



PRESS RELEASE

Regulated Information

Wednesday 19 April 2023



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WAREHOUSES
WITH BRAINS

Interim statement for the period 01.01.2023 – 31.03.2023

- EPRA Earnings per share of 0.31 euros, up +7% including 10% more outstanding shares resulting from equity strengthening in 2022.
- In the first quarter of 2023, a package of about 55 million euros of new investments was identified for both new projects and energy investments.
- A robust balance sheet, strong liquidity position and diversified property portfolio with an inflation-resistant cash flow profile (rental income indexed to inflation and fully hedged long-term debt).
- For 2023, WDP confirms its expectation of EPRA Earnings per share of 1.35 euros, up +8% year-on-year from 1.25 euros per share in 2022.



1. Summary

- **EPRA Earnings:** 62.7 million euros over Q1 2023, i.e. an increase of 18% compared to the same period in 2022 (53.0 million euros). EPRA Earnings per share over Q1 2023 amounts to 0.31 euros, an increase of 7% compared to 0.29 euro in 2022 (including a 10% increase in the weighted average number of outstanding shares resulting from equity strengthening in 2022). This was mainly driven by the combined effect of pre-let new construction projects and acquisitions and organic growth via the indexation of leases.
- **Occupancy rate and property market:** at 98.5% on 31 March 2023, the portfolio's occupancy rate remains very high (99.1% as of 31 December 2022, which is stable compared to Q1 2022), supported by continued healthy market dynamics and within a context of upward pressure on market rents. Moreover, in the first quarter of 2023, approximately 200,000 m² of pre-let new construction projects were completed successfully with a yield on cost of 6.5%.
- **Portfolio:** revaluation of -87.0 million euros or -1.3%, mainly due to a limited upward yield shift in the existing portfolio of +15 bps, partly compensated by the increase in estimated market rent values (+1.6% quarter-on-quarter). Currently, the portfolio is valued at an EPRA NIY of 5.1% (+10 bps quarter-on-quarter).
- **Robust balance sheet:** the loan-to-value at 31 March 2023 amounted to 36.2% and the net debt / EBITDA (adjusted) 7.0x, against respectively 35.4% and 7.1x on 31 December 2022. WDP can continue to rely on a robust and liquid balance sheet (over 1.6 billion euros in unused credit lines). Thus, the company has sufficient capacity to respond to investment opportunities. Moreover, WDP is well protected against further interest rate fluctuations through fully hedged debt.
- **Growth plan 2022-25:** during the first quarter of 2023, an investment volume of 55 million euros was identified, consisting of both new projects (25 million euros) and energy investments (30 million euros). WDP remains focused on its long-term profit target of achieving EPRA Earnings per share of 1.50 euros by 2025. Even in a more challenging environment, the company focuses on value creation for its shareholders through growth in EPRA Earnings per share, through an increased focus on profitability, organic growth (mainly through rent indexation) and energy projects, while maintaining a solid financial position.
- **Outlook 2023:** confirmation of expected EPRA Earnings of 1.35 euros per share (up +8% from 1.25 euros per share in 2022). Based on this outlook, we forecast a gross dividend per share of 1.08 euros for 2023 (payable in 2024) on a like-for-like basis. This 2023 outlook and the 2022-25 growth plan targets are based on current knowledge and situation and notwithstanding unforeseen circumstances due to the evolution of external factors, such as a weakening macroeconomic outlook, high market volatility and a sharply increased cost of capital.

2. Operational activities during 2023



PROJECTS

OCCUPANCY RATE

98.5%



RENTAL CONTRACTS

12%
MATURING IN 2023

- ☒ 60% renewed
- ☒ Confirmation of trust

COMPLETED

SURFACE AREA

200,000 m²

ONGOING

547,000 m²

POTENTIAL

~1,500,000 m²
lettable area

INVESTMENTS

132 million euros

470 million euros

INITIAL GROSS RENTAL YIELD

6.5%

6.3%

6.1% in Western Europe
7.6% in Romania

5.8% in Western Europe
7.7% in Romania

AVERAGE LEASE TERM

16 years

11 years

2.1. Acquisitions and disinvestments

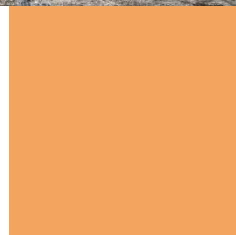
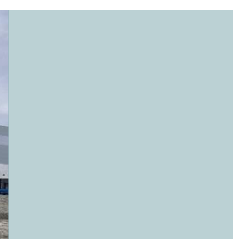
2.1.1 Acquisitions

No acquisitions were realised during the first quarter of 2023.

2.2. Projects completed during the first quarter of 2023

During the first quarter of 2023, WDP completed the following pre-let projects with a total lettable surface area of 200,000 m². The initial gross rental yield on the total of these completed projects amounts to 6.5%¹, with an investment amount of approximately 132 million euros. The average lease term is 16 years.

Location		Tenant	Delivery date	Lettable area (in m²)	Investment budget (in million euros)
LU	Buttembourg (Eurohub Sud 4)	Multi-tenant	1Q23	25,000	13
LU				25,000	13
NL	Amsterdam, Hornweg	Dynalogic	1Q23	13,700	11
NL	Breda, Heilaarstraat 263	Lidl	1Q23	31,000	22
NL	De Lier, Jogchem van der Houtweg	De Jong Verpakking	1Q23	83,000	54
				127,700	87
RO	Bucharest - Stefanestii de Jos (2)	E-Pantofi	1Q23	34,402	21
RO	Bucharest - Stefanestii de Jos (2)	Kitchen&Shop / Lecom	1Q23	12,864	11
RO				47,266	32
Total				199,966	132



¹ This represents an initial gross rental yield of approximately 6.1% in Western-Europe and 7.6% in Romania.

2.3. Projects under development

WDP expects to generate an initial gross rental yield of approximately 6.3% from all of the projects under development amounting to around 470 million euros, with a lettable surface area of approximately 547,000 m².² This pipeline is 92% pre-let and the average lease term is 11 years.

2.3.1 Projects identified in the course of the first quarter of 2023

During the first quarter of 2023, an investment volume of around 25 million euros in projects could be identified, consisting of both the new projects listed below and some additional investments for previously announced projects.

France

Vendin-le-Vieil

Expansion of the existing location with a surface area of about 15,000 m², an investment of about 10 million euros. Completion is planned for the end of 2024.

Romania

Buzau

Expansion of the existing location for Ursus Breweries with a surface area of over 5,200 m², accounting for an investment of about 6 million euros. Completion is planned for the first quarter of 2024. Ursus Breweries will lease this new part for a period of eight years.



² This represents an initial gross rental yield of approximately 5.8% in West Europe and 7.7% in Romania.

