

On the basis of the current outlook and the above assumptions, WDP expects the net current result to increase to at least EUR 37 million in 2010, with an upside potential up to EUR 39 million.

	2009 ACTUAL	2010 BUDGET
Net current result		
Net rental income	54.050,08	56.947,38
Other operating income / expense	4.474,75	5.992,93
Property result	**58.524,83**	**62.940,31**
Property charges	-1.281,06	-1.911,40
General expenses of the company	-3.879,04	-3.751,28
Net property result	**53.364,73**	**57.277,63**
Financial result excl. IAS 39 result	-18.086,19	-19.814,74
Tax on net current result	-220,45	-385,00
Deferred taxation on net current result	-1.022,67	-54,60
Net current result	**34.035,42**	**37.023,29**

This profit forecast is at the lower end of the range based on the current situation and barring circumstances unforeseen at present, without taking account of possible new letting in the existing portfolio or the premises to be completed in 2010, which provide scope for reaching the top end of the range.

3. Dividend

In view of these factors, the Board of Directors expects to keep the dividend per share for 2010 at least at the level of 2009, i.e. net EUR 2,5 per share (gross EUR 2,94 per share).

6 This income statement contains a number of forecasts for the full year 2010 for the net current or operating result. It includes neither the result on the portfolio in accordance with IAS 40 nor the impact of the IAS 39 result.

Outlook

4. Budgeted balance sheet 2010 versus actuals 2009

	2009 ACTUAL	2010 BUDGET
Investment property	815.392,00	833.092,00
Other tangible fixed assets (incl. solar panels)	55.232,00	57.632,00
Other fixed assets	13.222,00	13.222,00
Fixed assets	**883.846,00**	**903.946,00**
Current assets	**32.230,00**	**19.430,00**
TOTAL ASSETS	**916.076,00**	**923.376,00**
Shareholders' equity	**366.843,00**	**371.593,00**
Financial, trade and tax liabilities	506.145,29	508.695,29
Other liabilities	43.087,71	43.087,71
Commitments	**549.233,00**	**551.783,00**
TOTAL LIABILITIES	**916.076,00**	**923.376,00**
Gearing	55,25%	55,09%

The forecast balance sheet was prepared as follows:

- An update was made for 2010, taking account of factors that could be reasonably estimated. Therefore this estimate includes neither the impact of IAS 39 nor the impact of market fluctuations on the portfolio.

- Investment property
  This category comprises the consolidated investment property portfolio, valued using the policies set out in IAS 40. The movements as presented in the balance sheet forecast relate solely to the current project developments in Genk, Tilburg and Nijmegen, for which some EUR 17,7 million in construction costs are still expected in 2010.
  This projected balance sheet does not take account of the effects of potential movements in fair values in 2010.

- Other fixed assets (including solar panels)
  The other fixed assets consist mainly of the market value of solar panels (EUR 55 million) and other fixed assets for own use – including vehicles, furniture and equipment – in accordance with the recognition and measurement criteria defined in IAS 16. All investments in solar panels were completed in the course of 2009, except the ongoing investment for the project in Genk amounting to EUR 2,4 million. The forecast balance sheet does not take account, however, of the effect of potential movements in the market value of these solar panels.

- Other fixed assets
  This category comprises mainly the long-term receivables provided to the joint venture WDP Development RO. It also comprises deferred taxation, the positive market value of financial derivatives and all other fixed assets of WDP.

- Current assets
  WDP's current assets comprise mainly outstanding trade and tax receivables, cash and cash equivalents, assets held for sale and all other current assets of WDP.

Outlook

- Shareholders' equity
  WDP's shareholders' equity takes account of the forecast result for 2010 and the distribution in 2010 of the dividend for the 2009 financial year.

- Debt position (financial, trade and tax liabilities)
  This category consists of the outstanding debt position (as used to calculate WDP's gearing). Accordingly, it relates mainly to financial debts (except the market value of financial derivatives) and trade and tax debts.

- Other liabilities
  The other liabilities of WDP comprise mainly provisions, deferred taxation, accruals and deferred income and the negative market values of derivative financial instruments.

  The derivative financial instruments of the company are carried at market value, in accordance with IAS 39. In view of the current uncertainties in the financial markets, no assumptions were made for movements in fair values. The value as presented in the balance sheet forecast is equal to the market values as determined on 31 December 2009.

The forecasts with regard to the consolidated balance sheet and the net current result are forecasts whose actual realisation depends specifically on developments in the financial markets and property markets. They are not binding on the company and are unaudited. The auditors, Deloitte Bedrijfsrevisoren BV ovve CVBA, represented by Rik Neckebroeck, have confirmed that the outlook is adequately prepared on the stated basis and that the accounting basis applied for this outlook is consistent with the accounting policies applied by WDP, as part of preparing its consolidated financial statements in line with IFRS as adopted by the European Union.


Lay's

Description of the semi-industrial and logistics property markets in Belgium, the Netherlands, France, the Czech Republic and Romania

1. Belgium

General overview

The international economic crisis has been felt strongly on the Belgian market since the second half of 2008. Top yields rose from around 6.30% in mid-2008 to 7,75% at the end of 2009. The rents were relatively stable and therefore the increases in yield are a direct consequence of value decreases of some 20% since mid-2008.
Take-up recorded in 2009 was around 850.000 m^2, which in the light of the current economic crisis is a strong achievement. The investment market was subdued but still held up relatively well compared to other sectors such as the office market.

Growth

All yields have clearly risen in the first half of 2009: from 6,3% in mid-2008 and 6,75% at the start of 2009 to 7,75% in mid-2009 for the top locations. In the second half of 2009 these top yields stabilised at around 7,75%. In secondary locations, such as Liège and Limburg, they went from 6,75% to 7% in mid-2008 to 8,25% at the end of 2009. Compared to the start of 2009 rents remained unchanged almost everywhere.

Property yields are the result of the relation between the yearly rents realised in the market and the value of the properties through comparable and recent transactions. Given an unchanged yearly rent, an increase in yield is purely a consequence of a decrease in property value.

Demand

Demand in Belgium, certainly where logistics activities are concerned, is highly dependent on the goods demand in the surrounding countries. This demand is decreasing, which has been clearly felt since the second half of 2008. Moreover, the entire market – and specifically the SME market – is suffering from the credit shortage.

Despite these crisis conditions, the published rental take-up in 2009 was approximately 850.000 m^2, which is in line with preceding years. Notable transactions included:

- Dow Corning bought 17 ha land in Feluy (Hainaut) for a 35.000 m^2 distribution centre;
- The Van Moer group added an expansion of 32.000 m^2 in the Port of Antwerp;
- Vandenborre rented 28.000 m^2 on the former Michelin site in Sint-Pieters-Leeuw (Flemish Brabant);
- Terumo Europe rented 17.290 m^2 in the Hermespark from WDP in Genk (Limburg);
- Ansell Healthcare rented 10.800 m^2 at Essers in Genk (Limburg);
- Scania Parts bought 9 ha land to expand its EDC in Opglabbeek (Limburg).

Belgium is and remains a top European logistics location. Outside of the classic Brussels-Antwerp-Ghent triangle, which continues to account for the largest part of the take-up, other well-situated regions such as Liège, Limburg and Hainaut are also doing very well.

Supply

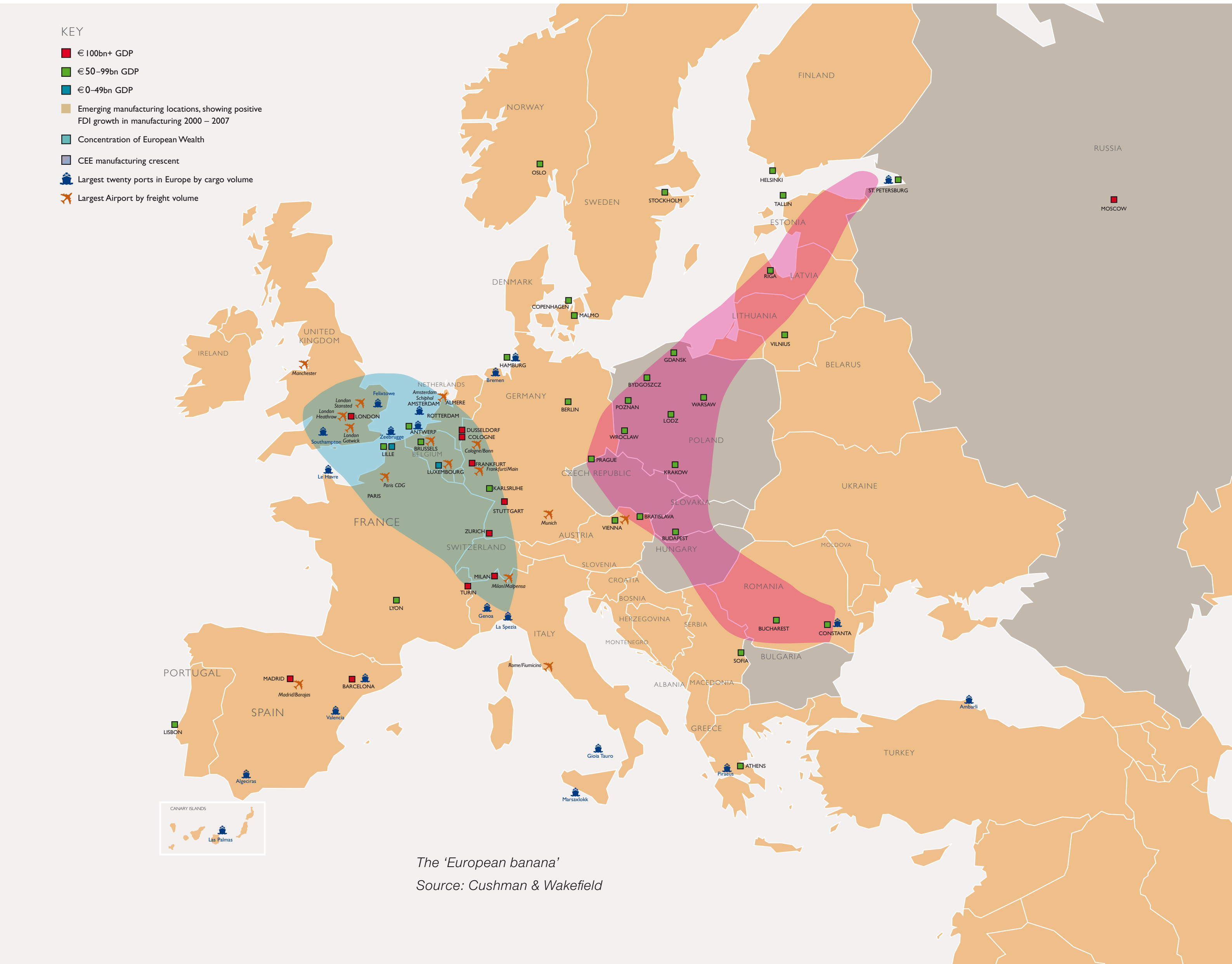
Supply in the Brussels-Antwerp corridor is and remains limited, which allows secondary regions such as Limburg, Hainaut and Liège – where supply is indeed sufficient – to become more significant for large distribution centres. In the current general economic market circumstances, additional speculative developments are not on the agenda, the more so as the relatively low rents insufficiently cover development and construction costs. Supply is therefore expected to be relatively stable or trend down in the coming years.

Description of the semi-industrial and logistics property markets in Belgium, the Netherlands, France, the Czech Republic and Romania

Investment market

The industrial property transactions carried out in 2009 amounted to some EUR 146 million for the full year, which constitutes around 12% of the entire professional property investment market. In 2009, the general investment market for professional property backtracked to around one third of the level of 2008, as few office investments were recorded. In the semi-industrial market a few important transactions were nonetheless carried out:

- Fortis Insurance bought the 71.000 m² Carrefour DC Blauwesteen in Kontich with a value of around EUR 46 million from Redevco;
- BPA (Patrick Bouwen) invested some EUR 16 million for 29.200 m² on the ex-Michelin site in Sint-Pieters-Leeuw;
- Foxaco (De la Roche group) bought 12.314 m² in Kortenberg from Antalis for around EUR 16 million.



The 'European banana'

Source: Cushman & Wakefield

After having already risen strongly in the autumn of 2008, all yields continued to increase significantly in the first half of 2009: from 6,3% in mid-2008 and 6,75% at the start of 2009, to 7,75% in mid-2009 for the top locations. In the second half of 2009 these top yields stabilised at around 7,75%. In secondary locations, such as Liège and Limburg, they went from 6,75 to 7% in mid-2008 to 8,25% in mid-2009. In view of the limited number of transactions, it is not easy to find market references for them in the different subsectors.

Outlook

In the light of the current economic crisis, it is very hard to comment on the immediate future. However, the basics of the Belgian semi-industrial market remain positive: an excellent location, relatively low property prices, high productivity and know-how, and a certain remaining number of plots and manpower.

The expected take-up for 2009 – take-ups through rent or purchase for own use – could nevertheless reach some 900.000 m^2. Yields are expected to stabilise in 2010 at the level of the end of 2009.

2. France

General overview

Despite the crisis the French market held up comparatively well in 2009. Take-up in the Paris area was particularly strong. Total take-up for 2009 will be at around the same level as in 2008 (1,8 million m^2). Top yields rose to 8,25% in Paris, 8,50% in Lyon and Lille, 8,75% in Marseille and 9% in Bordeaux, Strasbourg and Toulouse.
Rents are under downward pressure everywhere. This is limited to a few percent for top rents, but those for secondary locations and/or second-hand buildings are being squeezed more tightly.

Growth

Compared to 2008 the top rental values in most semi-industrial markets were under downward pressure in 2009. The Marseille and Lille regions were an exception to this in the first half of 2009. In the second half these markets likewise had to surrender a few euros for top rents down to a level of EUR 40 to EUR 42 (m^2/year). In the Paris and Lyon area, rents fell by around 2% compared to the start of 2008, and more rent incentives were recorded.
The top yields rose clearly. In Paris and Lyon they advanced from 6,25% at the start of 2008 to 8,25% in Paris and 8,50% in Lyon for mid-2009. In Lille and Marseille yields in the same period went from 6,75% to 8,50% for Lille and 8,75% in Marseille. Yields for SME buildings are currently at 9,25% in Paris, 9,50% in Lyon and even 10,50% elsewhere. In the second half of 2009 all these yields stabilised at around the level of mid-2009.

Demand

Rationalisation and/or subcontracting of logistics is the main factor determining demand at present. Decathlon, for example, centralised its distribution in Lyon (42.000 m^2 in Saint-Quentin-Fallavier), Paris (25.000 m^2 in the park Gustave Eiffel) and Nantes (22.000 m^2). The sale and leaseback operation Descamps conducted with WDP in Lens (region North) in 2008 should also be seen in this context.
2006 and 2007 were record years in terms of take-up, totalling respectively 2,6 and 2,2 million m^2. Take-up in 2008, at 1,8 million m^2, clearly decelerated, especially in the second half of the year, when the big deals failed to materialise. Ile-de-France, Lille and the

Lyon-Marseille corridor remain the key markets, with the logistics industry as the driver. Take-up for 2009 is expected to total 1,8 million m², despite the crisis.

Notable transactions included:

- ND Logistics pre-rented 58.000 m² at Panhard Développement on the ZAC des Haies Blanches in Le Coudray-Montceaux, in the Paris region;
- LVMH pre-rented Gecina's 42.819 m² at Goodman in Récy-Saint-Martin, near Reims (Champagne);
- Decathlon bought 42.000 m² storage for its own use in Saint-Quentin-Fallavier (Lyon) from developer PRD for EUR 36 million;
- L'Oréal commenced use of 40.000 m² storage in Roye (Picardie);
- Point P rented 38.560 m² from Prologis in Clésud in Miramas (Marseille);
- Alphaprim bought 36.000 m² storage for own use on ZI Parisud II in Lieusaint (Paris) from Foncière Europe Logistique for EUR 20 million.

Supply

The delay in rental take-up will cause a further decline in the number of speculative projects. Meanwhile, speculative development projects are still being completed, however, for instance the 40.000 m² of Axa Reim in Brie-Comte-Robert. Vacancy levels are consequently rising almost everywhere, and this is most keenly felt for B-products and secondary locations. The overall vacancy level fluctuated between 8 and 9% in the past few years, but is now estimated at 14% for France as a whole (Paris region 11%, Lille 8%, Lyon 14%, Marseille 10%, the other regional markets 22%).

Investment market

In 2009 around EUR 400 million in transactions were recorded, approximately 10% of the total professional investment market. With some EUR 750 million in investment transactions in 2008 this market was already at only a fraction of what it had been in the boom years 2006 and 2007, when respectively EUR 2.100 million and EUR 2.800 million were recorded. The downturn in this market is pervasive, but it is more strongly felt in the provinces outside the capital.

The following transactions are typical:

- Fidelity International bought 22.000 m² logistics for its pan-European fund from Cardinal Investissement, in the Rhône valley in Saint-Rambert-d'Albon, between Lyon and Valence, for EUR 12,4 million;
- Anselm Kiefer bought a building of 35.000 m² from La Samaritaine (Bon Marché group) in Croissy-Beaubourg on the eastern perimeter of Paris for EUR 18 million;
- Foncière Inéa acquired 18.000 m² in Man (Sud-Ouest region) for EUR 23 million and a yield of 8,5%;
- Fortis bought 29.000 m² logistics from Gazeley, let to Géodis, in Chaponnay (Lyon) for EUR 21 million.

Outlook

The magnitude of the current economic crisis is difficult to estimate at present. The evolution of the rental market will depend strongly on the extent to which the industrial production and consumption will decline. A sustained recovery of the market is not expected before the second half of 2010 or later.

Description of the semi-industrial and logistics property markets in Belgium, the Netherlands, France, the Czech Republic and Romania

The investment market will have to wait for the international financial markets to improve. Opportunistic buyers are ready, but the question is when they will enter the market. For now, the timing of a definitive recovery can only be guessed at.

3. The Netherlands

General overview

Both in terms of take-up and of investments, the Dutch market had a difficult year. Top rents declined to 85 EUR/m²/year at Schiphol but remained relatively stable elsewhere. The top yields rose by 125 to 150 basis points since mid-2008. The investment volume has gradually declined since the second trimester of 2008.

Growth

Top rents remained relatively stable over the past few years. At Schiphol they decreased to 85 EUR/m²/year and in Tilburg also slightly lower top rents were recorded in comparison to last year (53 EUR/m²/year). In Venlo they fell since 2006 from 60 to 50 EUR/m²/year at present. Elsewhere top rents remained at the same level as in 2008. Secondary rents were under greater pressure and in Rotterdam and Amsterdam declined from 40 to around 35 EUR/m²/year. At Schiphol they went from 50 to 40 EUR/m²/year. The top yields rose by 125 to 150 basis points from July 2008 to mid-2009, but this increase came to a halt in the second half of 2009.

Demand

Rental take-up for 2009 is around 35% lower than in 2008. The take-up slowed more rapidly in Rotterdam than in the Amsterdam region. Activity was also slower in the logistic regions outside the Randstad conurbation and in the south of the Netherlands, such as North Brabant and Limburg. A number of new places are on the rise, including Born and Tiel. Due to a shortage of space, logistics in the Netherlands is increasingly compelled to opt for locations outside the classic hotspots.

Significant transactions in 2009 included:

- Hi-Logistics pre-rented 51.500 m² in the Prologis Park in Oosterhout;
- Rhenus Contract Logistics rented 34.625 m² from Somerset Real Estate in Tilburg (Ledeboerstraat 44-48);
- Lidl rented 33.385 m² on the Visserijweg in Oosterhout from AB CPFM Europroperty Fund;
- Henry Bath rented another 26.000 m² from ProDelta in Commodity Park, Maasvlakte Rotterdam, bringing its total there to 66.000 m²;
- Vollers Holland renewed its lease for 5 years of 46.700 m² in Amsterdam Westpoort (Sardiniëweg 4) for 36 EUR/m²/year (the owner is DHVG);
- ProLogis let 19,121 m² to a transport company in their Maasvlakte Distribution Centre;
- In Tiel (Kellenseweg 21) Intergamma commenced using 17.500 m² extra space;
- DSV Solutions rented 15.111 m² in 's Heerenberg (De Immenhorst 7) from SNS Property Finance.

Supply

Supply is rising at present and is estimated at some 550.000 m², of which around a quarter are buildings of more than 2.000 m². Given the slowness with which property markets traditionally respond to falling markets, the vacancy level is expected to continue to rise slightly during 2010. Vacancies nonetheless occur mainly in older buildings and on secondary locations. In the hotspots the supply of modern and well-situated spaces remains very tight, despite the slowdown in the market.

Investment market

The credit crisis continues to be clearly felt in the investment market too. In 2009 some EUR 350 million in investment transactions were recorded, mainly sale and leaseback operations.

Significant transactions included:

- Neddex bought two distribution centres from Broekman in Born, totalling 37.000 m^2 for EUR 17,3 million, in a sale and leaseback operation;
- Deka bought the 55.000 m^2 development in Van Hilststraat in Waalwijk for around EUR 42 million.

Outlook

The Dutch market depends significantly on transport and logistics. Activity in 2009 reached a much lower level than in 2008, as a result of the economic crisis. Even if the markets were to pick up again in 2010, it will take some time before confidence returns sufficiently for investments in new or additional business property.

Opportunistic buyers are ready in the investment market but it is difficult to forecast when they will deem the time to be right to re-enter the market. Yields currently appear to have stabilised but – certainly after jumping by 125 to 150 base points since July 2008 – their largest increases are already behind them. The Schiphol region is expected to have reached its bottom at a yield of around 8,25%. At present a top yield of 8,10% is still being assumed there.

4. Czech Republic

General overview

The economic crisis took hold later in Central Europe than in Western Europe, but growth has clearly slowed there as well. The Czech Republic was the first Central European country where this translated into a decline in take-up from the second half of 2008 (some 580.000 m^2 in total for 2008). Take-up continued to fall in 2009, to around 400.000 m^2, which is still reasonable in view of the general economic climate.

Speculative developments are being discontinued as vacancies have risen since mid-2008 from 10% to around 16% at year-end 2009. There is continuing interest from foreign developers for this market, but every form of risk is avoided, given the current economic conditions. The fall in yields of the past few years has given way to an increase by 175 to 200 basis points compared to mid-2008.

Growth

Top rents were stable during 2008 but in the Prague region they declined from 50 EUR/m^2/year in mid-2008 to 42 EUR/m^2/year for logistics buildings at the end of 2009. For SME buildings rents in that region declined from 56 to around 50 EUR/m^2/year. Top yields rose from their 6,5% historic low in 2007 to some 8,75% (9,50% in Brno). Yields for non-logistic industrial properties in Prague rose from 7,5% in mid-2008 to 10,25% and as much as 12,25% in regional towns such as Brno.

Description of the semi-industrial and logistics property markets in Belgium, the Netherlands, France, the Czech Republic and Romania

Demand

Take-up in 2007 was 855.000 m². By contrast, a 'mere' 580.000 m² was recorded for 2008, but historically that is nonetheless the second-largest annual take-up ever. Take-up in 2009 was just shy of 400.000 m². Prague remains the principal market, accounting for around one third of total take-up, but rising regional markets such as Brno, Pilsen or Ostrava are gradually starting to take up a considerable market share as well.

Significant transactions included:

- Geis CZ rented 14.500 m² in Prologis Park in Ostrava;
- Translogi took 3.000 m² in the Segro-development Tulipan Park in Hostivice;
- Wavin signed for 3.700 m² in the Segro-development in Ostrava.

Supply

Vacancies were at 10% at the end of 2007 but have now risen to 16%. New additional risk developments will only be started in exceptional cases, because a considerable number of projects are still in the pipeline. In Ostrava (vacancy of around 35%) and Pilsen (vacancy of 20%) in particular there is a risk of strong oversupply. Vacancy levels stabilised at around 14% in eastern Prague and at 12% on the western side of the city.

Investment market

Industrial investment transactions represented around 15% of the total professional property investment market. The Czech Republic still has a large number of owner-occupied buildings. This lack of properties available has hamstrung the investment market for a considerable time. As a result of the recent spectacular stock development, however, there is now clearly sufficient product supply.

Due to the international financial crisis, yields were subject to strong upward pressure here, as elsewhere. Top yields rose from their historic low of 6,5% in 2007 to around 8,75% (9,50% in Brno). Yields for non-logistic industrial properties in Prague increased from 7,5% in mid-2008 to 10,25% and as much as 12,25% in regional towns such as Brno.

Outlook

The long-term outlook is certainly positive for these markets, but it is difficult to predict in the current economic climate when they could return to former levels. Yields appeared to be stabilising at the end of 2009 but may still edge up slightly in the first half of 2010 for secondary and non-logistics sites. By contrast, the prime logistics buildings market is assumed to have bottomed out. Prague remains the principal market, but the peripheral regions will also continue to develop as more space is still available there. Owing to the limited pipeline of new developments, vacancy levels are expected to fall to 12 to 13% towards the end of 2010.

5. Romania

General overview

Compared to most other European markets Romania held its own relatively well in 2008, but take-up was exceptionally low in 2009. Vacancies grew substantially, to some 15%. More and more space is being offered on the market for subletting.

Description of the semi-industrial and logistics property markets in Belgium, the Netherlands, France, the Czech Republic and Romania

Growth

Top rents remained stable in Bucharest (EUR 48 m²/year). In the other locations – including Brasov, Timisoara and Constanta – they decreased from EUR 54 m²/year in mid-2008 to EUR 51 m²/year at the end of 2009. Bolstered by interest from abroad, top yields remained strong for a relatively long time, but they rose substantially since the autumn of 2008. They were still at 7,50% in Bucharest (7,75% elsewhere) a year ago, since when they have increased to 9,50% in Bucharest and 10,25% elsewhere.

Demand

Supported by the continued strong development of the production and retail sectors, Romania's take-up capacity has grown strongly in recent years. The stock of modern warehouses has more than tripled in three years, partly owing to the strong development of the logistics sector. The greater part of the stock in Bucharest is situated to the west of the city, but a shift is in progress towards the northern and eastern periphery. Demand fell sharply in the first half of 2009. The market was dominated by smaller transactions of at most 1.500 to 2.500 m².

Significant transactions included:

- Geodis Calberson Romanaia expanded its distribution centre at Prologis Park in Bucharest by 8.400 m²;
- Largermax rented 2.230 m² from Equest Investment Balkans in the Equest Logistic Center in Bucharest;
- Agrirom Group rented 2.346 m² from NBGI Investment in UTA 1 in Arad;
- Fresenius Medical Care rented 3.200 m² in the NordEst Logistik Park on the north-eastern periphery of Bucharest.

Supply

Despite the explosive development of stock in recent years, vacancies remained under control fairly well. Owing to the slack demand considerable free space has been added now. Vacancies in Bucharest only rose slightly between 2006 and the end of 2008 from 5 to 7%, but are now at 15%. Owing to the large number of existing, dilapidated buildings demand for modern and flexible warehouses remained on par fairly well. The principal projects completed in 2009 were:

- Phase 1 of the Olympian Park in Brasov (16.300 m², Helios Properties);
- Ploiesti West Park (16.500 m², pre-let to Unilever);
- Mobexpert Logistic Centre in Bucharest (19.700 m², Mobexpert);
- Phase 2 of Popesti Leordeni Industrial Park in Bucharest (7.500 m², ETC Engineering; only for sale, not for rent; the first phase of 3.750 m² has been sold);
- Invest 4 SEE Logistic park II (phase 1, 12.000 m², Invest 4 See; phase 2 of 24.000 m² is on hold).

Projects are usually only developed when at least 50 to 70% has been pre-let, but the last two of the projects referred to above were more or less purely speculative developments. The rental market is developing strongly, reflecting the interest of foreign operators. Romanian users generally continue to prefer owner occupation.

Investment market

With yields of around 8%, top yields had never fallen as much in Romania as in the rest of Central Europe, which bolstered the attractiveness of the Romanian market. Yields accordingly only started to rise in the second half of 2008. Top yields in Bucharest are assumed to have increased to 9,50% at present (10,25% in other locations such as

Constanta, Timisoara and Brasov), but as in other markets there are few or no transactions to evidence these values effectively.

Investors are cautious, on the lookout for opportunities. For instance, Gerald Schweighofer bought a 60.000 m^2 production space from IKEA in Siret (the amount of investment and the yield not known).

