- **Profit for the year of € 24.3 million (+ € 12.7 million against 2012)**
- **50.2% growth in gross rental income (+ € 1.5 million) to € 4.6 million**
- **106.5% increase of committed annualised rent income to € 10.4 million as at the end of December 2013 (compared to € 5.0 million as at 31 December 2012)**
- **The signed committed lease agreements represent a total of 206,572 m² of lettable area with the weighted average term of the committed leases standing at 7.6 years at the end of December 2013 (9.8 years as at 31 December 2012)**
- **11 projects under construction representing 152,514 m² of future lettable area, with 3 additional projects (32,210 m²) started-up after the end of December 2013**
- **958,000 m² of new development land acquired of which 803,000 m² located in Germany with another 769,000 m² land plots (705,000 m² located in Germany) targeted and already partially committed to expand land bank and support development pipeline**
- **Net valuation gain on the investment portfolio reaches € 27.9 million (against € 12.3 million at the end of 2012)**
- **The fair value of the investment property and the investment property under construction (the "property portfolio") as at 31**
- **December 2013 increased with 122.2% to € 225.8 million (compared to € 101.6 million as at 31 December 2012)**
- **Acquisition of the Czech facility manager SUTA s.ro.**
- **Successful placement of 2 bonds i.e. on 12 July 2013 of 75 million bond**
- **Distribution of a € 7.6 million capital reduction (€ 0,41 per share) to the shareholders on 16 January 2014**

Summary

2013 has been a year of change and transformation for VGP. During the year VGP continued to prepare the development pipeline for future growth by substantially expanding its footprint in Germany through the acquisition of 803,000 m² of new development land and by acquiring 110,000 m² new development land in Tallinn (Estonia) and 45,000 m² of development land in the Czech Republic.

The encouraging increase in demand for new lettable space observed during the first half of 2013 gained momentum during the second half of 2013, and is continuing throughout the first months of 2014. Especially Germany, the Czech Republic, Estonia and Romania saw a significant increase in demand of lettable area. On the back of these increased demands, the development activities accelerated and by the end of 2013, 11 projects, representing 152,514 m² were under construction with another 3 projects (32,210 m²) being started up during the first quarter of 2014.

Germany has clearly become a major source of potential growth and development where the roll-out of VGP's niche strategy has proven a successful recipe to attract new and potential tenants. This strategy concentrates on end-users and medium sized units and focusses on acquiring strategically located plots of land i.e. land always located in vicinity of urban centres to allow easy access to highways and ring roads and assuring availability of adequate workforce as well as to ensure that operating processes of tenants are efficiently and effectively integrated in VGP's buildings.

VGP's activities during the year 2013 can be summarised as follows:

- The operating activities resulted in a profit for the year of € 24.3 million (€ 1.31 per share) for the financial year ended 31 December 2013 compared to a profit of € 11.6 million (€ 0.62 per share) for the financial year ended 31 December 2012).
- The increase in demand of lettable area resulted in the signing of new lease contracts In excess of € 15.1 million in total of which € 10.9 million related to new or replacement leases (€ 5.5 million on behalf of associates) and € 4.2 million (€4.0 million on behalf of associates) were related to renewals of existing lease contracts.
- The Group's property portfolio reached an occupancy rate of 96.9% at the end of December 2013 (excluding the associates) compared to 94.9% as at 31 December 2012. The occupancy rate of the associates' portfolio reached 96.0% at the end of 2013 (compared to 94.5% at the end of 2012)
- The investment property portfolio consists of 9 completed buildings representing 134,201 m² of lettable area with another 11 buildings under construction representing 152,514 m² of lettable area.
- Besides this VGP partially owns through its associates another 58 buildings which represent 627,523 m² of lettable area and for which property and facility management services are provided by the VGP Group. At the end of December 2013 there were no buildings under construction on behalf of the associates.
- During Q4, 2013, VGP continued to expand its land bank in Germany and acquired a 218,000 m² land plot in the Frankfurt area. In addition, during December 2013, VGP secured a 537,000 m² land plot in the Munich area which was subsequently acquired in January 2014.
- The net valuation of the property portfolio as at 31 December 2013 showed a net valuation gain of € 27.9 million against a net valuation gain of € 12.3 million per 31 December 2012.
- As at 31 December 2013 the financial income continued to benefit from the interest income on loans made available to associates but was adversely impacted by the interest on the 2 bonds issued during the year. This resulted in a net financial income of € 0.7 million as at 31 December 2013 against a net financial income of € 2.9 million as at 31 December 2012.
- In January 2014, the Group made a distribution of a € 7.6 million capital reduction (€ 0.41 per share) to its shareholders
- During the financial year the Group successfully issued 2 bonds i.e. on 12 July 2013 a 4 year € 75 million bond was issued and on 6 December 2013 a 5 year € 75 million bond was issued.