2.3.2 Overview of all projects under development³

Location		Tenant	Planned delivery date	Lettable area (in m²)	Investment budget (in million euros)
	2019-23				
BE	Antwerp Region	Fully let	3Q24	14,893	18
BE	Bornem	Fully let	3Q24	19,200	27
BE	Courcelles, rue de Liège 25	DHL	2Q23	2,885	6
BE	Gent	Sligro	2Q23	21,127	15
	2022-25				
BE	Asse - Mollem	Fully let	1Q24	6,913	5
BE	Genk, Bosdel	Fully let	2Q25	30,000	29
BE	Gent	Uselect	2Q23	11,590	9
BE	Liège - Trilogiport	Logistics service provider	3Q23	34,457	21
BE	Lokeren, Brandstraat 30	Fully let	3Q24	9,204	13
BE	Lokeren, Brandstraat 30	stow Robotics	3Q23	23,839	2
BE				174,108	145
	2022-25				
FR	Vendin-le-Vieil	In commercialisation	4Q24	14,779	10
FR				14,779	10
	2019-23				
LU	Contern	Fully let	1Q24	15,000	10
LU				15,000	10
	2019-23				
NL	Barendrecht, Spoorwegemplacement 3-5	Ahold	2Q23	26,700	24
NL	Heerlen	CEVA Logistics	3Q23	31,000	24
NL	Kerkrade, Van Swietenstraat / Wenckebachstraat	In commercialisation	3Q24	29,500	29
NL	Zwolle	wehkamp	3Q23	33,000	26
NL	Zwolle	E-commerce project	4Q23	21,000	31
	2022-25				
NL	Breda	In commercialisation	2Q24	25,768	20
NL	Veghel	Alliance Health Care	4Q23	16,000	19
NL	Zwolle	Fully let	2Q24	18,000	25
NL				200,968	197
	2019-23				
RO	Slatina	Pirelli	2Q23	25,000	15
	2022-25				
RO	Almaj Dolj	Erkut	2Q23	6,242	5
RO	Buzau	Ursus Breweries	1Q24	5,216	6
RO	Sibiu	Siemens	1Q24	8,761	6
RO	Slatina	Pirelli	3Q24	48,335	36
RO	Târgu Lapus	Taparo	3Q23	14,656	8
RO	Timisoara	Ericsson	2Q24	33,455	32
RO				141,665	107
Total				546,520	470

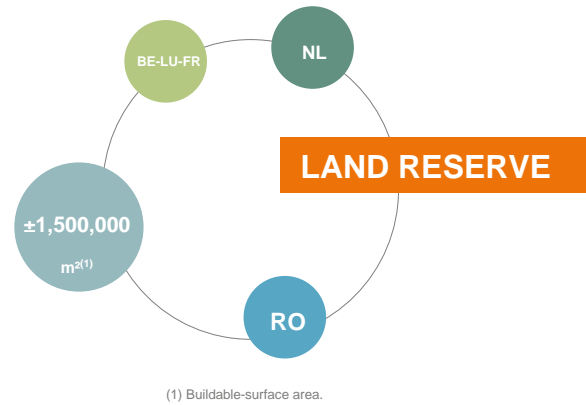
of which as of 31 March 2023
another 320 million euros is to be invested.

³ Based on 100% of the investment for the fully consolidated entities (including WDP Romania) and the proportional share for the joint ventures (i.e. 55% for WDP Luxembourg). The lettable area for joint ventures is always shown on a 100% basis.



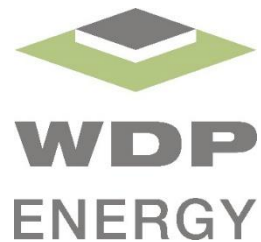
2.4. Further potential

WDP currently has a land reserve for future development of approximately 1.5 million m² of leasable area, spread over the regions in which the company is active.



2.5. Investments in energy

In addition to the roll-out of solar power projects with a capacity of about 55 MWp and the installation of a Green Mobility Hub (jointly an investment of about 40 million euros) as announced in 2022, WDP has launched an additional capacity of 35 MWp by 31 March 2023 (an investment of 30 million euros). Combined, an investment budget of about 70 million euros⁴ is foreseen for these energy projects in execution, which are part of the targeted investment volume of 150 million euros in energy projects during 2023-24⁵. To this end, WDP aims to achieve an IRR (Internal Rate of Return) of about 8%.



⁴ Of which as of 31 March 2023 45 million euros is to be invested.

⁵ See [press release](#) of 27 January 2023.



3. Financial results

62.7 million euros
EPRA Earnings

+18%

6.6 billion euros
**Fair value of the
portfolio**

91.5%
**Operational
margin**

0.31 euros
**EPRA Earnings
per share**

+7%

98.5%
Occupancy rate

6.6%
Like-for-like rental growth

5.4 year(s)
**Average term
of the leases**

20.6 euros
EPRA NTA per share

3.1. Consolidated key figures and EPRA performance indicators

Consolidated key figures

	31.03.2023	31.12.2022
Operational		
Fair value of property portfolio (including solar panels) (in million euros)	6,640.1	6,656.0
Gross initial yield (including vacancies) ¹ (in %)	5.8	5.7
Net initial yield (EPRA) (in %)	5.1	5.0
Average lease term (until first break) (in years)	5.4	5.5
Occupancy rate ² (in %)	98.5	99.1
Like-for-like rental growth (in %)♦	6.6	4.0
Operating margin (in %)♦	91.5	92.4
Financial		
Loan-to-value (in %)♦	36.2	35.4
Gearing ratio (proportionate) (in line with the GVV/SIR Royal Decree) (in %)	38.1	37.6
Net debt / EBITDA (adjusted) (in x)♦	7.0	7.1
Interest Coverage Ratio ³ (in x)	6.3	5.9
Average cost of debt (in %)♦	1.9	1.9
Average remaining duration of outstanding debt (in years)	6.0	5.6
Weighted average maturity of all drawn and undrawn credit lines	5.3	5.6
Hedge ratio (in %)♦	113.4	97.4
Average remaining term of hedges ⁴ (in years)	6.4	6.6
Result (in million euros)		
Property result	81.6	71.8
Operating result (before the result on the portfolio)	74.7	66.3
Financial result (excluding change in the fair value of financial instruments)♦	-10.0	-10.1
EPRA Earnings♦	62.7	53.0
Result on the portfolio (including share joint ventures) - Group share♦	-76.8	98.9
Change in the fair value of financial instruments - Group share	-29.5	74.3
Depreciation and write-down on solar panels (including share joint ventures) - Group share	-2.2	-1.7
Net result (IFRS) - Groupe share	-46.0	224.4
Details per share (in euros)		
EPRA Earnings♦	0.31	0.29
Result on the portfolio (including share joint ventures) - Group share♦	-0.38	0.53
Change in fair value of the financial instruments - Group share	-0.14	0.40
Depreciation and write-down on solar panels - Group share	-0.01	-0.01
Net result (IFRS) - Group share	-0.23	1.21
IFRS NAV ⁵	20.7	20.7
EPRA NTA♦	20.6	21.1
EPRA NRV♦	22.5	22.8
EPRA NDV♦	21.5	20.7

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

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

2 Calculated based on the rental values for the leased properties and the non-leased surfaces. Ongoing projects and/or renovations are not considered.

4. Based on the comparison between Q1 2023 and Q1 2022.

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

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

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

EPRA key performance indicators

	31.03.2023	31.12.2022
EPRA NTA (in euros per share)	20.6	20.7
EPRA NRV (in euros per share)	22.5	22.6
EPRA NDV (in euros per share)	21.5	21.8
EPRA LTV (in %)	37.0	36.7
EPRA Net Initial Yield (in %)	5.1	5.0
EPRA Topped-up Net Initial Yield (in %)	5.1	5.0
EPRA vacancy rate (in %)	1.5	0.9
EPRA Cost Ratio (incl. direct vacancy costs) (in %)	9.4	10.0
EPRA Cost Ratio (excl. direct vacancy costs) (in %)	9.2	9.7

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

3.2. Notes to the profit and loss account as of 31 March 2023 (analytical schedule)

3.2.1 Property result

The property result amounts to 81.6 million euros for Q1 2023, an increase of 13.6% compared to last year (71.8 million euros). The increase stems from the strong organic growth in rents combined with growth achieved through new construction projects and acquisitions. On a like-for-like basis, rental income increased by 6.6%, which was driven by the indexation of leases (for 2023, WDP expects +5.0% given the peak in inflation at the end of 2022).