Outlook

With its low labour costs, Romania will remain attractive for semi-industrial activities, but due to the lack of major transactions vacancy levels are likely to nudge up.
Many projects have been put on hold completely:

- 162.000 m^2 of ProLogis in Bucharest;
- 34.338 m^2 of EFG in Bucharest (NordEst Logistic Park, phases 2 and 3);
- 33.000 m^2 of Eyemaxx Real Estate (in Timisoara (Log Center Timisoara)).

Rental values are expected to stay reasonably stable but owing to vacancies owners will increasingly have to accept rent-free periods. Yields in the investment market are currently stabilising, but may still rise slightly as the year progresses.
The number of investment transactions should in principle remain limited, until the capital markets start to improve again at an international level. Only top quality in good locations will qualify to be sold.

Authors: Jef Van Doorslaer and the European Research Group of Cushman & Wakefield.

WDP Warehouses Europewide


0 -
10.000 m²
10.000 -
20.000 m²
80.000 -
90.000 m²
Jablonec
nad Nisou
Mladá Boleslav
Prague
Průhonice
Hrádec Kralové
Codlea
Fundulea | Sarulesti
Mihail Kogalniceanu
Arichestii Rahtivani | Paulesti
Corbii Mari | Oarja
Bucharest
Agigea

Review of the consolidated property portfolio

1. Description of the portfolio at 31 December 2009

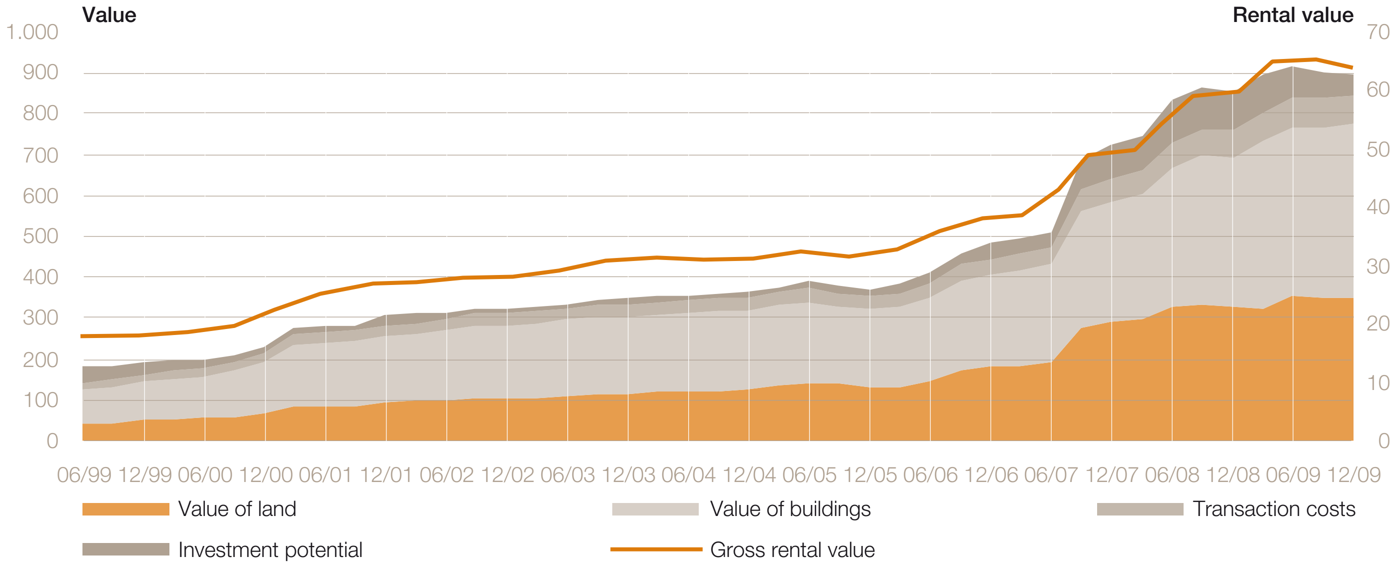
The independent surveyors Cushman & Wakefield and Stadim CVBA have estimated the fair value[7] of the property portfolio of WDP (excluding solar panels) in accordance with IAS 40 at EUR 817,3 million as at 31 December 2009. This value was adjusted to EUR 815,4 million owing to the impairment recognised on a number of projects in progress. The comparative figure at year-end 2008 was EUR 742,13 million.

The portfolio can be subclassified as follows:

Fair value (x EUR million)	Belgium	Abroad	Total
Existing properties	486,18	226,86	713,04
Buildings in project phase	34,10	29,18	63,28
Land	7,47	31,61	39,08
Total	**527,75**	**287,65**	**815,40**

7 *Fair value: under Belgian market practice, there is a ceiling of 2,5% of the transaction costs that can be deducted for property valued at more than EUR 2,5 million. On smaller properties and foreign property the full transaction costs can be deducted.*
In line with IAS 40, investment properties (including project developments) are carried at fair value.

Changes in WDP's portfolio (EUR million)



Review of the consolidated property portfolio

2. Value and composition of the rental portfolio

The total surface area in the portfolio is 397,5 hectares, including 22,0 hectares granted in concession. The remaining 353,5 hectares have an estimated sale value of EUR 290,8 million, or 35,7% of the fair value of the total portfolio of the cepic. The average value of the land amounts to EUR 77,4 per m2, excluding transaction costs. This surface area includes the land bank, namely 86,1 hectares, for the development of the projects in Romania.

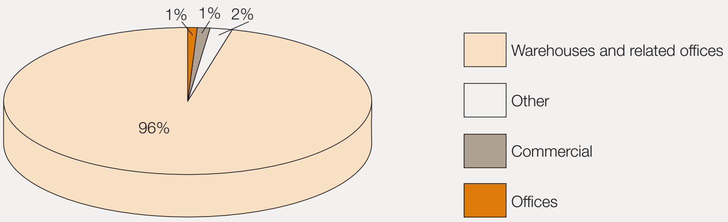
The total rentable surface area of the buildings is 1.302.670 m^2, with a total estimated rental value of EUR 56,6 million. Warehouses represent the majority of the surface area (78,2%) covering 1.141.567 m^2 and having a total rental value of EUR 44,2 million, i.e. an average rental value of EUR 38,74 per m^2.

Office areas, either separate or adjacent to the warehouses, represent 116.789 m^2 or a rental value of EUR 10,0 million. The average rental value per m^2 amounts to EUR 86,0. Commercial premises cover 17.596 m^2 and represent a rental value of EUR 1,06 million, with an average of EUR 60,2 per m^2. Finally, various other uses represent a further 26.718 m^2 or EUR 1,2 million, with an average rental value of EUR 46,3 per m^2. Charges payable for concessions totalled EUR 0,40 million.

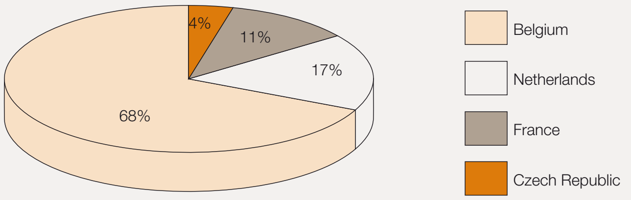
Use at 31/12/2009	Constructed surface area (m^2)	Estimated rental value (EUR million)	Estimated average rental value per m^2 (EUR)	% of total rental value
Warehouses	1.141.567	44,22	38,74	78,2%
Offices adjoining warehouses	101.976	8,61	84,45	15,2%
Offices	14.813	1,43	96,84	2,5%
Commercial premises	17.596	1,06	60,21	1,9%
Other uses (multifunctional premises, car parks and archives)	26.718	1,24	46,27	2,2%
Total	**1.302.670**	**56,56**	**43,42**	**100,0%**
Charges payable for concessions		- 0,40		
Total		**56,16**		

Review of the consolidated property portfolio

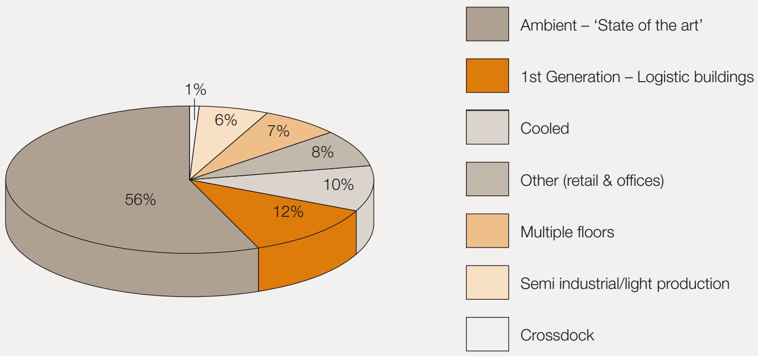
Rentable surface area by category



Geographical distribution of rental value



Distribution of property portfolio by type of premise



Review of the consolidated property portfolio

3. Key figures on properties (with a fair value of > 2,5 million EUR)

The sites in this overview have all been inspected in the fourth quarter of 2009 by the independent surveyors Stadim CVBA and Cushman & Wakefield.

BELGIUM	
Aalst, Denderstraat 54-56 – Tragel	A plot of 7.518 m² in an industrial estate close to the train station 'Aalst Noord'. The building, containing an industrial hall of 1.932 m² (+ 1.032 m² of porches) and 576 m² of offices was renovated in 2006.
Aalst, Tragel 5 – Gheeraerdtstraat 15-16	A plot of 16.546 m² in an industrial estate. An older commercial complex with 12.534 m² of warehouses.
Aalst, Tragel 11-12 – Garenstraat	A plot of 44.163 m² in an industrial zone. A new construction built in 1998-1999 with 3.630 m² of offices, 1.222 m² of workshops and 16.986 m² of warehouses.
Aalst, Wijngaardveld 3-5 – Dijkstraat 7	A plot of 39.822 m² in the industrial estate of Wijngaardveld. Two warehouses with a total surface area of 17.319 m², built in 1992. A project with 4.583 m² of warehouses with office possibilities, built in 2005.
Aarschot, Nieuwlandlaan 19	A plot of 17.184 m² in the industrial estate Nieuwland. A new construction with 8.264 m² of warehouses divided over two units and 168 m² of built-in offices. Equipped with solar panels.
Anderlecht, Frans Van Kalkenlaan 9	A plot of 26.236 m², fully owned and another 2.240 m² plot, which is owned jointly. The two plots are in the industrial estate Anderlecht-Vorst. On the first unit, a construction built in 1969, which is undergoing a general renovation programme. The first unit comprises 12.641 m² of warehouses. The second plot (2.731 m²) was fully renovated in the course of 2007. On the second unit, WDP owns floors 3-8 of the Asar Tower (2.016 m² of warehouses and 359 m² archive space).
Antwerp, Lefebvredok – Grevendilf – Vrieskaai	A plot of 22.513 m² in concession from the Port Authority. Seven units comprising a total of 64 m² of offices and 18.786 m² of warehouses.
Asse (Mollem), Assesteenweg 25	A plot of about 47.800 m² in the SME park at Mollem. The existing buildings built in 1967, 1988 and 1996 have been fully renovated and enlarged, and comprise 15.508 m² of warehouses, 2.111 m² of offices and 905 m² workshops and business areas. A new, adjacent building with 7.175 m² of warehouses, 660 m² of offices and 330 m² of miscellaneous areas was built. Equipped with solar panels.
Asse (Mollem), Terheideboslaan 10	A plot of 10.000 m² in the SME park at Mollem. An industrial complex built in the early eighties, which was fully renovated in 1989. It comprises 654 m² of offices, a 4.775 m² production hall and two smaller warehouses.
Beersel (Lot), Heideveld 3-4	A plot of 22.459 m² in the industrial estate Heideveld. A new construction built in 2001 with 456 m² of offices and business areas and 6.703 m² of warehouses. Equipped with solar panels.
Beringen (Paal), Industrieweg 135 – Rijsselstraat	A plot of 21.438 m² in the industrial estate between Beringen-Paal and Tessenderlo. Three recent buildings and two buildings renovated in 2008 with 9.056 m² of Rijsselstraat warehouses and 1.483 m² of offices.
Boom, Langelei 114-120 – Industrieweg	A plot of 71.412 m² alongside the A12 in the industrial estate Krekelenberg. A new construction built in 2000-2001 with 34.222 m² of warehouses and 2.982 m² of offices. Equipped with solar panels.

Review of the consolidated property portfolio

Boortmeerbeek, Industrieweg 16	Four plots with a total surface area of 40.151 m² in a small SME park. The complex built in the early nineties comprises 3.120 m² of offices, 14.335 m² of warehouses and 130 m² of built-in offices. Of the other three plots, one is being used as outside storage space, for the other two, building plans have already been made.
Bornem, Rijksweg 17	A plot of 31.100 m² with and excellent location and easy access alongside the N16. A complex built in 1996, with 1.616 m² of offices and 323 m² of archive area, and 9.973 m² of warehouses.
Bornem, Rijksweg 19	A plot of 38.000 m² with and excellent location and easy access alongside the N16. Partly renovated and converted buildings, and a partly new construction built in 2004. A total of 2.463 m² of offices, service areas and technical areas and 19.948 m² of warehouses and loading bays.
Courcelles, rue de Liège 25	A plot of 106.824 m² in the industrial estate Zoning Industriel. A building constructed in 2006 with 7.632 m² of warehouses and around 600 m² of offices. In April 2009 a new 11.750 m² construction was completed.
Doornik (Marquain), rue de la Terre à Briques 14	A plot of 30.938 m² in the industrial estate 'Tournai Ouest'. An existing complex with 7.660 m² of warehouses and 1.002 m² of offices.
Genk, Brikkenovenstraat 48	A plot of 62.905 m² at the Hermes industrial estate. A new, 16.619 m² building constructed in 2008. A 17.000 m² expansion is being constructed in a second phase. Equipped with solar panels.
Grimbergen, Eppegemsesteenweg 31	A plot of 117.984 m² in concession from the Port of Brussels. WDP's concession covers half the land. 5.096 m² of offices and business areas built in 1978 and 48.017 m² of warehouses built in 1996.
Grimbergen, Industrieweg 16	A plot of industrial land of 27.724 m². A logistics building constructed in 2008 with a 14.760 m² surface area and 297 m² of office areas. Equipped with solar panels.
Jumet, Zoning Industriel – 2ième rue	A plot of 9.941 m² in an industrial estate. Two industrial buildings that were fully renovated and extended in 2005 into 5.648 m² of warehouses and 634 m² of offices.
Kontich, Satenrozen 11-13 – Elsbos	A plot of 160.743 m² in a SME park. Production buildings, partly consisting of high-rise blocks, and a large office building constructed in 1985. A smaller office building was built in 1996. A total of 51.561 m² of warehouses and 5.400 m² of offices. Equipped with solar panels.
Kortenberg, A. De Conincklaan 2-4	A plot of 10.663 m². An 820 m² office building and two storage halls of 2.344 m² each, with a total of 1.061 m² of mezzanines.
Leuven (Wilsele), Kolonel Begaultlaan 9, 17-21, corner Lefèvrelaan	A plot of 13.526 m² alongside the Leuven canal basin. A 20.894 m² former industrial complex which was converted and modernised in the mid-eighties.
Leuven, Vaart 25-35	A 3.170 m² plot, excellently positioned for advertising. The former 'Molens Hungaria' were renovated in 2000 into a 15.305 m² complex.
Londerzeel, Nijverheidstraat 13-15	A plot of 42.115 m² in an industrial estate alongside the A12. Two industrial buildings built in 1989-1991. Since their renovation in 2005 they comprise 1.698 m² of offices and social areas and 25.770 m² of warehouses.
Machelen, Rittwegerlaan 91-93 – Nieuwbrugstraat	A plot of 12.360 m² in the Haren-Buda district. An industrial complex of 14.300 m², which was thoroughly renovated and converted into an internet hotel. In 2006, at the request of the tenant, a 1.564 m² two-level warehouse was added.
Meer, Seoulstraat	A plot of 28,901 m² with a logistics complex dating from the end of the nineties encompassing 18.196 m² of warehousing and 810 m² of office space.

Review of the consolidated property portfolio

Mechelen, Zandvoortstraat	A plot of 42.012 m². A recent logistics complex consisting of 29.330 m² of warehousing and 3.247 m² of office space.
Merchtem, Wolvertemse Steenweg 1 – Bleukenweg 5	A plot of 13.241 m². A former industrial building that was renovated and converted into a 1.160 m² supermarket and 8.471 m² of warehouses and basements.
Nivelles, chaussée de Namur 66	A plot of 20.000 m². A renovated semi-industrial building with 10.000 m² of warehousing and 1.085 m² of office space.
Nivelles, rue de l'Industrie 30	A plot of 60.959 m² in the industrial estate Nivelles-Sud. A construction built in 1990 and a new construction built in 2004, with a total of 3.093 m² of offices and 23.906 m² of warehouses.
Nivelles, rue du Bosquet 12	A plot of 19.429 m² in the industrial estate Nivelles-Sud. An industrial building, built in 2007, to be divided into three units of 3.901 m², 3.551 m² and 2.096 m², respectively, and with 382 m², 364 m² and 363 m² of built-in offices.
Nivelles, rue Buisson aux loups	A site with a surface area of 51.000 m², which WDP will demolish and redevelop in due course.
Puurs (Breendonk), Koning Leopoldlaan 9	A plot of 5.579 m². A recent industrial building with 1.282 m² of offices and 1.015 m² of warehouses.
Puurs, Lichterstraat 31	A plot of 23.569 m² in the industrial estate Rijksweg 2. A complex built in 1974 with 1.606 m² of offices and 14.101 m² of warehouses.
Rumst (Terhagen), Polder 3 – Kardinaal Cardijnstraat 65	A plot of 47.435 m² in the Industrial estate Molleveld. A 21.189 m² complex, of which 338 m² are offices, 20.108 m² are warehouses and workshops and 743 m² of living area (3 units).
Sint-Katelijne-Waver, Drevendaal 1 – Strijbroek 4	Two plots with a total of 52.411 m², one of which is fully owned and the other is let on a long lease. An industrial building constructed in 1991 with 15.405 m² of warehouses and 1.653 m² of offices. A second building constructed in 1991, renovated in 2007, with 4.785 m² of warehouses and 767 m² of offices.
Sint-Katelijne-Waver, Drevendaal 3	A plot of 46.941 m² in the industrial estate of Sint-Katelijne-Waver, 39.614 m² of which is let on a long lease and the remaining part fully owned. An industrial complex built in 1996 with extensions in 1997 and 1998, with 20.892 m² of warehouses and 1.683 m² of offices. Equipped with solar panels.
Sint-Katelijne-Waver, Fortsesteenweg 19-27	Two plots of industrial land in a SME park with a total surface area of 39.783 m². A 2.685 m² industrial building and 565 m² of offices.
Sint-Katelijne-Waver, Fortsesteenweg 44	A plot of 8.873 m² in a SME park. A 426 m² office building and 3.612 m² of refrigerated warehouses and workshops.
Sint-Katelijne-Waver, Strijbroek 10	A plot of 4.797 m² in the industrial estate of Sint-Katelijne-Waver, let in a long lease. A building constructed in with 2.103 m² of offices.
Sint-Niklaas, Europark Zuid II	An industrial site of 50.773 m². For development.
Ternat, Industrielaan 24	A plot of 28.274 m² in a SME park. Offices and a warehouse built in 1977-1978 and 1985, which were renovated in 2000-2001, and a new construction built in 2000. A total of 3.125 m² of offices and service areas and 13.913 m² of warehouses.
Vilvoorde, Havendoklaan 12	A plot of 27.992 m² in the Cargovil businesspark. The buildings, built in 1994, were renovated and extended. In a first phase, with 1.003 m² of offices, 4.133 m² of warehouses and 42 m² of archive area. In a second phase, with 850 m² of offices and 7.875 m² of warehouses. Equipped with solar panels.
Vilvoorde, Havendoklaan 13	A plot of 18.066 m² in the Cargovil businesspark. An 845 m² office building renovated in 2006 and a 3.150 m² storage hall. Adjacent, a 1.774 m² new construction built in 2006

Review of the consolidated property portfolio

Vilvoorde, Havendoklaan 19	A plot of 19.189 m² in the Cargovil businesspark. 10.677 m² of warehouses and two separate office buildings with a total of 879 m², built in 2002-2003.
Vilvoorde, Jan Frans Willemsstraat 95	A plot of 13.853 m² in an industrial estate. A total of 6.010 m² of warehouses and 371 m² of offices, in a new construction built in 2004 and in an older industrial complex that was partly renovated and adapted in 2007.
Vilvoorde, Willem Elsschotstraat 5	A plot of 47.203 m². A total of 1.990 m² of offices and 18.843 m² of warehouses in buildings that were fully renovated in 1996-1997, with an extension added in 2005.
Willebroek, Koningin Astridlaan 14	A plot of 58.207 m² alongside the A12 motorway. A total of 20.505 m² of offices, workshops and warehouses built at the end of the seventies and in 1999. Equipped with solar panels.
Willebroek, Koningin Astridlaan 16	A 63.902 m² plot of industrial land. 23.500 m² of warehouses and 1.100 m² of built-in offices in a new construction built in 2008.
Willebroek, Victor Dumonlaan	A plot of 52.051 m² concession land with a storage complex consisting of 32.700 m² of warehousing and 896 m² of office space.
Zaventem, Fabriekstraat 13	A plot of 14.501 m². A 701 m² office building constructed in 1984. 6.811 m² of warehouses built in 1980, 1987 and partly 1993.
Zele, Lindestraat 7 – Baaikensstraat	A plot of 71.415 m² in an industrial estate. 1.111 m² of offices and 38.350 m² of warehouses and 1.068 m² of mezzanines, partly newly constructed in 2008 and partly renovated in 2003, 2005 and 2007.
FRANCE	
Aix-en-Provence, rue Gustave Eiffel 205	A 31.179 m² plot of land in the industrial estate Les Milles. A building constructed in 2000 with 8.259 m² of warehouses with additional space for outside storage and 1.012 m² of offices.
Lille – Libercourt – Zone Industrielle – Le Parc à stock	A plot of 138.003 m² for a new construction project for which 24.025 m² of warehousing and 438 m² of office space have already been completed and a further 36.000 m² of warehousing space is in the course of construction.
Lille – Fretin – Sainghin-en-Mélanois, rue des Hauts de Sainghin, plots 179 and 180	A 31.689 m² plot, situated at three kilometres from the Lille airport. A building constructed in 1998-1999 with 16.655 m² of warehouses and 248 m² of offices.
Lille – Roncq, avenue de l'Europe 17	A 27.948 m² plot north of Lille, in the activity park Centre International de Transport. A building constructed in 2003 that was extended in 2006, with 12.234 m² of warehouses and 858 m² offices.
Lille – Seclin, rue Marcel Dassault 16	A 28.157 m² plot in an industrial estate south of Lille. The building comprises 12.397 m² of warehouses and 709 m² of offices.
Lille – Templemars, route d'Ennetières 40	A 44.071 m² plot, situated at three kilometres from the Lille airport. A very well kept building constructed in 1989 that was extended in 2007, with 17.391 m² of warehouses and 1.790 m² of office.
Vendin-le-Vieil, rue Calmette / rue des Frères Lumière	A 82.200 m² plot in an industrial estate near Lens. A building constructed in 2004 with 26.788 m² of warehouses and 2.353 m² of offices. Moreover, the plot has extension possibilities for the future.
Neuville-en-Ferrain, rue de Reckem 33	A 24.200 m² plot north of Lille, very near the Belgian border, in the industrial estate Tourcoing-Nord. A building constructed in 2007 with 12.954 m² of warehouses and 249 m² of offices.
THE NETHERLANDS	
Breda – Hazeldonk 6462 and 6464	A 49.487 m² plot in the industrial estate Hazeldonk, near Breda and the Belgian border. The complex built in the nineties comprises 1.100 m² of offices and 35.977 m² of storage and logistics areas.
Nijmegen – Industrial estate Bijsterhuizen	A site of 25.137 m² of which 13.000 m² is in the course of construction.

Review of the consolidated property portfolio

Raamsdonksveer, Zalmweg 27	A 15.333 m² plot in the industrial estate Dombosch II. A building with 1.106 m² of offices and 4.210 m² of industrial areas, with an additional outside 2.400 m² of covered industrial areas. An expansion of 3.015 m² was completed in 2009.
Ridderkerk, Handelsweg 20	A site of 43.237 m² in a prime logistics location. Premises with 16.495 m² of storage and logistics space and 3.747 m² of office space. In the latter part of 2009 a new warehouse was completed with an additional 12.437 m² of storage and logistics space and 3.501 m² of office space. In addition there is an industrial site of 5.040 m² on which a car park deck is to be constructed.
Tilburg – Industrial estate Loven	A plot of 27.897 m² was acquired. The old site will be redeveloped to develop a new construction project of 17.350 m².
Veghel, Marshallweg 1	A 148.279 m² plot between Den Bosch and Eindhoven. The complex comprises nine buildings, with a total of 75.955 m² of industrial areas and 2.208 m² of offices.
Venlo, Ampèrestraat 15-17	A site of 50.400 m² in the industrial zone Venlo Trade Port, very near the German border. In 2009 a first distribution building with 14.015 m² of warehousing and 250 m² of office space was completed. A second distribution building that will comprise 17.447 m² of warehousing and 250 m² of office space is in the course of construction.
Venlo, Edisonstraat 9	A 70.000 m² plot in the industrial estate Venlo Trade Port, near the German border. 'Sale and lease back' of buildings with a total surface area of 24.344 m² of warehouses and 4.849 m² of offices.
Voorhout, Loosterweg 33	A 63.159 m² plot at a location between Amsterdam and Den Haag The buildings complex built in 1988 comprises 25.429 m² of warehouses, 11.752 m² of greenhouses and 1.396 m² of offices.
CZECH REPUBLIC	
Mladá Boleslav – Nepřevázka	A plot of land of 86.728 m² north of the industrial town of Mladá Boleslav. A building constructed in 2004-2007 with 24.590 m² of warehouses, 3.936 m² of offices and 1.416 m² of other purposes. In addition the property also comprises a development zone of 24.000 m².
Průhonice-Praha – Uhříněveská 734	A plot of land of 13.189 m² in a commercial zone just out of Prague. The complex comprises 2.320 m² of commercial areas, 1.400 m² of offices, 800 m² of warehouses and 89 m² of storage room and other purposes.

ROMANIA

All of WDP's properties in Romania are plots of land. WDP owns 51% of each of the plots of land below.

Location	Surface (m²)
Agigea	95.000
Aricestii Rahtivani	250.000
Codlea	227.500
Corbii Mari	222.207
Fundulea 1	175.695
Fundulea 2	110.399
Mihail Kogalniceau	90.200
Oarja	224.225
Paulesti	195.410
Sarulesti	98.464

Review of the consolidated property portfolio

4. Rental situation of vacant buildings

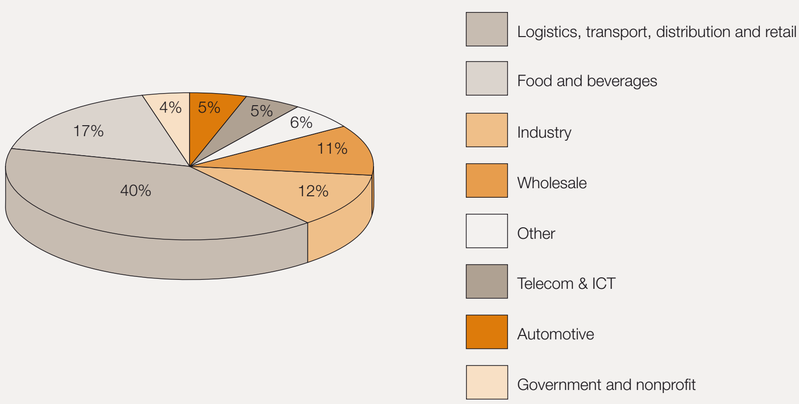
In 2009 the leased buildings generated income of EUR 54,6 million, up 17,7% from 2008. This rental income is the sum generated by all leases, plus the charges for management or specific work, less the withholding tax on income from movable property and/or charges payable by the owner for concessions. In total, it is equivalent to 97,2% of the rental value for the existing properties of EUR 56,2 million, based on market prices.

The main tenants are: Univeg group with a share of 14,9% of the rental income, DHL (7,0%), Massive PLI – Philips Lighting (6,0%), Kuehne & Nagel (4,9%), Distri-Log (3,3%), Lidl (3,1%), Belgacom (2,8%), Descamps (2,7%), Renault (2,2%) and Tech Data (1,7%). The ten principal tenants jointly account for 48,6%.

