Wereldhave
BELGIUM

Half yearly financial report

30 June 2020

make every day count

Content

Overall summary real estate markets

Retail

The year 2020 started relatively well for the retail property market, with retail turnover levels higher than the comparable period a year earlier and a take-up of new retail space in shopping centres and retail parks at the same level. However, the Covid-19 outbreak had a decisive impact on the rest of the first semester. Due to the mandatory closure of the vast majority of shops (from mid-March to 11 May and even 8 June for the hotel and catering industry), both the rental market and the investment market in this segment came to a virtual standstill. This resulted in a take-up that was 18% lower for shopping centres and 10% lower for retail parks in the second quarter compared to a year earlier. Due to the impact of this crisis, mainly from a liquidity point of view, new investments (including expansion plans) are being cancelled or at least postponed. The uncertainty regarding possible higher vacancy rates and rent levels that are further declining means that investors are adopting a wait-and-see attitude and expect a higher remuneration that better reflects the risk profile.

This crisis will undoubtedly have consequences on retail property owners, the extent of which is still unclear at present. This is not only because of the increased risk of failure and restructuring of retail businesses, but also because of the possible lasting effects of an adjusted consumer behaviour pattern. An example of this is the acceleration of the adoption rate of e-commerce during the lockdown period, even if it is too early to assess its actual sustainability.

In this context, the valuation experts have adjusted retail property valuations downwards to reflect this general negative trend. The further evolution of the economic context and the future potential transactions, both leasing and investment, will be very important for the valuation experts to rely on in order to increase the accuracy of their valuation.

Offices

In the office market, the effects of the Covid-19 outbreak are less immediate, but potentially far-reaching in the longer term.

Companies were confronted with an unexpected challenge to get people to work from home as much as possible and are now questioning whether this - at least in part - could be a workable model for the future. On the other hand, it can be said that more space will have to be provided for the same number of people in a physical environment. The economic recession may also encourage companies to cut costs and dismiss people, which in turn, of course, would have a negative effect on the need for space.

However, the investment market remained active and several pre-lockdown transactions initiated and, where appropriate, negotiated were completed post-lockdown, with even new lows at the level of capitalisation interest rates. Contrary to the period after the financial crisis, abundant liquidity still seems to be available today.

In this context, there remains a significant difference in attractiveness on this investment market between well-let office buildings located in city centres or next to railway stations on the one hand and lower quality buildings in decentralised areas where the risk of vacancy is higher. This trend will also be further taken into account by the valuation experts in their property valuations.

Interim financial report

Resilience portfolio, strong balance sheet structure and 'hands-on' organisation to cope with the Covid-19 context

- **Confirmation of strong balance sheet structure (reduction of the Loan-To-Value ratio from 29.3% on 31 December 2019 to 28.9% on 30 June 2020).**
- **Decrease in net result from core activities per share from € 3.08 per 30 June 2019 to € 2.18 per 30 June 2020;**
- **Decrease of the fair value of the investment properties portfolio by 3.6%;**
- **Stability of the EPRA occupancy rate of the shopping centres from 96.3% as per 31 December 2019 to 96.0% as per 30 June 2020;**
- **Strong outperformance of visitor numbers compared to the market, both before and after mandatory store closures.**

Key information

(x € 1,000)	30 June 2020	30 June 2019
Results		
Net rental income	23,417	29,955
Net result	**-18,359**	**21,107**
Net result from core activities [1]	16,991	23,440
Net result from non-core activities [2]	-35,350	-2,333
Profit per share (x € 1)	-2.35	2.77
Net result from core activities per share (x € 1)	2.18	3.08
Average number of shares	7,807,981	7,606,813

(x € 1,000)	30 June 2020	31 December 2019
Balance sheet		
Properties available for lease [3]	924,364	948,671
Development projects	12,115	12,615
Total investment properties	**936,478**	**961,285**
Shareholders' equity [4]	670,885	689,221
Net asset value per share (x € 1) [4]	85.92	88.27
Debt ratio	28.9%	29.3%
Share price	55.0	86.2
Number of shares	7,807,981	7,807,981

1 The net result from core activities is the operating result before the portfolio result minus the financial result and taxation, and excluding variations in the fair value of financial derivatives (that are not treated as hedge accounting in accordance with IFRS 9) and other non-distributable items on the basis of the company financial statements of Wereldhave Belgium.
2 The result from non-core activities comprises (i) the result on sale of property investments, (ii) the variations in the fair value of property investments, (iii) the other portfolio result, (IV) the variations in the fair value of financial assets and liabilities and (V) taxes on capital gain latencies and the exit taxes paid.
3 Fair value has been computed after deduction of the transaction costs (2.5%) incurred at the sales process. The independent valuation expert has carried out the valuation in conformity with 'International Valuation Standards' and 'European Valuation Standards'.
4 Before profit distribution and dividend payment.

Covid-19 update

(This information forms an integral part of the condensed financial statements presented in the fourth chapter of this report)

Previous publications

In addition to its recurrent regulated publications, in particular regarding the results for the financial year 2019 (press release on 5 February and annual report on 6 March 2020) and the trading update with the quarterly results as per 31 March 2020 (published on 20 April 2020), the Company published the following Covid-19 related press releases:

- Press release of 16 March 2020, explaining that the outbreak of the pandemic will undoubtedly have a significant impact on the performance of the Retail portfolio. Due to the uncertainty at the time regarding the duration of the pandemic and its long-term impact, it was announced that it was then impossible to calculate its potential impact on the Company's results. For this reason, the earlier outlook for the result over 2020 was cancelled.
- Press release of 2 April 2020, announcing the postponement of the General Meeting of Shareholders for the financial year 2019. As a result, other dates in the financial calendar - including the payment date of the dividend over the financial year 2019 - also had to be changed.
- Press release of 22 June 2020, announcing a new financial calendar and adjusting the dividend for the 2019 financial year to € 4.50 per share (initially proposed amount was € 5.20 per share).

Today, the Company publishes its half-yearly report on the results as per 30 June 2020, presenting the activities of the Company for the first half year of 2020, including further explanations on the impact of Covid-19.

Operational activities

The first two months of 2020 were characterised by a very positive evolution of the number of visitors within the shopping centres, which represented an increase of approximately 15% compared to the same period last year. This resulted in a very strong outperformance compared to the market figure as communicated by the BLSC of 6.0%. Important factors that contributed to this success were a dynamic commercialization (with the opening of several successful store concepts) as well as the active on- and offline marketing communication that has recently been managed in a more general way under the name "Make every day count".

The start of the Covid-19 outbreak put an end to this positive trend, with the announcement on 12 March of the decisions of the National Security Council that, among other things, all cafes, bars and restaurants (and shops on Saturdays) had to be closed. As of 17 March, the measures were tightened by the government and all non-essential shops were obliged to close to the public. The shopping centres remained accessible at all times, but with a limited offer, which obviously had a strong negative impact on visitor numbers as well as on retailers' turnover figures. During the lockdown period, various measures were taken to limit costs as much as possible (temporary unemployment for employees in the shopping centres, stopping all unnecessary interventions,...) and all non-urgent investment projects were also put on hold in anticipation of a better visibility on the evolution and the economic consequences of this health crisis.

After almost two months of lockdown, the commercial activities were allowed to restart, with the stores reopening progressively from 11 May, depending on the type of activity.

The health and safety of the Company's visitors, tenants, employees and various business partners remains its highest priority and several initiatives were taken to ensure the best possible shopping environment, taking into account the measures in place. To this end, the Company has taken centralised and local measures with the following priorities:

- Create a safe and healthy area minimising the risk of an outbreak of Covid-19
- Provide visitors with clear information before and during centre visits
- Spread visits with crowd management tooling, strict centre guidelines, communication and signing

There was a strong focus on security, extra cleaning and disinfection moments, communication campaigns to the customer, the real time counting of visitors and various social distancing measures. Specifically for the restart of the Food & Beverage sector on 8 June, the Company provided 2,000 m^2 of free space to its tenants in order to give the 51 Food & Beverage businesses in its shopping centres the opportunity to create additional space to maintain their turnover.