The property result also includes 3.7 million euros in solar panel income, compared to 3.6 million euros last year. This limited increase was due to a higher installed capacity which was partly compensated by lower production because of substantially less solar irradiation and lower electricity prices. An increase is expected in the coming quarters based on the further roll-out of the PV programme.

Gross rental income by country

(in euros x 1,000)	Belgium	The Netherlands	France	Germany	Romania	Total IFRS	Luxembourg ¹	Other joint ventures
I. Rental income	25,150	35,837	1,910	891	17,359	81,148	993	52
III. Costs related to leases ²	-204	212	-154	-45	-63	-254	0	0
Rental income, net of rental-related expenses	24,947	36,049	1,756	846	17,296	80,894	993	52

1 Taking into account the proportional share in WDP's rental income for Luxembourg (55%).

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

3.2.2 Operating result (before the result on the portfolio)

The operating result (before the result on the portfolio) amounts to 74.7 million euros over Q1 2023, up by 12.6% compared to the same period last year (66.3 million euros). The property and other general expenses amounted to 6.9 million euros over the first quarter of 2023, up +26% year-on-year, in line with portfolio growth coupled with indexation of remunerations. The operating margin remains high at 91.5%, up from 90.7% in the same period last year.

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

Total financial debt (in accordance with IFRS) amount to 2,446.1 million euros as of 31 March 2023 compared to 2,401.9 million euros a year ago. The average interest rate is 1.9% over Q1 2023 (1.9% in 2022).

The financial result (excluding variations in the fair value of financial instruments) amounts to -10.0 million euros over the first quarter of 2023. Despite a higher average outstanding financial debt, the significantly strengthened liquidity position (especially via additional credit lines) and the sharp increase in Euribor interest rates (from -0.5% to 3.0% for 3-month Euribor), the financial result remained quasi-stable compared to last year (-10.1 million euros). This is due to debt being completely hedged against rising interest rates. This financial result includes the recurring expense related to -0.8 million euros for land under concession, which in accordance with IFRS 16 will be accounted for through the *Financial result*.

3.2.4 Share of EPRA Earnings from associated companies and joint ventures

The result of 2.9 million euros over Q1 2023, primarily concerns the contribution in connection with the participation in Catena as of Q2 2022 that is recognised in the IFRS accounts via the equity method.

3.2.5 EPRA Earnings

WDP's EPRA Earnings for Q1 2023 amounts to 62.7 million euros. This result marks an increase of 18.3% compared to the result of 53.0 million euros in 2022. The EPRA Earnings per share are up 7.3% year-on-year to 0.31 euros, including an increase of 10.2% in the weighted average number of outstanding shares because of equity strengthening in 2022. This increase in EPRA Earnings is a combination of external growth through pre-let development projects and acquisitions and organic growth via the indexation of leases.

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

There is sufficient interest and capital available for investment in logistics real estate given its solid long-term fundamentals. However, the market is recalibrating to find an equilibrium on returns in the investment market based on the increased cost of capital. This process goes hand in hand with the evolution and expectations regarding the interest rate cycle.

The result on the portfolio (including the share of joint ventures and after tax) – Group share for Q1 2023 amounts to -76.8 million euros or -0.38 euros per share. For the same period last year, this result amounted to +98.9 million euros or +0.53 euro per share. This breaks down by country as follows: Belgium (-10.0 million euros), the Netherlands (-35.2 million euros), France (-6.8 million euros),

Romania (-17.4 million euros), Germany (-1.5 million euros), Luxembourg (-2.5 million euros), and Sweden (-3.3 million euros).

The revaluation of the portfolio (excluding deferred taxes on the portfolio result and the result on disposal of investment property) amounts to -87.0 million euros over Q1 2023, down by -1.3%. This is mainly due to an upward yield shift of +15 bps in the existing portfolio in the discount rates applied by the property experts, which is partly compensated by the +1.6% increase in estimated market rent values in Q1 2023. Currently, the portfolio is valued at an EPRA NIY of 5.1% (+10 bps quarter-on-quarter).

3.2.7 Change in the fair value of financial instruments – Group share

Changes in the fair value of financial assets and liabilities – Group share⁶ amount to -29.5 million euros or -0.14 euros per share for Q1 2023 (versus 74.3 million euros or 0.40 euros per share in 2022). This negative impact is due to the variation in the fair value of concluded interest rate hedges (Interest Rate Swaps) as of 31 March 2023 due to a decrease in long-term interest rates during Q1 2023.

The fair value variation has no impact on cash and is an unrealised item, so it is excluded from the financial result in the analytical presentation of results and presented separately into the profit and loss account.

3.2.8 Depreciation and write-down on solar panels (including share joint ventures) – Group share

The solar panels are valued on the balance sheet at fair value based on the revaluation model in accordance with IAS 16 *Tangible fixed assets*. In compliance with IAS 16, WDP must include a depreciation component in its IFRS accounts according to the residual service life of the PV systems. The depreciation is calculated based on the fair value from the previous balance sheet date. This newly calculated net book value is subsequently revalued at the fair value. This revaluation is booked directly in equity insofar that it still exceeds the historical cost price, plus accumulated depreciations. If it does not, then it is accounted for in the profit and loss account. The depreciation component and write-down amounts to -2.2 million euros. Since this impact of the depreciation and amortisation of solar panels involves a non-cash and unrealised item, it is excluded from the operating result in the analytical presentation of the results and is shown separately in the profit and loss account.

3.2.9 Net result (IFRS) – Group share

The EPRA Earnings along with the result on the portfolio, changes in the fair value of financial instruments and the depreciation and write-down on solar panels result a net result (IFRS) – a Group share for Q1 2023 of -46.0 million euros (compared to the same period last year, when this figure was 224.4 million euros).

The difference between the net result (IFRS) – Group share of -46.0 million euros and the EPRA Earnings of 62.7 million euros is mainly due to the depreciation of the portfolio and the negative variation of interest rate hedging instruments.

⁶ Changes in the fair value of financial assets and liabilities – Group share (a non-cash item) are calculated based on the mark-to-market (M-t-M) value of interest rate hedges concluded.

When preparing the income statement as of 1 January 2021 and also within the outlook of the growth plan 2022-25, a situation where WDP could not continue to qualify as FBI in the Netherlands was taken into account, due to the current significant uncertainty given the tax ruling that was withdrawn as of 1 January 2021, as explained earlier.⁷

This has an impact on EPRA Earnings of about 1 million euros per quarter and +6.6 million euros on the portfolio results over Q1 2023 via reversal of deferred tax on the property. WDP processes these commissions in its accounts out of a principle of prudence. Given that a tax ruling is not an absolute requirement to be able to apply the FBI regime, and that WDP believes that it meets all the conditions and the circumstances and facts are unchanged, the company will continue to file its tax returns as an FBI.

In addition, the Dutch government also plans to use a legislative amendment to exclude real estate from the Dutch FBI regime as of 1 January 2025. However, for the period prior to 1 January 2025 (specifically 2021-24), the competent authorities in the Netherlands have not yet taken a position. Nevertheless, WDP remains convinced that the company continues to meet all conditions within the current legislative framework and that the facts and circumstances remain unchanged in the period leading up to 1 January 2025 (if the Dutch government follows through with plans to abolish the real estate FBI).

3.3. Notes to the balance sheet per 31 March 2023

3.3.1 Property portfolio⁸

According to independent property experts Stadim, JLL, Cushman & Wakefield, CBRE and BNP Paribas Real Estate, the fair value⁹ of the WDP property portfolio as of 31 March 2023 according to IAS 40 amounted to 6,473.7 million euros, compared to 6,492.1 million euros at the start of the financial year (including *Assets held for sale*). Together with the valuation at fair value of the investments in solar panels¹⁰, the total portfolio value amounts to 6,640.1 million euros, compared to 6,656.0 million euros at the end of 2022.