Top tenants (% rental income)

1	Univeg-groep	14,9%
2	DHL	7,0%
3	Massive PLI – Philips Lighting	6,0%
4	Kuehne & Nagel	4,9%
5	Distri-Log	3,3%
6	Lidl	3,1%
7	Belgacom	2,8%
8	Descamps	2,7%
9	Renault	2,2%
10	Tech Data	1,7%
Top 10 =		**48,6%**

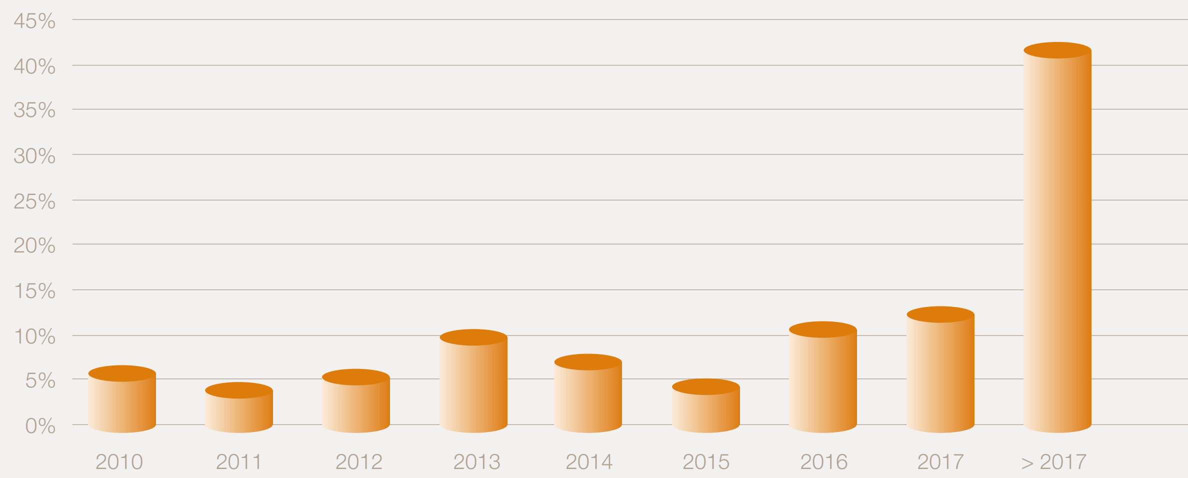
2009 rental income 2009 by lessee sector



Review of the consolidated property portfolio

Leases expiring in 2010 and 2011 represent respectively 5,7% and 3,8% of the total rental value. Leases with an expiration date in 2014 or later represent 75,5%.

Annual expiry of existing leases



Review of the consolidated property portfolio

		Rental income	Occupancy %	Rental income full occupancy	Expected rental income full occupancy
BELGIUM		**37.119.689,89**	**94,81**	**39.150.274,81**	**41.916.370,23**
Aalst	Dendermondsesteenweg 75	175.988,39	100,00	175.988,39	177.571,68
Aalst	Denderstraat 54-56 – Tragel	207.440,52	100,00	207.440,52	207.324,24
Aalst	Tragel 5 – Gheeraerdtstraat 15-16	254.232,45	85,80	296.308,22	291.624,62
Aalst	Tragel 11-12 – Garenstraat	936.167,04	100,00	936.167,04	938.840,04
Aalst	Wijngaardveld 3/5, Dijkstraat 7	677.142,73	100,00	677.142,73	678.714,12
Aarschot	Nieuwlandlaan 19	288.068,31	100,00	288.068,31	363.875,76
Anderlecht	Frans Van Kalkenlaan 9	922.896,03	100,00	922.896,03	932.245,56
Antwerp	Lefebredok – Grevendilf – Vrieskaai	599.444,74	95,84	625.464,04	646.867,03
Asse (Mollem)	Terheidenboslaan 10	244.472,08	100,00	244.472,08	244.533,60
Asse (Mollem)	Assesteenweg 25	1.262.154,10	93,78	1.345.867,03	1.352.585,03
Asse (Mollem)	Assesteenweg plot next to number 25	24.437,50	100,00	24.437,50	34.500,00
Beersel	Stationstraat 230	202.049,08	100,00	202.049,08	201.783,24
Beersel (Lot)	Heideveld 3-4	373.844,32	100,00	373.844,32	373.352,40
Beringen (Paal)	Industrieweg 135 – Rijsselstraat	436.830,82	100,00	436.830,82	438.779,04
Boom	Groene Hofstraat 13	86.856,63	75,62	114.859,34	130.648,25
Boom	Langelei 114-116 – Industrieweg	1.617.778,08	84,24	1.920.439,32	2.086.820,94
Boortmeerbeek	Leuvensesteenweg 238	182.871,86	100,00	182.871,86	181.326,12
Boortmeerbeek	Industrieweg 16	347.446,36	36,61	949.047,69	1.215.664,24
Bornem	Rijksweg 17	631.782,00	100,00	631.782,00	630.207,60
Bornem	Rijksweg 19	951.444,00	84,73	1.122.912,78	1.125.930,84
Courcelles	rue de Liège 25	662.150,68	91,16	726.360,99	1.307.449,19
Doornik (Marquain)	rue de Terre à Briques 14	346.741,31	100,00	346.741,31	346.828,56
Genk	Brikkenovenstraat 48	614.748,35	100,00	614.748,35	1.045.890,54
Grimbergen	Eppegemsesteenweg 31	1.016.866,32	100,00	1.016.866,32	1.012.135,92
Grimbergen	Industrieweg 16	722.738,20	100,00	722.738,20	726.390,24
Haacht (Wespelaar)	Dijkstraat 44	213.329,52	100,00	213.329,52	202.784,28
Jumet	Zoning Industriel – 2ième	268.440,03	100,00	268.440,03	268.611,00
Kontich	Satenrozen 11-13 – Elsbos	2.473.653,80	100,00	2.473.653,80	2.475.834,36
Kortenberg	A. De Conincklaan 2-4	397.291,76	100,00	397.291,76	399.043,20
Lebbeke (Wieze)	Kapittelstraat 31	71.003,43	100,00	71.003,43	31.588,92
Leuven	Vaart 25-35	1.239.617,63	100,00	1.239.617,63	1.225.619,88
Leuven (Wilsele)	Kolonel Begaultlaan 9, 17-21, hoek Lefèvrelaan	667.287,12	100,00	667.287,12	668.947,56
Londerzeel	Nijverheidstraat 13-15	1.100.566,72	100,00	1.100.566,72	1.101.997,44
Machelen	Rittwegerlaan 91-93 – Nieuwbrugstraat	1.536.351,18	100,00	1.536.351,18	1.533.915,96
Mechelen	Zandvoortstraat 3	806.249,97	100,00	806.249,97	1.074.999,96
Meer	Seoelstraat 1	352.350,00	100,00	352.350,00	469.800,00
Merchtem	Wolvertemse Steenweg 1 – Bleukenweg 5	205.850,22	83,58	246.291,24	300.133,81
Moeskroen (Estaimpuis)	rue du Pont Blue 21	124.031,39	100,00	124.031,39	124.062,60
Neder-Over-Heembeek	Steenweg op Vilvoorde 146	68.332,29	100,00	68.332,29	0,00
Nivelles	chaussée de Namur	0,00	0,00	0,00	520.000,00
Nivelles	rue de l'Industrie 30	1.308.992,43	98,12	1.334.073,00	1.335.040,48
Nivelles	rue de Bosquet 12	592.150,02	100,00	592.150,02	578.471,32
Nivelles	rue buisson aux Loups	1.100,00	100,00	1.100,00	0,00
Puurs	Lichterstraat 31	10.491,16	100,00	10.491,16	9.000,00
Puurs (Breendonk)	Koning Leopoldlaan 9	202.924,56	100,00	202.924,56	202.924,56
Rumst (Terhagen)	Polder 3 – Kardinaal Cardijnstraat 65	570.076,34	100,00	570.076,34	569.422,68

Review of the consolidated property portfolio

		Rental income	Occupancy %	Rental income full occupancy	Expected rental income full occupancy
Sint-Jans-Molenbeek	Delaunoystraat 35-36 + 58-60	10.337,91	100,00	10.337,91	0,00
Sint-Katelijne-Waver	Strijbroek 10	311.949,16	100,00	311.949,16	311.538,60
Sint-Katelijne-Waver	Drevendaal 3	1.298.576,35	100,00	1.298.576,35	1.284.570,24
Sint-Katelijne-Waver	Drevendaal 1 – Strijbroek 4	867.827,19	100,00	867.827,19	868.045,56
Sint-Katelijne-Waver	Fortsesteenweg 19-27	280.509,81	100,00	280.509,81	280.580,40
Sint-Katelijne-Waver	Fortsesteenweg 44	143.663,85	100,00	143.663,85	143.700,00
Ternat	Industrielaan 24	775.078,78	95,31	813.218,74	815.490,46
Vilvoorde	Willem Elsschotstraat 5	885.349,16	96,52	917.270,16	898.247,00
Vilvoorde	Havendoklaan 12	890.761,04	100,00	890.761,04	891.614,04
Vilvoorde	Havendoklaan 13	429.881,64	100,00	429.881,64	429.881,64
Vilvoorde	Havendoklaan 19	2.000,00	0,00	577.250,00	605.248,00
Vilvoorde	Jan Frans Willemsstraat 95	386.992,80	100,00	386.992,80	368.565,12
Willebroek	Koningin Astridlaan 14	835.143,44	100,00	835.143,44	930.933,60
Willebroek	Koningin Astridlaan 16	1.177.422,81	100,00	1.177.422,81	1.179.240,48
Willebroek	Victor Dumonlaan 4	870.189,03	100,00	870.189,03	1.160.252,04
Zaventem	Fabriekstraat 13	372.221,34	100,00	372.221,34	372.795,96
Zele	Lindestraat 7 – Baaikensstraat	1.585.104,11	100,00	1.585.104,11	1.591.580,28
FRANCE		**5.748.654,00**	**90,22**	**6.371.499,17**	**7.469.582,67**
Aix-en-Provence	rue Gustave Eiffel 205	759.519,00	100,00	759.519,00	760.164,64
Lille – Fretin – Sainghin-en-Mélanois	rue des Hauts de Sainghin	435.759,00	50,00	871.518,00	1.209.780,00
Lille – Libercourt	Zone Industrielle – Le Parc à Stock	375.591,00	100,00	375.591,00	980.799,96
Lille – Roncq	avenue de l'Europe 17	551.564,00	92,23	598.031,01	571.232,79
Lille – Seclin	rue Marcel Dassault	509.831,00	100,00	509.831,00	637.581,00
Lille – Templemars	route de l'Epinoy 16b	302.555,00	68,27	443.174,16	464.375,04
Lille – Templemars	route d'Ennetière 40	756.648,00	100,00	756.648,00	758.667,84
Neuville-en-Ferrain	rue de Reckem 33	601.236,00	100,00	601.236,00	595.713,20
Vendin-le-Vieil	rue Calmette / rue des Frères Lumière	1.455.951,00	100,00	1.455.951,00	1.491.268,20
CZECH REPUBLIC		**2.526.142,00**	**100,00**	**2.526.142,00**	**2.480.328,88**
Hradec Králové	Pilráčkova 410	198.800,00	100,00	198.800,00	197.212,44
Jablonec	Janovská 4633/3	55.691,00	100,00	55.691,00	55.691,40
Mladá Boleslav	Jičinská 1329/3	127.675,00	100,00	127.675,00	127.770,48
Mladá Boleslav	Nepřevázka	1.710.385,00	100,00	1.710.385,00	1.667.045,44
Průhonice	Uhřiněveská 734	433.591,00	100,00	433.591,00	432.609,12
THE NETHERLANDS		**9.277.573,00**	**100,00**	**9.277.573,00**	**13.696.465,20**
Breda	Hazeldonk 6462 en 6464	1.061.692,00	100,00	1.061.692,00	1.061.691,96
Nijmegen	Industrieterrein Bijsterhuizen	0,00	0,00	0,00	322.500,00
Raamsdonksveer	Zalmweg 27	321.799,00	100,00	321.799,00	410.716,56
Ridderkerk	Handelsweg 20	3.570.193,00	100,00	3.570.193,00	5.353.200,68
Tilburg	Industrieterrein Loven	0,00	0,00	0,00	768.750,00
Veghel	Marshallweg 1	2.646.685,00	100,00	2.646.685,00	2.646.685,44
Venlo	Ampèrestraat	0,00	0,00	0,00	1.456.000,00
Venlo	Edisonstraat	541.816,00	100,00	541.816,00	541.816,00
Voorhout	Loosterweg 33	1.135.388,00	100,00	1.135.388,00	1.135.104,56
TOTAL		**54.672.058,89**	**95,37**	**57.325.488,98**	**65.562.746,98**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5. General economic factors

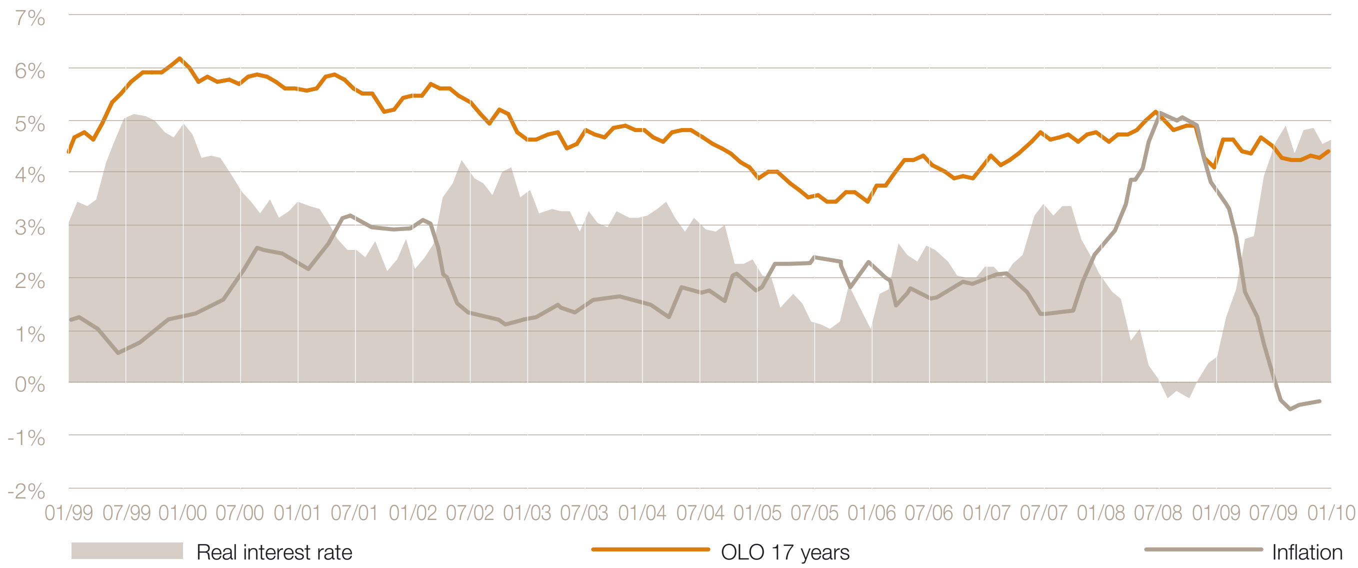
The long-term interest rate, for which 15- to 20-year linear bonds (OLO) serve as reference for investment property, rose in the course of 2009 from 4,05% at the end of December 2008 to 4.36% at the end of December 2009.

At the same time, the inflation rate swung from 3,54% in 2008 to a negative inflation of -0,26% in 2009. This means that the real interest rate, i.e. the difference between the long-term interest rate and inflation, rose steeply from 0,51% to 4,62%. To find this level in the past we have to go back ten years, to the summer of 1999. Put differently, average inflation for the past two years has been 1,6% on an annual basis.

Within the framework of the valuation of the portfolio, taking account of the present interest rates, future inflation is expected to be 1,50%, which brings the real rate of interest to 2,86%. Additionally, we apply a risk margin of 2,99% on average. This reflects on the one hand long-term investors' doubts about maintaining the current financial parameters and on the other the risk and the illiquidity of the specific property.

The real rate of interest, which is decisive in the financial analysis, accordingly rose from 5,73% at the end of 2008 to 5,85% (4,36% – 1,50% + 2,99%) at the end of 2009.

Changes in real interest rate



Report of the independent surveyor

Dear,

We are pleased to present to you our estimate of the value of the property portfolio of WDP Comm. VA at 31 December 2009.

WDP has appointed us as independent surveyors to determine the investment value and fair value of its property portfolio. The estimates made take into account both the observations and definitions stated in the reports and the *International Valuation Standards* issued by IVSC.

Fair value is defined in IAS 40 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. IVSC considers these conditions to have been met if the definition of market value set out above is complied with. In addition, market value must reflect current rental agreements, the current gross margin of self-financing (or cash flow), the reasonable assumptions in respect of potential rental income and expected costs.

The administration costs must be adjusted in this context to the actual situation in the market. Following analysis of a large number of transactions the independent surveyors acting on the request of listed property companies concluded in a working party that, since fiscal engineering takes place on a large scale in various forms (completely within the law), the impact of the transaction costs on large investment property in the Belgian market with a value of more than EUR 2,5 million is limited to 2,5%. The value with additional costs borne by the seller therefore corresponds to the fair value plus 2,5% administration costs. Fair value is consequently calculated by dividing the value with additional costs borne by the seller by 1,025. Properties below the threshold of EUR 2,5 million and foreign properties are subject to the usual registration regime and their fair value therefore equals the 'value with costs borne by the buyer'.

As independent surveyors we have a relevant and recognised professional qualification as well as recent experience with properties of a similar category and location to the properties being valued in the property portfolio of WDP.

The estimates of the properties take account of both current rental agreements and all rights and obligations arising from those agreements. Each property was estimated separately. The estimates do not take account of potential additional value that could be realised by offering the portfolio as a whole in the market. Our estimates also do not take account of marketing costs specific to a transaction, such as estate agents' fees or advertising costs. Our estimates are based on an annual inspection of the properties concerned and also take account of the information provided by WDP on the rental situation, surface areas, drafts or plans, rental costs and taxes relating to the property concerned, conformity and environmental pollution. The information supplied was considered to be accurate and complete. Our estimates assume that information not provided to us would not affect the value of the asset.

On the basis of the statements in the preceding paragraphs, we can confirm that the investment value of WDP's real estate property (excluding solar panels) at 31 December 2009 is EUR 844.374.800 (eight hundred forty-four million three hundred seventy-four thousand eight hundred euros).

The fair value was determined at EUR 817.250.900 (eight hundred seventeen million two hundred fifty thousand nine hundred euros) at 31 December 2009.

Report of the independent surveyor

The contractual rental income amounts to EUR 56.192.200, which corresponds to an initial rental yield of 7,68% compared to the fair value of the completed properties. After addition of the estimated market rental value for non-let sections to the contractual rental income, this amounts to EUR 60.908.226, which corresponds to an initial rental yield of 8,34%.

Yours faithfully,

Eric Van Dyck
CEO Cushman & Wakefield

Philippe Janssens
Managing Director
Stadim

The report of the property surveyors is included, with their permission, in this annual financial report.

WDP shares

Share price

The impact of the worldwide economic downturn also affected WDP's shares in 2009. Moreover investors – initially overreacting to the financial crisis – were inordinately fixated on companies' gearing. WDP's share price experienced the consequences of this in the first half year, falling below EUR 30.

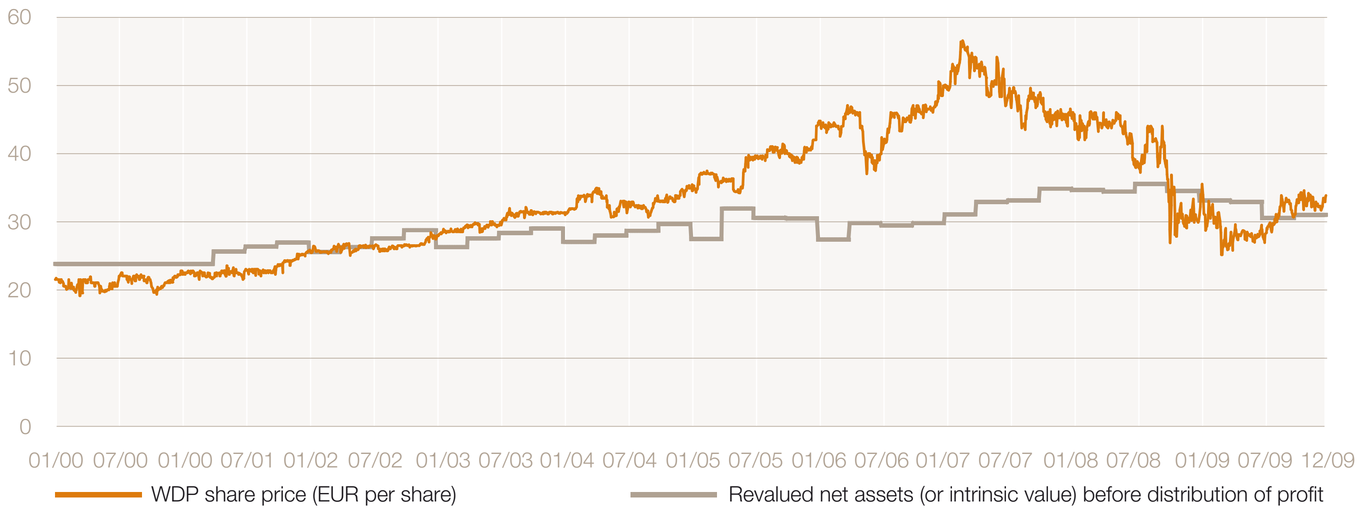
WDP was nonetheless able to carry out two successful capital increases in the first half of 2009:

- A capital increase of more than EUR 21,9 million, further to the 'sale and rent back' operation entered into with DHL on 31 March 2009, in which DHL received WDP shares as payment for the property contributed;
- In June, EUR 73,6 million was raised via a capital increase in cash with pre-emptive rights.

As a result of the two operations and several other measures the gearing improved from 63% to 55%. This decrease was accompanied in the second half of the year by a stabilisation of the financial markets. WDP's shares recouped lost terrain as a result, climbing above EUR 30 and closing the year just shy of EUR 34.

The share price recovery and successful capital increases attest to the faith that investors and shareholders have in WDP. The strengths of the closed-end property investment company have not been diminished by the economic crisis. They include the position as the Belgian market leader in semi-industrial property and the favourable tax regime under which the cepic operates in both Belgium and France. In addition, the fact that WDP is a 'self managed fund', where the management is performed within the company and is fully at the service of the shareholders is greatly valued by investors. The property portfolio also offers investors immediate benefits of scale in certain regions. The stable dividend yield has also contributed to ensuring that many investors retain their faith in WDP.

Comparison of share price against revalued net assets



WDP shares

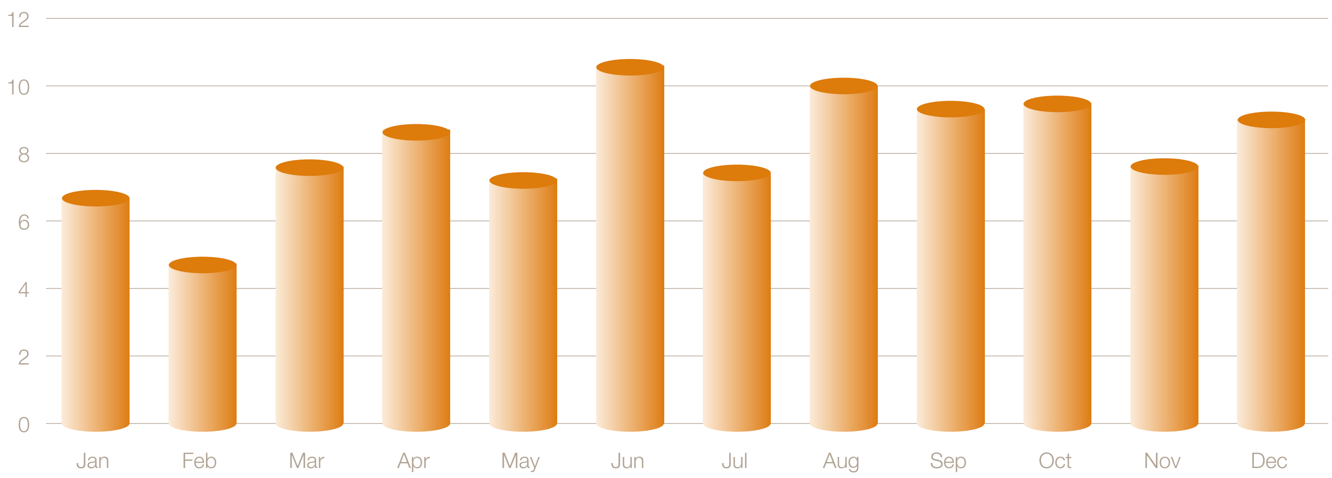
WDP targets investors in logistics property who are interested primarily in a stable dividend policy.

Liquidity and velocity

As a result of the capital increases described above the total number of WDP shares increased in 2009 from 8,7 to 12,5 million. The market capitalisation of the cepic is currently some EUR 400 million, compared to over EUR 250 million at year-end 2008. The increase in the number of shares and the higher market capitalisation would normally lead to higher liquidity in the future.

Velocity is the number of traded shares per year, divided by the total number of shares at the end of the year. The velocity of WDP's shares evolved in the course of 2009 from 35,27% to 24,37%, taking account of the strong increase in the number of shares (see table). In absolute figures, this represents an average number of WDP shares traded per day of 12.024, compared to 11.837 in 2008.

Development in trading volume of WDP shares on Euronext Brussels in 2009 (EUR millions)



Return[8]

The return was 27,39% in 2009, versus -29,11% in 2008. WDP is accordingly performing roughly on a par with the Bel20 index (31,59%). According to Global Property Research's 'GPR 250 EUROPE' index, returns on European listed property averaged 41,21% in 2009. But WDP significantly outstripped the average return on Belgian property shares, which was 10,83% in 2009 according to the 'GPR 250 BELGIUM' index.

8 *The share return in a certain period equals the gross return. This gross return is the sum of the following elements:*
- the difference between the share price at the end and at the beginning of the period;
- the gross dividend (the dividend before deduction of the withholding tax);
- the gross dividend of the dividend obtained if this is reinvested in the same share.

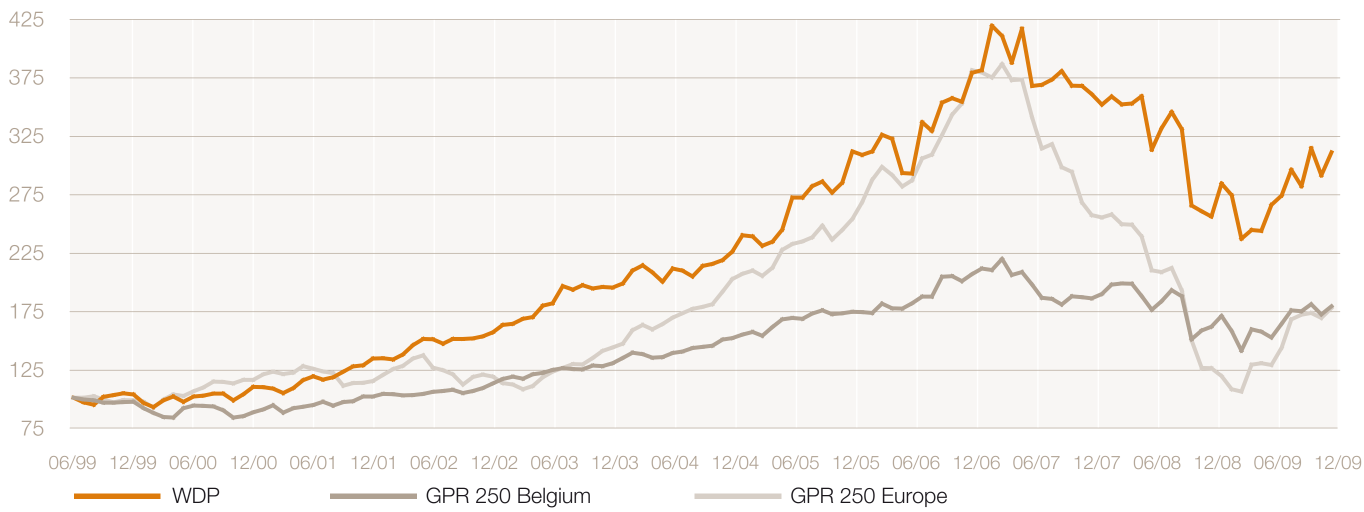
WDP shares

Viewed over a period of ten years, since the flotation in 1999, WDP continues to outperform the European and Belgian averages, with a return of 11,77%. By comparison: the return for European listed property is 5,55% and 5,53% for Belgian listed property. The Bel20 index scored -2,07% in the past decade.