Since the reopening of the stores, the Company noted a positive trend with a gradual increase in visitor numbers, which in the first days after the reopening on 11 May were however about 50% lower than last year, to reach about 75% before the reopening of the Food and Beverage sector. After the reopening of the Food and Beverage sector, this positive trend accelerated further, with visitor numbers from 8 June to 30 June included (comparable figures) on around 90% of visitors compared with the previous year. The active marketing that also continued during the lockdown (online marketing campaigns) and the further reduction of the measures that also give perspective to attracting our visitors back to the experience and services, give the centres all the means to again gradually reach the strong level that existed before the Covid-19 pandemic.

The market figure communicated by the BLSC concerns only the month of June and amounted to -24.0%. The centres in the Company's portfolio showed an average decrease of 13.6% over June. The significant outperformance compared to the market for the first months of the year (see above) continued in the period after the mandatory closing of the shops, which clearly reflects the quality and resilience of the portfolio.

Due to the recent reopening of the stores, it is still difficult on 30 June to estimate the turnover evolution of retail tenants. However, it is already clear that the performance of the tenants is quite varying, with some retailers having already reached their sales levels before the mandatory closure, while others (e.g. fashion) are still generating significantly lower sales levels than in the comparable period of the previous year.

Leasing activities

The outbreak of the pandemic and the announcement of the lockdown raised many concerns among tenants, who saw their physical store sales suddenly and indefinitely suspended. In this context individual discussions were initiated with a large proportion of the Company's commercial tenants about the payment of rent during the lockdown period. Almost all of the Company's commercial tenants were indeed claiming (full or partial) remission or spread of the amounts due during this period, as well as any support measures for the period after their reopening to the public to help them resume their activities.

The Company judged that, in this very exceptional and unique context, it wishes more than ever to be a partner for its commercial tenants and therefore, in the first instance, to give as much opportunity as possible to enter into selective arrangements with its commercial tenants before seeking to initiate legal action. Many of the retailers contacted therefore understood that it was in the interest of both the tenant and the owner that the negative effects of the sudden imposed suspension of economic activity should be carried jointly.

In this context some 200 agreements (representing more than 40% of the ongoing discussions) had already been signed on 30 June with commercial tenants in the form of exceptional and partial waivers of lease receivables, with a total negative impact of € 1.5 mln on the Company's rental income over the past half year. In addition, a deferral of payment of receivables for a total amount of € 0.5 mln was agreed at the time of these agreements, whereby the payment of these receivables is due in the second half of the year.

With respect to the remaining ongoing discussions, the Company made a number of assumptions about their possible outcome, which led to an additional provision for trade receivables of € 3.0 mln recognised in the result at 30 June 2020.

As the outcome of these discussions will continue to evolve in the coming months, the actual impact will be adjusted in the Company's accounts in the course of the second half of the year.

In addition to all Covid-19 related discussions with existing tenants, a strong leasing activity was identified during the first semester. As per 30 June 2020, 40 lease contracts were signed (lease renewals and new rentals), already reaching more than 50% of the budgeted leasing activity over 2020. This result once again demonstrates the strong attractiveness of the shopping centres.

Financial activities

The outbreak of the health crisis and the decision of 18 March 2020 of the National Security Council to close all non-essential activities had a direct financial impact on the liquidity of the Company. From the day the closure was announced, tenants took measures to protect their own liquidity and largely stopped paying their rent.

As rents are payable in advance, this situation did not have a major impact on the collection of the rent for the first quarter of the year, but the collection of the rent for the second quarter in particular was strongly affected.

Consequently, numerous discussions took place with the Company's retail tenants, on the one hand by the leasing department as indicated above and on the other hand by the finance department in order to determine, taking into account the waivers of receivables granted in the commercial discussions, the conditions for the settlement of the remaining claims. As per 30 June, these discussions are still ongoing, with the result that the recovery rate of the rent for the second quarter, considering the above-mentioned agreements, amounts to approximately 60%, representing an outstanding receivable of approximately € 5.5 mln for the invoicing of the second quarter.

In view of the above, the Company immediately took preventive measures to maintain its own liquidity, such as temporarily halting or postponing various investment programs and reducing its expenses, among others by putting its staff in the shopping centres on temporary unemployment and by suspending certain contracts. On 30 June, the Company continued to pursue this policy of strict cost control, knowing that renovation work at Belle-Île in Liège, which had been suspended for several weeks on the initiative of the main contractor, was resumed at a normal pace. The completion date of these works is estimated for the last quarter of the year.

However, the Company is armed to address these difficulties as it benefits from a remarkably low debt ratio of 28.9%, which demonstrates the solidity of its balance sheet, as well as from available and unused credit lines amounting to € 155.2 mln at 30 June 2020.

Since the financing of the Company still consists largely of bank financing, the term of which rarely exceeds 5 years, the average term of the Company's financial debt remains relatively limited, i.e. 2.3 years as at 30 June. However, it is important to mention that none of these financings matured during the year 2020, which gave the Company the comfort not to have to negotiate new financing lines in an unfavourable market context. For several credit lines maturing in the second quarter of 2021 (transferred as of 30 June from long term financial debt to short term financial debt), for a total amount of € 130 mln, the Company had already taken initiatives to anticipate these maturities by entering into discussions with different counterparties on different financing options. The purpose of these steps is to extend and even expand the financing volume to cover the Company's future needs, considering the current investment programmes (i.e. the extension at Belle-Île, renovation works at Kortrijk, etc.) planned by the Company. With respect to the ongoing commercial paper program, it is noted that market conditions significantly deteriorated and that at 30 June 2020 € 30.8 mln was drawn down compared to € 93 mln at 31 December 2019. The difference was compensated by available bank loans as the commercial paper program is fully secured by back-up credits.

Real estate valuations

In the current context, in which the retail property market has been specifically hit by the shock of the lockdown, with consequences which are not yet fully known over the medium and long term, and in which almost all ongoing transactions have been put on hold or delayed, it is uneasy for independent valuation experts to find benchmarks in order to support their valuations.

However, in their valuations they have considered the negative impact that the crisis will inevitably have on valuations. On the one hand, this is done by adjusting their capitalisation rate upwards and, on the other hand, by considering already granted or based on assumptions rent concessions to tenants. Furthermore, in some cases, assumptions regarding vacancy rates that could be more significant or longer are considered.

Given the current level of uncertainty, the experts retain the notion of "material uncertainty" regarding their valuations, as also applied to the valuations of 31 March 2020.

On this basis, at 30 June 2020, excluding the impact of the investments made during the half-year, the Company recorded an impairment (investments/disinvestments excluded) on its investment property portfolio of -3.6% (€ - 34.8 mln) over the entire first half year.

The evolution during the second half of the financial year and the speed of recovery of the activities in the retail property market in general and in the Company's portfolio in particular, will further determine for the experts whether additional value adjustments will be made towards the end of the financial year.

Net result

The net result for the first half year, consisting of the net result from core and non-core activities, amounted to € -18.4 mln (€ 21.1 mln at 30 June 2019). This decrease compared to the same period in 2019 is on the one hand due to a lower net result from core activities (€ -6.4 mln) and on the other hand due to a lower result from non-core activities (€ -33.0 mln).

Net result from core activities

Wereldhave Belgium reported a net result from core activities of € 16.9 mln for the first half year (€ 23.4 mln at 30 June 2019). The net rental income decreased by € 6.5 mln, mainly due to provisions made during the first half year of 2020 for debt cancellations already granted or to be granted to tenants in the context of the discussions about the Covid-19 pandemic (€ 4.5 mln), on the one hand, and to one-off payments for early termination of leases received during the first half year in 2019 (€ 1.2 mln), on the other hand. Property costs decreased by € 0.3 mln and general costs remained stable compared to 2019.

Net financial costs rose slightly by € 0.1 mln due to a higher drawdown of the current credit facilities as a result of prudent liquidity management in the current market circumstances.

Taking into account the above mentioned impact and the higher average number of shares compared to June 2019, the net result from core activities per share shows a decrease to € 2.18 (from € 3.08 per 30 June 2019).

The EPRA occupancy rate as at 30 June 2020 amounts to 94.6% (95.2% as at 31 December 2019). Detailed by segment, these ratios amount to 96.0% for shopping centres (96.3% as at 31 December 2019) and 87.0% for offices (92.6% as at 31 December 2019).

Net result from non-core activities

The net result from non-core activities amounts to € -35.4 mln (€ -2.3 mln at 30 June 2019). The net result from non-core activities consisted essentially in the valuation result related to the investment properties portfolio (€ -34.8 mln), the result of the sale of student houses in Gent Overpoort (€ 0.3 mln) and changes in fair value of hedging instruments (€ -0.9 mln).