This value of 6,640.1 million euros includes 6,058.4 million euros in completed properties (standing portfolio).¹¹ Ongoing projects represent a value of 214.1 million euros. Moreover, WDP has land reserves with a fair value of 201.2 million euros.

The investments made in solar panels are valued at a fair value of 166.3 million euros per 31 March 2023.

Overall, the portfolio is valued at a gross rental yield of 5.8%¹². The gross rental yield after deduction of the estimated market rent value for the non-let portions is 5.7%.

⁷ See the [press release](#) dated 29 January 2021.

⁸ Under IFRS 11 *Joint arrangements*, joint ventures are incorporated using the equity accounting method. With regard to portfolio reporting statistics, the proportionate share of WDP is shown for the portfolio in WDPort of Ghent Big Box (29%) and Luxembourg (55%).

⁹ For the exact valuation method, we refer to the [BE-REIT](#) press release of 10 November 2016.

¹⁰ Investments in solar panels are valued in accordance with IAS 16 by applying the revaluation model.

¹¹ Including a right of use of 71 million euros, related to the land held through a concession in accordance with IFRS 16.

¹² Calculated by dividing the annualised contractual gross (cash) rents and the rental value of the unlet parts by the fair value. The fair value is the value of the investment properties after deduction of transaction costs (mainly transfer tax).

Portfolio statistics by country

	Belgium	The Netherlands	France	Germany	Luxembourg	Romania	Total
Number of lettable sites	94	110	7	2	4	68	285
Gross lettable area (in m ²)	2,277,285	2,761,632	192,765	60,590	54,335	1,495,180	6,841,787
Land (in m ²)	4,460,103	4,996,014	467,237	112,796	93,477	6,802,361	16,931,987
Fair value (in million euros)	2,197	2,836	172	77	88	1,103	6,474
% of total fair value	34%	44%	3%	1%	1%	17%	100%
% change in fair value (YTD)	-0.5%	-1.5%	-3.9%	-2.3%	-3.7%	-2.0%	-1.3%
Vacancy rate (EPRA) ^{1,2}	2.2%	1.2%	1.5%	0.0%	0.1%	1.2%	1.5%
Average lease length till first break (in y) ²	4.8	5.5	3.2	6.0	7.2	5.9	5.4
WDP gross initial yield ³	5.2%	5.8%	4.8%	4.5%	5.2%	7.6%	5.8%
Effect of vacancies	-0.1%	-0.1%	-0.1%	0.0%	0.0%	-0.1%	-0.1%
Adjustment gross to net rental income (EPRA)	-0.2%	-0.3%	-0.1%	-0.1%	-0.3%	-0.1%	-0.3%
Adjustments for transfer taxes	-0.1%	-0.5%	-0.3%	-0.3%	-0.3%	-0.1%	-0.3%
EPRA net initial yield ¹	4.7%	4.8%	4.2%	4.1%	4.5%	7.3%	5.1%

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

2 Excluding solar panels.

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

3.3.2 NAV per share

The EPRA NTA per share amounted to 20.6 euros as of 31 March 2023. This represents a decrease of -0.1 euros (-0.1%) against an EPRA NTA per share of 20.7 euro on 31 December 2022 due to EPRA Earnings generation (+0.31 euros) and the portfolio revaluation (including solar panels) (-0.44 euros) and other (-0.02 euros). IFRS NAV per share¹³ amounts to 20.7 euros as of 31 March 2023 compared to 20.9 euros per 31 December 2022.

¹³ The IFRS NAV is calculated as the equity capital as per IFRS divided by the total number of shares entitled to dividend on the balance sheet date. This is the net value according to Belgian GVV/SIR legislation.

4. Management of financial resources

LOAN-TO-VALUE

36.2%



100% FINANCING NEEDS COVERED

- ☑ 100% refinancing until at least the end of 2025
- ☑ 100% committed CAPEX 2023-24
- ☑ 100% commercial paper

GEARING RATIO

7.0x
Net debt / EBITDA (adjusted)

6.3x
Interest Coverage Ratio

LIQUIDITY

~ 1.6 billion euros
Undrawn credit facilities

1.9%
Cost of debt

MATURITY OF OUTSTANDING DEBTS

6.0 years
Maturity of debts

113%
Hedge ratio

6.4 years
Maturity of hedges

GREEN FINANCING

1.9 billion euros

75%
outstanding debts



CREDIT RATINGS – STABLE OUTLOOK

Baa1
Moody's

BBB+
Fitch

4.1. Financial position

Total financial debt (as per IFRS) increased to 2,446.1 million euros as of 31 March 2023 compared to 2,401.9 million euros at the end of December 2022. The current financial debt of 205.6 million euros include the commercial paper programme (150.9 million euros), short-term straight loans (23.9 million euros) and long-term financing maturing within the year (30.9 million euros).

The balance sheet total went from 7,053.8 million euros as of 31 December 2022 to 7,040.1 million euros as of 31 March 2023. The loan-to-value, which compares the net financial debt with the portfolio value¹⁴, is 36.2% as of 31 March 2023, compared to 35.4% as of 31 December 2022. The gearing ratio (proportional) increased slightly to 38.1% as of 31 March 2023, compared to 37.6% as of 31 December 2022. This change was driven by the increase in the outstanding financial debt position and the impact of a limited increase in the property portfolio yield.

The weighted average term of WDP's outstanding financial debt as of 31 March 2023 amounts to 6.0 year¹⁵. This is an improvement compared to the 5.6 years at the end of 2022.

Total undrawn and confirmed long-term credit lines amount to approximately 1.6 billion euros¹⁶. This provides WDP with ample funds to finance projects under development (320 million euros), planned energy projects (125 million euros) and financing maturing in 2023-24 (330 million euros), including a buffer to respond to market opportunities. This excludes expected cash flow through retained earnings and optional dividends and refinancing of loans.

The average cost of debt is 1.9% over Q1 2023. The Interest Coverage Ratio¹⁷ is equal to 6.3x for the same period, compared with 5.9x for the full financial year 2022. The hedge ratio, which measures the percentage of financial debt at a fixed or floating interest rate and then hedged via Interest Rate Swaps (IRSes) is 113% with a weighted average hedging term of 6.4 years. This ratio temporarily exceeds 100% because of the drawdown of a fixed-rate loan in early 2023 (as foreseen) that temporarily repaid floating-rate loans – during 2023, these will be drawn down again to finance the projects under development and this ratio is expected to move back towards 100%.

¹⁴ Based on IFRS statements including solar panels and receivables from and participations in joint ventures.

¹⁵ Including the short-term debt: this mainly includes the commercial paper programme that is fully covered by back-up facilities.

¹⁶ Excluding credit facilities to hedge the commercial paper programme already deducted in this amount.

¹⁷ Defined as operating result (before result on the portfolio), divided by interest rates, minus interest and dividend collection, minus compensation for financial leasing and others.

5. Outlook

5.1. Outlook 2023

WDP confirms its expectation of EPRA Earnings per share in 2023 of 1.35 euros, up +8% year-on-year from 1.25 euros per share in 2022. Based on this outlook, a dividend per share of 1.08 euros gross is projected for 2023 (payable in 2024), based on a comparable increase and a low payout rate of 80%.

Underlying assumptions

- Portfolio growth in 2022-23 primarily through pre-let new construction projects.
- Organic growth of 5% based on the indexation clauses in the leases.
- A minimal average occupancy rate of 98% and stable customer payment behaviour.
- A fiscal provision if WDP could not continue to qualify as FBI in the Netherlands (4 million euros), this prompted by caution given the current significant uncertainty created by the withdrawal of the tax ruling as of 1 January 2021 by the Dutch tax authorities.¹⁸
- A loan-to-value – based on the current valuation of the portfolio – lower than 40% and an average cost of debt around 2%.