In this connection also see the monthly update on **www.wdp.be**.

The positive turnaround of the return is the result of several factors. A first explanation is the capital increase with pre-emptive rights, enabling existing shareholders to subscribe at an attractive price or sell their rights. The favourable share price development also played a part, as did the fact that WDP distributes an attractive dividend year after year and in this regard continues to offer good prospects for the future.

Comparison of return* on WDP shares with GPR 250 Belgium and GPR 250 Europe**



* *The share return in a certain period equals the gross return. This gross return is the sum of the following elements:*
- the difference between the share price at the end and at the beginning of the period;
- the gross dividend (the dividend before deduction of the withholding tax);
- the gross dividend of the dividend obtained if this is reinvested in the same share.

** *The graph compares the return on WDP with those of the GPR 250 indices, whereby the reference (100) is the situation at 30-06-1999.*

Figures per share (in EUR)	31–12–2009	31–12–2008	31–12–2007
Number of shares in circulation on closing date	12.533.938	8.592.721	8.592.721
Free float	69%	69%	72%
Market capitalisation	425.267.516	259.070.538	390.968.806
Traded volume in shares per year	3.054.119	3.030.374	3.458.483
Average daily volume in EUR	368.087	472.582	664.934
Velocity*	24,37%	35,27%	40,25%
Stock exchange price			
- highest	36,04	46,11	56,95
- lowest	24,89	27,05	42,02
- closing	33,93	30,15	45,50
Net asset value after profit distribution**	29,27	30,41	36,10
Net asset value after profit distribution** (IAS 39 result excl.)	32,05	33,20	35,54
Dividend payout ratio	95%	88%	89%
Net result/share***	3,14	3,34	3,05
Gross dividend/share**	2,94	2,94	2,72
Net dividend/share**	2,50	2,50	2,31

* *The number of shares traded per year divided by the total number of shares at the end of the year.*

** *Net asset value = Equity before profit distribution of the current financial year.*

*** *Earnings per share are calculated on a pro-rata-temporis basis for the number of shares entitled to dividend for 2009 (first six months 9.400.454, from 01/07/2009 12.533.938).*

Euronext Brussels
IPO: 28/06/99
trading: continuous
ISIN-code: BE0003763779
liquidity provider: Petercam

Euronext Paris
trading: 17/12/04
trading: continuous

This annual financial report is a registration document in the sense of Article 28 of the Law of 16 June 2006 on public offering of investment instruments and the admission of investment instruments authorised to trading on a regulated market. It has been approved by the CBFA in accordance with Article 23 of the aforementioned Law, on 30 March 2010.

WDP
warehouses with brains

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tel: +32 (0)52 338 400 fax: +32 (0)52 373 405 info@wdp.be **www.wdp.be**
company registration number: 0417.199.869

Annual financial report 2009/ financial report

Agenda

(for update: see www.wdp.be)

General Meeting
Wednesday 28 April 2010

Ex-date coupon no. 19 – Friday 30 April 2010

Payment coupon no. 18 – Wednesday 5 May 2010

Payment coupon no. 19 – Wednesday 5 May 2010

Announcement of the 1st quarter results for 2010
Wednesday 12 May 2010

Announcement of half-yearly results 2010
Wednesday 25 August 2010

Announcement of the third quarter results for 2010
Tuesday 16 November 2010

Announcement of the annual results 2010 – week 7–8 2011

This registration document is a translation of the registration document in Dutch. In the event of any discrepancy the Dutch version shall prevail, the English version being a free translation. Warehouses De Pauw Comm. VA is responsible for ensuring consistency between the Dutch and English versions. The Dutch version of this document can be consulted at www.wdp.be.

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2009 Annual consolidated financial statements
Profit and loss account

EUR (x 1.000)	31-12-2009	31-12-2008
I. Rental Income	**54.895**	**46.810**
Rents	54.780	46.650
Indemnification for early termination of lease	115	160
III. Costs associated with rentals	**-768**	**-165**
Rent to be paid for leased premises	-241	-152
Reductions in value on trade receivables	-667	-91
Reversals and reductions in value on trade receivables	140	78
NET RENTAL RESULT	54.127	46.645
V. Recovery of rental charges normally paid by the tenant on let properties	**5.025**	**4.365**
Re-invoicing of rental charges normally paid by the owner	2.145	2.047
Re-invoicing of advance property levy and taxes on let property	2.880	2.318
VII. Rental charges and taxes normally paid by the tenant on let properties	**-5.629**	**-4.909**
Rental charges normally paid by the owner	-2.335	-2.238
Advance property levy and taxes on let property	-3.294	-2.671
VIII. Other income and charges related to leases	**4.250**	**779**
Property management fees	546	532
Income from solar energy	3.704	247
PROPERTY RESULT	57.773	46.880
IX. Technical costs	**-997**	**-910**
Recurrent technical costs	-955	-890
- Repairs	-663	-681
- Insurance premiums	-292	-209
Non-recurring technical costs	-42	-20
- Major repairs (building contractors, architects, engineering firm, etc.)	1	1
- Accidents	-78	-565
- Claims paid by insurers	35	544
X. Commercial costs	**-387**	**-318**
Agency commissions	-102	-44
Publicity	-81	-90
Lawyers fees and legal charges	-204	-184
XII. Property management costs	**301**	**34**
Fees paid to external managers	-104	-31
(Internal) property management costs	405	65
XIII. Other property costs	**0**	**0**
PROPERTY CHARGES	-1.083	-1.194
PROPERTY OPERATING RESULTS	56.690	45.686
XIV. General company expenses	**-3.325**	**-3.454**
XV. Other operating income and charges	**0**	**0**
OPERATING RESULTS FOR THE RESULT ON PORTFOLIO	53.365	42.232

2009 Annual consolidated financial statements
Profit and loss account

EUR (x 1.000)	31-12-2009	31-12-2008
XVI. Result on disposals of investment property (note XIX)	**11**	**80**
Net property sales (selling price – transaction costs)	3.007	1.800
Book value of the property sold	-2.996	-1.720
XVIII. Variations in the fair value of investment property (note XX)	**-26.791**	**-17.919**
Positive variations in the fair value of investment property*	7.985	19.306
Negative variations in the fair value of investment property	-37.662	-33.670
Impairment of assets under construction (recognised and reversed)	2.886	-3.555
OPERATING RESULT	**26.585**	**24.393**
XIX. Financial income	**4.248**	**7.559**
Interest and dividends received	1.208	2.900
Remuneration of finance leases and related products	23	20
Income from financial instruments used for hedging purposes (note VII)	2.948	2.186
Other financial income	69	2.453
XX. Interest charges	**-19.102**	**-16.520**
Nominal interest on loans	-22.468	-19.636
Reconstituted nominal value of financial debts	0	0
Interest capitalised during construction	3.380	3.137
Other interest charges	-14	-21
XXI. Other financial charges	**-14.155**	**-32.975**
Bank charges and other commissions	-41	-34
Costs of financial instruments used for hedging purposes (note VII)	-13.871	-31.371
Other financial charges	-243	-1.570
FINANCIAL RESULT (note XXI)	**-29.009**	**-41.936**
PRE-TAX RESULT	**-2.424**	**-17.543**
XXII. Corporate tax	**2.861**	**1.758**
Corporate tax	-221	-396
Deferred tax on variations in the fair value of investment property	-568	-1.642
Positive deferred tax on variations in the fair value of investment property	5.337	3.843
Deferred tax on reversal of amortisation	-664	-100
Reversals of deferred tax on IRS	0	414
Deferred tax on major maintenance provisions	-52	-49
Future tax benefits resulting from recoverable losses	0	19
Deferred taxes arising from differences between the valuation rules for tax purposes and the IFRS valuation rules	-971	-331
XXIII. Exit tax	**0**	**0**
TAXES (note XXII)	**2.861**	**1.758**
NET RESULT	**437**	**-15.785**

* *This relates only to positive variances of investment property. Revaluation surpluses for solar panels are taken directly to equity, under 'Reserves – Revaluation reserve' in accordance with IAS 16.*

2009 Annual consolidated financial statements

Profit and loss account

EUR (x 1.000)	31-12-2009	31-12-2008
NET RESULT	**437**	**-15.785**
Attributable to:		
- Shareholders of the parent company	437	-15.785
- Minority interests	0	0
NUMBER OF SHARES	**12.533.938**	**8.592.721**
NET EARNINGS PER SHARE (EUR)	**-0,21**	**-1,84**

Other components of comprehensive income

EUR (x 1.000)	31-12-2009	31-12-2008
NET PROFIT	**437**	**-15.785**
Revaluation surplus on solar panels	12.779	5.179
Currency exchange differences	-574	-258
OTHER COMPONENTS OF COMPREHENSIVE INCOME	**12.205**	**4.921**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**12.642**	**-10.864**
Attributable to:		
- Shareholders of the parent company	12.642	-10.864
- Minority interests	0	0

2009 Annual consolidated financial statements
Balance sheet – Assets

EUR (x 1.000)	31-12-2009	31-12-2008
FIXED ASSETS	883.846	786.649
B. Intangible assets (note III)	286	183
C. Investment property (notes IV and V)	815.392	742.129
E. Other tangible assets	55.232	32.360
- Tangible assets for own use	55.232	32.360
F. Financial fixed assets (note VII)	11.737	10.619
- Assets at fair value through profit or loss	593	298
Other	593	298
- Loans and liabilities	11.144	10.321
Other	11.144	10.321
G. Financial lease receivables (note VIII)	195	277
I. Trade receivables and other non-current assets	168	320
J. Deferred taxes – assets	836	761
CURRENT ASSETS	32.230	16.054
A. Assets held for sale (note IX)	14.199	4.642
- Investment property	14.199	4.642
C. Financial lease receivables (note VIII)	83	77
D. Trade debtors (note X)	9.678	4.256
E. Trade benefits and other current assets (note XI)	3.108	2.598
- Taxes	2.000	1.201
- Remunerations and social security contributions	0	0
- Other	1.108	1.397
F. Cash and cash equivalents	2.204	1.273
G. Accruals and deferred income	2.958	3.208
TOTAL ASSETS	916.076	802.703

2009 Annual consolidated financial statements

Balance sheet – Liabilities

EUR (x 1.000)	31-12-2009	31-12-2008
EQUITY	**366.843**	**261.307**
I. Equity attributable to the parent company's shareholders	**366.843**	**261.307**
A. Capital (note XII)	97.853	68.913
- Subscribed capital	100.522	68.913
- Costs capital increase	-2.669	0
B. Premiums on issue	63.960	0
D. Reserves	205.079	202.716
E. Result	26.050	10.185
- Result carried over from preceding years	25.613	25.970
- Result for the year	437	15.785
F. Impact on the fair value of costs and transfer taxes estimated at the time of the notional transfer of the investment property and of the valuation of development projects at cost	-27.124	-22.106
H. Exchange rate differences	1.025	1.599
II Minority interests	**0**	**0**
LIABILITIES	**549.233**	**541.396**
I. Long term commitments	**413.651**	**328.895**
A. Provisions (note XIV)	1.188	1.273
- Other	1.188	1.273
B. Long term financial debts (note XV)	373.726	297.341
- Credit institutions	336.877	263.764
- Financial leasing	29.174	26.910
- Other	7.675	6.667
C. Other long term financial commitments (note VII)	32.509	21.242
- Other	32.509	21.242
F. Deferred taxes – Liabilities	6.228	9.039
- Exit tax	0	0
- Other	6.228	9.039
II. Short term commitments	**135.582**	**212.501**
B. Short term financial debts (notes VII and XV)	121.777	180.304
- Credit institutions	116.446	177.428
- Financial leasing	4.795	2.292
- Other	536	584
D. Trade payables and other current debts	10.631	15.162
- Other	10.631	15.162
Suppliers	9.436	14.577
Taxes, remunerations and social security contributions	1.195	585
E. Other short term commitments (note XVI)	546	13.831
- Other	546	13.831
F. Accruals and deferred income	2.628	3.204
TOTAL LIABILITIES	**916.076**	**802.703**

2009 Annual consolidated financial statements
Cash flow statement

EUR (x 1.000)	31-12-2009	31-12-2008
CASH AND CASH EQUIVALENTS, OPENING BALANCE	**1.273**	**9.015**
NET CASH FROM OPERATING ACTIVITIES	**46.998**	**59.463**
1. Cash flows concerning operations	**46.655**	**57.616**
Profit/loss from company activities	22.047	-1.478
Profit for the year	437	-15.785
Interest charges	21.953	16.154
Interest received	-564	-2.243
Income tax	221	396
Adjustments to non-monetary items	35.325	45.746
Write-downs	262	249
Depreciations	527	12
Increase (+)/decrease (-) in provisions	-85	-213
Variations in the fair value of investment property	26.791	17.919
Increase (+)/decrease (-) in deferred taxes	-3.082	-1.740
Variations in real value of financial derivatives	10.923	29.599
Increase in sales	-11	-80
Increase (+)/decrease (-) in operating capital	-10.717	13.348
Increase (+)/decrease (-) in assets	-3.094	9.553
Increase (+)/decrease (-) in liabilities	-7.053	4.490
Other	-570	-695
2. Cash flows concerning other operating activities	**343**	**1.847**
Interest received classified by operating activities	564	2.243
Income tax paid/received	-221	-396
NET CASH FLOWS CONCERNING INVESTMENT ACTIVITIES	**-91.478**	**-171.330**
1. Purchases	**-94.485**	**-173.130**
Acquisition payments for property investments	-84.042	-147.177
Acquisitions of other tangible and intangible fixed assets	-10.443	-25.953
2. Disposals	**3.007**	**1.800**
Receipts from sale of investment property	3.007	1.800
NET CASH FLOWS CONCERNING FINANCING ACTIVITIES	**45.411**	**104.125**
1. Loan acquisition	**83.005**	**166.455**
2. Loan repayment	**-72.645**	**-11.406**
3. Financing granted to WDP Development RO joint venture	**-822**	**-10.321**
4. Interest paid	**-21.953**	**-16.154**
5. Dividends paid	**-13.142**	**-24.449**
6. Capital increase	**70.968**	**0**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**931**	**-7.742**
CASH AND CASH EQUIVALENTS, CLOSING BALANCE	**2.204**	**1.273**

As of 31 March 2009, capital was increased by a ‘sale and rent back’ transaction with DHL. Three premises (Mechelen, Meer and Willebroek) were acquired for a total amount of EUR 29,7 million. In addition, the lease debts of EUR 7,5 million were taken over, as was a provision for exit tax of EUR 0,3 million. The entire transaction was effected by payment in shares, leading to a capital increase of EUR 21,9 million.

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Consolidated statement of changes of the equity capital 2009

EUR (x 1.000)	Capital		Premium on issue	Reserves	Impact*	Exchange rate differences	Total equity
	Placed capital	Costs capital increase					
EQUITY AT START OF THE YEAR 2009	**68.913**	**0**	**0**	**212.901**	**-22.106**	**1.599**	**261.307**
Profit for the year				437			**437**
Other components of comprehensive income				12.779		-574	**12.205**
Transfers:							
- Impact on the real value of estimated transfer taxes and charges for the hypothetical disposal of property				5.018	-5.018		**0**
Capital increases	31.609	-2.669	63.960	-10			**92.890**
Other				4			**4**
EQUITY AT END OF THE YEAR 2009	**100.522**	**-2.669**	**63.960**	**231.129**	**-27.124**	**1.025**	**366.843**

* *Impact on the real value of estimated transfer taxes and charges for hypothetical disposal of investment properties (-): these are the transaction charges that must be paid for the hypothetical disposal of the investment properties. These amount to 2,5% on average for Belgian investment properties, 6,3% on average for Dutch investment properties, an average of 3,2% for French investment properties, an average of 2% for Czech investment properties and an average of 3% for Romanian investment properties. The fair value against which the investment properties are assessed consists of the investment value reduced by the transaction charges.*

2009 Annual consolidated financial statements

Consolidated statement of changes of the equity capital 2008

EUR (x 1.000)	Placed capital	Reserves	Impact*	Exchange rate differences	Minority interests	Total equity
EQUITY AT START OF THE YEAR 2008	**68.913**	**257.651**	**-18.662**	**1.857**	**441**	**310.200**
Profit for the year		-15.785				**-15.785**
Other components of comprehensive income		5.179		-258		**4.921**
Transfers:						
- Impact on the real value of estimated transfer taxes and charges for the hypothetical disposal of property		3.444	-3.444			**0**
Dividends paid:						
- Dividend balance preceding year		-12.232				**-12.232**
- Interim dividend current year		-12.134				**-12.134**
- Second interim dividend current year		-13.142				**-13.142**
Impact of sale of Univeg group minority holding		-83			-441	**-524**
Other		3				**3**
EQUITY AT END OF THE YEAR 2008	**68.913**	**212.901**	**-22.106**	**1.599**	**0**	**261.307**

* *Impact on the real value of estimated transfer taxes and charges for hypothetical disposal of investment properties (-): these are the transaction charges that must be paid for the hypothetical disposal of the investment properties. These amount to 2,5% on average for Belgian investment properties, 7% on average for Dutch investment properties, an average of 4,5% for French investment properties, an average of 2% for Czech investment properties and an average of 3% for Romanian investment properties. The fair value against which the investment properties are assessed consists of the investment value reduced by the transaction charges.*

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Notes

GENERAL INFORMATION ABOUT THE COMPANY

WDP (Warehouses De Pauw) is a closed-end real estate investment company and takes the form of a limited company with share capital under Belgian law. Its registered offices are at Blakenberg 15, 1861 Wolvertem (Belgium).
The telephone number is +32 (0)52 338 400.

The company's annual consolidated financial statements as of 31st December 2009 include the company and its subsidiaries. The financial statements have been drawn up and their publication authorised by the meeting of the Board of Directors of 12 February 2010. WDP is listed on Euronext (Brussels and Paris).

BASIS OF PRESENTATION

The consolidated financial statements are drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and administrative regulations applicable in Belgium. These standards include all new and revised standards and interpretations published by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), insofar as they apply to the group's activities and are effective for the financial years starting on or after 1 January 2009.

The consolidated financial statements are presented in EUR thousands, rounded to the nearest thousand. The financial years 2009 and 2008 are presented in this report. We refer to the 2007 annual report for historical financial information on the financial year 2007 and 2008.

The accounting policies have been applied consistently for all the financial years presented.

New or revised standards and interpretations effective in 2009

- IFRS 1 *First-time Adoption of IFRS (revised in 2008)* (effective for financial years beginning on or after 1 January 2009)

- IFRS 8 *Operating Segments* (effective for financial years beginning on or after 1 January 2009)

- IAS 1 *Presentation of Financial Statements* (effective for financial years beginning on or after 1 January 2009). This standard replaces IAS 1 *Presentation of Financial Statements* (revised in 2003) and amended in 2005.

- Improvements to IFRS (2007-2008) (effective for financial years beginning on or after 1 January 2009)

- Amendments to IFRS 7 *Financial Instruments: Disclosure – Improving Disclosures* (effective for financial years beginning on or after 1 January 2009)

- Amendments to IAS 23 *Borrowing Costs* (effective for financial years beginning on or after 1 January 2009)

- Amendments to IAS 32 Financial Instruments: Presentation and IAS 1 *Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation* (effective for financial years beginning on or after 1 January 2009)

- Amendments to IFRIC 9 *Reassessment of Embedded Derivatives* and IAS 39 Financial *Instruments: Recognition and Measurement* (effective for financial years ending on or after 30 June 2009)

New or revised standards and interpretations that are not yet effective

Several new standards, revised versions of existing standards and interpretations have not yet entered into force in 2009 but can be adopted in advance of their effective dates. Warehouses De Pauw has not yet adopted these, unless stated otherwise. The impact of their adoption – insofar as these new standards, revised versions or existing standards and interpretations are relevant to Warehouses De Pauw – on the consolidated financial statements for 2009 and the following years is presented below.

- IFRS 3 *Business Combinations* (effective for business combinations for which the acquisition date is on or after the beginning of the first financial year beginning on or after 1 July 2009). This standard replaces IFRS 3 Business Combinations as issued in 2004.

- IFRS 9 *Financial Instruments* (effective for financial years beginning on or after 1 January 2013)

- Improvements to IFRS (2008-2009) (effective for financial years beginning on or after 1 January 2010)

- Amendments to IFRS 1 *First-time Adoption of IFRS – Additional Exemptions* (effective for financial years beginning on or after 1 January 2010)

- Amendments to IFRS 2 *Share-based Payment* (amendments effective for financial years beginning on or after 1 January 2010)

- Amendments to IAS 24 *Related Party Disclosures* (effective for financial years beginning on or after 1 January 2011). This standard replaces IAS 24 Related Party Disclosures as issued in 2003.

- Amendments to IAS 27 *Consolidated and Separate Financial Statements* (amendments effective for financial years beginning on or after 1 July 2009). This standard is an amendment of IAS 27 Consolidated and Separate Financial Statements (revised in 2003).

- Amendments to IAS 32 *Financial Instruments: Presentation – Classification of Rights Issues* (effective for financial years beginning on or after 1 February 2010)

- IFRIC 17 *Distribution of Non-Cash Assets to Owners* (effective for financial years beginning on or after 1 July 2009)

- IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments* (effective for financial years beginning on or after 1 July 2010)

- Amendments to IFRIC 14 IAS 19 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction – Prepayments of a Minimum Funding Requirement* (effective for financial years beginning on or after 1 January 2011)

The following new or revised standards and interpretations are not applicable to Warehouses De Pauw:

- Amendments to IFRS 2 *Vesting Conditions and Cancellations* (amendments effective for financial years beginning on or after 1 January 2009)
- Amendments to IAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items* (effective for financial years beginning on or after 1 July 2009)
- Amendments to IFRS 1 *First-time Adoption of IFRS* and IAS 27 *Consolidated and Separate Financial Statements* (effective for financial years beginning on or after 1 January 2009)
- IFRIC 13 *Customer Loyalty Programmes* (effective for financial years beginning on or after 1 July 2008)
- IFRIC 15 *Agreements for the Construction of Real Estate* (effective for financial years beginning on or after 1 January 2009)
- IFRIC 16 *Hedges of a Net Investment in a Foreign Operation* (effective for financial years beginning on or after 1 October 2008)
- IFRIC 18 *Transfers of Assets from Customers* (effective for transfers on or after 1 July 2009)

ACCOUNTING RULES

1. Consolidation principles

Subsidiaries
Subsidiaries are entities over which the company exercises control. Control exists when the company has the power, directly or indirectly, to guide the financial and operational management of an entity for the purpose of gaining advantage out of its activities. The annual accounts of the subsidiaries are taken up into the consolidation from the date of acquisition up to the end of the control.

The minority interests are the interests in the subsidiaries that are not held directly or indirectly by the Group.

Joint Ventures
Joint ventures are the companies over which the Group has joint authority, specified by contractual agreement. Such joint authority is applicable when the strategic financial and operational decisions with respect to the activities require unanimous agreement from the parties that share the authority (the shareholders in the joint venture). The consolidation of a joint venture proceeds according to the proportional method. This is applicable from the date on which the joint control is exercised up to the date on which it finishes.

Transactions eliminated from consolidation

All transactions between the group companies, balances and unrealized profits and losses on transactions between companies of the group are eliminated in the making up of the consolidated annual accounts.

2. Business combinations and goodwill

When WDP acquires the control over an integrated set of activities and assets, as defined in IFRS 3 – *Business Combinations*, the identifiable assets, obligations and conditional obligations of the acquired company will be booked to their fair value on the purchase date.

The goodwill represents the positive difference between the acquisition cost and the part of the Group in the fair value of the acquired net assets. If this difference is negative ('negative goodwill' it is immediately booked in the result after a re-evaluation of the values.

After the initial take-up the goodwill is not written down, but subject to an 'impairment' test which is carried out each year with the cash flow generating units to which the goodwill is allocated. If the book value of a cash flow generating unit exceeds the operating value, the loss of value following from this will be booked in the result and in the first instance included in the reduction of the possible goodwill and then subsequently to the other assets of the unit, in proportion to their book value. A write down on the goodwill is not retaken in a later financial year.

3. Foreign currency

The individual financial statements of each group member are presented in the currency unit of the primary economic environment in which the entity is active (its functional currency). For drafting the consolidated annual accounts, the results and the financial position of each entity are expressed in euro, specifically the functional currency of the parent company and the currency for presenting the consolidated annual accounts.

Transactions in foreign currency

Transactions in foreign currency are immediately booked at the exchange rate on the transaction date. Monetary assets and liabilities in foreign currency are converted at the end rate.

Realised and unrealised currency exchange rate differences are included in the profit and loss account subject to those in relation to intra-group loans which fulfil the definition of a net investment in a foreign activity, in that case the currency exchange differences are included in a separate component of the equity capital and are integrated in the profit and loss account after disposal of a net investment.

Foreign activities

Assets and liabilities are converted at the end rate, except the property, which is converted at the historic rate. The profit and loss account is converted at the average rate over the financial year.

The conversion differences resulting from this are included in a separate component of the equity capital. These conversion differences are included in the profit and loss account when the foreign entity is disposed of, sold or liquidated.

4. Investment property

Lands and buildings, held to acquire rental income in the long term, are included as investment property. Investment property is valued on first recording at the purchase price, including the transaction costs and direct attributable costs.

Lands held with the intention of starting project developments on them with a view to the later lease and long term increase in value but for which no concrete construction plans or project developments (as stated in the definition of project developments) have started (land bank), are also considered investment property.

The financing costs that are directly imputed to the acquisition of an investment property are capitalised as well. If specific funds were borrowed for a specific asset, the actual financing costs of that loan capitalised during the period are reduced with any investment income from the temporary investment of that loan.

After initial take-up the valuation of the investment property is realised in accordance with IAS 40 at their fair value. From the standpoint of the seller the valuation must be included subject to the deduction of the registration charges. Independent surveyors conducting regular valuations of cepic properties consider that for transactions involving buildings with an overall value of less than 2,5 million EUR in Belgium, registration fees of between 10 and 12,5% should be included, according to the region in which the property is situated.

For transactions concerning properties with an overall value of more than 2,5 million EUR, property experts have established the weighted-average cost at 2,5%, owing to the range of property transfer methods available in Belgium. This percentage will be revised each year as necessary by increments of 0,5%. The surveyors will confirm the agreed percentage to be deducted in their regular reports to shareholders. The independent surveyors take account of the theoretical local registration fees for property situated outside Belgium. Profits or losses resulting from the change in the fair value of investment property (including profits or losses resulting from the difference between the purchase price and the first valuation at the fair value) are included in the result and are imputed to the unavailable reserves at the profit appropriation. Then the difference between the investment value (i.e. the price a third party investor would be prepared to pay in order to acquire each of the buildings or the portfolio, with the intention of benefiting from the rental income subject to assuming the related costs without deduction of the transaction charges) and the fair value (after deduction of the registration fees), is reclassified from the unavailable reserves within the equity capital to the separate section F. 'Impact on the fair value of estimated transaction fees and charges on notional disposal of investment property'. At the sale of the property the capital gains realised consists of the difference between the net sale value and the last book value. The section F. must be counter booked in relation to the unavailable reserve.

Property being constructed or developed for future use as investment property (project developments) is also included in the category 'Investment property' at fair value.

Following initial recognition, projects are valued at fair value. This fair value also reflects significant development risks, for which purposes all of the following criteria must have been met: there is a clear understanding of the project costs to be incurred, all permits required to implement the project development have been obtained and a substantial part of the project development has been pre-let (definitive signed lease contract). This fair value measurement is based on the valuation by the property surveyor (applying the customary methods and assumptions) and takes account of costs still to be incurred for the full completion of the project.

All costs that are directly related to the purchase or construction of property and all further investment costs are included in the cost of the development project. Financing costs which can be directly imputed to the construction of investment property are also capitalised.

The capitalisation of financing costs as part of the cost price of an eligible property must begin at the moment that:

- disbursements are made for the property;
- financing costs are incurred;
- activities are in progress to prepare the property for its intended use.

The activities required to prepare the asset for its intended use, comprise more than the physical construction of the property. They also include the technical and administrative work before the commencement of the actual construction, such as activities in connection with the acquisition of permits before commencement of the actual construction.

However such activities do not include holding a property if no production or development is taking place which changes the condition of the property:

- financing costs that are for instance incurred while land is made ready, are capitalised during the period in which the activities are realised in connection with this
- on the other hand financing costs incurred in the period that the land is held for construction purposes without any development activity taking place, are not eligible for capitalisation.