Shareholders’ equity and net asset value

Shareholders' equity at 30 June 2020 amounted to € 670.9 mln (€ 689.2 mln at 31 December 2019).

The net asset value per share (total equity / number of issued shares) at 30 June 2020, including current profit and before dividend payment (as the payment of the dividend 2019 has been postponed during the second half year) amounts to € 85.92 (€ 88.27 at 31 December 2019).

In the first half of the year, the average financing cost on the outstanding credit facilities amounted to 0.83% (0.81% for the year 2019).

Investment properties

Properties available for lease

The fair value of the properties available for lease portfolio amounts to € 924.4 mln at 30 June 2020 (€ 948.7 mln at 31 December 2019).

The net decrease of € 24.3 mln is mainly due to the negative revaluations of € 33.9 mln that were included in the portfolio, partially offset by the investments made in this portfolio during the past half year (€ 9.5 mln). These costs mainly relate to the continuation of the renovation project of the Belle-Île centre in Liège, but also to the execution of works for the installation of new tenants in Genk and Kortrijk and various maintenance works.

Development projects

The accounting value of the development projects portfolio amounts to € 12.1 mln at 30 June 2020 (€ 12.6 mln at 31 December 2019). The net decrease of € 0.5 mln is mainly due to the depreciation of € 0.9 mln of historical costs incurred in preparation of the Belle-Île extension project in Liège, offset by additional preparation costs incurred on this project (€ 0.4 mln).

Derogation shopping centre ‘Belle-Île’ in Liège

As previously explained, on 11 December 2018, the Company obtained a new derogation from the FSMA for a new period of 2 years, which expires on 31 December 2020.

At the end of financial year 2019, the share of the Belle-Île shopping centre was below 20%, so the exemption did not apply on that date. However, the annual financial report 2019 indicated that the Company expected the value of the centre to increase above the 20% limit, due to the positive impact on the value of the work in progress programs.

However, at 30 June 2020, and despite the amounts invested in the centre during the first half year, the value of Belle-Île remained below 20% (19.82% at 30 June) due to the impairment booked.

As this ratio is very close to the 20% limit, the Company closely monitors the evolution of this issue, in parallel with the evolution of its debt ratio, in order to comply at any time with the legal requirements.

In addition, the Company remains in regular contact with the FSMA in order to anticipate the expiry date of this derogation.

Corporate Social Responsibility

In accordance with its multi-year certification plan, Wereldhave Belgium started the renewal of the BREEAM In-Use certificate for the shopping centre in Tournai (Bastions) in the first half year.

Within the framework of the new CSR programme 'A Better Tomorrow', every employee of Wereldhave Belgium has been given a concrete CSR-related objective. These focus on one of the three pillars (Better Footprint, Better Nature, Better Living) of the company's CSR policy.

Attention to the social aspect is also always communicated. During the relaunch of the shopping centres, during the Covid-19 pandemic, mouth masks were made available to the customer for a fee that was passed on to the local Red Cross.

Corporate – Dividend

As indicated above, the General Meeting of Shareholders, originally scheduled for 8 April 2020, has been postponed to 2 September 2020 due to circumstances. At this meeting the payment of a dividend of € 4.50 per share (€ 3.15 net per share) for 2019 will be submitted for approval, a lower amount than the originally proposed € 5.20 per share (€ 3.64 net per share). This reduction is in line with the principle of prudence and prudent management of the Company's cash resources in a context of crisis, all financial consequences of which are not yet fully known.

The possibility to offer shareholders the choice of receiving their dividend in cash or in shares, or a combination of both, will be assessed in the second half of the year, with a formal decision of the Board of Directors in October at the latest, taking into account that the date for the dividend payment has been set at 13 November.

Modification of the corporate structure

On 6 February 2020, the shareholders were invited to hold an Extraordinary General Meeting on 6 March 2020, with the following items for decision on the agenda:
- Extension of the authorized capital, which came to maturity on 24 April 2020;
- Modification of the Company's articles of association to comply with the new Companies and Associations Code;
- Conversion of the corporate structure of the Company, from a limited partnership per share to a public limited company with a one-tier board of directors.

All these elements were voted by the required majorities and were therefore approved by this meeting. As a result, the company was converted into a public limited company, 'Wereldhave Belgium NV/SA'.

Prospects

On 5 February 2020, in the context of its press release on the annual results for the financial year 2019, the Company announced prospects of net result from core activities per share in the range of € 5.55 to € 5.65 per share. These prospects were announced subject to the condition that unforeseen circumstances would not occur. Based on the current Covid-19 pandemic, it was already announced on 19 March 2020 that it was impossible to calculate which impact this could have on the Company's results.

Currently, a large number of negotiations have been completed and various assumptions have been made about ongoing discussions, which has led to the write-off of receivables and the creation of provisions in the financial statements as per 30 June 2020. Taking into account the number of ongoing discussions with tenants and the fact that not all consequences of the pandemic were yet clear (bankruptcies of tenants, restructuring of their businesses, etc.), the Company believed it was premature to establish new formal profit prospects for core activities for the full financial year 2020.

Despite the fact that no new formal profit outlook would be established, but out of a concern to give a view as complete as possible (taking however into account the current economic uncertainty and the many assumptions related to it), the Company wanted to give an indication of net result from core activities per share for the full financial year 2020 of € 4.5 per share. However, this indication will be reassessed in the coming months in the light of the development of the general economic situation, its impact on the retail activities and the further evolution of the ongoing discussions with the tenants.

The Company would continue to monitor this situation very closely and include relevant communication on the additional impact caused by the pandemic in its future publications.

Financial calendar

General Ordinary Meeting of Shareholders (11:00)	Wednesday 2 September 2020
Press release Q3 2020 (18:00)	Wednesday 21 October 2020
Ex-dividend date	Friday 23 October 2020
Dividend record date	Monday 26 October 2020
Dividend payable 2019	Friday 13 November 2020

Vilvoorde, 16 July 2020

NV Wereldhave Belgium

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Portfolio summary at 30 June

Composition of the portfolio

	Year of construction or most recent renovation	Diversification of the portfolio (in % of valuation)	Lettable area (in sqm)	Parkings (number of spaces)
Retail				
Shopping Centre "Belle-Île", Quai des Vennes 1, 4020 Liège	1994	19.40%	29,949	2,200
Shopping Centre Nivelles, Chausée de Mons 18A, 1400 Nivelles	2012	17.48%	29,299	1,452
Shopping Centre "Shopping Bastions", Boulevard W. de Marvis 22, 7500 Tournai	2018	15.82%	31,025	2,000
Retailpark 'les Bastions' in Tournai	2016	2.04%	10,312	360
Tournai - 7 Fontaines	2019	0.73%	3,485	-
Shopping Centre "Shopping I", Rootenstraat 8, 3600 Genk	2014	6.56%	21,434	1,250
Shopping Centre "Kortrijk Noord", Ringlaan, 8500 Kortrijk	2005	13.21%	32,239	2,000
"Forum Overpoort", Overpoortstraat, 9000 Gent	2014	0.83%	3,959	-
Genk - Stadsplein, Stadsplein 39, 3600 Genk	2008	3.48%	15,415	44
Commercial complex Waterloo, Chaussée de Bruxelles 193-195, 1410 Waterloo	1968	1.49%	3,475	95
Brugge Retail Park	1970	4.29%	20,343	650
Turnhout Retail Park	1979	3.59%	19,804	765
		88.90%	**220,739**	**10,816**
Offices				
'Business- & Media' office park, Medialaan 30, 1800 Vilvoorde	1999	0.94%	5,449/349[5)]	173
'Business- & Media' office park, Medialaan 32, 1800 Vilvoorde	1999	0.46%	3,907/116[5)]	121
'Business- & Media' office park, Medialaan 28, 1800 Vilvoorde	2001	1.89%	12,772/214[5)]	337
De Veldekens I, Roderveldlaan 1-2, 2600 Berchem	2001	1.88%	11,194/171[5)]	224
De Veldekens II, Roderveldlaan 3-4-5, 2600 Berchem	1999	2.70%	16,003/821[5)]	315
De Veldekens III, Berchemstadionstraat 76-78, 2600 Berchem	2002	1.93%	11,193/224[5)]	217
		9.80%	**60,518/1,895[5)]**	**1,387**
Development in commercial projects				
Redevelopment shopping centre in Waterloo		0.13%		
Extension shopping centre 'Belle-Île' in Liège		0.42%		
Nivelles land positions		0.74%		
		1.29%		
Totaal		**100.00%**	**281,257/1,895[5)]**	**12,203**