5.2. Growth plan 2022-25

This four-year plan aspires to achieve an annual increase in EPRA Earnings per share of +8% to 1.50 euros in 2025. The dividend per share is expected to evolve synchronously towards 1.20 euros in 2025. During 2022, a strong progression was recorded within the growth plan from +13% in EPRA Earnings per share to 1.25 euros.

GROWTH

FOR

FUTURE

WDP remains focused on the long-term profit target in its growth plan and remains alert and vigilant to achieve that goal. Even in a more challenging environment, the company continues to focus on value creation for its shareholders through growth in EPRA Earnings per share by an increased focus on profitability, organic growth (mainly through rent indexation) and the accelerated rollout of WDP ENERGY, while maintaining a solid financial position. This is expected to lead to an increasing contribution of organic growth and energy projects versus external growth, compared to what was originally envisaged in the growth plan.

To this end, WDP relies on an inflation-proof cash flow profile thanks to indexation clauses in the leases combined with rising market rents. For example, in 2023, WDP expects a positive impact on rents of +5% driven by indexation of contracts. Moreover, the cost of debt is fully hedged for an average term of 6.4 years.

The logistics property sector remains fundamentally sound given the crucial role of logistics within the economy for various industries (both on the inbound and outbound sides of the supply chain), despite a possible conjectural drop in demand and a cautious customer decision strategy due to the weak

¹⁸ For more information, see 4.2.9 Net result (IFRS) – Group share.

macroeconomic outlook. Nevertheless, the upward pressure on market rents is further supported by limited availability (vacancy in the market <5% in all regions where WDP operates) and scarcity of land.

Since Q4 2022, WDP has seen a high-level of stabilisation for both construction prices and longer delivery times for new projects. For the new projects, WDP is charging higher rents. However, achieving the targeted returns remains a challenge for each individual project. It is important here that investments are calibrated in function of the changed economic parameters, such as the increased cost of capital.

This 2023 outlook and the 2022-25 growth plan targets are based on current knowledge and situation and notwithstanding unforeseen circumstances due to the evolution of external factors, such as a weakening macroeconomic outlook, high market volatility and a sharply increased cost of capital.

6. Financial calendar

20 April 2023	Deadline to confirm participation in Annual General Meeting on 26 April 2023
26 April 2023	Annual General Meeting on the 2022 financial year
27 April 2023	2022 ex-dividend date
28 April 2023	Record date dividend 2022
17 May 2023	Payment date 2022 dividend
28 July 2023	Publication of HY 2023 results and publication of the Interim Report
18 October 2023	Announcement of Q3 2023 results
26 January 2024	Announcement of 2023 annual results
25 March 2024	Publication of annual report for financial year 2023
24 April 2024	Annual General Meeting on the 2023 financial year

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



7. Financial statement – Key figures 31 March 2023 – analytical (results and balance sheet)

Profit and loss account

(in euros x 1,000)	Q1 2023	Q1 2022	Δ y/y (abs.)	Δ y/y (%)
Rental income, net of rental-related expenses	80,894	70,239	10,655	15.2%
Indemnification related to early lease terminations	0	0	0	n.r.
Income from solar energy	3,677	3,624	53	1.5%
Other operating income/costs	-2,944	-2,037	-907	n.r.
Property result	81,627	71,826	9,801	13.6%
Property charges	-3,654	-3,277	-377	11.5%
General Company expenses	-3,261	-2,211	-1,051	47.5%
Operating result (before the result on the portfolio)	74,711	66,338	8,373	12.6%
Financial result (excluding change in the fair value of the financial instruments)	-10,014	-10,071	57	-0.6%
Taxes on EPRA Earnings	-2,937	-2,053	-884	n.r.
Deferred taxes on EPRA Earnings	0	0	0	n.r.
Share in the result of associated companies and joint ventures	2,934	463	2,472	n.r.
Minority interests	-2,016	-1,679	-337	20.1%
EPRA Earnings	62,679	52,998	9,680	18.3%
Variations in the fair value of investment properties (+/-)	-81,456	126,419	-207,875	n.r.
Result on disposal of investment property (+/-)	197	-55	252	n.r.
Deferred taxes on the result on the portfolio (+/-)	8,968	-29,182	38,150	n.r.
Share in the result of associated companies and joint ventures	-7,633	1,788	-9,422	n.r.
Result on the portfolio	-79,925	98,971	-178,896	n.r.
Minority interests	3,077	-109	3,186	n.r.
Result on the portfolio - Group share	-76,848	98,862	-175,710	n.r.
Change in the fair value of financial instruments	-29,385	74,268	-103,653	n.r.
Share in the result of associated companies and joint ventures	-159	0	-159	n.r.
Change in the fair value of financial instruments	-29,544	74,268	-103,653	n.r.
Minority interests	0	0	0	n.r.
Change in the fair value of financial instruments - Group share	-29,544	74,268	-103,812	n.r.
Depreciation and write-down on solar panels	-2,314	-1,702	-612	n.r.
Share in the result of associated companies and joint ventures	-36	0	-36	n.r.
Depreciation and write-down on solar panels	-2,350	-1,702	-648	n.r.
Minority interests	113	19	93	n.r.
Depreciation and write-down on solar panels - Group share	-2,238	-1,683	-555	n.r.
Net result (IFRS)	-47,124	226,215	-273,338	n.r.
Minority interests	1,173	-1,769	2,943	n.r.
Net result (IFRS) - Group share	-45,951	224,445	-270,396	n.r.

Key ratios

(in euros per share)	Q1 2023	Q1 2022	Δ y/y (abs.)	Δ y/y (%)
EPRA Earnings ¹	0.31	0.29	0.02	7.3%
Result on the portfolio - Group share ¹	-0.38	0.53	-0.91	n.r.
Change in the fair value of financial instruments - Group share ¹	-0.14	0.40	-0.55	n.r.
Depreciation and write-down on solar panels - Group share ¹	-0.01	-0.01	0.00	n.r.
Net result (IFRS) - Group share ¹	-0.23	1.21	-1.44	n.r.
EPRA Earnings ²	0.31	0.29	0.02	7.8%
Weighted average number of shares	203,980,363	185,042,644	18,937,719	10.2%
Number of shares entitled to dividend	203,980,363	185,931,267	18,049,096	9.7%

1 Calculation based on the weighted average number of shares.

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

Consolidated balance sheet

(in euros x 1,000)	31.03.2023	31.12.2022	Δ (abs.)	Δ (%)
Intangible fixed assets	960	860	100	n.r.
Investment property	6,337,121	6,351,916	-14,795	-0.2%
Other tangible fixed assets (including solar panels)	168,167	166,351	1,816	1.1%
Financial fixed assets	143,758	169,308	-25,550	-15.1%
Trade receivables and other fixed assets	4,897	5,098	-200	-3.9%
Participations in associated companies and joint ventures	288,926	296,973	-8,047	-2.7%
Fixed assets	6,943,830	6,990,506	-46,676	-0.7%
Assets held for sale	9,038	8,624	414	n.r.
Trade receivables	35,831	14,814	21,017	n.r.
Tax receivables and other current assets	29,567	22,657	6,910	n.r.
Cash and cash equivalents	7,036	8,040	-1,004	n.r.
Accruals and deferrals	14,829	9,206	5,623	n.r.
Current assets	96,302	63,342	32,960	n.r.
Total assets	7,040,132	7,053,848	-13,715	-0.2%