The capitalisation of financing costs is suspended for long periods in which the active development is suspended. The capitalisation is not suspended during a period in which extensive technical and administrative activities are carried out. Nor is the capitalisation suspended if a temporary delay constitutes an essential part of the process to prepare a property for its intended use or sale.

At the end of each quarter these development projects are subject to a test for special decrease in value (see ‘Special amortisation’).

5. Other tangible fixed assets

General

Other tangible assets are valued at their cost price minus the accumulated amortisation and write-downs. The cost price includes all direct imputable costs and the relevant part of the indirect costs incurred to make the asset ready for use.

Future disbursements for repairs are immediately recorded in the result unless they increase the future financial profits of the asset.

The straight-line amortisation method is applied over the estimated lifetime of the assets. The lifetime and the amortisation method are revised at least annually at the end of each financial year. The tangible assets are amortised according to the following percentages:

- plants, machinery and equipment: 10-33%;
- rolling stock: 10-33%;
- office furniture and fittings: 10-33%;
- computers: 10-33%;
- projection installation: 20%;
- other tangible assets: 10-20%.

Solar panels

These are valued on the basis of the revaluation mode in accordance with IAS – 16 *Tangible assets*. After the initial inclusion the asset for which the fair value may be reliably established must be booked at the revalued value, being the fair value at the time of the revaluation, minus any amortizations accumulated subsequently and special amortisation losses accumulated later. The fair value is defined on the basis of the discount method of future returns.

The lifetime of solar panels is estimated at 30 years.

The added value at the start-up of a new site is included in a separate component of the equity capital. Write-downs are also included in this component, unless they are realised or unless the fair value falls below the original cost. In the latter case they are included in the result.

6. Leasing

WDP as lessee

A lease contract is classed as a financial lease if it transfers almost all the risks and benefits connected to the property to the lessee. All other forms of lease are considered operational leases.

Financial leases are recorded as assets and liabilities in the balance sheet at the fair value of the leased asset at the start of the period of the lease, or if lower, at the cash value of the minimal lease payments. The minimal lease payments are recorded partly as settlement of the outstanding debt in a way that this results in a constant periodic interest over the remaining balance or obligation. The financial charges are directly made payable by the result. Conditional lease payments are included as charges in the periods in which they are carried out.

Lease payments on the basis of operational leases are recorded on a basis proportionate to the time during the period of the lease, unless a different systematic imputable method is more representative for the time pattern of the benefits enjoyed by the user. Benefits (to be) received as a stimulus to conclude an operational lease contract are also spread across the period of the lease on a time proportionate basis.

WDP as lessor

If a lease contract complies with the conditions of a financial lease (according to IAS 17), WDP will, as lessor, recognise the lease contract at its start in the balance sheet as a receivable for an amount equal to the net investment in the lease contract. The difference between the latter amount and the book value of the leased property (excluding the value of the residual right held by WDP) at the start of the lease contract will be recognised in the profit and loss account for that period. Each periodic payment made by the lessee will be partly recognised by WDP as a repayment of the capital and partly as financial income based on a constant periodic return for WDP.

The residual right held by WDP will be recognised at its fair value on each balance sheet date. This value will increase each year and will correspond to the market value of the full right of ownership at the end of the lease. These increases will be recognised under the section «Variations in fair value of investment property» in the profit and loss account.

7. Special amortisation

On the balance sheet date is verified whether there is an indication that the book value of an asset is higher than the realisable value, for tangible and intangible assets in the group.

If such indications are present, the realisable value of the asset must be estimated. Goodwill is annually subject to a test for special amortisation, regardless of whether there is an indication.

A special amortisation is booked if the book value of an asset or the cash flow generating unit to which the asset belongs is higher than the realisable value.

The realisable value is the highest of the operating value and the real value minus the sales charges. The ‘operating value’ is the capitalised value of the expected future cash flows for the continued use of the asset and its disposal at the end of its period of use on the basis of a discount rate that takes account of the current market evaluations for the time value of the cash and the risks inherent to its assets. The ‘fair value minus sales charges’ is the amount that may be realised from the sale of an asset in a commercial, objective transaction between well-informed independent parties between whom there is a consensus ad idem, after deduction of the disposal costs.

For an asset that does not generate significant cash income itself the realisable value is established for the cash flow generating unit to which the asset belongs.

For development projects the realisable value is established each quarter by the property experts.

If the book value of an asset or a cash flow generating unit is higher than the realisable value, the surplus is recorded immediately as a special amortisation in the profit and loss account.

Special amortisations recorded in previous financial years are reversed if a later increase of the realisable value can be connected on an objective basis with a circumstance or event that took place after the special amortisation was booked. Special amortisation on goodwill is not reversed.

8. Financial instruments

Receivables

Amounts receivable are initially booked at the face value and are then valued at the amortised cost price on the basis of the actual interest method. Suitable special amortisation losses are recorded in the profit and loss account at estimated unrealisable amounts if there are objective indications that special amortisation loss has occurred. The amount of the loss is established as the difference between the book value of the asset and the cash value of the future, estimate cash flows, made cash at original actual interest rate with the first inclusion.

Cash and cash equivalents

Cash consists of cash and the deposits immediately payable. Cash equivalents are current, extremely liquid investments that can immediately be covered into a known amount in cash funds and that have a duration of three months or less and do not incur any material risk of changes in value.

Financial debts and equity capital instruments

Financial debts and equity capital instruments issued by the Group are classed on the basis of the economic reality of the contractual agreements and the definitions of a financial obligation and an equity capital instrument. An equity capital instrument is each contract that includes the remaining interest in the assets of the Group, after deduction of all debts. The principles for financial reporting in connection with specific financial debts and equity capital instruments are described below.

Bank loans

Interest-bearing bank loans and overdrafts are initially valued at their face value and are subsequently according to the amortised cost price calculated on the basis of the actual interest method. Each difference between the receipts (after transaction costs) and the settlement or payment of a loan are included over the term of the loan and this in accordance with the principles for financial reporting in relation to financing costs, applied by the Group (see above).

Commercial debts

Commercial debts are initially valued at the face value and are subsequently valued according to the amortised cost price calculated on the basis of the effective interest method.

Equity capital instruments

Equity capital instruments issued by the company are included for the amount of the amounts received (after deduction of the imputable issue costs).

Derivatives

The Group uses derivatives in order to limit the risks in relation to unfavourable interest rates resulting from the operational, financial and investment activities. The Group does not use these instruments for speculative purposes, does not hold any derivatives and does not issue derivatives for commercial purposes (trading).

Derivatives are valued at the fair value in conformity with IAS 39. The derivatives that are currently used by WDP do not qualify as hedges. As a consequence the changes in the fair values are immediately recorded in the result.

9. Assets held for sale

Disposed fixed assets and groups of assets that are classified as ‘held for sale’ if their book value will mainly be realised in a sale transaction and not by their continued use. This condition is solely fulfilled if the sale is highly likely and the asset (or group of assets disposed) will be immediately available for sale in its current state.

A fixed asset (or group of assets disposed) that is classed as held for sale is recorded at the lowest value of its book value and its fair value minus the sale costs.

An investment property intended for sale is valued in the same way as other investment properties (at fair value). These investment properties are presented separately in the balance sheet.

10. Provisions

A provision is included when:

- The group has an existing – legally enforceable or de facto – obligation resulting from a prior event;
- it is probable that financial resources will have to be spent to accomplish this commitment; and
- the amount of the commitment can be reliably estimated.

The amount included as a provision is the best estimate at the balance sheet date of the expenses needed to fulfil the existing obligation, if necessary discounted if the time value of the money is relevant.

11. Staff remunerations

The Company has a number of promised contribution arrangements.

A promised contribution arrangement is a pension plan in which the Company disposes fixed amounts to a separate company. The company does not have any obligation, either legally or de facto, to pay further contributions if the fund should not have sufficient assets to pay the pensions of all the staff in connection with the services they provided in current or previous employment periods.

Contributions are recorded as charges when they are owed and are then recorded in the personnel costs.

For personnel with permanent employment the remunerations, supplementary rewards, redundancy compensation, the dismissal and rupture indemnities are recorded in the profit and loss account in the period to which they are related.

12. Income

The rental income includes rents, income from operational lease contracts and income that is directly related to this, such as compensation for leases terminated in advance.

Income is valued at the fair value of the indemnity received or to which a right is acquired. Income is only included if it is likely that the financial benefits will accrue to the entity and may be established with sufficient certainty.

The rental income, the operational lease payments received and the other income and costs are recorded in the profit and loss account in the periods to which they relate.

The indemnities are spread over time for lease contracts terminated in advance over the number of months of rent that the tenant pays as compensation, insofar as the property involved is not let for that period. If the property concerned is let again, the compensations for rupture of the rental contract are included in the result for the period in which it occurred or if this re-let is not fully spread over time in a later period, for the remaining part at the time of re-letting.

13. Costs

The rental costs relate to write-downs and disposals on commercial debts that are included in the result if the book value is higher than the estimate realisation value and the rent to be paid on the let assets (like concession fees).

The rental costs and taxes on let buildings and the recovery of these charges relate to the costs that are payable by the tenant or lessee according to the law or customs. The owner may or may not re-invoice these costs to the tenant in accordance with the contractual agreements.

The other rental income and costs consist of re-invoicing management fees to tenants as well as other income, that do not fall under rental income (including income from solar energy).

14. Tax on profits

The status of the cepic provides in a beneficial tax status as it is only subject to taxes on specific components from the result such as disposed of costs and abnormal benefits. No corporate tax is paid on the profit resulting from letting and capital gains realised.

Tax on profits from the financial year includes the taxes owed and deductible over the period of the report and previous reporting periods, the deferred taxes as well as the exit tax due. The tax burden is recorded in the profit and loss account unless it relates to elements which may be included directly in the equity capital. In the latter case the tax is also charged against the equity capital.

The tax rates in force at the balance sheet date are used to calculate the tax on the fiscal profit over the year.

The exit tax, capital gains tax as a result of a merger of a cepic with a company that is not a cepic, is deducted from the revaluation capital gain established at the merger and are recorded as a debt.

In general deferred tax obligations (tax debts) are included for all taxable (deductible) temporary differences. Such debts and obligations are not recorded if the temporary differences result from the first inclusion of goodwill or from the first inclusion (other than in an operating combination) of other assets or obligations. Deferred tax assets are recognised insofar as it is likely that a taxable profit will be generated in which the deductible temporary difference can be deducted. Deferred tax assets are reversed when it becomes unlikely that it will be possible to make use of the fiscal benefit related to it.

SIGNIFICANT ACCOUNTING ESTIMATES AND KEY UNCERTAINTIES AFFECTING ESTIMATES

Assumptions used to measure the fair value of solar panels

WDP has made a significant investment in solar energy. Following initial recognition, the solar panels (PV) installed on roofs are valued using the revaluation model of IAS 16 and recorded as fixed assets in 'Other tangible fixed assets'. This revaluation is taken directly to equity.

After a web investigation, no best practice was found to exist for valuing this asset category. WDP proceeds as follows:

The fair value of the PV installations is calculated by discounting future revenues and costs.

The main assumptions used for the discounted cash flow model to value the solar panels are:

1. Last year the calculation was based on an implicit number of hours of sunshine of 960. On the basis of data since May 2008 on the actual production of the site in Grimbergen and compared to the output stated by the suppliers of an equivalent of 850 hours, we can establish that a surplus of 22% was achieved. This is confirmed by the production of the site in Willebroek that has been operational since November 2008, where a 17% surplus was realised. Accordingly, an average surplus of 20% above the supplier's norm is assumed and this valuation is based on 1020 hours at the end of 2009.

2. The green electricity certificates (GSC) at a rate of EUR 450 per MWh are awarded for 20 years.

3. The energy price increases in real terms by 1,5% per year. This increase is applied on the Endex basis. As a starting point, the average Endex price (BE-power) Cal t + 1,2,3 is selected. Our valuation at the end of 2009 is based on the Cal 10, 11 and 12 published on 31 December 2009.

4. The required return applied is the interest rate for 30 years (OLO 30 years) increased by 125 bp (on 31 December 2009 this was 4,38%).

5. The PV installation has a fall in return of 0,6% per annum and is decommissioned after 30 years. No account is taken of any residual value of the installation, nor of the costs for dismantling the installation.

6. Account is taken of various minor cost items and 10-year maintenance costs. No account is taken of theoretical rental expenses for the roofs.

7. No allowance of 2,5% is deducted to establish fair value, in order to take account of the registration charges a future buyer may have to pay for the premises including solar panels, if these are considered as real property in terms of their use.

8. This procedure is carried out each year for the sites in production and the aforementioned assumptions are adjusted if necessary. The added value on the start-up of a new site for the installed electrical capacity is recorded as an addition to shareholders' equity, as revaluation surplus in a separate line item. Downward valuation adjustments are also recorded in this category, unless realised or unless fair value falls below cost, in which case they are taken through profit or loss.

Valuation of Lefebvredok based on the assumption of extending the lease period

The property located on the Lefebvredok, Antwerp is built on land leased from Antwerp Harbour Authority. The extension of the lease is assumed in the fair value assessment, as is usually the case.

WDP more specifically assumes in the valuation at fair value (EUR 3,6 million as of 31 December 2009) that it will have obtained an extension of the lease by 20 years.

WDP has already obtained an official extension by 5 years as of 1 January 2008, after which the site would have to be transferred to Wijngaardnatie, without statement of the sale value.

WDP has accepted this arrangement proposed by the Antwerp Harbour Authority under reserve of any prejudicial acknowledgement and under reserve of all its rights, with the intention that if unable to reach an agreement with Wijngaardnatie in relation to the transfer of the site within 5 years, WDP may approach the Council of State to object against this decision.

Sensitivity analysis

In the case of a hypothetical negative revision of the return (yield or capitalisation rate) used by the property experts in the valuation of the portfolio by 1%, the fair value of the property would decrease by EUR 92,3 million or 11%. The gearing of WDP would thereby rise by 6,19% to 61,44%.

In the case of a hypothetical positive revision of the return (yield or capitalisation rate) used by the property experts in the valuation of the portfolio by 1%, the fair value of the property would increase by EUR 119,2 million or 15%. The gearing of WDP would thereby fall by 6,36% to 48,89%.

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SEGMENT INFORMATION

ANALYTICAL PRESENTATION BY GEOGRAPHIC SEGMENT

EUR (x 1.000)	Year 31-12-2009 Western Europe	Year 31-12-2009 Central and Eastern Europe	Year 31-12-2009 Total	Year 31-12-2008 Western Europe	Year 31-12-2008 Central and Eastern Europe	Year 31-12-2008 Total
Operating income	**56.019**	**2.506**	**58.525**	**44.694**	**2.473**	**47.167**
Net rental income	51.544	2.506	54.050	43.520	2.473	45.993
Other operating income	4.475	0	4.475	1.174	0	1.174
Operating charges	**-4.885**	**-276**	**-5.161**	**-4.668**	**-267**	**-4.935**
Property management costs	-1.216	-65	-1.281	-1.353	-45	-1.398
General incidental expenses	-3.669	-211	-3.880	-3.315	-222	-3.537
Operating result	**51.134**	**2.230**	**53.364**	**40.026**	**2.206**	**42.232**
Financial income	3.136	28	3.164	2.302	2.005	4.307
Financial charges	-31.085	-1.088	-32.173	-43.726	-2.517	-46.243
Pre-tax operating result	**23.185**	**1.170**	**24.355**	**-1.398**	**1.694**	**296**
Taxes	1.383	1.479	2.862	1.437	321	1.758
Operating result	**24.568**	**2.649**	**27.217**	**39**	**2.015**	**2.054**
Result on portfolio	**-15.302**	**-11.478**	**-26.780**	**-19.387**	**1.548**	**-17.839**
Realised capital gains and losses	11	0	11	80	0	80
Unrealised capital gains	7.985	0	7.985	13.140	6.166	19.306
Unrealised capital losses	-26.184	-11.478	-37.662	-28.741	-4.929	-33.670
Impairment (recognised)	-1.152	0	-1.152	-4.020	0	-4.020
Impairment (reversed)	4.038	0	4.038	154	311	465
TOTAL RESULT	**9.266**	**-8.829**	**437**	**-19.348**	**3.563**	**-15.785**

The basic segmentation for segment reporting within WDP is by geographical region. This basic segmentation reflects the two geographical markets in Europe in which WDP operates. WDP's activities are accordingly subdivided into the following two regions:
1. the region Western Europe (Belgium, the Netherlands, France)
2. the region Central and Eastern Europe (Czech Republic and Romania)

This segmentation is important for WDP as the nature of the activities and the customers have similar economic characteristics within those segments. Business decisions are taken at that level and various key performance indicators (including rental income and occupancy level) are followed up in this way.

A second basis of segmentation is not deemed relevant by WDP as the activity focuses primarily on letting semi-industrial buildings (warehouses and buildings serving a logistics purpose).

Operating income in Belgium, the Netherlands and France was respectively EUR 40,9 million (70% of total operating income), EUR 9,4 million (16% of total operating income) and EUR 5,8 million (10% of total operating income).

ASSETS AND LIABILITIES BY GEOGRAPHIC SEGMENT

EUR (x 1.000)	Year 31-12-2009 Western Europe	Central and Eastern Europe	Total	Year 31-12-2008 Western Europe	Central and Eastern Europe	Total
Assets						
Intangible assets	286	0	286	183	0	183
Investment property	768.174	47.218	815.392	685.139	56.990	742.129
Other MFA	54.910	322	55.232	32.026	334	32.360
Financial fixed assets	11.737	0	11.737	10.619	0	10.619
Financial lease receivables	195	0	195	277	0	277
Receivables on more than 1 year	168	0	168	320	0	320
Assets tax deferrals	836	0	836	761	0	761
Assets held for sale	14.199	0	14.199	4.642	0	4.642
Financial lease receivables	83	0	83	77	0	77
Trade debtors	9.601	77	9.678	3.935	321	4.256
Other debtors	2.957	151	3.108	2.425	173	2.598
Cash investments and liquid assets	1.426	778	2.204	769	504	1.273
Accruals and deferred income active	2.820	138	2.958	3.180	28	3.208
TOTAL ASSETS	**867.392**	**48.684**	**916.076**	**744.353**	**58.350**	**802.703**
Equity						
Capital	97.853	0	97.853	68.913	0	68.913
Premiums on issue	63.960	0	63.960	0	0	0
Reserves	173.700	-2.175	171.525	179.955	7.333	187.288
Result	55.823	3.781	59.604	22.514	3.099	25.613
Impact on the fair value of estimated transfer taxes and charges for hypothetical disposal of investment properties (-)	-27.123	-1	-27.124	-22.105	-1	-22.106
Exchange rate differences	-342	1.367	1.025	-240	1.839	1.599
Minority interest	0	0	0	0	0	0
TOTAL EQUITY	**363.871**	**2.972**	**366.843**	**249.037**	**12.270**	**261.307**
Liabilities						
Provisions	1.188	0	1.188	1.272	1	1.273
Deferred taxes	4.707	1.521	6.228	6.145	2.894	9.039
Long term financial liabilities	398.560	7.675	406.235	311.916	6.667	318.583
Short term financial liabilities	113.971	7.806	121.777	170.954	9.350	180.304
Short term trade liabilities	9.402	34	9.436	14.464	113	14.577
Social security and tax debt	1.046	149	1.195	537	48	585
Other short term liabilities	496	50	546	13.765	66	13.831
Accruals and deferred income passive	-17.949	20.577	2.628	2.699	505	3.204
TOTAL LIABILITIES	**511.421**	**37.812**	**549.233**	**521.752**	**19.644**	**541.396**

Investment property in Belgium, the Netherlands and France is respectively EUR 527,7 million (65% of total investment property), EUR 156,7 million (19% of total investment property) and EUR 83,8 million (10% of total investment property).
Investment property in the Czech Republic and Romania accounts for less than 10% of the 'Investment property' total.

I. CRITERIA OF THE CONSOLIDATION METHOD USED

CRITERIA FOR THE INTEGRAL CONSOLIDATION

The companies in which the group owns a direct or indirect stake of more than 50% or in which it has the power to determine the financial and operational policy in order to benefit from its activities are entirely included in the group's annual consolidated financial statements.

This means that the group's assets, liabilities and results are fully reflected. Inter-group transactions and profits are entirely eliminated.

CRITERIA FOR THE PROPORTIONAL CONSOLIDATION

The companies in which the group exercises joint control based on a contractual agreement (joint ventures) are recognised using the proportionate consolidation method.

All of the assets, liabilities and results are therefore included in the consolidation on a pro rata basis, according to the group's stake in these companies. Inter-group transactions and profits are eliminated on a pro rata basis in accordance with the stake owned.

II. INFORMATION ON SUBSIDIARIES

	31-12-2009 Part of the capital	31-12-2008 Part of the capital
Fully consolidated companies		
NAME and full address of the REGISTERED OFFICES		
WDP CZ s.r.o. – Hvězdova 1716/2b – 140 78 Prague – Czech Republic	100%	100%
WDP France s.a.r.l. – Rue Cantrelle 28 – 36000 Châteauroux – France	100%	100%
WDP Nederland bv – P.O. Box 78 – 2740 AB Waddinxveen – The Netherlands	100%	100%
Royvelden Vastgoed bv – P.O. Box 78 – 2740 AB Waddinxveen – The Netherlands	100%*	
Royvelden Holding bv – P.O. Box 78 – 2740 AB Waddinxveen – The Netherlands	*	100%
- with participation in Royvelden Beheer bv – P.O. Box 78 – 2740 AB Waddinxveen – The Netherlands	*	100%
- with participation in Royvelden Vastgoed bv – P.O. Box 78 – 2740 AB Waddinxveen – The Netherlands	*	100%
Proportionately consolidated companies		
WDP Development RO srl – Baia de Arama Street 1, 1st floor division C3, office no 5, 2nd district – Bucharest – Romania	51%	51%

* *Royvelden Holding merged with Royvelden Beheer with effect from 1 January 2009 and Royvelden Beheer ceased to exist. Thereafter, Royvelden Holding merged with Royvelden Vastgoed and Royvelden Holding ceased to exist.*

III. STATUS OF THE INTANGIBLE FIXED ASSETS

EUR (x 1.000)	31-12-2009	31-12-2008
Software		
ACQUISITION VALUE		
At the end of the preceding year	309	182
Changes during the year		
- Acquisitions, including produced fixed assets	161	127
- Sales and retirements		
AT THE END OF THE YEAR	470	309
DEPRECIATION AND AMOUNTS WRITTEN DOWN		
At the end of the preceding year	126	77
Changes during the year		
- Recognised or reversed in the income statement	58	49
- Sales and retirements		
AT THE END OF THE YEAR	184	126
NET BOOK VALUE AT THE END OF THE YEAR	286	183

IV. INVESTMENT PROPERTY – STATEMENT OF CHANGES*

EUR (x 1.000)	Year 31-12-2009 Western Europe	Central and Eastern Europe	Total	Year 1-12-2008 Western Europe	Central and Eastern Europe	Total
AT THE END OF THE PRECEDING YEAR	**685.139**	**56.990**	**742.129**	**572.386**	**41.718**	**614.104**
Capital expenditure (external suppliers)	65.210	740	65.950	53.395	726	54.121
Capitalisation of own personnel costs	974	51	1.025	624	10	634
Interest during construction	571	915	1.486	1.887	1.041	2.928
New acquisitions	14.365	0	14.365	80.620	11.947	92.567
Transfer to other property, plant and equipment	0	0	0	-59	0	-59
Acquisition of investment properties by means of share-based payment transactions	29.747	0	29.747	0	0	0
Transfers to fixed assets held for sale	-12.407	0	-12.407	-3.892	0	-3.892
Disposals	-112	0	-112	0	0	0
Variations in the fair value	-15.313	-11.478	-26.791	-19.822	1.548	-18.274
AT THE END OF THE YEAR	**768.174**	**47.218**	**815.392**	**685.139**	**56.990**	**742.129**

Capital expenditure relates to the investments undertaken for own project developments and investments within the existing portfolio (for further details, see Management Report, page 57 of the strategic section).

The capitalisation rate used to compute intercalary interest was 4,5% in 2009, 5,2% in the first quarter 2008, 5,3% in the second quarter 2008, 5,5% in the third quarter 2008 and 4,8% in the fourth quarter 2008.

The acquisition of investment property via share-based payment transactions relates to the acquisition of the DHL premises in the first quarter via a sale and leaseback transaction for an amount of EUR 29,7 million. These generate rental income with effect from the second quarter 2009. The following table compares expected full-year rental income for these premises and the rental income actually received for them in 2009.

EUR (x 1.000)	Full-year rental income	Actual rental income
Mechelen – Zandvoortstraat 3	1.075	806
Willebroek – Victor Dumonlaan 4	1.160	870
Meer – Seoelstraat 1	470	352
TOTAL	**2.705**	**2.029**

* *Including project developments in accordance with the revised IAS 40. At year-end 2009 the project developments amounted to EUR 77.575.000.*

In addition, five plots of land were acquired (see ‘5. New acquisitions’ on page 60 of the Management Report) for an amount of EUR 14,4 million. These sites are located in Lille (Libercourt), Raamsdonksveer, Nivelles (rue Buissons aux Loups), Tilburg and Nijmegen.

In the course of 2009 two premises were sold (in full or in part) that were fully or partly let. The table below compares the full-year rental income for these premises and the rental income actually received for them in 2009.

EUR (x 1.000)	Full-year rental income	Actual rental income
Neder-Over-Heembeek – Steenweg op Vilvoorde 146	189	68
Haacht (Wespelaar) – Dijkstraat 44	38	16
TOTAL	227	85

The item fixed assets held for sale (EUR -12,4 million) mainly comprises the 111.000 m² land sold on the site in Sint-Niklaas (subject to suspensive conditions).

The variance in the valuation of the investment property is due to an adjustment of yields. The average gross return on rents was 7,68% as at 31 December 2009. The gross return on rents after adding the estimated fair value of vacant areas is 8,34%, compared to 7,83% at year-end 2008. The variation in fair value is determined by deducting the theoretical local registration fees from the investment value. The average local registration fees are as follows, by country: Belgium 2,5%, Netherlands 6,3%, France 3,2%, Czech Republic 2% and Romania 3%. With an unchanged composition of the portfolio, the variation in fair value would be EUR -30,7 million, or the portfolio would decrease by 4,13%.

V. INVESTMENT PROPERTY – SPLIT-UP OF EXISTING PREMISES, PROJECT DEVELOPMENT AND LAND RESERVE

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
Existing properties	713.046	635.902
Project developments	63.274	65.719
Ground reserve	39.072	40.508
TOTAL INVESTMENT PROPERTIES	815.392	742.129

VI. STATEMENT OF OTHER TANGIBLE FIXED ASSETS

EUR (x 1.000)	31-12-2009 Solar panels	Other*	Total	31-12-2008 Solar panels	Other*	Total
a) ACQUISITION VALUE						
At the end of the previous financial year	25.896	2.312	28.208	0	1.979	1.979
Movements during the financial year:						
Capital expenditure (external suppliers)	10.522	97	10.619	25.602	443	26.045
Capitalisation of own personnel costs	41	0	41	25	0	25
Interest during construction**	180	0	180	210	0	210
- Transfers from one heading to another	0	0	0	59	0	59
- Transfers and decommissionings	0	-20	-20	0	-110	-110
AT THE END OF THE YEAR	36.639	2.389	39.028	25.896	2.312	28.208
b) VARIATIONS IN THE VALUATION OF OTHER TANGIBLE FIXED ASSETS						
At the end of the previous financial year	5.179	0	5.179	0	0	0
Movements during the financial year:						
- Recorded***	12.256	0	12.256	5.179	0	5.179
- Transfers from one item to another	0	0	0	0	0	0
- Written off	0	0	0	0	0	0
AT THE END OF THE YEAR	17.435	0	17.435	5.179	0	5.179
c) DEPRECIATION AND AMOUNTS WRITTEN DOWN						
At the end of the previous financial year	0	1.027	1.027	0	888	888
Movements during the financial year:						
- Taken to or reversed through profit and loss account	0	218	218	0	201	201
- Transfers from one item to another	0	0	0	0	0	0
- Written off	0	-14	-14	0	-62	-62
AT THE END OF THE YEAR	0	1.231	1.231	0	1.027	1.027
d) NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR	**54.074**	**1.158**	**55.232**	**31.075**	**1.285**	**32.360**

* *'Other' is understood as 'Plants machinery and equipment', 'Furniture and rolling stock', and 'Other tangible fixed assets'.*

** *The capitalisation rate used to compute intercalary interest was 4,50% in 2009, 5,2% in the first quarter 2008, 5,3% in the second quarter 2008, 5,5% in the third quarter 2008 and 4,8% in the fourth quarter 2008.*

*** *Solar panels are revalued in accordance with IAS 16. The added values are booked directly in a separate section of the equity capital.*

VII. FINANCIAL FIXED ASSETS AND OTHER LONG TERM AND SHORT TERM FINANCIAL COMMITMENTS

WDP has hedged interest rate risks on its financial liabilities mainly by means of Interest Rate Swaps. These hedges permit swapping floating interest rates for fixed interest rates.