Continued >>

Portfolio summary at 30 june

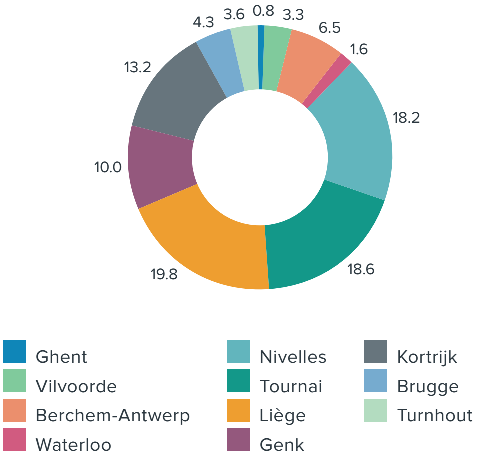
	Continued				
	Contract rent at 30 June 2020 (€ x 1,000)	Rental value vacancy (€ x 1,000) [1]	Theoretical rental value at 30 June 2020 (€ x 1,000) [2]	Estimated rental value (€ x 1,000) [3]	Occupancy rate at 30 June 2020 [4]
Retail					
Shopping Centre "Belle-Île", Quai des Vennes 1, 4020 Liège	11,448,255	114,450	11,562,705	10,990,041	98.3%
Shopping Centre Nivelles, Chausée de Mons 18A, 1400 Nivelles	9,017,583	28,100	9,045,683	8,741,824	99.3%
Shopping Centre "Shopping Bastions", Boulevard W. de Marvis 22, 7500 Tournai	8,587,383	51,889	8,639,272	8,008,754	99.7%
Retailpark 'les Bastions' in Tournai	1,059,397	84,279	1,143,676	1,163,928	91.0%
Tournai - 7 Fontaines	424,981	-	424,981	429,830	100.0%
Shopping Centre "Shopping I", Rootenstraat 8, 3600 Genk	3,521,226	679,141	4,200,367	4,447,189	84.9%
Shopping Centre "Kortrijk Noord", Ringlaan, 8500 Kortrijk	7,123,866	304,391	7,428,257	7,137,466	93.9%
"Forum Overpoort", Overpoortstraat, 9000 Gent	453,605	56,414	510,019	489,946	88.5%
Genk - Stadsplein, Stadsplein 39, 3600 Genk	2,278,659	424,250	2,702,909	2,383,278	82.5%
Commercial complex Waterloo, Chaussée de Bruxelles 193-195, 1410 Waterloo	820,619	65,720	886,339	867,315	100.0%
Brugge Retail Park	2,431,890	-	2,431,890	2,373,568	99.3%
Turnhout Retail Park	2,313,220	-	2,313,220	2,164,726	100.0%
	49,480,684	**1,808,634**	**51,289,318**	**49,197,865**	**96.0%**
Offices					
'Business- & Media' office park, Medialaan 30, 1800 Vilvoorde	677,610	201,520	879,130	838,320	75.6%
'Business- & Media' office park, Medialaan 32, 1800 Vilvoorde	193,172	411,120	604,292	585,300	29.8%
'Business- & Media' office park, Medialaan 28, 1800 Vilvoorde	1,312,817	361,460	1,674,277	1,860,320	80.7%
De Veldekens I, Roderveldlaan 1-2, 2600 Berchem	1,507,821	129,250	1,637,071	1,613,508	92.1%
De Veldekens II, Roderveldlaan 3-4-5, 2600 Berchem	2,318,550	36,813	2,355,363	2,290,688	98.4%
De Veldekens III, Berchemstadionstraat 76-78, 2600 Berchem	1,644,777	8,813	1,653,590	1,616,625	99.5%
	7,654,747	**1,148,976**	**8,803,723**	**8,804,761**	**87.0%**
Development in commercial projects					
Redevelopment shopping centre in Waterloo					
Extension shopping centre 'Belle-Île' in Liège					
Nivelles land positions					
	-	**-**	**-**	**-**	**-**
Totaal	**57,135,431**	**2,957,610**	**60,093,041**	**58,002,626**	**94.6%**

1 Rental value vacancy is the estimated rental value on the vacant units.
2 The theoretical rental value equals the contractual rent increased with the value of rental vacancy.
3 To determine the estimated rental value, external valuation experts rely on their knowledge of the property market and on recent transactions. The rental value is influenced by the location of the property, the suitability of the site, the qualities of the building and the market conditions.
4 The occupancy rate is calculated by dividing the (indexed) contractual rental of current leases by the sum of contractual rents and estimated rental value (market rent) of the vacancy. The latter are determined based on the level of the current rents, in accordance with the EPRA guidelines.
5 Archives

Portfolio summary at 30 june

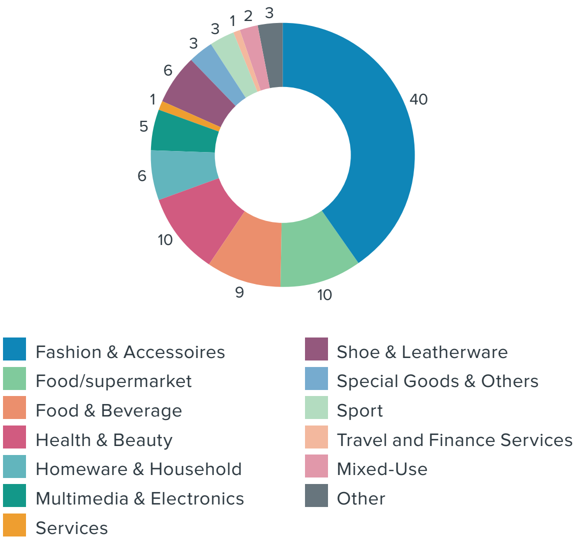
Geographical breakdown

(as % of fair value)



Industry mix - Shopping centre

(as % of rental income)



Condensed financial statements first half year

Condensed consolidated statement of financial position

(x € 1,000)	30 June 2020	31 December 2019
Assets		
I. Non-current assets		
C. Investment properties	936,478	961,286
D. Other tangible assets	593	625
G. Trade receivables and other non-current assets	555	546
	937,627	**962,456**
II. Current assets		
A. Assets held for sale		
Investment properties	-	7,480
D. Trade receivables	18,875	17,348
E. Tax receivables and other current assets	361	1,933
F. Cash and cash equivalents	4,518	4,337
	23,753	**31,097**
Total assets	**961,380**	**993,554**
Shareholders' equity		
I. Shareholders' equity attributable to the parent company's shareholders		
A. Capital		
Issued capital	329,437	329,437
Costs capital increase	-188	-188
B. Issue premiums	88,877	88,877
C. Reserves		
a. Legal reserve	36	36
b. Reserve for the balance of changes in fair value of real estate properties	181,713	181,713
d. Reserve for the balance of changes in fair value of authorised hedging instruments subject to hedge accounting	-169	-193
j. Reserve for actuarial gains and losses of defined pension schemes	-721	-721
m. Other reserves	302	302
n. Accumulated result	89,958[1]	61,001
D. Net result of the year	-18,359	28,957
	670,885	**689,221**
II. Minority interests	**-**	**-**

1 Proposed dividend 2019: 35,136KEUR (€ 4.50 * 7,807,981 shares)

Summarised financial statements first half year

(x € 1,000)	30 June 2020	31 December 2019
Liabilities		
I. Non-current liabilities		
A. Provisions		
Pensions	1,131	1,131
B. Non-current financial liabilities		
a. Credit institutions	109,871	179,805
c. Other		
Rent guarantees received	869	1,052
C. Other non-current financial liabilities		
Authorised hedging intruments	1,880	1,035
Other	6,506	6,507
F. Deferred taxes - liabilities		
	120,257	**189,530**
II. Current liabilities		
B. Current financial liabilities		
c. Other		
Other loans	150,724	93,000
Other	34	1,136
D. Trade payables and other current liabilities		
b. Other		
Suppliers	9,302	8,214
Taxes, remunerations and social security contributions	942	1,648
F. Accrued charges and deferred income		
Real estate income received in advance	3,077	3,663
Other	6,160	7,142
	170,238	**114,802**
Total shareholders' equity and liabilities	**961,380**	**993,554**
Net asset value per share (x € 1)	85.92	88.27