(in euros x 1,000)	31.03.2023	31.12.2022	Δ (abs.)	Δ (%)
Capital	214,999	215,006	-7	0.0%
Issue premiums	1,660,132	1,660,132	0	0.0%
Reserves	2,398,794	2,046,525	352,268	17.2%
Net result for the financial year	-45,951	351,711	-397,662	-113.1%
Shareholders' equity attributable to Group shareholders	4,227,975	4,273,375	-45,400	-1.1%
Minority interests	73,460	74,576	-1,117	-1.5%
Shareholders' equity	4,301,434	4,347,951	-46,517	-1.1%
Non-current financial debt	2,240,483	2,221,997	18,487	0.8%
Other non-current liabilities	156,819	165,205	-8,386	-5.1%
Non-current liabilities	2,397,303	2,387,202	10,101	0.4%
Current financial debt	205,612	179,904	25,708	14.3%
Other current liabilities	135,783	138,790	-3,007	-2.2%
Current liabilities	341,395	318,694	22,701	7.1%
Liabilities	2,738,698	2,705,896	32,801	1.2%
Total liabilities	7,040,132	7,053,848	-13,715	-0.2%

Key ratios

(in euros per share)	31.03.2023	31.12.2022	Δ (abs.)	Δ (%)
IFRS NAV	20.7	20.9	-0.2	-1.1%
EPRA NTA♦	20.6	20.7	-0.1	-0.7%
Share price	27.3	26.7	0.6	2.3%
Premium/Discount with respect to EPRA NTA	32.9%	28.9%	n.r.	n.r.

(in euros x million)	31.03.2023	31.12.2022	Δ (abs.)	Δ (%)
Fair value of the portfolio (including solar panels) ¹	6,640.1	6,656.0	-16.0	-0.2%
Loan-to-value♦	36.2%	35.4%	0.8%	n.r.
Gearing ratio (proportional) ² ♦	38.1%	37.6%	0.5%	n.r.
Net debt / EBITDA (adjusted)♦	7.0x	7.1x	-0.1x	n.r.

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

¹ Based on 100% of the fair value for the fully consolidated entities (including WDP Romania) and the proportionate share for the joint ventures (i.e. 55% for Luxembourg and 29% for WDP of Ghent Big Box).

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

8. Financial statement – Income statement and balance sheet 31 March 2023 – IFRS

Profit and loss account

in euros (x 1,000)	Q1 2023	FY 2022	Q1 2022
Rental income	81,148	293,250	70,287
Costs related to leases	-254	-310	-48
Net rental result	80,894	292,940	70,239
Recovery of property costs	0	0	0
Recovery of rental charges and taxes normally paid by the tenant on let properties	21,210	37,403	18,436
Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease	0	0	0
Rental charges and taxes normally paid by the tenant on let properties	-25,755	-41,575	-22,789
Other income and charges related to leases	5,278	30,856	5,940
Property result	81,627	319,624	71,826
Technical costs	-2,002	-6,600	-1,754
Commercial costs	-500	-1,567	-261
Property management costs	-1,152	-3,480	-1,262
Property charges	-3,654	-11,647	-3,277
Property operating results	77,973	307,977	68,549
General Company expenses	-3,261	-16,136	-2,211
Other operating income and expenses (depreciation and write-down on solar panels)	-2,314	-7,255	-1,702
Operating result (before the result on the portfolio)	72,397	284,586	64,636
Result on disposals of investment properties	197	519	-55
Variations in the fair value of investment properties	-81,456	-157,754	126,419
Operating result	-8,862	127,351	191,001
Financial income	245	437	122
Net interest charges	-9,594	-42,042	-9,744
Other financial charges	-665	-1,844	-449
Change in the fair value of financial instruments	-29,385	220,091	74,268
Financial result	-39,399	176,642	64,197
Share in the result of associated companies and joint ventures	-4,895	38,645	2,251
Result before taxes	-53,155	342,638	257,449
Taxes	6,031	20,815	-31,234
Net result	-47,124	363,453	226,215
Attributable to:			
Minority interests	-1,173	11,742	1,769
Shareholders of the Group	-45,951	351,711	224,445
Weighted average number of shares	203,980,363	189,421,171	185,042,644
Net result per share (in euros)	-0.23	1.86	1.21
Diluted net result per share (in euros)	-0.23	1.86	1.21

Balance sheet

	31.03.2023	31.12.2022	31.03.2022
(in euros x 1,000)			
Fixed assets	6,943,830	6,990,506	6,297,816
Intangible fixed assets	960	860	967
Investment property	6,337,121	6,351,916	6,042,932
Other tangible fixed assets (including solar panels)	168,167	166,351	165,132
Financial fixed assets	143,758	169,308	26,900
Trade receivables and other fixed assets	4,897	5,098	5,862
Participations in associated companies and joint ventures	288,926	296,973	56,023
Current assets	96,302	63,342	183,171
Assets held for sale	9,038	8,624	168
Trade receivables	35,831	14,814	22,866
Tax receivables and other current assets	29,567	22,657	135,766
Cash and cash equivalents	7,036	8,040	13,542
Accruals and deferrals	14,829	9,206	10,830
Total assets	7,040,132	7,053,848	6,480,986

	31.03.2023	31.12.2022	31.03.2022
(in euros x 1,000)			
Shareholders' equity	4,301,434	4,347,951	3,906,612
I. Shareholders' equity attributable to the parent company shareholders	4,227,975	4,273,375	3,841,226
Capital	214,999	215,006	197,705
Issue premiums	1,660,132	1,660,132	1,241,786
Reserves	2,398,794	2,046,525	2,177,289
Net result for the financial year	-45,951	351,711	224,445
II. Minority interests	73,460	74,576	65,387
Liabilities	2,738,698	2,705,896	2,574,374
I. Non-current liabilities	2,397,303	2,387,202	2,068,424
Provisions	160	160	160
Non-current financial debt	2,240,483	2,221,997	1,839,541
Other non-current financial liabilities	52,297	52,359	60,483
Trade payables and other non-current liabilities	5,786	5,143	4,630
Deferred taxes - liabilities	98,576	107,544	163,610
II. Current liabilities	341,395	318,694	505,950
Current financial debt	205,612	179,904	405,504
Other current financial liabilities	183	183	183
Trade payables and other current debts	83,944	88,572	66,046
Other current liabilities	8,235	9,158	6,870
Accrued charges and deferred income	43,421	40,877	27,347
Total liabilities	7,040,132	7,053,848	6,480,986

Cash flow statement

in euros (x 1,000)

Q1 2023

FY 2022

Cash and cash equivalents, opening balance	8,040	9,230
Net cash flows concerning operating activities	34,434	350,501
Net result	-47,124	363,453
Taxes ¹	-6,031	-20,815
Net interest charges	9,594	42,042
Financial income	-245	-437
Gain(-)/loss (+) on disposals	-197	-519
Cash flows from operating activities before adjustment of non-monetary items, working capital and interest paid	-44,003	383,725
Variations in the fair value of financial derivatives	29,385	-220,091
Variations in the fair value of investment properties	81,456	157,754
Depreciations and write-downs (addition/reversal) on fixed assets	2,747	8,893
Share in the result of associated companies and joint ventures	4,895	-38,645
Other adjustments for non-monetary items	-17,396	-1,862
Adjustments for non-monetary items	101,086	-93,952
Increase (-)/decrease (+) in working capital	-22,649	60,728
Net cash flows concerning investment activities	-76,367	-732,620
Investments	-73,464	-489,851
Payments regarding acquisitions of real estate investments	-68,987	-446,609
Payments for acquisitions of shares in real estate companies	0	-29,196
Purchase of other tangible and intangible fixed assets	-4,477	-14,046
Disposals	197	8,599
Receipts from the disposal of investment properties	197	8,599
Investments in and financing provided to companies not fully controlled	-3,100	-251,368
Investments in and financing provided to entities not fully controlled	-3,100	-252,587
Repayment of financing provided to entities not fully controlled	0	1,219
Net cash flows concerning financing activities	40,928	380,928
Loan acquisition	613,766	1,090,568
Loan repayment	-566,688	-926,088
Dividends paid	0	-163,620
Capital increase	0	297,119
Interest paid²	-6,150	80,080
Dividends received	0	2,869
Net increase (+)/decrease (-) in cash and cash equivalents	-1,004	-1,190
Cash and cash equivalents, closing balance	7,036	8,040

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

² In 2022, this also includes the cash revenues from the sale of two pre-hedging instruments amounting to 125 million euros.