On 31-12-2009 WDP covered its current and future financial commitments for 437 million EUR, primarily by concluding Interest Rate Swaps (IRS) contracts. Only taking account of the contracts that had already become effective as of 31-12-2009, this means approximately 88% of the financial debts are covered at a fixed interest rate of 3,93% and an average term of 6,2 years.

Type	Notional amount EUR (x 1.000)	Interest rate	Duration
Forward Interest Rate Swap	10.000	3,160%	2010
Forward Interest Rate Swap	10.000	3,850%	2010
Forward Interest Rate Swap	10.000	3,690%	2011
Forward Interest Rate Swap / Swopt	10.000	4,450%	2011
Forward Interest Rate Swap	10.000	3,770%	2012
Forward Interest Rate Swap	10.000	4,005%	2012
Forward Interest Rate Swap	15.000	3,350%	2012
Forward Interest Rate Swap	15.000	4,170%	2013
Forward Interest Rate Swap	15.000	4,650%	2013
Forward Interest Rate Swap	5.000	3,390%	2013
Forward Interest Rate Swap	10.000	3,390%	2013
Forward Interest Rate Swap / Swopt	20.000	3,750%	2014
Forward Interest Rate Swap	10.000	4,470%	2014
Forward Interest Rate Swap	15.000	4,550%	2014
Forward Interest Rate Swap	5.000	4,110%	2014
Forward Interest Rate Swap	5.000	4,050%	2014
Forward Interest Rate Swap	20.000	4,525%	2015
Forward Interest Rate Swap	20.000	3,190%	2015
Forward Interest Rate Swap	10.000	4,480%	2016
Forward Interest Rate Swap	10.000	3,883%	2016
Forward Interest Rate Swap	10.000	4,535%	2016
Forward Interest Rate Swap	20.000	3,370%	2017
Forward Interest Rate Swap / Swopt	10.000	3,600%	2017
Forward Interest Rate Swap	10.000	4,500%	2017
Forward Interest Rate Swap	20.000	4,560%	2017
Forward Interest Rate Swap / Swopt	15.000	4,160%	2017
Forward Interest Rate Swap / Swopt	10.000	3,450%	2018
Forward Interest Rate Swap / Swopt	10.500	3,750%	2018
Forward Interest Rate Swap / Swopt	10.500	3,440%	2018
Forward Interest Rate Swap	20.000	4,570%	2018
Forward Interest Rate Swap	10.000	4,250%	2018
Forward Interest Rate Swap / Swopt	10.000	2,800%	2018
Forward Interest Rate Swap	5.000	4,260%	2018

Type	Notional amount EUR (x 1.000)	Interest rate	Duration
Forward Interest Rate Swap	5.000	4,175%	2018
Floor KI / Cap KO	10.000	4,500%	2018
Forward Interest Rate Swap	10.000	4,640%	2019
Forward Interest Rate Swap	7.784	3,475%	2020
Forward Interest Rate Swap	6.504	3,475%	2020
Forward Interest Rate Swap	7.784	3,475%	2020

These contracts are valued at fair value on the balance sheet date. This information is received from the various financial institutions and verified by us by discounting future contractual cash flows on the basis of the corresponding interest rate curves.

Fair value is measured by reference to observable inputs and therefore the IRS contracts belong to level 2 of the fair value hierarchy set out in IFRS 7.

The variation of the real value of the hedging instruments:

EUR (x 1.000)	31-12-2009	31-12-2008
Real value on the balance sheet date	**-32.452**	**-21.528**
Impact of the change of real value in the result	**-10.923**	**-29.185**
Returns	2.948	2.186
Costs	-13.871	-31.371

Sensitivity of the IRS fair value measurement
A 1% interest rate increase during the term of the IRS would result in an increase of EUR 24 million in the fair value of the IRS. A 1% interest rate decrease would lead to a fall of EUR 25 million in the value of the IRS.

The table below summarises the financial assets and liabilities as at 31 December 2009:

EUR (x 1.000)	Total	Assets or liabilities at fair value through profit or loss	Loans and receivables
Assets			
Financial fixed assets			
F. Financial fixed assets	**11.737**	593	11.144
G. Financial lease receivables	**195**		195
I. Trade receivables and other fixed assets	**168**		168
Current financial assets			
C. Financial lease receivables	**83**		83
D. Trade receivables	**9.678**		9.678
E. Tax receivables and other current assets	**3.108**		3.108
F. Cash and cash equivalents	**2.204**		2.204
TOTAL FINANCIAL FIXED ASSETS	**27.173**	**593**	**26.580**
Liabilities			
Non-current financial liabilities			
B. Long-term financial debts	**373.726**		373.726
C. Other long-term financial liabilities	**32.509**	32.509	
Current financial liabilities			
B. Short-term financial debts	**122.313**	536	121.777
D. Trade payables and other current debts	**10.631**		10.631
E. Other short-term liabilities	**546**		546
TOTAL FINANCIAL LIABILITIES	**539.725**	**33.045**	**506.680**

Loans and receivables are carried at face value in the IFRS accounts of Warehouses De Pauw.

As the long-term receivables and the financial debts have predominantly variable interest rates and the trade receivables and trade payables are short-term, the fair value approximates the face value of the financial assets and liabilities concerned.

VIII. FINANCIAL LEASE DEBTS

Warehouses De Pauw Comm. VA has two finance lease contracts in relation to Hall I and Hall J of the plot situated in Willebroek, Koningin Astridlaan.

Both contracts have a term of fifteen years.

The annual interest rate is 7% in relation to Hall I and 6% for the lease in relation to Hall J.

EUR (x 1.000)	31-12-2009	31-12-2008
Less than one year	100	100
More than one year but less than five years	218	306*
Over five years	0	11*
Minimum payments pursuant to lease	**318**	**417***
Financial returns not acquired	-40	-63*
Current value of the minimum payments pursuant to lease	**278**	**354**
Long term finance lease debts	195	277
More than one year but less than five years	195	266
Over five years	0	11
Short term finance lease debts	83	77

* *These figures have been corrected compared to the 2008 annual report. The amounts reported in the annual report for 2008 were 401.000, 25.000, 526.000 and 172.000.*

IX. ASSETS HELD FOR SALE

EUR (x 1.000)	31-12-2009	31-12-2008
Belgium		
Delaunoystraat 35-36 in Sint-Jans-Molenbeek	750	750
Steenweg op Vilvoorde 146 in Neder-Over-Heembeek	0	2.020
Europark Zuid II in Sint-Niklaas	13.449	0
Dijkstraat 44 in Wespelaar	0	1.872
TOTAL	14.199	4.642

The premise in Sint-Jans-Molenbeek and the land in Sint-Niklaas were valued at fair value which corresponds to the selling price. Also see ‘Off-balance-sheet rights and commitments’ page 54.

SALES

The following (parts of) buildings were sold in the course of 2009:

Sint-Jans-Molenbeek – Delaunoystraat 35-36*
The deed had not yet been executed at the end of 2009. The property was therefore included in ‘Tangible assets held for sale’. The deed was executed in January 2010.

Neder-Over-Heembeek – Steenweg op Vilvoorde 146*
The property was sold for EUR 2,045 million. An added value was realised of EUR 16.000. This was recorded in 2009 on the execution of the deed.

* *The selling prices were in line with the expert valuations.*

Wespelaar – Dijkstraat 44*
The plot at Dijkstraat 44 was divided into two parts (retail space and warehouses with offices). The deed relating to the retail space was executed in the second quarter of 2009. The warehouses are carried at fair value under investment property.

Sint-Niklaas – Europark Zuid II
WDP sold 111.000 m² of the site in Sint-Niklaas to Sint-Niklaas Logistics (SNL), subject to a number of suspensive conditions, which included the grant of a building permit. The sale comprises two thirds of the surface area of the WDP site in Sint-Niklaas. This was included in ‘Tangible assets held for sale’.

The following (parts of) buildings were sold in the course of 2008:

BELGIUM

Bierbeek – Hoogstraat 35-35A
The 12.137 m² plot with 6.443 m² of warehouses was sold to a private investor. The property was sold for EUR 1,8 million. An added value was realised of EUR 64.000. This was recorded in 2008 on the execution of the deed.

Sint-Jans-Molenbeek – Delaunoystraat 35-36
The deed had not yet been executed at the end of 2008. The property was therefore included in ‘Tangible assets held for sale’.

Neder-Over-Heembeek – Steenweg op Vilvoorde 146
A sales agreement was signed for the property in Neder-Over-Heembeek, Steenweg at Vilvoorde 146, in the first quarter of 2009. The 6.450 m² plot includes 4.257 m² of warehouses and 685 m² of offices. The occupancy rate of the property was 94% in 2008. The property has been recorded under the section ‘Tangible assets held for sale’ for an amount of EUR 2.020.157.

Wespelaar – Dijkstraat 44
The 17.229 m² plot includes 7.991 m² of warehouses and 1.813 m² of offices. The plot at Dijkstraat 44 was divided into two parts (retail space and warehouses with offices). A sales agreement was already signed for the retail space in the first quarter of 2009 with the current tenant. The property has been recorded in the section ‘Tangible assets held for sale’ for an amount of EUR 1.872.259.

* *The selling prices were in line with the expert valuations.*

X. TRADE RECEIVABLES AND DOUBTFUL DEBTS

EUR (x 1.000)	31-12-2009	31-12-2008
Customers	8.823	3.661
Write-downs booked on doubtful debtors	-1.482	-955
Invoices to be prepared/credit notes receivable	1.133	893
Other receivables	1.204	657
TRADE RECEIVABLES	**9.678**	**4.256**

Trade receivables due within less than one year rose from EUR 3,7 million at year-end 2008 to EUR 8,8 million at year-end 2009. This increase is attributable on the one hand to an increase in activity, more specifically the solar panels (green electricity certificates and on-charging of electricity). On the other hand the increase is attributable to a specific receivable due from Kuehne & Nagel amounting to EUR 3,3 million as part of the project in Tilburg. This receivable only falls due on completion of the project.

Trade receivables are largely payable in cash. The table below provides an overview of the aging balance of the trade receivables.

EUR (x 1.000)	31-12-2009	31-12-2008
Not past due and < than 30 days past due	6.185	1.905
30-60 days past due	636	640
60-90 days past due	107	68
> 90 days past due	1.895	1.048
	8.823	**3.661**

EUR (x 1.000)	31-12-2009	31-12-2008
Due > 90 days	1.895	1.048
Value reduction of dubious debtors	-1.481	-955
Due > 90 days but that do not form any problem of non-payment	414	93

DOUBTFUL DEBTS – STATEMENT OF CHANGES

EUR (x 1.000)	31-12-2009	31-12-2008
AT THE END OF THE PREVIOUS FINANCIAL YEAR	**955**	**943**
Additions	667	90
Reversals	-140	-78
AT THE END OF THE YEAR	**1.482**	**955**

Compared to the preceding financial year the provision for doubtful debts increased from EUR 1 million to EUR 1,5 million. This increase is largely attributable to the write-down of EUR 397.000 on a receivable from Kinnarps relating to an ongoing legal dispute.

No unequivocal directive has been established to define the amount of the provision to be established for this purpose. An estimate is made on a quarterly basis by the management of debts which will probably no longer be collected. In addition a write down for the outstanding amount was booked at the end of 2009 for all invoices that had been payable for over 6 months. The outstanding customer balances are reported internally to all commercial and technical personnel on a monthly basis. They can ensure adequate supervision of the rental arrears via their direct contacts with the customer.

Credit risk is more generally also limited because WDP ensures an adequate spread among its tenants. In addition to the legal limit of 20%, the internal limit applied stipulates that a maximum of 10% of rental income may be derived from a single customer. Currently only WDP's largest tenant, Univeg group, exceeds this internal limit (14,9% of rental income). Univeg group accounted for 13,7% in 2008. The second-largest tenant is DHL, with 7,0%. Apart from Philips (6,0%), the other customers among the top-ten tenants each provide less than 5% of total rental income. For the most important lessees, see strategy section page 94.

XI. TAX BENEFITS AND OTHER CURRENT ASSETS

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
Tax	2.000	1.201
Advance on property purchased	489	488
Compensation to be received	0	235*
Other	619	674
TOTAL	**3.108**	**2.598**

* *A claim was made to the insurance company in relation to damage suffered in the execution of the project in Grimbergen – Industrieweg. Compensation of 485.000 EUR was awarded for this, of which 250.000 EUR has already been paid in 2008. The remaining balance of 235.000 EUR was paid out in the first quarter of 2009.*

XII. CAPITAL

	EUR (x 1.000)	Evolution of capital 31-12-2009	Number of shares
	Creation of Rederij De Pauw	50	
	Capital increase through incorporation of reserves	12	
	Capital increase by public issue (incl. premium on share issue)	69.558	
	Capital increase through merger and demerger transactions	53	
	Capital increase through incorporation of reserves with a view to rounding up in EUR	327	
	Capital increase to defray losses	-20.575	
1999	**Capital and number of shares at the time the company was listed on the stock market (June 1999)**	**49.425**	**6.640.000**
2001	Capital increase resulting from the takeover of Caresta	2.429	259.593
2001	Capital increase through incorporation of reserves with a view to rounding up in EUR	46	0
2003	Capital increase by public issue (incl. premium on share issue)	27.598	985.656
2006	Increase in capital on the occasion of the partial split of Partners in Lighting International	29.415	707.472
2006	Reduction in capital upon the creation of available reserves	-40.000	0
2009	Capital increase for DHL transaction	5.753	807.733
2009	Capital increase	23.187	3.133.484
TOTAL		97.853	12.533.938

	Year 31-12-2009	Year 31-12-2008
Number of shares at the beginning of the financial year	8.592.721	8.592.721
Capital increase for DHL transaction	807.733	0
Capital increase	3.133.484	0
Number of shares at the end of the financial year	12.533.938	8.592.721
Number of shares entitled to dividend	12.533.938	8.592.721
Net result of the financial year (in thousands EUR)	437	-15.785
Net result per share (EUR)	-0,21	-1,84

WDP only has one category of shares, namely ordinary shares. Holders have a right to receive the declared dividend and are entitled to one vote per share at the General Meeting of the Shareholders.

All shares are paid up in full and are bearer, registered or dematerialised shares. Since 1 January 2008 no new bearer shares may be issued and existing bearer shares booked on stock funds may no longer be physically issued. They must remain on the account from then on, unless converted into registered shares. Listed bearer shares that are on a fund account, were lawfully converted into dematerialised shares from 1 January. Bearer shares that were not registered on a share account, are lawfully converted into dematerialised shares on 1 January 2014.

The management is authorised to increase the authorised capital on one or several occasions, on the dates and under the conditions which it will determine, by 68.913.368 EUR. This authorisation is valid for five years as from the publication of the minutes of the General Meeting of 31 March 2009 (published in the Belgian Official Gazette of 23 April 2009). This authorisation can be renewed.

XIII.EXPLANATORY TABLE OF THE CARRIED-FORWARD CONSOLIDATED RESULT

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
Result attributable at the end of the previous financial year	25.613	38.202
- Unrealised impact IAS 39	0	-3.804
- Unrealised revaluation of investment property	0	0
- Realised	**25.613**	**34.398**
Balance of dividend from previous financial years	0	-12.232
Result brought forward from previous financial year	25.613	25.970
- Unrealised impact IAS 39	0	-3.804
- Unrealised revaluation of investment property	0	0
- Realised	**25.613**	**22.166**
Result of the current financial year	437	-15.785
- Unrealised impact IAS 39	10.923	28.771
- Unrealised revaluation of investment property	22.686	15.818
- Realised	**34.046**	**28.804**
Result attributable from the current financial year	26.050	10.185
- Unrealised impact IAS 39	10.923	24.967
- Unrealised revaluation of investment property	22.686	15.818
- Realised	**59.659**	**50.970**
Dividend proposed for the current financial year	-32.257	-25.276
Addition of reserves for financial year WDP CZ to the legal reserves	-49	0
Impact of sale of Univeg	0	-83
Capital increase	-10	0
Other	4	2
Result to be carried forward at the end of the financial year	-6.262	-15.172
- Unrealised impact IAS 39	10.923	24.967*
- Unrealised revaluation of investment property	22.686**	15.818**
- Realised	**27.347**	**25.613**

* *The impact of IAS 39 of both the current financial year (-28.771.000 EUR) and the previous financial years (3.804.000 EUR) was reclassified at the end of the 2008 financial year to the unavailable reserves.*

** *The revaluation of the investment property (as well as their deferred taxes on the property portfolio) in accordance with IAS 40 are transferred annually to the 'Unavailable reserves' item of the 'Reserves' section.*

XIV. PROVISIONS 2009

Nature of the liabilities EUR (x 1.000)	31-12-2009 France Tax (exit tax)	Belgium Environ-mental remediation	TOTAL
OPENING BALANCE	23	1.250	1.273
Additional provisions			0
Amounts used		-85	-85
Unused amounts reversed			0
Transferred from other heading			0
CLOSING BALANCE	23	1.165	1.188
Expected payment date for use of provisions	< 5 years	< 5 years	

During the course of the 2009 financial year the current studies, monitoring activities and remediation were continued, thereby to comply with all local legislation regarding soil remediation. The ‘Provisions’ item outstanding at the end of 2009 was still 1,188 million EUR.

Those provisions were primarily accrued for the possible remediation of the plots in Anderlecht – Frans Van Kalkenlaan, Beersel – Stationstraat en Sint-Jans-Molenbeek Delaunoystraat.

In addition provisions were also accrued for exit tax in France of 23.000 EUR.

Nature of the liabilities EUR (x 1.000)	31-12-2008 France Tax (exit tax)	Belgium Environmental remediation	Disputes	Italy Guarantees in Italy on disposal of shareholding	TOTAL
OPENING BALANCE	0	1.270	85	131	1.486
Additional provisions					0
Amounts used		-20			-20
Unused amounts reversed			-85	-131	-216
Transferred from other heading	23				23
CLOSING BALANCE	23	1.250	0	0	1.273
Expected payment date for use of provisions	< 5 years	< 5 years	uncertain	< 5 years	

XV. STATEMENT OF LIABILITIES

EUR (x 1.000)	Included as of		< 1 year		1-5 years		> 5 years	
	31-12-2009	31-12-2008	31-12-2009	31-12-2008	31-12-2009	31-12-2008	31-12-2009	31-12-2008
Commercial paper	105.250	97.754	105.250	97.754				
Straight loans	8.850	73.450	8.850	73.450				
Other	993	4.995	993	4.995				
Short-term financial debts	**115.093**	**176.199**	**115.093**	**176.199**	**0**	**0**	**0**	**0**
Roll over loans	338.765	265.577	1.888	1.814	198.353	48.022	138.524	215.742
Lease debts	33.969	29.202	4.796	2.291	13.423	10.724	15.751	16.186
Other	7.675	6.667					7.675	6.667
Non-current financial liabilities	**380.410**	**301.446**	**6.684**	**4.105**	**211.776**	**58.746**	**161.950**	**238.595**
TOTAL	495.503	477.645	121.777	180.304	211.776	58.746	161.950	238.595

The average term of financial debts is 4,8 years. If account is taken only of long-term debts (excluding commercial paper and straight loan) the average term is 6,1 years. Average interest charges for 2009 were 4,11% (including bank margin).

Total financial liabilities (financial debts and finance lease debts) at 31/12/2009 were EUR 496 million. 25% of these liabilities are current liabilities (chiefly straight loans and debts entered into as part of the commercial paper programme). The remaining 75% mature after more than one year, of which 43% after more than five years.

Of these financial liabilities 88% (versus 81% at 31/12/2008) are hedged at a fixed interest rate via the interest rate swaps (IRS) entered into. The average interest charge for these hedges is 3,93% net (before bank margin).

The value of these financial derivatives at 31 December 2009 was negative at EUR 32,5 million, with an average remaining term of 6,2 years.

At 31 December 2009 all contractually applicable bank covenants were complied with (for further details relating to these covenants see 'Off-balance-sheet rights and commitments', page 54).

Financial lease debts

At year-end 2009, WDP has lease debts amounting to EUR 34 million, comprising:

- WDP has a lease with a banking consortium for financing the Univeg property. This originally had a duration of 15 years, of which 4 years had already been settled as of 31-12-2009. The purchase option is 780.480 EUR (i.e. 3% of the original capital of 26.016.000 EUR). The interest rate is Euribor 3 monthly. The remaining lease debt at 31 December 2009 is EUR 20,8 million.

- WDP took over current lease debts in 2008 following the acquisition of the Vendin-le-Vieil property. The original duration of the contracts was 10 years, of which 5,5 years had been settled as of 31-12-2009. The interest rate is Euribor 3 monthly increased by a margin from 0,62 to 0,90% depending on the contracting financial institution. The remaining lease debt at year-end 2009 is EUR 6,2 million.

- Further to the sale and leaseback transaction with DHL, WDP also took over the lease contracts for the DHL premises located in Willebroek and Mechelen. The original term of the contract in Willebroek of 10 years expired at the end of 2009. The option price was EUR 1,685 million. It was decided to continue leasing the building. The contract of the DHL site in Mechelen has a term of 20 years, of which 11 years and nine months had already been paid as at 31 December 2009. The purchase option is EUR 0,4 million. The remaining lease debt at year-end 2009 is EUR 7,0 million.

	31-12-2009			31-12-2008		
EUR (x 1.000)	Capital	Interest*	Total	Capital	Interest**	Total
In less than one year	4.796	600	5.396	2.291	863	3.154
Over 1 year but less than 5 years	13.423	1.544	14.967	10.724	2.598	13.322
Over five years	15.750	382	16.132	16.187	1.553	17.740
TOTAL FINANCIAL LEASE DEBTS	33.969	2.526	36.495	29.202	5.014	34.216

* *Assumption: Euribor 3 months = 0,700%.*

** *Assumption: Euribor 3 months = 2,928%.*

XVI. OTHER CURRENT LIABILITIES

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
Outstanding dividends	219	13.457
Deposits and rental guarantees received	66	98
Other	261	276
TOTAL	546	13.831

XVII. OVERVIEW OF FUTURE RENTAL INCOME (WDP AS LESSOR)

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
Rental income		
Within one year	54.778	48.583
More than one but less than five years	189.725	160.299
Over five years	214.300	184.687
TOTAL	458.803	393.569

This table provides an overview of future rental income resulting from current leases. They are based on non-indexed rents which will be collected until the first lease expiry date agreed in the contracts.

The impact of rent indexation for the 2008 and 2009 financial years was 3,54% and -0,26% respectively.

Standard lease

WDP mainly signs contracts to provide storage spaces and industrial premises, generally for a term of nine years, with the possibility to terminate the contract at the end of the third and the sixth year subject to six months advance notice.

Rents are generally payable monthly in advance (sometimes quarterly). The index is revised annually on the date when the contract was signed.

Taxation and levies, including the advance property levy, a minimum of half of the insurance premiums and shared general charges are payable by the tenant, who pays a monthly provision for them at the same time as the rent. Each year, they receive a statement of the actual charges.

In order to guarantee the respecting of commitments imposed on the tenants, the tenant is obliged to deposit a rental guarantee, generally in the form of a bank guarantee equal to six months' rent.

When the contract begins, a jointly prepared inventory between the two parties is drawn up by an independent surveyor. At the end of the lease, the tenant has to restore the rented premises to the condition described in this entry inventory except for normal wear and tear. An exit inventory is drawn up. The tenant is liable for the repair of any damage observed and the potential unavailability of the premises whilst such damage is being repaired.

The tenant is not authorised to conduct any high-risk activity in the rented areas unless it has received prior permission in writing from WDP, which where appropriate can oblige the tenant to take certain precautionary measures. If the tenant conducts a high-risk activity during the term of the contract, it is obliged to conduct a soil orientation study before the lease expires and where soil pollution is found, to fulfil all the potential remediation obligations and repair any resulting damage.

The tenant is solely responsible for obtaining its operating licence and environmental permit. The refusal or withdrawal of permits does not constitute justification for the dissolution or termination of the agreement.

The tenant is not authorised to transfer its contract or to sub-let the areas it has rented without the prior written consent of WDP. In the event of agreement with the transfer of a lease, the original tenant remains jointly and severally liable in relation to WDP.

The tenant is obliged to register the lease at its own expense.

XVIII. AVERAGE WORKFORCE AND BREAKDOWN OF MEMBERS OF PERSONNEL

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
In fully consolidated companies		
Average workforce	**24,9**	**21,2**
a) Workers	5,7	5,4
b) Employees	19,2	15,8
- Administrative employees	13,2	9,8
- Technical employees	6,0	6,0
Geographical location of workforce	**24,9**	21,2
- Western Europe	22,9	19,6
- Central and Eastern Europe	2,0	1,6
Personnel costs	**1.612**	**1.408**
a) Remuneration and direct fringe benefits	1.013	915
b) Employer's national insurance contributions	358	301
c) Employer's supplementary insurance premiums	86	75
d) Other personnel costs	155	117

XIX. RESULT ON DISPOSALS OF INVESTMENT PROPERTY

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
Net property sales (sales price – transaction costs)	3.007	1.800
Book value of properties sold	-2.996	-1.720
RESULT OF THE DISPOSAL OF INVESTMENT PROPERTY	**11**	**80**

XX. VARIATIONS IN THE FAIR VALUE OF INVESTMENT PROPERTY

EUR (x 1.000)	Year 31-12-2009 Western Europe	Central and Eastern Europe	Total	Year 31-12-2008 Western Europe	Central and Eastern Europe	Total
Latent positive variations of existing property	4.933	0	4.933	13.140	6.166	19.306
Latent negative variations of existing property	-26.184	-11.478	-37.662	-27.273	-3.663	-30.936
Latent positive variation on newly acquired property	3.052	0	3.052	0	0	0
Latent negative variation on new property	0	0	0	-1.467	-1.267	-2.734
Impairment (recognition and reversal) on development projects	2.886	0	2.886	-3.866	311	-3.555
TOTAL	**-15.313**	**-11.478**	**-26.791**	**-19.466**	**1.547**	**-17.919**

XXI. FINANCIAL RESULT

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
Financial income	**4.248**	**7.559**
Interest and dividends received	1.208	2.900
Finance lease and other indemnities	23	20
Income from financial instruments used for hedging purposes	2.948	2.186
Other financial income	69	2.453
Interest charges	**-19.102**	**-16.520**
Nominal interest charges on loans	-22.468	-19.636
Interest capitalised during construction	3.380	3.137
Other interest charges	-14	-21
Other financial charges	**-14.155**	**-32.975**
Bank charges and other commissions	-41	-34
Costs of financial instruments used for hedging purposes	-13.871	-31.371
Other financial charges	-243	-1.570
FINANCIAL RESULTS	-29.009	-41.936

The **financial income** primarily contained interest received in bank accounts, interest on receivables, income from Interest Rate Swaps (IRS) and other financial income.

The positive impact of the market valuation of the IRS's concluded (in accordance with IAS 39) are shown on a separate line in the analytical presentation of the results (see 'Key figures' in the 'strategy' section on page 12) (IAS 39 result) due to their non-cash nature.

As WDP Czech Republic has also used the euro as its functional currency since 2009, foreign currency gains now relate solely to the external financing of the activities in WDP Development RO. This explains the significant fall in the other financial proceeds. Last year the foreign currency gains amounted to EUR 2 million, against only EUR 27.000 in the 2009 financial year.

Interest charges mainly include the interest effectively paid for the various lines of credit and the commercial papers programme (see summary of loans page 44). Part of the interest paid on financing construction projects is capitalised. A portion of the interests is also capitalised on the land reserve which is part of the investment property.

Other financial charges essentially relate to bank charges, costs of financial instruments used for hedging purposes and realised (-4.000 EUR compared to -511.000 EUR last year) and unrealised (-240.000 EUR compared to -955.000 EUR last year) negative currency conversion results. These are related to the external financing of the activities in WDP Development RO.

The risk policy of WDP relating to its financial policy is explained in the 'strategy' section on page 4. The derivatives currently used by WDP do not qualify as hedging transactions. Consequently the changes in the fair value are immediately included in the result.