Condensed consolidated profit and loss account

(x € 1,000)	30 June 2020	30 June 2019 (Restated)
I. Rental income		
Rent	28,276	29,101
Indemnification for early termination of lease	16	1,157
III. Rental-related expenses		
Rent to be paid on rented area	-3	-13
Revaluation and loss on trade receivables	-4,872	-290[1]
Net rental income	**23,417**	**29,955**
V. Recovery of rental charges and taxes normally paid by the tenant on let properties	**4,913**	**4,806[2]**
VII. Rental charges and taxes normally paid by the tenant on let properties	**-5,374**	**-5,680[2]**
VIII. Other revenue and charges for letting	**1,531**	**2,100[2]**
Net rental charges and taxes on let properties	**1,070**	**1,227[2]**
Property result	**24,488**	**31,182[2]**
IX. Technical costs		
Repairs	-146	-230
Insurance premiums	-18	-21
	-164	**-251**
X. Commercial costs		
Agency commissions	-150	-151
Publicity	-1,985	-2,473[2]
	-2,135	**-2,624[2]**
XI. Charges and taxes on non-let properties		
Costs on non-let properties	-511	-381
Real estate tax on non-let properties	-263	-213
	-773	**-594**
XII. Property management costs		
(Internal) property management costs	-570	-504
	-570	**-504**
Property charges	**-3,643**	**-3,973[2]**
Property operating results	**20,845**	**27,209**
XIV. General company costs		
Staff costs	-1,729	-1,682
Other	-921	-976
XV. Other operating income and charges	**191**	**419**
Total XIV. + XV.	**-2,459**	**-2,239**

1 Consolidation of all impacts on trade receivables (according to IFRS 9) under one heading
2 Reallocation / presentation of the marketing contributions of the tenants in other revenue and charges for letting and of the marketing costs in property charges

(x € 1,000)	30 June 2020	30 June 2019
Operating results before result on the portfolio	**18,386**	**24,970**
XVI. Result on disposals of investment properties		
Net property sales (selling price – transaction costs)	7,822	13
Book value of the property sold	-7,480	-
Amounts written off on trade receivables	**342**	**13**
Revaluation of provision on trade receivables (according to IFRS 9)		
Net sales of other non-financial assets (sale price - transaction costs)	4	37
	4	**37**
XVIII. Variations in the fair value of investment properties		
Positive variations in the fair value of investment properties	532	1,772
Negative variations in the fair value of investment properties	-35,326	-3,777
	-34,794	**-2,005**
Total XVI. + XVII. XVIII.	**-34,447**	**-1,955**
Operating result	**-16,061**	**23,015**
XX. Financial income		
Interests and dividends received	3	9
XXI. Net interest charges		
Nominal interest charges on loans	-1,112	-1,241
Other interest charges	-179	-196
XXII. Other financial charges		
Bank charges and other commissions	-45	-44
XXIII. Variations in the fair value of financial assets and liabilities		
Authorised hedging intruments	-899	-652
Financial result	**-2,232**	**-2,124**
Result before tax	**-18,293**	**20,891**
XXIV. Corporate tax		
Corporate tax	-66	-95
Deferred tax on market fluctuations of investment properties		310
Tax	**-66**	**215**
Net result	**-18,359**	**21,107**
Net result shareholders of the Group	**-18,359**	**21,107**
Result per share (x € 1)	**-2.35**	**2.77**
Diluted result per share (x € 1)	**-2.35**	**2.77**

Condensed statement of comprehensive income

(x € 1,000)	30 June 2020	30 June 2019
I. Net result	**-18,359**	**21,107**
II. Other comprehensive income		
Items taken in the result		
B. Changes in the effective part of the fair value of authorised cash flow hedge instruments as defined under IFRS	23	-158
Items not taken in the result		
E. Actuarial gains and losses of pledged pension schemes		-
Total other comprehensive income	**23**	**-158**
Comprehensive income (I + II)	**-18,336**	**20,949**
Attributable to:		
Minority interests	-	-
Shareholders of the group	-18,336	20,949

Condensed consolidated cash flow statement

(x € 1,000)	30 June 2020	30 June 2019
Cash flow from operating activities		
Net result before tax	-18,293	21,082
Income from interest and dividends	-3	-9
Result exclusive of dividend received	**-18,296**	**21,073**
Depreciation tangible assets	42	69
Rental discounts and investments	-360	-11
Interest charges	1,336	1,482
Changes in the fair value of investment property	34,794	2,005
Changes in the fair value of authorized hedging instruments	899	-
Movements in provisions	45	-2,153
Movements in short term debts	-1,412	3,012
Corporate tax paid	-45	-
Corporate tax received		229
	35,298	**4,632**
Net cash flow from operating activities	**17,002**	**25,705**
Cash flow from investment activities		
Acquisition investment properties		-3,042
Sales investment properties	7,822	-
Investments in investment properties	-11,060	-5,559
Acquisition furniture and vehicles	-17	-63
Interest and dividend received	3	9
Net cash flow from investment activities	**-3,252**	**-8,655**
Cash flow from financial activities		
Appeal credit institutions/Other	50,000	142,000
Repayment credit institutions/Other	-62,250	-141,000
Dividends paid		-17,769
Interest paid	-1,319	-1,442
Net cash flow from financing activities	**-13,569**	**-18,211**
Net cash flow	**181**	**-1,161**
Cash & bank balances		
At 1 January	4,337	6,931
Increase/decrease cash and bank balances	181	-1,161
At 30 June	**4,518**	**5,770**

Condensed consolidated statement of movements in equity

(x € 1,000)		Share capital	Issue premiums	Legal reserve	Reserve for the balance of changes in fair value of real estate properties
2019					
Closed balance at 31 December 2018		**318,034**	**78,733**	**36**	**181,384**
Capital increase		11,213			
Issue premiums			10,144		
Variations in the fair value of hedging instruments					
Transfer from reserves					
Provisions for pensions					
Other					
Net result					
Transfer of the result on the portfolio to reserve for the balance of changes in fair value of real estate properties	[1]				329
Dividend over 2018	[2]				
Balance at 30 June 2019		**329,247**	**88,877**	**36**	**181,713**
2020					
Closed balance at 31 December 2019		**329,249**	**88,877**	**36**	**181,713**
Variations in the fair value of hedging instruments					
Net result					
Balance at 30 June 2020		**329,249**	**88,877**	**36**	**181,713**
Transfer of the result 2019 on the portfolio to reserve for the balance of changes in fair value of real estate properties					-16,547
Transfer of the changes 2019 in fair value of authorised hedging instruments not subject to hedge accounting					
Proposed dividend 2019	[3]				
Proposed allocation of the net result of the accounting year to the accumulated result of previous years					
Balance at 30 June 2020 after allocation	[4]	**329,249**	**88,877**	**36**	**165,166**

Continued >>

1 Changes in fair value of the investment properties portfolio over 2018. Reclassification of the heading 'Accumulated result'.
2 Dividend paid 2018 € 5.20 (net € 3.64) per share: € -39,209 of which € 17,769 paid in cash and the balance paid out in 267,731 new shares, which led to a capital increase and issue premiums.
3 Dividend 2019 proposed for approval to the Ordinary General Meeting of 2 September 2020
4 According to the regulator's recommendations, we present, under the final balance of equity as at 31 December 2019, the future allocation of the 2019 result that will take place in 2020.