9. Appendices

9.1. EPRA Performance measures

EPRA Earnings

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

in euros (x 1,000)

Q1 2023

Q1 2022

Earnings per IFRS income statement	-45,951	224,445
Adjustments to calculate the EPRA Earnings, exclude:		
I. Changes in value of investment properties, development properties held for investment and other interests	83,770	-124,717
- Changes in the value of the real estate portfolio	81,456	-126,419
- Depreciation and write-down on solar panels	2,314	1,702
II. Profit or losses on disposal of investment properties, development properties held for investment and other interests	-197	55
VI. Changes in fair value of financial instruments and associated close-out costs	29,544	-74,268
VIII. Deferred tax in respect of EPRA adjustments	-8,968	29,182
IX. Adjustments (I.) to (VIII.) to the above in respect of joint ventures	7,670	-1,788
X. Minority interests in respect of the above	-3,190	90
EPRA Earnings	62,679	52,998
Weighted average number of shares	203,980,363	185,042,644
EPRA Earnings per share (EPS) (in euros)	0.31	0.29

EPRA NAV indicators

The EPRA NAV metrics make adjustments to the IFRS NAV in order to provide stakeholders with the most relevant information on the fair value of the assets and liabilities. The three different EPRA NAV metrics are calculated based on the following rationales:

- EPRA NRV: the aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, including real estate transfer taxes.
- EPRA NTA: this is the NAV adjusted to include properties and other investments at their fair value and exclude certain line items that are not expected to take shape in a business model with investment properties over the long term.
- EPRA NDV: the EPRA Net Disposal Value provides the reader with a scenario of the disposal of the company's assets resulting in the settlement of deferred taxes and the liquidation of debt and financial instruments.

in euros (x 1,000)	31.03.2023			31.12.2022		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
IFRS NAV	4,227,975	4,227,975	4,227,975	4,273,375	4,273,375	4,273,375
IFRS NAV/share (in euros)	20.7	20.7	20.7	20.9	20.9	20.9
Diluted NAV at fair value (after the exercise of options, convertibles and other equity interests)	4,227,975	4,227,975	4,227,975	4,273,375	4,273,375	4,273,375
Exclude:						
(V) Deferred tax in relation to fair value gains of investments properties	104,217	104,217		114,066	114,066	
(VI) Fair value of financial instruments	-137,001	-137,001		-162,196	-162,196	
(VIII.b) Intangibles as per the IFRS balance sheet		-960			-860	
Subtotal	4,195,190	4,194,230	4,227,975	4,225,245	4,224,384	4,273,375
Include:						
(IX) Fair value of fixed interest rate debt			158,295			180,983
(XI) Real estate transfer tax	389,669			389,740		
NAV	4,584,860	4,194,230	4,386,270	4,614,985	4,224,384	4,454,358
Number of shares	203,980,363	203,980,363	203,980,363	203,980,363	203,980,363	203,980,363
NAV/share (in euros)	22.5	20.6	21.5	22.6	20.7	21.8

EPRA cost ratio

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

in euros (x 1,000)		Q1 2023	FY 2022
Include:			
I.	Administrative/operating expenses (IFRS)	-8,508	-32,837
	I-1. Impairments of trade receivables	-419	-882
	I-2. Recovery of property charges	0	0
	I-3. Recovery of rental charges and taxes normally paid by the tenant on let properties	-1,173	-4,172
	I-4. Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease	0	0
	I-5. Property charges	-3,654	-11,705
	I-6. General company expenses	-3,261	-16,078
III.	Management fees less actual/estimated profit element	336	1,227
V.	Administrative/operating expenses of joint ventures expense	-95	-499
Exclude (if part of the above):			
VI.	Investment property depreciation	76	283
	Administrative/operating expenses related to solar panels	504	2,231
	EPRA costs (including direct vacancy costs)	A	-7,687
IX.	Direct vacancy costs	163	1,055
	EPRA costs (excluding direct vacancy costs)	B	-7,525
X.	Gross rental income (IFRS)	81,148	293,250
	Less net ground rent costs	-520	-1,952
XII.	Gross rental income of joint ventures	1,045	3,857
	Less net ground rent costs	-56	-200
	Gross rental income	C	81,616
	EPRA Cost Ratio (including direct vacancy costs)	A/C	9.4%
	EPRA Cost Ratio (excluding direct vacancy costs)	B/C	9.2%

EPRA NIY and EPRA Topped-up NIY

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

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

in euros (x 1,000)		31.03.2023	31.12.2022
Investment property - wholly owned		6,337,121	6,351,916
Investment property - share of joint ventures		127,244	131,286
Less developments, land reserves and the right of use of concessions		-538,001	-624,019
Completed property portfolio		5,926,364	5,859,182
Allowance for estimated purchasers' costs		364,836	357,455
Gross up completed property portfolio valuations	A	6,291,201	6,216,637
Annualised cash passing rental income		337,248	329,045
Property outgoings		-15,986	-15,246
Annualised net rent	B	321,263	313,799
Notional rent expiration of rent free period or other lease incentives		0	0
Topped-up net annualised rent	C	321,263	313,799
EPRA NIY	B/A	5.1%	5.0%
EPRA TOPPED-UP NIY	C/A	5.1%	5.0%

EPRA LTV

A key (shareholder-gearing) metric to determine the percentage of debt comparing to the appraised value of the properties. The EPRA LTV is obtained by dividing debt by the sum of the fair value of the property portfolio and the fair value of the solar panels.

	31.03.2023 Proportionate consolidation				
	Group As reported	Share of Joint Ventures	Share of Material Associates	Non controlling interests (NCI)	Combined
in euros (x 1,000)					
Include:					
Borrowings from Financial Institutions	1,488,305	48,019		-91,915	1,444,409
Commercial paper	150,850				150,850
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	0				0
Bond loans	806,940				806,940
Foreign currency derivatives	298				298
Net (trade) payables	56,821	6,676		1,207	64,705
Owner-occupied property (debt)	0				0
Current accounts (equity characteristics)	0				0
Exclude:					
Cash and cash equivalents	-7,036	-1,455		273	-8,219
Investments in non-material associates x Loan-to-value	-89,762				-89,762
Net Debt	A 2,406,41	53,240	0	-90,435	2,369,22
Include:					
Owner-occupied property	0				0
Investment properties at fair value	6,079,984	98,859		-157,873	6,020,970
Properties held for sale	9,038	323			9,362
Properties under development	196,446	17,658		-7,516	206,588
Intangibles	960	3,104		-1	4,063
Net (trade) receivables	0				0
Financial assets	4,302				4,302
Solar panels	163,083	3,262		-3,675	162,670
Total Property Value	B 6,453,81	123,207	0	-169,065	6,407,95
Loan-to-value	A/B	37.3%			37.0%