The negative impact of the market valuation of the IRS's concluded (in accordance with IAS 39) are shown on a separate line in the analytical results (see 'Key figures' on page 12) (IAS 39 result) due to their non-cash nature.

ESTIMATE OF FUTURE INTEREST CHARGES

EUR (x 1.000)	Total future interest charges
< 1 year	21.383
1-5 year	83.287
> 5 year	15.694
TOTAL	**120.364**

The estimated future interest expenses take into account the statement of debts as at 31-12-2009 and interest rate hedges relating to contracts in progress at that time.

For the non-hedged part of the debts, the Euribor 3 monthly at 31-12-2009 (0,70%) + a bank margin of 0,7% has been used. The latter is an average percent of the aforementioned loans. The average bank margin last year was 0,5%.

An estimate of future interest charges on 31 December 2008 would not provide added value, as this information has become outdated. It has therefore been decided not to present comparative figures for prior years.

ANALYSIS OF INTEREST CHARGES

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
Borrowing (LT and ST financial debts)	487.292	470.394
Euribor evolution (period 3 months)	1,332%	4,764%
Amount hedged	436.786	388.075
Average hedged interest rate	4,54%	3,88%
Interest effectively received/paid	21.275	16.384
Impact of interest charges received/paid		
Interest rate fall -1,00%	20.405	15.476
Interest rate increase +1,00%	21.952	17.699

XXII. TAXES

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
Recorded in the consolidated profit and loss account		
Corporate tax	-221	-396
Negative latent tax on variations in the fair value of investment property	-568	-1.642
Positive latent tax on variations in the fair value of investment property	5.337	3.843
Latent tax on reversal of amortisation	-664	-100
Reversal of latent tax on IRS's	0	414
Latent tax on provision of major maintenance	-52	-49
Future tax saving on recoverable losses	0	19
Deferred taxes arising from differences between the valuation rules for tax purposes and the IFRS valuation rules	-971	-331
TOTAL TAXES	2.861	1.758

Warehouses De Pauw Comm. VA is a limited company with share capital with the status of a cepic. The status as a cepic provides a favourable tax regime as the cepic is liable only to tax on specific profit components, such as disallowed expenses and abnormal benefits. No corporation tax is paid on the profits resulting from leases and added value realised.

WDP France also enjoys a beneficial tax status as it falls under the SIIC-status in France.

In addition to WDP Comm. VA and WDP France, the other foreign companies remain subject to corporation tax in the respective country. In this way the tax statement for the 2009 financial year in the Czech Republic is still 20% (in 2010: 19%), in Romania 16% and a maximum of 25,5% in the Netherlands.

The deferred taxes primarily relate to the fluctuations in the real estate revaluations of the subsidiaries (i.e. deferred taxes on the difference between the book value after write-down in the statutory annual financial statements of the subsidiaries and the fair value). In addition a deferred tax asset is booked insofar as the likelihood is that a tax profit will be available.

The deferred tax asset in relation to the loss carried over amounts to 836.000 EUR in 2009 (761.000 EUR in 2008), the deferred tax obligation in relation to the fair value of the real estate is 6,3 million EUR (9,0 million EUR in 2008).

Corporate tax as of 31-12-2009

EUR (x 1.000)	WDP Belgium**	WDP France	Royvelden Vastgoed BV	WDP Nederland*	WDP Czech Republic	WDP Romania*	Total
Pre-tax statutory result	-92	-26	2.457	-599	586	-7.090	**-4.764**
Exempt result exempt pursuant to the cepic system	-92	-26					**-118**
Exempt pursuant to tax and accounting amortisation			-1.938		-380		**-2.318**
Exempt pursuant to environmentally-friendly investments			-382				**-382**
Taxable as a result of lost expenses	150***				224	6.280	**6.654**
Taxable as a result of abnormal benefits							**0**
Total taxable profit	**150**	**0**	**137**	**0**	**430**	**-810**	**-93**
Rate (%)	33,99	33,33	25,50	25,50	20,00	16,00	
Provision for tax	-50		-27		-85	-1	**-163**
Advance property levy	1						**1**
Correction from previous financial year	4						**4**
Other		-53			-10		**-63**
TOTAL CORPORATE TAX	**-45**	**-53**	**-27**	**0**	**-95**	**-1**	**-221**

* *These companies do not have to pay tax due to carried over tax losses from the past and the negative result in the current financial year. No deferred taxation was recorded on the loss brought forward for tax purposes.*

** *Including Etablissement stable and merged subsidiaries.*

*** *This is an estimate for the 2009 financial year.*

Corporate tax as of 31-12-2008

EUR (x 1.000)	WDP Belgium**	WDP France	Royvelden Vastgoed BV	Royvelden Holding BV	Royvelden Beheer BV	WDP Nederland*	WDP Czech Republic	WDP Dev. Romania*	Total
Pre-tax statutory result	-16.818	-687	1.883	-6	-4	-73	1.276	-1.191	**-14.429**
Exempt result exempt pursuant to the cepic system	-16.818	-687							**-17.505**
Exempt pursuant to tax and accounting amortisation							-532		**-532**
Exempt pursuant to environmentally-friendly investments			-623						**-623**
Taxable as a result of lost expenses	144						8		**152**
Taxable as a result of abnormal benefits									**0**
Total taxable profit	**144**	**0**	**1.260**	**0**	**0**	**0**	**752**		**2.156**
Rate (%)	33,99	33,33	25,50	25,50	25,50	25,50	21,00	16,00	
Provision for tax	-50		-309				-158		**-517**
Advance property levy	-2								**-2**
Correction from previous financial year	9		89				23		**121**
Other	1			1					**2**
TOTAL CORPORATE TAX	**-42**	**0**	**-220**	**1**	**0**	**0**	**-135**	**0**	**-396**

* *These companies do not have to pay tax due to carried over tax losses from the past and the negative result in the current financial year.*

** *Including Etablissement stable and merged subsidiaries.*

XXIII. TRANSACTIONS BETWEEN ASSOCIATED COMPANIES

In addition to the director indemnification invoiced by the managing company De Pauw NV to WDP there are no other transactions between associated companies. For 2009 this indemnification was set at 825.000 EUR.

XXIV. OFF-BALANCE-SHEET RIGHTS AND COMMITMENTS

- Outstanding financial securities worth EUR 1,260 million in favour of the Flemish waste management company (OVAM).
- Bank guarantees and covenants:
  - The Dexia credit line of up to EUR 25 million made available with co-debtors WDP Comm. VA and WDP Czech Republic is guaranteed by a joint and several surety by the parent company WDP Comm. VA. The surety principal is EUR 5 million (to be increased by interest, commission, and all other ancillary costs).
  - There is a guarantee with ING for surety of the commitments of Royvelden Vastgoed BV by the parent company WDP Comm. VA for EUR 23,7 million.
  - Commitment in favour of the credit institutions with which WDP usually trades whereby WDP does not further mortgage fixed assets or establish proxies for this purpose (negative pledge).
  - WDP has entered into the commitment with the various banks to remain qualified as a closed-end property investment company. The conditions to be met for this are set out in the Royal Decree of 10 April 1995 and the Royal Decree of 21 June 2006, see also page 77 ‘General information concerning the closed-end property investment company’.
  - With some financial institutions, WDP undertakes to maintain an Interest Cover Ratio of at least a specified level. That level varies between 2,3 and 1,5 for WDP.
  - With some financial institutions, WDP undertakes to limit projects that are not yet pre-let (developments on risk) to 15% of the carrying amount of the portfolio (excluding land reserves).
  - The commercial paper programme may not exceed EUR 150 million. At 31 December 2009 the commercial paper programme amounted to EUR 105,25 million.

WDP satisfied all bank covenants at 31 December 2009.

[1] *Interest Cover Ratio or the ratio EBITDA / Interest charges is the ratio of (current taxable result + financial costs for debts + other financial costs + financial non-cash costs) / (financial costs for debts + other financial costs + financial non-cash costs)*

2009 Annual consolidated financial statements

Statement of rental returns (gross)

		2009 (EUR)	2008 (EUR)
BELGIUM		**37.119.689,89**	**32.762.876,84**
Aalst	Dendermondsesteenweg 75	175.988,39	169.785,19
Aalst	Denderstraat 54-56 – Tragel	207.440,52	202.543,68
Aalst	Tragel 5 – Gheeraerdtstraat 15-16	254.232,45	270.863,66
Aalst	Tragel 11-12 – Garenstraat	936.167,04	906.414,49
Aalst	Wijngaardveld 3/5, Dijkstraat 7	677.142,73	655.403,74
Aarschot	Nieuwlandlaan 19	288.068,31	0,00
Anderlecht	Frans Van Kalkenlaan 9	922.896,03	965.924,45
Antwerp	Lefebredok – Grevendilf – Vrieskaai	599.444,74	541.611,51
Asse (Mollem)	Terheidenboslaan 10	244.472,08	236.148,74
Asse (Mollem)	Assesteenweg 25	1.262.154,10	1.247.267,72
Asse (Mollem)	Assesteenweg land next to number 25	24.437,50	0,00
Beersel	Stationstraat 230	202.049,08	195.854,32
Beersel (Lot)	Heideveld 3-4	373.844,32	361.382,04
Beringen (Paal)	Industrieweg 135 – Rijsselstraat	436.830,82	374.418,31
Bierbeek	Hoogstraat 35-35A	0,00	29.472,13
Boom	Groene Hofstraat 13	86.856,63	68.427,85
Boom	Langelei 114-116 – Industrieweg	1.617.778,08	1.672.531,46
Boortmeerbeek	Leuvensesteenweg 238	182.871,86	175.331,43
Boortmeerbeek	Industrieweg 16	347.446,36	440.497,71
Bornem	Rijksweg 17	631.782,00	614.732,40
Bornem	Rijksweg 19	951.444,00	925.249,15
Courcelles	rue de Liège 25	662.150,68	351.008,04
Doornik (Marquain)	rue de Terre à Briques 14	346.741,31	334.936,02
Genk	Brikkenovenstraat 48	614.748,35	51.241,92
Grimbergen	Eppegemsesteenweg 31	1.016.866,32	1.014.327,72
Grimbergen	Industrieweg 16	722.738,20	476.956,08
Haacht (Wespelaar)	Dijkstraat 44	213.329,52	238.211,13
Jumet	Zoning Industriel – 2ième	268.440,03	259.156,23
Kontich	Satenrozen 11-13 – Elsbos	2.473.653,80	2.297.192,29
Kortenberg	A. De Conincklaan 2-4	397.291,76	389.699,60
Lebbeke (Wieze)	Kapittelstraat 31	71.003,43	106.638,30
Leuven	Vaart 25-35	1.239.617,63	1.399.925,09
Leuven (Wilsele)	Kolonel Begaultlaan 9, 17-21, hoek Lefèvrelaan	667.287,12	652.585,96
Londerzeel	Nijverheidstraat 13-15	1.100.566,72	945.493,53
Machelen	Rittwegerlaan 91-93 – Nieuwbrugstraat	1.536.351,18	1.496.928,12
Mechelen	Zandvoortstraat 3	806.249,97	0,00
Meer	Seoelstraat 1	352.350,00	0,00
Merchtem	Wolvertemse Steenweg 1 – Bleukenweg 5	205.850,22	182.789,27
Moeskroen (Estaimpuis)	rue du Pont Blue 21	124.031,39	127.977,43
Neder-Over-Heembeek	Steenweg op Vilvoorde 146	68.332,29	187.102,92
Nivelles	rue de l'Industrie 30	1.308.992,43	1.247.389,81
Nivelles	rue de Bosquet 12	592.150,02	524.650,90
Nivelles	rue Buisson aux Loups	1.100,00	0,00
Puurs	Lichterstraat 31	10.491,16	342.311,98
Puurs (Breendonk)	Koning Leopoldlaan 9	202.924,56	146.997,00
Rumst (Terhagen)	Polder 3 – Kardinaal Cardijnstraat 65	570.076,34	522.995,58

2009 Annual consolidated financial statements

Statement of rental returns (gross)

		2009 (EUR)	2008 (EUR)
Sint-Jans-Molenbeek	Delaunoystraat 35-36 + 58-60	10.337,91	32.868,72
Sint-Katelijne-Waver	Strijbroek 10	311.949,16	302.384,84
Sint-Katelijne-Waver	Drevendaal 3	1.298.576,35	1.240.523,27
Sint-Katelijne-Waver	Drevendaal 1 – Strijbroek 4	867.827,19	838.280,77
Sint-Katelijne-Waver	Fortsesteenweg 19-27	280.509,81	270.959,47
Sint-Katelijne-Waver	Fortsesteenweg 44	143.663,85	138.772,55
Ternat	Industrielaan 24	775.078,78	683.395,30
Tienen	Getelaan 100	0,00	13.176,71
Vilvoorde	Willem Elsschotstraat 5	885.349,16	882.876,40
Vilvoorde	Havendoklaan 12	890.761,04	863.882,69
Vilvoorde	Havendoklaan 13	429.881,64	416.389,11
Vilvoorde	Havendoklaan 19	2.000,00	548.550,16
Vilvoorde	Jan Frans Willemsstraat 95	386.992,80	433.555,92
Willebroek	Breendonkstraat	0,00	2.280,62
Willebroek	Koningin Astridlaan 14	835.143,44	814.957,37
Willebroek	Koningin Astridlaan 16	1.177.422,81	294.810,12
Willebroek	Victor Dumonlaan 4	870.189,03	0,00
Zaventem	Fabriekstraat 13	372.221,34	387.339,22
Zele	Lindestraat 7 – Baaikensstraat	1.585.104,11	1.240.269,24
Other		0,00	7.229,46
FRANCE		**5.748.654,00**	**4.713.415,00**
Aix-en-Provence	rue Gustave Eiffel 205	759.519,00	745.972,00
Lille – Fretin – Sainghin-en-Mélanois	rue des Hauts de Sainghin	435.759,00	779.898,00
Lille – Libercourt	Zone Industrielle – Le Parc à Stock	375.591,00	0,00
Lille – Roncq	avenue de l'Europe 17	551.564,00	598.732,00
Lille – Seclin	rue Marcel Dassault	509.831,00	0,00
Lille – Templemars	route de l'Epinoy 16b	302.555,00	282.138,00
Lille – Templemars	route d'Ennetière 40	756.648,00	717.949,00
Neuville-en-Ferrain	rue de Reckem 33	601.236,00	576.226,00
Vendin-le-Vieil	rue Calmette / rue des Frères Lumière	1.455.951,00	1.012.500,00
CZECH REPUBLIC		**2.526.142,00**	**2.487.983,35**
Hradec Králové	Pilnáčkova 410	198.800,00	193.080,98
Jablonec	Janovská 4633/2	55.691,00	54.616,34
Mladá Boleslav	Jičinská 1329/3	127.675,00	124.398,93
Mladá Boleslav	Nepřevázka	1.710.385,00	1.690.417,53
Průhonice	Uhřiněveská 734	433.591,00	425.469,57
THE NETHERLANDS		**9.277.573,00**	**6.685.779,00**
Breda	Hazeldonk 6462 en 6464	1.061.692,00	1.061.691,00
Raamsdonksveer	Zalmweg 27	321.799,00	108.252,00
Ridderkerk	Handelsweg 20	3.570.193,00	2.587.628,00
Veghel	Marshallweg 1	2.646.685,00	1.283.552,00
Venlo	Edisonstraat	541.816,00	541.816,00
Voorhout	Loosterweg 33	1.135.388,00	1.102.840,00
TOTAL		**54.672.058,89**	**46.650.054,19**

2009 Annual consolidated financial statements

Report of the company auditor 2009

Statutory auditor's report on the consolidated financial statements for the year ended 31 December 2009 presented to the shareholders' meeting

To the shareholders

As required by law and the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the consolidated financial statements together with the required additional comment.

Unqualified audit opinion on the financial statements

We have audited the accompanying consolidated financial statements of Warehouses De Pauw Comm.VA/SCA ('the company') and its subsidiaries (jointly 'the group'), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. Those consolidated financial statements comprise the consolidated balance sheet as at 31 December 2009, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 916.076 (000) EUR and the consolidated income statement shows a consolidated profit for the year then ended of 437 (000) EUR.

The board of directors of the company is responsible for the preparation of the consolidated financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements 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 financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the 'Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren'. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the group's preparation and fair presentation of the consolidated financial statements 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 assessed the basis of the accounting policies used, the reasonableness of accounting estimates made by the company and the presentation of the consolidated financial statements, taken as a whole. Finally, the board of directors and responsible officers of the company have replied to all our requests for explanations and information. We believe that the audit evidence we have obtained, provides a reasonable basis for our opinion.
In our opinion, the consolidated financial statements give a true and fair view of the group's financial position as of 31 December 2009, and of its results and its cash flows for the year

then ended, in accordance with International Financial Reporting Standards as adopted by the EU and with the legal and regulatory requirements applicable in Belgium.

Additional comment

The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements are the responsibility of the board of directors.

Our responsibility is to include in our report the following additional comment which does not change the scope of our audit opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law and is in agreement with the consolidated financial statements. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the group, or on the status, future evolution, or significant influence of certain factors on its future development. We can, nevertheless, confirm that the information given is not in obvious contradiction with any information obtained in the context of our appointment.

Diegem, 31 March 2010

DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Rik Neckebroeck

The statutory auditor

Report of the company auditor on the 2008 financial statements

Statutory auditor's report to the Shareholders Meeting on the consolidated financial statements for the year ended 31 December 2008

To the shareholders

As required by law and the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the consolidated financial statements together with the required additional comment.

Unqualified audit opinion on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Warehouses De Pauw Comm. VA (the company) and its subsidiaries (jointly 'the group'), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. Those consolidated financial statements comprise the consolidated balance sheet as at 31 December 2008, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 802.703 (000) EUR and the consolidated income statement shows a consolidated loss for the year then ended of 15.785 (000) EUR.

The management of the company is responsible for the preparation of the consolidated financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements 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 financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the 'Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren'. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the group's preparation and fair presentation of the consolidated financial statements 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 assessed the basis of the accounting policies used, the reasonableness of accounting estimates made by the company and the presentation of the consolidated financial statements, taken as a whole. Finally, the management and responsible officers of the company have replied to all our requests for explanations and information. We believe that the audit evidence we have obtained, provides a reasonable basis for our opinion.

2009 Annual consolidated financial statements

Report of the company auditor 2008

In our opinion, the consolidated financial statements give a true and fair view of the group's financial position as of 31 December 2008, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the EU and with the legal and regulatory requirements applicable in Belgium.

Additional comment

The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements are the responsibility of the management.

Our responsibility is to include in our report the following additional comment which does not change the scope of our audit opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law and is in agreement with the consolidated financial statements. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the group, or on the status, future evolution, or significant influence of certain factors on its future development. We can, nevertheless, confirm that the information given is not in obvious contradiction with any information obtained in the context of our appointment.

Diegem, 19 February 2009

Deloitte Bedrijfsrevisoren BV o.v.v.e. CVBA
represented by Rik Neckebroeck

The statutory auditor

2009 Annual unconsolidated financial statements*

Profit and loss account

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
I. Rental income	**38.003**	**33.641**
Rents	37.888	33.481
Indemnification for early termination of lease	115	160
III. Rental charges	**-868**	**-164**
Rent to be paid for leased premises	-241	-153
Valuation allowances for trade receivables and reversals	-667	-91
Reversals of valuation decreases for trade receivables	40	80
NET RENTAL RESULT	**37.135**	**33.477**
V. Recovery of rental charges normally paid by the tenant on let properties	**4.512**	**3.931**
Re-invoicing rental charges paid out by the owner	1.879	1.884
Re-invoicing advance property levy and taxes on let buildings	2.633	2.047
VII. Rental charges and taxes normally paid by the tenant on let properties	**-5.066**	**-4.407**
Rental charges paid out by the owner	-2.094	-2.059
Advance levies and taxes on let properties	-2.972	-2.348
VIII. Other income and charges related to leases	**4.198**	**761**
Property management fees	494	514
Income from solar energy	3.704	247
PROPERTY RESULT	**40.779**	**33.762**
IX. Technical costs	**-741**	**-934**
Recurrent technical costs	-705	-914
- Repairs	-545	-634
- Insurance premiums	-160	-280
Non-recurrent technical costs	-36	-20
- Major repairs (building contractors, architects, engineering firm, etc.)	1	1
- Accidents	-37	-21
X. Commercial costs	**-300**	**-256**
Agency commissions	-71	-42
Advertising	-75	-92
Lawyers' fees and legal charges	-154	-122
XII. Property management costs	**-293**	**-151**
External management fees	-70	5
(Internal) property management costs	-223	-156
XIII. Other property costs	**0**	**0**
PROPERTY CHARGES	**-1.334**	**-1.341**
PROPERTY OPERATING RESULTS	**39.445**	**32.421**
XIV. General company expenses	**-1.914**	**-2.207**
XV. Other operating income and charges	**0**	**0**
OPERATING RESULTS BEFORE RESULT ON PORTFOLIO	**37.531**	**30.214**

* *The statutory auditor has issued an unreserved statement of compliance for the annual financial statements of WDP Comm. VA. These annual financial statements are established in accordance with the IFRS rules as accepted in the European Union and in accordance with the Royal Decree of 21st June 2006.*

2009 Annual unconsolidated financial statements*
Profit and loss account

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
XVI. Result on disposals of investment property	**11**	**54**
Net property sales (sales price – transaction costs)	2.934	1.800
Book value of properties sold	-2.923	-1.746
XVIII. Variations in the fair value of investment property	**-1.102**	**-6.617**
Positive variations in the fair value of investment property**	6.878	12.785
Negative variations in the fair value of investment property	-9.390	-17.609
Impairment of assets under construction (recognised and reversed)	1.410	-1.793
OPERATING RESULT	**36.440**	**23.651**
XIX. Financial income	**11.682**	**14.444**
Interests and dividends received	7.295	7.858
Income from financial leases and similar	23	20
Income from financial instruments used for hedging purposes	2.948	2.187
Variations in the fair value of financial fixed assets	1.387	4.305
Other financial income	29	74
XX. Interest charges	**-20.418**	**-15.993**
Nominal interest on loans	-21.886	-17.646
Interest capitalised during construction	1.482	1.675
Other interest charges	-14	-22
XXI. Other financial charges	**-27.796**	**-38.920**
Bank charges and other commissions	-38	-30
Costs of financial instruments used for hedging purposes	-13.871	-29.749
Variations in the fair value of financial assets	-13.887	-9.067
Other financial charges	0	-74
FINANCIAL RESULT	**-36.532**	**-40.469**
PRE-TAX RESULT	**-92**	**-16.818**
XXII. Corporation tax	**-45**	**-43**
XXIII. Exit tax	**0**	**0**
TAXES	**-45**	**-43**
NET RESULT	**-137**	**-16.861**
NUMBER OF SHARES	**12.533.938**	**8.592.721**
NET RESULT PER SHARE (EUR)	**-0,25*** **	**-1,96**

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** *This only relates to the positive variations of property investments. The revaluation surpluses of solar panels are booked directly in the equity capital, under the section 'Revaluation reserve' in accordance with IAS 16.*

*** *Earnings per share are calculated on a pro-rata-temporis basis for the number of shares entitled to dividend for 2009 (first six months 9.400.454 shares, from 01/07/2009 12.533.938 shares).*

Other components of comprehensive income

EUR (x 1.000)	31-12-2009	31-12-2008
NET PROFIT	**437**	**-15.785**
Revaluation surplus on solar panels	12.779	5.179
OTHER COMPONENTS OF COMPREHENSIVE INCOME	**12.779**	**5.179**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**12.642**	**-10.864**
Attributable to:		
- Shareholders of the parent company	12.642	-10.864
- Minority interests	0	0

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2009 Annual unconsolidated financial statements*

Balance sheet – Assets

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
FIXED ASSETS	847.331	737.269
B. Intangible assets	**286**	**184**
C. Investment property	**537.194**	**504.067**
E. Other tangible fixed assets	**54.904**	**32.021**
- Tangible fixed assets for own use	54.904	32.021
F. Financial fixed assets	**254.584**	**200.400**
- Assets a fair value through profit or loss	593	298
Other	593	298
- Loans and receivables	203.091	136.704
Other	203.091	136.704
- Other	50.900	63.400
Holdings in affiliated companies and companies with a participation	50.900	63.400
G. Finance lease receivables	**195**	**278**
H. Trade receivables and other non-current assets	**168**	**319**
I. Deferred tax assets	**0**	**0**
CURRENT ASSETS	25.893	16.010
A. Assets held for sale	**14.199**	**4.642**
- Property investments	14.199	4.642
C. Finance lease receivables	**83**	**78**
D. Trade debtors	**3.538**	**3.815**
E. Tax benefits and other current assets	**5.320**	**4.974**
- Taxes	173	32
- Remuneration and social security charges	0	0
- Other	5.147	4.942
F. Cash and cash equivalents	**586**	**215**
G. Deferred active charges	**2.167**	**2.286**
- Completed, property returns not due	3	3
- Property costs paid in advance	288	211
- Interests and other financial costs paid in advance	241	330
- Other	1.635	1.742
TOTAL ASSETS	873.224	753.279

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2009 Annual unconsolidated financial statements*

Balance sheet – Liabilities

EUR (x 1.000)	Year 31-12-2009	Year 31-12-2008
EQUITY CAPITAL	**366.494**	**260.961**
I. Shareholders' equity attributable to the parent company's shareholders	**366.494**	**260.961**
A. Capital	97.853	68.913
- Subscribed capital	100.522	68.913
- Costs of capital increase	-2.669	0
B. Premiums on issues	63.960	0
D. Reserves	210.133	204.925
E. Result	8.476	-846
- Carried over results from previous financial years	8.613	16.015
- Result of the financial year	-137	-16.861
F. Impact on the fair value of costs and transfer taxes estimated at the time of the notional transfer of the investment property and of the valuation of project developments at cost	-13.928	-12.031
H. Translation differences	0	0
II. Minority interests	**0**	**0**
LIABILITIES	**506.730**	**492.318**
I. Non-current liabilities	388.005	298.521
A. Provisions	1.165	1.249
- Other	1.165	1.249
B. Non-current financial liabilities	339.059	260.758
- Credit institutions	315.000	240.000
- Financial lease	24.059	20.758
C. Other non-current financial liabilities	32.509	21.242
- Other	32.509	21.242
E. Other non-current liabilities	15.272	15.272
F. Deferred tax liabilities	0	0
II. Current liabilities	118.725	193.797
B. Current financial liabilities	110.524	167.515
- Credit institutions	106.750	166.198
- Financial lease	3.774	1.317
D. Trade payables and other current debts	5.018	9.730
- Suppliers	4.390	9.184
- Tax, salary and social security	628	546
E. Other current liabilities	2.271	14.873
- Other	2.271	14.873
F. Other current liabilities	912	1.679
- Property returns received in advance	492	324
- Completed, not due interests and other costs	394	228
- Other	26	1.127
TOTAL LIABILITIES	**873.224**	**753.279**

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2009 Annual unconsolidated financial statements*

Profit distribution

The unconsolidated profit for the financial year amounts to -136.585 EUR. Taking into account the profit brought forward from the previous financial year of EUR 8.613.344, the profit available for distribution is EUR 8.476.759.

It will be proposed to allocate the profits as follows:

After the allocation to the unavailable reserves of the latent net lesser value of the current financial year as a result of the evolution of the market fluctuations on the portfolio for an amount of EUR -1.101.829, the allocation to the unavailable reserves of the fair value revaluation of the non-current financial assets on the reporting date of EUR -12.499.418 and the allocation to the unavailable reserves of the IAS 39 impact of the current financial year of EUR -10.923.048 and the impact of the capital increase in connection with the DHL transaction of EUR 10.039, the profits available for distribution amounted to EUR 32.991.016. The profits to be allocated only include the realised results.

Remuneration of capital: EUR 32.256.717

1) Dividend for first half of 2009 (coupon number 18): 9.400.454 shares x EUR 1,25 net dividend, plus the dividend withholding tax of 15% equals EUR 13.824.308, will be made payable on Wednesday, 5 May 2010.

2) Dividend for second half of 2009 (coupon number 19): 12.533.938 shares x EUR 1,25 net dividend, plus the dividend withholding tax of 15% equals EUR 18.432.409, will be made payable on Wednesday, 5 May 2010.

* *The statutory auditor has issued an unreserved statement of compliance for the annual financial statements of WDP Comm. VA. These annual financial statements are established in accordance with the IFRS rules as accepted in the European Union and in accordance with the Royal Decree of 21st June 2006.*

Permanent document

1. Basic information

1.1. Company name (article 1 of the Coordinated Articles of Association)

‘Warehouses De Pauw’, abbreviated ‘WDP’.