	Continued							
	Reserve for the balance of changes in fair value of authorised hedging instruments subject to hedge accounting	Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting	Reserve for actuarial gains and losses of defined pension schemes	Other reserves	Accumulated result of previous accounting years	Net result of the year	Proposed remuneration of the shareholder's equity	Total
2019								
Closed balance at 31 December 2018	**-52**	**-**	**-521**	**925**	**99,889**			**678,428**
Capital increase								11,213
Issue premiums								10,144
Variations in the fair value of hedging instruments	-158							-158
Transfer from reserves				-31	31			-
Provisions for pensions								-
Other					23			23
Net result						**21,107**		**21,107**
Transfer of the result on the portfolio to reserve for the balance of changes in fair value of real estate properties					-329			-
Dividend over 2018					-39,209			-39,209
Balance at 30 June 2019	**-209**	**-**	**-521**	**895**	**60,404**	**21,107**	**-**	**681,548**
2020								
Closed balance at 31 December 2019	**-193**	**-**	**-721**	**302**	**61,002**	**28,957**	**-**	**689,221**
Variations in the fair value of hedging instruments	23							23
Net result						**-18,359**		**-18,359**
Balance at 30 June 2020	**-169**	**-**	**-721**	**302**	**61,002**	**10,598**	**-**	**670,885**
Transfer of the result 2019 on the portfolio to reserve for the balance of changes in fair value of real estate properties						16,547		-
Transfer of the changes 2019 in fair value of authorised hedging instruments not subject to hedge accounting		-674				674		-
Proposed dividend 2019						-35,136	35,136	-
Proposed allocation of the net result of the accounting year to the accumulated result of previous years					11,042	-11,042		-
Balance at 30 June 2020 after allocation	**-169**	**-674**	**-721**	**302**	**72,044**	**-18,359**	**35,136**	**670,885**

Consolidated statement of net result from core (1) and non-core (2) activities to 30 June

(x € 1,000)	30 June 2020 1)	30 June 2020 2)	30 June 2019 (Restated) 1)	30 June 2019 (Restated) 2)
Net rental income	**23,417**		**29,955**	
V. Recovery of rental charges and taxes normally paid by the tenant on let properties	4,913		4,806[3]	
VII. Rental charges and taxes normally paid by the tenant on let properties	-5,374		-5,680[3]	
VIII. Other revenue and charges for letting	1,531		2,100[3]	
	1,070		**1,227[3]**	
Property result	**24,488**		**31,182[3]**	
IX. Technical costs	-164		-251	
X. Commercial costs	-2,135		-2,624[3]	
XI. Charges and taxes on non-let properties	-773		-594	
XII. Property management costs	-570		-504	
Property charges	**-3,643**		**-3,973[3]**	
XIV. General company costs	-2,650		-2,658	
XV. Other operating income and charges	191		419	
Operating results before result on the portfolio	**18,386**		**24,970**	
XVI. Result on disposals of investment properties		342		13
XVII. Result on disposals of other non financial assets	4		37	
XVIII. Change in fair value of the investment properties				
- positive		532		1,772
- negative		-35,326		-3,777
Operating result	**18,390**	**-34,451**	**25,007**	**-1,992**
XX. Financial income	3		9	-
XXI. Net interest charges	-1,291		-1,437	-
XXII. Other financial charges	-45		-44	-
XXIII. Variations in the fair value of financial assets and liabilities		-899		-652
Financial result	**-1,333**	**-899**	**-1,472**	**-652**
Result before tax	**17,057**	**-35,350**	**23,535**	**-2,643**
Corporate tax	**-66**		**-95**	**310**
Net result	**16,991**	**-35,350**	**23,440**	**-2,333**
Profit per share (x € 1)	2.18	-4.53	3.08	-0.31

1 The net result from core activities is the operating result before the portfolio result minus the financial result and taxation, and excluding variations in the fair value of financial derivatives (that are not treated as hedge accounting in accordance with IFRS 9) and other non-distributable items on the basis of the company financial statements of Wereldhave Belgium.

2 The result from non-core activities (portfolio result) comprises (i) the result on sale of property investments, (ii) the variations in the fair value of property investments, (iii) the other portfolio result, (IV) the variations in the fair value of financial assets and liabilities and (V) taxes on capital gain latencies and the exit taxes paid.

3 Reallocation / presentation of the marketing contributions of the tenants in other revenue and charges for letting and of the marketing costs in property charges

Segment information 1st half year 2020

The segmentation of rental income, property costs, property investments and revaluations between the sectors is as follows:

(x € 1,000)	Offices	Retail	Total
30 June 2020			
I. Rental income			**28,292**
Rent	3,777	24,498	
Indemnification for early termination of lease	6	10	
III. Rental-related expenses			**-4,875**
Rent to be paid on rented area	-3	-	
Revaluation and loss on trade receivables	-138	-4,734	
Net rental income	**3,643**	**19,775**	**23,417**
V. Recovery of rental charges and taxes normally paid by the tenant on let properties	**879**	**4,035**	**4,913**
VII. Rental charges and taxes normally paid by the tenant on let properties	**-910**	**-4,464**	**-5,374**
VIII. Other revenue and charges for letting		**1,531**	**1,531**
Net rental charges and taxes paid on let properties	**-31**	**1,102**	**1,070**
Property result	**3,611**	**20,876**	**24,488**
IX. Technical costs			**-164**
Repairs	-13	-133	
Insurance premiums	-2	-16	
X. Commercial costs			**-2,135**
Agency commissions	-15	-136	
Publicity		-1,985	
XI. Charges and taxes on non let properties			**-773**
Costs on non let properties	-175	-335	
Real estate tax on non let properties	-19	-243	
XII. (Internal) property management costs	**-33**	**-537**	**-570**
Property operating results	**3,354**	**17,491**	**20,845**
XIV. General company costs			**-2,650**
XV. Other operating income and charges			**191**
Operating result before result on the portfolio			**18,386**
XVI. Result on disposals of investment properties			**342**
Net property sales (selling price – transaction costs)		7,822	
Book value of the property sold		-7,480	
XVII. Result on disposals of other non financial assets			**4**
XVIII. Variations in the fair value of investment properties			**-34,794**
Positive variations in the fair value of investment properties	532		
Negative variations in the fair value of investment properties	-1,931	-33,395	
Operating result			**-16,061**
Financial result			**-2,232**
Result before taxes			**-18,293**
XXIV. Corporate tax			**-66**
Tax			**-66**
Net result			**-18,359**

(x € 1,000)	Offices	Retail	Total
30 June 2020			
Investment properties			
Properties available for lease			
Balance at 1 January	91,774	855,295	947,069
Transfer of development projects to properties available for lease		459	459
Investments	627	8,134	8,762
Revaluation	-1,399	-32,454	-33,853
Balance at 30 June	**91,002**	**831,434**	**922,437**
Capitalised rent incentives	818	1,109	1,927
Value properties available for lease	**91,820**	**832,544**	**924,364**
Development projects			
Balance at 1 January		12,615	12,615
Transfer of development projects to properties available for lease		-459	-459
Investments		891	891
Capitalised interest		8	8
Revaluation		-940	-940
Balance at 30 June		**12,115**	**12,115**
Total portfolio	**91,820**	**844,658**	**936,479**

Segment information 1st half year 2019

(x € 1,000)	Offices	Retail	Total
30 June 2019			
I. Rental income			**30,258**
Rent	3,684	25,417	
Indemnification for early termination of lease	-5	1,162	
III. Rental-related expenses			**-303**
Rent to be paid on rented area		-13	
Revaluation and loss on trade receivables		-290[1]	
Net rental income	**3,679**	**26,276**	**29,955**
V. Recovery of rental charges and taxes normally paid by the tenant on let properties	**676**	**4,130[2]**	**4,806[2]**
VII. Rental charges and taxes normally paid by the tenant on let properties	**-737**	**-4,943[2]**	**-5,680[2]**
VIII. Other revenue and charges for letting	**-**	**2,100[2]**	**2,100[2]**
Net rental charges and taxes paid on let properties	**-60**	**1,287[2]**	**1,227[2]**
Property result	**3,619**	**27,563[2]**	**31,182[2]**
IX. Technical costs			**-251**
Repairs	-89	-142	
Insurance premiums	-1	-20	
X. Commercial costs			**-2,624[2]**
Agency commissions	-49	-102	
Publicity		-2,473[2]	
XI. Charges and taxes on non let properties			**-594**
Costs on non let properties	-139	-242	
Real estate tax on non let properties	-29	-185	
XII. (Internal) property management costs	**-21**	**-483**	**-504**
Property operating results	**3,292**	**23,917**	**27,209**
XIV. General company costs			**-2,658**
XV. Other operating income and charges			**419**
Operating result before result on the portfolio			**24,970**
XVI. Result on disposals of investment properties			**13**
Net property sales (selling price – transaction costs)		13	
Book value of the property sold			
XVII. Result on disposals of other non financial assets			**37**
XVIII. Variations in the fair value of investment properties			**-2,005**
Positive variations in the fair value of investment properties	111	1,661	
Negative variations in the fair value of investment properties	-1,174	-2,602	
Operating result			**23,015**
Financial result			**-2,124**
Result before taxes			**20,892**
XXIV. Corporate tax			**-95**
XXIV. Deferred taxes on market fluctuations of investment properties			**310**
Tax			**215**
Net result			**21,107**