31.12.2022				
Proportionate consolidation				
Group As reported	Share of Joint Ventures	Share of Material Associates	Non controlling interests (NCI)	Combined
1,426,195	50,435		-88,068	1,388,562
168,850				168,850
0				0
806,855				806,855
-2,585				-2,585
91,975	2,850		-2,120	92,705
0				0
0				0
-8,040	-384		516	-7,908
-87,847				-87,847
2,395,40	52,901	0	-89,672	2,358,63
0				0
6,010,767	102,799		-156,855	5,956,711
8,624	314			8,938
279,994	17,579		-9,350	288,222
860	3,082		-2	3,940
0				0
4,199				4,199
160,636	3,269		-3,450	160,455
6,465,08	127,042	0	-169,658	6,422,46
37.1%				36.7%

9.2. Alternative Performance Measures

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

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

in euros (x 1,000)	Q1 2023	Q1 2022
Movement in the fair value of investment property	-81,456	126,419
Result on disposal of investment property	197	-55
Deferred taxation on result on the portfolio	8,968	-29,182
Participation in the result of associated companies and joint ventures	-7,633	1,788
Result on the portfolio	-79,925	98,971
Minority interests	3,077	-109
Result on the portfolio - Group share	-76,848	98,862

Changes in gross rental income with an unchanged portfolio

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

in euros (x 1,000)	Q1 2023	Q1 2022	Δ y/y (%)
Properties owned throughout the two years	71,207	66,796	6.6%
Development projects	8,317	4,058	n.r.
Acquisitions	2,617	276	n.r.
Disposals	0	120	n.r.
Total	82,140	71,251	n.r.
To be excluded:			
Rental income of joint ventures	-993	-963	n.r.
Indemnification related to early lease terminations	0	0	n.r.
Rental income (IFRS)	81,148	70,287	n.r.

Average cost of debt

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

in euros (x 1,000)	Q1 2023	FY 2022
Financial result (IFRS)	-39,399	176,642
To be excluded:		
Changes in fair value of financial assets and liabilities	29,385	-220,091
Interest capitalised during construction	-1,972	-5,754
Interest cost related to leasing debts booked in accordance with IFRS 16	759	2,780
Other financial costs and revenues	-245	-1,437
To be included:		
Interest expenses of joint ventures	-251	-339
Effective financial expenses (proportional)	A -11,722	-42,758
Average outstanding financial debt (IFRS)	2,423,998	2,475,410
Average outstanding financial debt of joint ventures	48,989	40,979
Average outstanding financial debt (proportional)	B 2,472,987	2,105,685
Annualised average cost of debt	A/B 1.9%	2.0%

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

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

in euros (x 1,000)	Q1 2023	Q1 2022
Financial result	-39,399	64,197
To be excluded:		
Changes in fair value of financial instruments	29,385	-74,268
Financial result (excluding the changes in fair value of financial instruments)	-10,014	-10,071

Operating margin

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

in euros (x 1,000)	Q1 2023	Q1 2022
Property result (IFRS)	81,627	71,826
Operating result (before the portfolio result) (excluding depreciation and write-downs on solar panels)	74,711	66,338
Operating margin	91.5%	92.4%

Hedge ratio

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

in euros (x 1,000)		31.03.2023	31.12.2022
Notional amount of Interest Rate Swaps		1,757,425	1,317,425
Fixed rate financial debt		1,071,207	1,071,328
Fixed-interest financial debt at balance sheet date and hedging instruments	A	2,828,632	2,388,753
Current and non-current financial debt (IFRS)		2,446,096	2,401,901
Proportional share in joint ventures in current and non-current financial debt		48,019	49,959
Financial debt at balance sheet date	B	2,494,114	2,451,859
Hedge ratio	A/B	113.4%	97.4%

Gearing ratio

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

in euros (x 1,000)

		31.03.2023	31.03.2023	31.12.2022	31.12.2022
		IFRS	Proportionate	IFRS	Proportionate
Non-current and current liabilities		2,738,698	2,817,313	2,705,896	2,787,834
To be excluded:					
- I. Non-current liabilities A. Provisions		160	160	160	160
- I. Non-current liabilities C. Other non-current financial liabilities - Permitted hedging instruments		0	0	0	0
- I. Non-current liabilities F. Deferred taxes - Liabilities		98,576	111,235	107,544	121,396
- II. Current liabilities A. Provisions		0	0	0	0
- II. Current liabilities E. Other current liabilities Other: Hedging instruments		0	0	0	0
- II. Current liabilities - F. Accruals and deferred income		43,421	44,336	40,877	41,493
Total debt	A	2,596,541	2,661,582	2,557,315	2,624,785
Total assets		7,040,132	7,118,748	7,053,848	7,135,786
To be excluded:					
- E. Financial fixed assets - Financial instruments at fair value through profit and loss - Permitted hedging instruments		137,001	137,001	162,196	162,196
Total assets taken into account for the calculation of the gearing ratio	B	6,903,131	6,981,746	6,891,651	6,973,590
Gearing ratio	A/B	37.6%	38.1%	37.1%	37.6%

Loan-to-value

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

in euros (x 1,000)

	31.03.2023	31.12.2022
	IFRS	IFRS
Non-current and current financial debt	2,446,096	2,401,901
Cash and cash equivalents	-7,036	-8,040
Net financial debt	A 2,439,059	2,393,860
Fair value of the real estate portfolio (excluding right of use concessions)	6,285,468	6,299,386
Fair value of the solar panels	163,083	160,636
Financing of and participations in associated companies and joint ventures	296,243	304,085
Total portfolio	B 6,744,794	6,764,107
Loan-to-value	A/B 36.2%	35.4%

Net debt / EBITDA (adjusted)

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

in euros (x 1,000)		31.03.2023	31.12.2022
Non-current and current financial debt (IFRS)		2,446,096	2,401,901
- Cash and cash equivalents (IFRS)		-7,036	-8,040
Net debt (IFRS)	A	2,439,059	2,393,860
Operating result (before the result on the portfolio) (IFRS) (TTM)¹	B	292,477	284,586
+ Depreciation and write-down on solar panels		7,737	7,255
+ Share in the EPRA Earnings of joint ventures		2,306	1,918
+ Dividends received from associated companies		3,375	3,375
EBITDA (IFRS)	C	305,895	297,134
Net debt / EBITDA	A/C	8.0x	8.1x

in euros (x 1,000)		31.03.2023	31.12.2022
Non-current and current financial debt (proportionate)		2,494,114	2,451,859
- Cash and cash equivalents (proportionate)		-8,492	-8,424
Net debt (proportional)	A	2,485,623	2,443,435
- Projects under development x Loan-to-value		-78,148	-106,501
- Financing to joint ventures x Loan-to-value		-1,570	-1,503
Net debt (proportional) (adjusted)	B	2,405,905	2,335,431
Operating result (before the result on the portfolio) (IFRS) (TTM)¹	C	292,477	284,586
+ Depreciation and write-down on solar panels		7,737	7,255
+ Operating result (before the result on the portfolio) of joint ventures (TTM) ¹		3,570	3,259
+ Dividends received from associated companies (TTM) ¹		3,375	3,375
Operating result (before the result on the portfolio) (proportionate) (TTM)¹	D	307,158	298,474
Adjustment for normalized EBITDA ²		37,450	29,235
EBITDA (proportionate) (adjusted)	E	344,608	327,709
Net debt / EBITDA (adjusted)	B/E	7.0x	7.1x

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

2 On a normalized basis and including the annualized impact of organic growth (such as indexation) and external growth (in function of realised disposals, acquisitions and projects).



More information



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WDP develops and invests in logistics real estate (warehouses and offices). WDP has 7 million m² of properties in its portfolio. This international portfolio of semi-industrial and logistics buildings is spread over about 300 sites at prime logistics hubs for storage and distribution in Belgium, France, the Netherlands, Luxembourg, Germany and Romania.

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

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



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