1.2. Legal form, formation and publication*

The company was established as a limited company under the name ‘Rederij De Pauw’ under the terms of a deed executed before the notary public Paul De Ruyver in Liedekerke on 27 May 1977, published in the Appendices to the Belgian Official Gazette of 21 June 1977 under number 2249-1. This limited company served as a holding company in which the property assets of nine companies were combined by means of a general merger and split-up operation. At the same time, the name of the company was changed to ‘Warehousing & Distribution De Pauw’ and it was converted into a limited partnership with share capital. The amendments to the Articles of Association in relation to this operation were made conditionally, under the terms of a deed executed on 20 May 1999 by the notary public Siegfried Defrancq in Asse-Zellik, substituting the notary public Jean-Jacques Boel, legally impeded, as published in the Appendices to the Belgian Official Gazette on 16 June thereafter under number 9906161, and ratified by two deeds dated 28 June 1999 executed before the aforementioned notary public and published in the Appendices to the Belgian Official Gazette on 20 July 1999 under numbers 990720-757 and 758.

Since 28 June 1999, WDP Comm. VA has been registered with the Banking, Finance and Insurance Commission as a ‘Belgian closed-end property investment company’, abbreviated to cepic under Belgian law. It is consequently subject to the regulations governing fixed-capital investment companies as defined by the Act of 20 July 2004 relating to certain forms of collective management of investment portfolios, along with the Royal Decree of 10 April 1995 relating to cepics, as amended by the Royal Decrees of 10 June 2001 and 21 June 2006.

The company name was changed to ‘Warehouses De Pauw’ at the Extraordinary General Meeting of 25 April 2001, by a deed executed before the aforementioned notary public Siegfried Defrancq, substituting the aforementioned notary public Jean-Jacques Boel, legally impeded, published in the Appendices to the Belgian Official Gazette of 18 May thereafter under number 20010518-652.

On 12 December 2001, the company took over the limited company NV Caresta, and the Articles of Association were amended accordingly by a deed executed before the notary public Siegfried Defrancq in Asse-Zellik, substituting the aforementioned notary public Jean-Jacques Boel, legally impeded, and published in the Appendices to the Belgian Official Gazette on 5 January 2002 under the number 20020105-257, ratified by a deed executed before the aforementioned notary public Siegfried Defrancq on 21 December 2001 published in the Appendices to the Belgian Official Gazette of 11 January 2002 under number 20020111-2160 with a subsequent rectification before the same notary public on 3 July 2002 published in the Appendices to the Belgian Official Gazette of 25 July 2002 under number 20020725-299.

* *Also see in this regard ‘7. Key dates in the history of WDP’ on page 75.*

Permanent document

On 5 September 2003, the management company, De Pauw NV, decided to increase the capital through a public share issue by up to a maximum of EUR 30.000.000,00, including the issue premium, with a pre-emptive right and within the framework of the authorised capital, through a deed executed before the aforementioned notary public Siegfried Defrancq, substituting the aforementioned notary public Jean-Jacques Boel, legally impeded, published in the Appendices to the Belgian Official Gazette on 21 October 2003, under number 03109193. On 10 October 2003, it was recorded that the capital had increased by EUR 27.598.368,00, including the issue premium, whereby 985.656 new shares were issued. This deed was published in the Appendices to the Belgian Official Gazette of 6 November 2003 under number 03116631.

On 27 April 2005, by a deed executed before the aforementioned notary public Siegfried Defrancq, substituting the aforementioned notary public Jean-Jacques Boel, legally impeded, published in the Appendices to the Belgian Official Gazette of 25 May 2005 under number 05073117, the management company's authorisation to increase the capital up to an amount of EUR 79.498.360,00 was renewed in the context of the authorised capital, along with the authorisation for it to acquire and sell its own shares in order to avoid any serious damage which may threaten the company; the threshold under the articles of Association for the transparency declaration was reduced to 3%.

On 31 August 2006, through a deed executed before the notary public Yves De Ruyver in Liedekerke, substituting his legally impeded colleague Jean-Jacques Boel, and with the intervention of notary public Frank Liesse, associate notary in Antwerp, published in the Appendices to the Belgian Official Gazette of 20 September thereafter under number 20060920-0144983, the capital was increased by EUR 7.654.847,04 on the first occasion, by means of a contribution in kind resulting from the sale of the capital of Massive NV after the company was split, when 707.472 new shares were issued, and again through the incorporation of the share premium of EUR 21.760.152,96. In the same deed, the authorisation granted to the management company to acquire or dispose of its own shares or accept them as security was prolonged and extended, and the capital was reduced by EUR 40.000.000,00 for the purposes of constituting a cash reserve. The subscribed capital consequently amounted to EUR 68.913.368,00, represented by 8.592.721 shares.

The Articles of Association were amended on 1 October 2007 under the terms of a deed – relating to the merger with the limited company Willebroekse Beleggingsmaatschappij NV and the limited company De Polken NV – executed before Siegfried Defrancq, notary public in Asse-Zellik, substituting his legally impeded colleague Jean-Jacques Boel, notary public in Asse, published in the Appendices to the Belgian Official Gazette of 22 October 2007 under number 07153426.

The Articles of Association were amended on 19 December 2007 under the terms of a deed – relating to the merger with the limited company Royvelden NV and the amendment of various articles – executed before Siegfried Defrancq, notary public in Asse-Zellik, substituting his legally impeded colleague Jean-Jacques Boel, notary public in Asse, and published in the Appendices to the Belgian Official Gazette of 7 January 2008 under number 08003476.

On 30 April 2008, by deed executed before the notary public Siegfried Defrancq, substituting the notary public Jean-Jacques Boel, legally impeded, published in the Appendices to the Belgian Official Gazette of 22 March 2008 under number 75095, the Articles of Association were amended to the effect that, inter alia, the object was changed (elimination of reference to the rescinded articles of the Act of 4 December 1990 on financial transactions and financial markets and deletion of the reference to the Royal Decree of 10 April 1995 relating to cepics).

On 31 March 2009 the Articles of Association were amended by a deed – relating to the partial split-up with transfer of the assets split off to WDP of (1) DHL Freight (Belgium) NV, (2) DHL Solutions (Belgium) NV and (3) Performance International NV and the merger by acquisition of Famonas Industries NV with transfer of the assets to WDP – executed before notary public Peter Van Melkebeke in Brussels, substituting the aforementioned notary public Jean-Jacques Boel, legally impeded, published in the Appendices to the Belgian Official Gazette of 23 April thereafter under number 09058792. Further to this transaction, 807.733 new shares were issued, as a result of which the subscribed capital amounted to EUR 75.391.362,73 and was represented by 9.400.454 shares.

On 10 June 2009, the management company, De Pauw NV, decided to increase the capital through a public share issue by up to a maximum of EUR 73.636.874,00, including the issue premium, with a pre-emptive right and within the framework of the authorised capital, through a deed executed before the notary public Yves De Ruyver in Liedekerke, substituting the aforementioned notary public Jean-Jacques Boel, legally impeded, published in the Appendices to the Belgian Official Gazette on 23 June 2009, under number 09087569. On 30 June 2009, it was recorded that the capital had increased by EUR 73.636.874,00, including the issue premium, whereby 3.133.484 new shares were issued. This deed was published in the Appendices to the Belgian Official Gazette of 15 July 2009 under number 09099938. As a result the subscribed capital currently amounts to EUR 100.521.811,63 and is represented by 12.533.938 shares.

1.3. Registered office of the company and administrative domicile (article 3 of the Coordinated Articles of Association)

The company has its registered office at 1861 Meise/Wolvertem, Blakenberg 15, Belgium. The registered office can be transferred within Belgium without amending the Articles of Association by decision of the management company, provided the language laws are duly respected.

1.4. Company number

The company is registered in the Crossroads Databank for Enterprises, Brussels district, under the company registration number 0417.199.869.

1.5. Duration (article 2 of the Coordinated Articles of Association)

The company has been formed for an indefinite duration.

1.6. Corporate object (article 4 of the Coordinated Articles of Association)

Article 4 of the Articles of Association: ‘The sole object of the company is the collective investment of publicly raised funds in property in accordance with the applicable regulations relating to cepics’.

Property is defined as:

- property as defined in Articles 517 and thereafter of the Civil Code and rights in rem on the said property;

- voting shares issued by associated property companies;
- options on properties; participation rights in other property investment companies registered in the list drawn up by the Banking, Finance and Insurance Commission of public institutions for collective investment under Belgian or foreign law;
- property certificates as described in the applicable financial legislation;
- rights arising from contracts giving the company leasehold of one or several properties;
- and all other properties, shares or rights defined as property by the applicable regulations relating to cepics.

Within the limits of its investment policy, as defined in Article 5 of the Articles of Association and in accordance with the applicable legislation relating to cepics, the company may involve itself in:

- the acquisition, alteration, fitting out, letting, sub-letting, management, exchange, sale, dividing up, and inclusion of properties as described above into a system of joint ownership, the granting of construction rights, usufruct and long leases;
- the acquisition and lending of securities;
- taking on leases of properties with or without an option to buy; and on an incidental basis, leasing properties with or without an option to buy;
- the company may only occasionally act as a property developer in the sense of the applicable legislation relating to cepics.

In accordance with the applicable legislation relating to cepics the company may also:

- on an incidental or provisional basis, undertake investments in securities, other than fixed assets and liquid assets. Ownership of securities must be compatible with the short- or medium-term goals of the investment policy as described in Article 5 of the Articles of Association. The securities must be listed on a stock exchange of a European Union member state or must be traded on a regulated, regularly trading, recognised European Union market that is accessible to the public. The liquid assets may be held in any currency in the form of deposits on demand or term deposits or any money market instrument whose funds are readily available;
- grant mortgages or any other securities or guarantees in the context of property financing;
- grant loans and stand surety for a subsidiary of the company that is also an investment institution.

The company may acquire, rent or lease, carry over or exchange all movable or immovable property, materials and accessories and generally perform all commercial or financial actions that are directly or indirectly related to its corporate object and the exploitation of all intellectual rights and commercial properties related to it.

In so far as it is compatible with the Articles of Association of closed-end property investment companies, the company can participate in all existing companies and enterprises, or those yet to be formed, in Belgium or abroad, which have an identical corporate object to its own, or which by their nature further the accomplishment of its own object, through cash contributions or contributions in kind, merger, subscription, participation, financial intervention or any other method.

Any alteration of the corporate object has to be submitted for prior approval by the Banking, Finance and Insurance Commission.

1.7. Investment policy (article 5 of the Coordinated Articles of Association)

The investment policy with a view to implementing the corporate object is as follows: in order to minimise the investment risks and spread the risk properly, the company will gear its investment policy to a diversified property portfolio, investing in high-quality projects, principally in semi-industrial buildings intended for distribution, storage and various other logistical functions. The company will also invest to a lesser extent in industrial, commercial and office buildings. The potential buildings may be geographically spread throughout Belgium, the European Union member states and candidate countries. For more details about the investment policy and strategy please refer to sections 'A highly individual approach' and 'A strategy aimed at continuing growth' in the 'strategy' section of the chapter 'Warehouses De Pauw – Warehouses with Brains' on pages 9.

Investments in securities will be undertaken in accordance with the criteria stipulated in Articles 56 and 57 of the Royal Decree of 4 March 1991 relating to certain collective investment funds. These stipulations are similar to the provisions of articles 47 and 51 of the Royal Decree of 4 March 2005 relating to certain public institutions for collective investment (this RD replaces the aforesaid RD of 4 March 1991).

1.8. Places where documents can be consulted by the public

In accordance with statutory provisions, the company's separate and consolidated financial statements are deposited with the National Bank of Belgium.

The company's Articles of Association can be consulted at the Commercial Court clerk's office in Brussels.

The company's annual financial reports and Articles of Association are also available at the head offices and can be consulted for information purposes on the website **www.wdp.be**. However, the printed version in Dutch is the only legally valid version of the annual financial report. The company rejects all liability in terms of the accuracy of the annual financial report as it appears on the internet. Other information found on the company's website or on any other internet site does not form part of the annual financial report. The electronic version of the annual financial report may not be reproduced or made available to anyone in whatever location, and neither may the text of this version be printed in order to be circulated. Registered shareholders and any other person who so requests will receive a copy of the annual financial report every year.

In accordance with the provisions of the Companies Code, any person who so requests may obtain a free copy of the statutory annual financial report and consolidated annual financial report.

The financial reporting and the convocation of shareholders to the General Meetings are published in the financial press insofar as legally required. They may also be consulted on the website **www.wdp.be**. WDP follows the guidelines of the Banking, Finance and Insurance Commission in this regard. Decisions relating to the appointment and discharge of members of the Board of Directors are published in the Appendices to the Belgian Official Gazette. The most recent version of the Corporate Governance Charter is also available on the website **www.wdp.be**. Any interested party can consult the press releases and statutory financial information on this website.

2. Authorised capital

2.1. Subscribed capital (article 5 of the Coordinated Articles of Association)

The subscribed capital of WDP Comm. VA amounts to EUR 100.521.835,66 and is represented by 12.533.938 shares, with no indication of their par value, each representing 1/12.533.938 of the capital.

2.2. Authorised capital (article 7 of the Coordinated Articles of Association)

The management company is authorised to increase the authorised capital on one or several occasions, on the dates and under the conditions which it will determine, by EUR 68.913.368,00. This authorisation is valid for five years as from the publication of the minutes of the Extraordinary General Meeting of 31 March 2009 in the Appendices to the Belgian Official Gazette of 23 April 2009. This authorisation can be renewed.

This (these) increase(s) in capital can be achieved through cash subscription, a contribution in kind or through the conversion of reserves, in accordance with the rules stipulated in the Companies Code, applicable legislation relating to cepics and the current Articles of Association.

In the event of an increase in capital decided on by the management company, the issue premiums should where appropriate be placed by the management company in an unavailable account after deduction of any charges. This account will constitute the guarantee for third parties in the same way as the capital, and can only be reduced or closed through a decision of the General Meeting under the conditions stipulated in Article 612 of the Companies Code, except in the event of a capital conversion as envisaged above.

2.3. Buyback of shares (article 9 of the Coordinated Articles of Association)

The management company is authorised to acquire, accept as security and sell its own shares without prior decision of the General Meeting if this is necessary to protect the company from a threat of serious damage. This authorisation is valid for three years as from the publication of the minutes of the Extraordinary General Meeting of 31 March 2009 in the Appendices to the Belgian Official Gazette of 23 April 2009 and can be renewed for a similar period on condition of a decision of the General Meeting in accordance with the requirements stipulated in article 559 of the Commercial Code regarding quorum and majority.

In addition, the management company may, for a period of five years from the Extraordinary General Meeting of 31 March 2009, acquire, accept as security and resell (even outside the stock exchange) the company's own shares at a share price that may not be lower than EUR 0,01 per share (acquisition and accept as security) or 75% of the closing price on the trading day preceding the date of the transaction (reselling), and that may not exceed EUR 70,00 per share (acquisition and accept as security) or 125% of the closing price on the trading day preceding the date of the transaction (reselling) without the company being authorised to hold over 20% of the total amount of shares issued.

The management company of WDP, De Pauw NV, used the aforementioned authorisation under the Articles of Association on 3 July 2009 and bought 1.490 shares in the company's own capital on Euronext Brussels. These shares were transferred on 6 July 2009 to personnel of WDP as part of an incentive programme. These shares were bought for EUR 28,106 per share.

On 31 December 2009 WDP Comm. VA did not own any of its own shares. The management company De Pauw NV held 1.438 shares. These remaining 1.438 shares are not part of the incentive programme.

2.4. Modification of the capital (article 10 of the Coordinated Articles of Association)

Except for the possibility of using the authorised capital by a management company decision, the increase or decrease in subscribed capital can only be decided on by an Extraordinary General Meeting in the presence of a notary public with the management company's consent. The company should also observe the rules stipulated by the applicable legislation relating to cepics in the event of a public issue of shares by the company.

In the event of a share issue in exchange for a contribution in kind, the following conditions should furthermore be respected:

- the identity of the party making the contribution should be mentioned in the reports required by Article 602 of the Companies Code, as well as the notifications of General Meetings which will resolve on the capital increase;
- the issue price cannot be lower than the average price over the thirty days prior to the capital contribution;
- the reports envisaged above should also indicate the repercussions of the proposed contribution on the situation of existing shareholders and, more specifically, the effect on their share of the profit and in the capital.

In the event of a cash contribution, the shareholders' pre-emptive right envisaged by Articles 592 and 593 of the Belgian Companies has to be respected.

2.5. Controlling interest in the company (article 13 of the Coordinated Articles of Association)

The controlling interest in WDP Comm. VA is held by the De Pauw NV management company, represented by its permanent representative, Mr. Tony De Pauw, who was appointed in this capacity following a Board of Directors' decision on 20 January 2003, with retroactive effect as from 1 September 2002, in accordance with Article 61, §2 of the Companies Code. The shares of De Pauw NV are entirely owned by the Jos De Pauw family, represented on the Board of Directors of De Pauw NV by Tony De Pauw.

For an explanation of the notion of control, see '1.1. A few words about the context: the limited partnership with share capital', in the 'strategy' section of the chapter 'Corporate governance' on page 25.

3. Statutory auditor (article 19 of the Coordinated Articles of Association)

Deloitte Bedrijfsrevisoren, a private limited liability company (BV) in the form of a limited liability cooperative company (CVBA) and a member of the 'Instituut der Bedrijfsrevisoren', established at Berkenlaan 8b, 1831 Diegem, represented by Mr. Rik Neckebroeck, was appointed on 25 April 2007 as the statutory auditor of WDP Comm. VA. The statutory auditor's mandate includes auditing WDP group's consolidated financial statements and the separate financial statements of WDP Comm. VA. The statutory auditor's mandate will expire at the end of the Annual Meeting in 2010.

In France Deloitte & Associés, represented by Mr. Jean-Yves Morisset, with offices at 67, Rue de Luxembourg, 59777 Euralille, was appointed as statutory auditor for the subsidiary WDP France SARL.

The fees for the services of the auditor of WDP Comm. VA and subsidiaries in respect of the financial year 2009 are EUR 72.095 (excl. VAT). The fees for other statutory audit services in the financial year 2009 are EUR 18.900 (excl. VAT). Fees relating to other advisory services (for instance, due diligence work) in the financial year 2009 are EUR 71.745 (excl. VAT).

4. Depository bank

Fortis is the depository bank for WDP Comm. VA. Its annual remuneration is EUR 10.000.

In its capacity as depository bank Fortis must fulfil the obligations imposed in accordance with the applicable legislation relating to cepics. The depository bank is presented with all official documents and deeds in relation to changes in the assets of the cepic.

5. Financial agent

ING België NV
Legal Financial Markets
(Marc Sanders: +32 2 547 31 40 – marc.sanders@ing.be)
Marnixlaan 24
1000 Brussels

6. Chartered surveyor

6.1. Identity

The surveyors appointed by WDP Comm. VA are:

- Stadim CVBA, Marialei 29 in 2018 Antwerp, represented by Philippe Janssens;
- Cushman & Wakefield Inc, Kunstlaan 58, Box 7, in 1000 Brussels, represented by Kris Peetermans.

6.2. Task

In accordance with the applicable legislation relating to cepics, the chartered surveyor determines the value of all the buildings belonging to the closed-end property investment company and its subsidiaries at the end of each financial year. The book value of the buildings shown in the balance sheet is adjusted to these values.

Furthermore, the surveyor updates the total valuation from the previous year at the end of the first three quarters of the financial year based on market developments and the specific features of the property in question.

Each property to be acquired or sold by the closed-end property investment company or a company it controls is valued by the surveyor before the transaction takes place. The valuation conducted by the surveyor is binding for the closed-end investment company when the other party is a promoter or investor in the closed-end property investment company, when the other party is a company with which the closed-end property investment company, promoter or investor is associated, or when the proposed transaction confers any advantage on the aforementioned parties.

7. Key dates in the history of WDP

Origins

WDP developed from the assets of the family group Jos De Pauw from Merchtem, whose activities were limited to vinegar making during the first half of the twentieth century. Their activities were subsequently diversified to barrel conditioning, sand extraction, inland navigation and finally also property. The group then gradually placed greater emphasis on the creation of an industrial property portfolio.

1977

Creation of Rederij De Pauw NV, grouping together the property assets of the nine companies in the group. One of the principal properties in the new company was the warehouses of SBT, the logistics subsidiary of Unilever subsequently taken over by Danzas/DHL Solutions. Currently, 50% of the site is still part of WDP's portfolio.

1998

The value of the property portfolio passed the milestone of EUR 100 million.

1999

The company was renamed 'Warehousing & Distribution De Pauw'. Its legal form was also changed: the limited company became a limited partnership with share capital (Comm. VA). The assets were grouped into a closed-end property investment company in order to guarantee growth and the financing of the business.
The Jos De Pauw group was floated on the stock market in June 1999 with a capital increase of some EUR 40 million. The first listing of the WDP cepic on Euronext Brussels took place on 28 June of the same year, with a property portfolio worth EUR 135 million. The first acquisitions in Italy and the Czech Republic were accompanied by the creation of WDP Italia and WDP CZ.

2000

WDP entered the French market through the acquisition of a project in Aix-en-Provence. Formation of WDP France.

2001

The company name was changed to 'Warehouses De Pauw', its current name. Merger following the takeover of Caresta NV. Start of activities in the Netherlands through a sale and leaseback operation at Hazeldonk (Breda). Creation of WDP Nederland. In the middle of the year, the portfolio doubled its value at the time of its stock market flotation: EUR 270 million.

2003

EUR 30 million is raised through a successful increase in capital.

Permanent document

2004
The Jos De Pauw family sells 20% of its WDP shares through private placement. The family remains the reference shareholder with a 30% strategic holding. This operation enables the free float to be increased to 70%.

2005
WDP sells WDP Italia and focuses on its two main regions: the Breda-Antwerp-Brussels-Lille axis and the Czech Republic.

2006
WDP announces the 2006-2010 long-term strategic plan, whose objective is to double the portfolio value to EUR 700 million over four years. Acquisition of all of the shares of the companies De Polken NV and De Willebroekse Beleggingsmaatschappij NV. Increase in the capital through the acquisition of part of the properties of Massive NV.

2007
Acquisition of all shares of Royvelden NV and purchase of the Univeg property portfolio on 13 July 2007. Creation on 14 August 2007 of WDP Development RO, a 51-49 joint venture with Jeroen Biermans, entrepreneur and specialist in Romania. Merger with De Polken NV and De Willebroekse Beleggingsmaatschappij NV on 1 October 2007. Merger with Royvelden NV on 19 December 2007. The value of the property portfolio passes the EUR 500 million milestone.

2008
Start of the solar energy project, which should in the long term result in a total installed capacity of 10 megawatt peak (MWp) and a significant reduction in CO_2 emissions. Creation of a permanent operational office in the Netherlands. Agreement in principle regarding the contribution of the DHL property in Belgium in the WDP portfolio on 28 November 2008.

2009
Merger by acquisition of Famonas Industries NV and partial split-up with transfer of the assets split off of DHL Freight (Belgium) NV, DHL Solutions (Belgium) NV and Performance International NV with payment in shares by a capital increase on 31 March 2009.

On 30 June 2009 a successful capital increase raises EUR 73.636.874,00. The family Jos De Pauw subscribes to the capital increase for its share of 31,4%.

Buyback of WDP shares by De Pauw NV on 3 July 2009, following which these were transferred to WDP personnel as part of the incentive programme on 6 July 2009. Also refer to section ‘2.3. Buyback of shares’ (page 72).

Consecutive mergers of Royvelden Beheer BV into Royvelden Holding BV and of Royvelden Holding BV into Royvelden Vastgoed BV on 28 August 2009.

General information concerning the closed-end property investment company

A closed-end property investment company (property investment company with a fixed capital) is:

- a collective institution for direct or indirect investments in property;
- created by the Royal Decree of 10 April 1995;
- established in the form of a public limited company or a limited company with share capital;
- listed on the stock market and at least 30% of the shares must be offered on the market;
- limited in its activities to property investments; excluded from (direct or indirect) acts as a building promoter.

Closed-end property investment companies are under the supervision of the Banking, Finance and Insurance Commission (CBFA) and must comply with very strict rules regarding conflicts of interest. In addition to Article 523 (conflicts of interests for directors) and Article 524 (conflicts of interests of affiliated companies) of the Company Code which apply to all (listed) companies, there is also a special procedure for functional conflicts of interest for closed-end property investment companies (on the basis of Article 24 of the Royal Decree of 10 April 1995). In addition, WDP has imposed strict rules on conflicts of interest in its Corporate Governance Charter, in accordance with the Belgian Corporate Governance Code.

For more information concerning each of these procedures, please refer to page 31 and page 41 of the 'strategy' section.

Special regulations

Property held

Each building or property complex may represent a maximum of 20% of the total assets to limit the risk per property. In some cases (if the company shows that such a deviation* is in the interests of the shareholders or if the company shows that such a deviation is justified considering the special characteristics of the investment and in particular the nature and scope thereof, and always on condition that the total debt burden of the closed-end property investment company does not exceed 33% of the assets at the time the loan is taken out) a deviation may be permitted by the CBFA. This deviation must be justified in the prospectus or in the next periodic report following the acquisition of the property concerned. Such a deviation has not as yet been granted to WDP in view of the adequate spread of its portfolio.

Accounting

European legislation stipulates that closed-end property investment companies, like all other listed companies, must draw up their annual financial statements according to the international reference IAS/IFRS. As investment property constitutes the greatest part of the assets of a closed-end property investment company, the cepics are required to measure these at the fair value of their buildings in accordance with the application of IAS 40.

Valuation

The properties are valued every quarter by an independent expert who re-estimates their fair value; they are then included in the balance sheet according to this expert valuation. The buildings are not subject to depreciation.

* *See article 43 of the Royal Decree of 10 April 1995.*

General information concerning the closed-end property investment company

Result

The company must pay out an amount as compensation of the capital that corresponds to at least the positive difference between the following amounts:

- at least 80% of the amount equal to the sum of the adjusted result and the net added values on the realisation of properties that are not exempt from payout;
- the net decrease over the course of the financial year in the company's debt burden.

Naturally this obligation is only applicable if the net result is positive.

Debts and securities

The level of debt is limited to 65% of the total assets. A closed-end property investment company may only grant a mortgage or other securities or pledges with a view to financing a property. These mortgages, securities or pledges may cover a maximum of 40% of the total value of the properties of the company and may not exceed 75% of the value of the property to which the mortgage, security or pledge relates.

Tax system

The closed-end property investment company is (pursuant to its status) not subject to corporation tax (except on disallowed expenses and abnormal or gratuitous benefits). The withholding tax on dividends is limited to 15% and is 0% for a closed-end property investment company in which more than 60% of the property portfolio comprises residential property. This withholding tax releases private individuals from their liability to pay tax on such dividends. Companies that request recognition as a closed-end property investment company or merge with a closed-end property investment company are subject to a special tax (exit tax) of 16,995% (16,5% increased by the crisis contribution of 3%): the exit tax is the tax percentage that the companies have to pay to leave the common law structure. Although the company continues to exist in the same way as regards company law, that transition is treated fictitiously from a tax standpoint as an allocation of the company capital by the old company to the closed-end property investment company. In the case of an allocation of the company capital a company must treat the positive difference between distributions in cash, stock or in any other form and the revalued value of the paid-up capital (i.e. the added value present in the company) as a dividend. However, since no cash amounts or other assets are distributed in the switch to the status of closed-end property investment company, the law defines the meaning of the term 'amount distributed'. The Income Tax Code stipulates that the amount distributed is equal to the actual value of the company capital on the date on which this transaction takes place (art. 210, § 2 W.I.B. 1992). The difference between the actual value of the company capital and the revalued value of the paid-up capital is equated with a distributed dividend. Reserves already taxed may be deducted from that difference. The remainder then generally forms the taxable base subject to the rate of 16,995%. The closed-end property investment company is an investment instrument comparable to the Dutch FBIs (Fiscale Beleggingsinstellingen), French SIICs (Sociétés d'Investissements Immobiliers Cotées) and REITs (Real Estate Investment Trusts) in various countries, including the United States.

This annual financial report is a registration document in the sense of Article 28 of the Law of 16-06-2006 on public offering of investment instruments and the admission of investment instruments authorised to trading on a regulated market. It was approved by the CBFA in accordance with Article 23 of the aforementioned Law, on 30-03-2010.

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