1 Consolidation of provisions on trade receivables (according to IFRS 9) into the ad-hoc item
2 Reallocation / presentation of the marketing contributions of the tenants in other revenue and charges for letting and of the marketing costs in property charges

Summarised financial statements first half year

(x € 1,000)	Offices	Retail	Total
30 June 2019			
Investment properties			
Properties available for lease			
Balance at 1 January	94,577	845,984	940,561
Transfer of development projects to properties available for lease		4,693	4,693
Initial recognition 'Right of use asset' according to IFRS 16		7,154	7,154
Acquisition		2,391	2,391
Investments	456	4,287	4,744
Revaluation	-1,064	-1,138	-2,201
Balance at 30 June	**93,969**	**863,371**	**957,341**
Capitalised rent incentives	337	1,176	1,513
Value properties available for lease	**94,306**	**864,547**	**958,854**
Development projects			
Balance at 1 January		14,692	14,692
Transfer of development projects to properties available for lease		-4,693	-4,693
Investments		1,932	1,932
Capitalised interest		37	37
Revaluation		197	197
Balance at 30 June		**12,165**	**12,165**
Total portfolio	**94,306**	**876,712**	**971,019**

Movements in investment properties

(x € 1,000)	30 June 2020	31 December 2019
Properties available for lease		
Balance at 1 January	**947,069[1]**	**940,561**
Transfer of development projects to properties available for lease	459	4,712
Transfer of properties available for lease to investment properties held for sale	-	-7,480
Initial recognition 'Right of use asset' according to IFRS 16	-	6,511
Acquisition	-	3,007
Investments	8,762	16,362
Revaluations	-33,853	-16,604
Total properties available for lease	**922,436**	**947,069**
Book value of capitalised rent incentives	1,927	1,602
Fair value investment properties conform external real estate experts	**924,364**	**948,671**
Development projects		
Balance at 1 January	**12,615**	**14,692**
Transfer of development projects to properties available for lease	-459	-4,712
Investments	891	2,500
Capitalised interest	8	66
Revaluations	-940	69
Total development projects [2]	**12,115**	
Total investment properties	**936,478**	**961,286**

1 This amount also includes the “right of use” asset on a leasehold agreement in Kortrijk of € 6.5 mln (application of IFRS 16)
2 There is no development project at fair value as of 30 June 2020

For statements on the evolution of the figures compared to previous period, we refer to chapter 2 of the half yearly financial statement. This applies both to the movements on the investment portfolio and the other important evolutions.

Sensitivity analysis

	Financial assets and liabilities		Non-financial assets and liabilities					
	Book value		Book value	Fair value				
(x € mln)	Fair value - Hedging instruments	Other financial liabilities	At cost	Total	Level 1	Level 2	Level 3	Totaal
Assets measured at fair value								
Properties available for lease							924.36	924.36
Assets not measured at fair value [1]								
Development projects*			12.12	12.12				
Liabilities measured at fair value								
Authorised hedging intruments						1.88		1.88
Liabilities not measured at fair value								
Interest-bearing debts		260.75		260.75		261.08		261.08

1 Trade receivables, other receivables and cash and cash equivalents, as well as trade debts and other debts were not included in the above table. Their book value is considered to be a reasonable approximation of the fair value.

There were no reclassifications between the different levels during the reporting year.

*Development projects are first valued at cost and, after that, at fair value, except for projects developed on an available for lease property which will be transferred to the development projects but will remain accounted for at fair value. If the fair value cannot be measured reliably, the development projects can be valued at historical cost less impairments. The following criteria are chosen in order to decide when a property development can be measured at fair value:

- An irrevocable building permit has been obtained;
- An approved building contract;
- Funding requirements are met;
- >70% has already been pre-let.

There have been no changes in the underlying valuation techniques (capitalization method) compared to the 2019 report. The effect of changes in the fair value of assets valued at fair value (level 3) is recorded as changes in the fair value of investment properties in the profit and loss account.

The sensitivity of the fair value can be estimated as follows:
- The effect of an increase (decrease) of 1% of rental income leads to an increase (decrease) of the fair value of the portfolio of about € 9.2 mln;
- The effect of an increase (decrease) of the average initial yield (total rental income at balance sheet date divided by the investment value of the investment properties portfolio) of 25 basis points leads to a decrease (increase) of the portfolio of about € 35.9 mln (€ 39.0 mln).

Valuation experts' report

We received from Cushman & Wakefield and CBRE (valuation experts), a report, prepared on 30 June 2020, following the valuation of the property portfolio, as referred to the Royal Decree of 13 July 2014 with respect to regulated real estate companies, the RREC.

Given the current level of uncertainty, the valuation experts determined the valuation at 30 June 2020 on the basis of a material valuation uncertainty clause in accordance with VPS 3 and VPGA 10 of the RICS Redbook Global. As a result, there is a lower degree of certainty - and more caution - in the values as stated in the valuation reports.

Cushman & Wakefield

The fair value determined by Cushman & Wakefield amounted to € 488,383,000 for the retail properties valued by them.

CBRE

The fair value determined by CBRE amounted to € 337,650,000 for the retail properties valued by them and € 91,820,000 for the office portfolio valued by them.

Covid-19 update

A detailed description of the impacts caused by the outbreak of the Covid-19 health crisis on the various activities of the Company is presented in the 'Interim half-year report' section of this report.

Financing policy

During the first half year 2020, total financial debts decreased from € 273.0 mln at 31 December 2019 to € 260.8 mln at 30 June 2020. However, at the end of the first quarter these amounted to € 305 mln, due to the liquidity reserves that were built up at the start of the lockdown period. During the second quarter, the phasing out of the lockdown and the resilience of the Company's portfolio, illustrated by the positive evolution of activities since the reopening of the stores, gave a better visibility on the Company's liquidity and liquidity reserves were reduced again.

Bank	31 December 2019		30 June 2020	
	Current	Non current	Current	Non current
KBC	-	-	30,000,000	-
ING	-	50,000,000	-	50,000,000
BNP Paribas	-	30,000,000	-	30,000,000
BNP Paribas	-	70,000,000	70,000,000	-
BNP Paribas	-	-	20,000,000	-
Belfius	-	30,000,000	-	30,000,000
Belfius / KBC - CP program	93,000,000	-	30,750,000	-
WH NL - Intercompany loan	-	-	-	-
Total	**93,000,000**	**180,000,000**	**150,750,000**	**110,000,000**

The total credit facilities concluded by the Company amounted to € 416.0 mln at 30 June 2020, of which € 155.2 mln were not drawn down.

During the first half of the year, the average financing cost of debt remained at a low level, i.e. 0.83%.

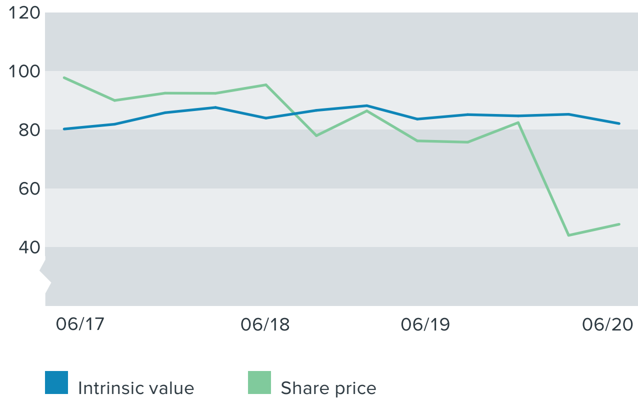
Finally, during the first half year 2020, the previously acquired hedging instruments (macro-hedge for € 50 mln) with a 'forward start' were replaced by similar instruments with a later start date. As a result of this restructuring, while maintaining a hedge ratio above 50%, the Company will be able to benefit from the current low interest rate environment for another year.

Shareholders

Of the 7,807,981 shares in circulation at 30 June 2020, 34.46% were held by Wereldhave N.V., 32.07% by Wereldhave International N.V. and 33.47% by the public.

Share price/Intrinsic value

(before profit sharing x € 1)



Basis of preparation of half year figures 2020

These are the condensed half year financial statements of Wereldhave Belgium, a limited company and regulated real estate company (RREC) in Belgium. These statements are in thousands of euros.

The condensed financial information regarding the first half year 2020 has been prepared in accordance with IAS 34, 'Interim financial reporting' and the requirements of the Royal Decree of 13 July 2014 regarding the RREC.

The condensed financial information regarding the first half year 2020 has been prepared in accordance with IAS 34, 'Interim financial reporting' and the requirements of the Royal Decree of 13 July 2014 regarding the RREC.

- Amendment to IFRS 3 Business Combinations (issued on 22 October 2018)
- Amendments to IAS 1 and IAS 8: Definition of Material (issued on 31 October 2018)
- Amendments to References to the Conceptual Framework in IFRS Standards (issued on 29 March 2018)
- Amendments to IFRS 9, IAS 39 and IFRS 7: Interest rate benchmark reform (issued on 26 September 2019)

The Company has therefore adapted accordingly its accounting rules for the preparation of this interim financial information. These amendments did not generate significant impacts on the Company's consolidated financial statements.

New standards and interpretations not yet adopted[1]

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2020, and have not been applied in preparing these condensed consolidated financial statements:

Amendments to IAS 1 Presentation of Financial statements: Classification of Liabilities as Current or Non-current, issued on 23 January 2020, clarifies a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

The amendments:
- specify that an entity's right to defer settlement must exist at the end of the reporting period;
- clarify that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement;
- clarify how lending conditions affect classification; and
- clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The amendments are effective for annual periods beginning on or after 1 January 2022. However the IASB has issued an exposure draft to defer the effective date to 1 January 2023 as a result of the Covid-19 pandemic. These amendments have not yet been endorsed by the EU.

These amendments are not expected to have a significant impact on the Company's consolidated financial statements.

Amendments to IFRS 3 Business Combinations; IAS 16 Property, plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual improvements, issued on 14 May 2020, include several narrow-scope amendments which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards:
- **Amendments to IFRS 3 Business Combinations** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- **Amendments to IAS 16 Property, Plant and Equipment** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets** specify which costs a company includes when assessing whether a contract will be loss-making.
- **Annual Improvements** make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases

The amendments are effective for annual periods beginning on or after 1 January 2022. These amendments have not yet been endorsed by the EU. These amendments are not expected to have a significant impact on the Company's consolidated financial statements.

On 28 May 2020 the IASB issued **Covid-19-Related Rent Concessions (Amendment to IFRS 16)**, which was initially issued as an Exposure Draft ED/2020/2 in April 2020. The amendment provides a practical expedient that permits lessees not to assess whether rent concessions that occur as a direct consequence of the covid-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications. The amendment is effective for annual reporting periods beginning on or after 1 June 2020 with earlier application permitted. The amendment has not yet been endorsed by the EU and has not been applied in preparing these condensed financial statements.

In the context of the Covid-19 pandemic, the question has arisen as to the accounting treatment to be applied by the landlord to concessions granted to tenants during the closure period and in the first months after reopening. The Company has granted waivers on outstanding receivables and has therefore applied the principles of IFRS 9. In these waivers, concessions to tenants on outstanding receivables are fully taken as impairment charges in the profit and loss

1 Based on EU application status report on 3 June 2020 (www.efrag.org)

account, which is recorded as rental related costs during the period in which these concessions are granted. This application has had a significant impact on the result of the past half year, in particular the bookings of the agreed concessions for an amount of € 1.5 mln and of provisions for potential concessions that could be granted for an additional amount of € 3.0 mln in the framework of the ongoing discussions.

Consolidation

The published figures in this half yearly statement are consolidated figures. In accordance with the relevant legislation, the subsidiaries are consolidated.

No statutory half year financial report is prepared at 30 June. The statutory annual accounts are only prepared at year end.

Risk management

The risks with which the RREC may be confronted during the remaining financial period of 2020 (business, financial, operational and strategic risks), are identical to those described in the financial annual report 2019. In addition, a new risk has been added, that of the outbreak of a health crisis or pandemic, which, as already mentioned, may have a significant impact on the company's activities.

This risk could have several consequences for the Company, including the following:

- liquidity problems in the event of non-payment of rent by the tenants or the drying up of the Company's funding sources (banks, institutional investors, individuals, etc.);
- impairments of the Company's property portfolio as a result of the uncertainty that had an impact on property yields and on the rental situation of the properties.

In order to limit the impact of this risk, the Company had the following strategies:

- prudent management of its liquid assets, with sufficient anticipation of the maturities of its various financings;
- active management of its tenant portfolio, with a proactive approach to negotiations with its tenants and the monitoring of its trade receivables;
- prudent commercial management of its client portfolio, with a significant diversification of its commercial partnerships;
- active operational management of its shopping centres by taking measures to ensure maximum visitor safety.

In order to limit the possible impact for the Company and its shareholders, the Board of Directors continuously monitors these risks.

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

In accordance with article 88 of the law of 3 August 2012, the Board of Directors confirms taking into account social, ethical and environmental aspects when controlling the financial means and executing rights conferred by securities in the portfolio. See annual financial report 2019, pages 37-39 Section ‘Corporate social responsibility’.

Regarding the derogation received according to article 30 §3 and §4 of the law of 12 May 2014 on regular real estate companies (‘RREC’), please refer to section ‘Derogation shopping centre ‘Belle-Île’ in Liège in accordance with article 30 §3 and §4 of the RREC Law’ of this halfyear report. We refer to note 2 in the 2019 financial report.

Related parties

During the first half year, no transactions have taken place between persons or institutions which can be considered as related parties of the Company.

Significant events after 30 June 2020

After 30 June 2020, no significant events occured that would have an impact on this half-yearly financial report or that should be mentioned in it.

Obligations regarding the provision of information

Obligations regarding the provision of information(R.D. of 14 November 2007)

Mr. K. Deforche, Managing Director and permanent representative of the RREC, declares, in the name and on behalf of the Board of Directors, in the function of managing entity of the RREC, that, as far as he knows,

- the condensed consolidated interim financial information which have been prepared in accordance with IAS 34, “Interim Financial Reporting“ as adopted by the European Union and the requirements of the Royal Decree of 13 July 2014 with respect to public regulated real estate companies, give a true and fair view of the equity, financial position and financial performance of the issuer, and the entities included in the consolidation as a whole;
- the interim management report includes a fair overview of the information required under Article 13, § 5 and 6 of the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

Auditor's review report

Statutory auditor's report to the board of directors of Wereldhave Belgium NV on the review of the condensed consolidated interim financial information as at June 30, 2020 and for the 6-month period then ended

FREE TRANSLATION OF A REPORT ORIGINALLY PREPARED IN DUTCH

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Wereldhave Belgium NV as at June 30, 2020, the condensed consolidated profit and loss account and statement of other comprehensive income, the condensed consolidated statement of movements in equity and the condensed consolidated cash flow statement for the 6-month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at June 30, 2020 and for the 6-month period then ended is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Emphasis of matter

We draw attention to the note in the half yearly financial statement, which also refers to the condensed consolidated interim financial statements, in which the board of directors describes the impact of the COVID-19 crisis, as well as the measures taken by the Company with respect to its operating, leasing and financing activities.

In its note, the board of directors refers to the current degree of uncertainty, mentioned by the valuation experts in their valuation reports. In these valuation reports the experts refer to a material uncertainty caused by the COVID-19 crisis, which leads to estimation uncertainty related to the valuation of investment properties in the condensed consolidated interim financial statements.

The condensed consolidated interim financial statements were approved by the board of directors as per July 16, 2020 based on the information available at that date. As a result of the continuously changing environment caused by the outbreak of Covid-19, a significant degree of uncertainty is noted in assessing the impact of the crisis and the future prospects. Our conclusion on the condensed consolidated interim financial statements is not modified in respect of this matter.

Antwerp, July 16, 2020

KPMG Réviseurs d'Entreprises / Bedrijfsrevisoren
Statutory Auditor
represented by

Filip De Bock
Réviseur d'Entreprises / Bedrijfsrevisor

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