Gross rental income up 50.2% to € 4.6 million

The gross rental income reflects the full impact of the income generating assets delivered during 2013. The gross rental income for the financial year ending 31 December 2013 increased by 50.2% from € 3.1 million for the period ending 31 December 2012 to € 4.6 million for the period ending 31 December 2013.

Committed annualised rent income increases to € 10.4 million

During 2013 VGP continued to successfully sign new and or renew existing leases on the back of the pick-up in demand of
lettable area.

In Germany, VGP was able to start negotiations with a number of potential tenants, which are not only interested in the existing VGP parks but are also interested in having VGP develop built-to-suit projects under long term lease contracts. In VGP Park Hamburg an additional new 10,200 m² lease was signed in December 2013 and after the year-end, VGP was successful in securing 2 new built-to-suit projects for a total lettable area of 21,000 m² with blue chip tenants under long term lease contracts.

The annualised committed leases increased to € 10.4 million[1] as at the end of December 2013 (compared to € 5.0 million as at 31 December 2012).

The committed annualised rent income represents the annualised rent income generated or to be generated by executed lease – and future lease agreements.

The Group's property portfolio reached an occupancy rate of 96.9% at the end of December 2013 (excluding the associates) compared to 94.9% as at 31 December 2012. The occupancy rate of the associate's portfolio stood at 96.0% at the end of 2013 (compared to 94.5% at the end of 2012).

The signed committed lease agreements represent a total of 206,572 m² of lettable area with the weighted average term of the committed leases standing at 7.6 years at the end of December 2013 compared to 9.8 years as at 31 December 2012.

Property and facility management and property development income reaches € 3.9 million

The property and facility management income and property development income increased from € 2.7 million as at 31 December 2012 to € 3.9 million as at 31 December 2013.

The main driver of this increase is the additional income generated by the facility manager SUTA s.r.o. VGP acquired SUTA s.r.o., a company specialised in cleaning and maintenance works which has since long been an established player in its field on the Czech market, in May 2013.

The property and facility management and property development income is generated by providing services to the associated companies and to other third parties.

Net financial income decreases to € 0.7 million

As at 31 December 2013 the financial income reflected the full benefit of the interest income on loans made available to associates which resulted in a financial income of € 3.6 million as at 31 December 2013 compared to € 3.5 million amount as at 31 December 2012. The financial expenses significantly increased due to effects (€ 2.1 million interest expense) of the 2 bonds issued during 2013. As a result the net financial income reached € 0.7 million as at 31 December 2013 compared to € 2.9 million as at 31 December 2012.

Loans to associates grew slightly from € 45.8 million as at 31 December 2012 to € 49.1 million as at 31 December 2013.

The financial debt increased substantially from € 16.2 million as at 31 December 2012 to € 170.6 million as at 31 December 2013. The increase was due to a € 7.6 million increase in bank debt and a € 146.7 million net increase resulting from the issuance of 2 bonds.

Evolution of the property portfolio

The fair value of the investment property and the investment property under construction (the "property portfolio") as at 31 December 2013 increased with 122.2% to € 225.8 million compared to € 101.6 million as at 31 December 2012. The increase of the property portfolio was mainly due to the acquisition of new development land and to a lesser extend to the start-up of new projects.

The total property portfolio (including the associates), excluding development land, is valued by the valuation expert at 31 December 2013 based on a market rate of 8.31%[2] (compared to 8.42% as at 31 December 2012) applied to the contractual rents increased by the estimated rental value on unlet space.

Completed projects

During the year 6 building were completed.

For its own account VGP delivered 3 buildings i.e. 1 building of 6,471 m² at VGP Park Tuchomerice (Czech Republic); one building of 8,621 m² at VGP Park Brno and one building of 10,477 m² at VGP Park Timisoara (Romania).

For the account of its associates VGP delivered another 3 buildings i.e. 1 building of 6,358 m² at VGP Park Horni Pocernice, 1 building of 8,494 m² at VGP Park Nyrany and 1 building of 9,190 m² at VGP Park Liberec.

Projects under construction

At the end of December 2013 VGP has the following 11 new buildings under construction for its own account: In the Czech Republic: 1 building in VGP Park Usti nad Labem, 1 building in VGP Park Hradek nad Nisou and 2 buildings in VGP Park Brno. In the other countries: 1 building in VGP Park Malacky (Slovakia), 1 building in VGP Park Timisoara (Romania), 1 building in VGP Park Györ (Hungary), 2 buildings in VGP Park Tallinn II (Estonia), 1 building in VGP Park Bingen (Germany) and 1 building in VGP Park Hamburg (Germany). The new buildings under construction on which several pre-leases have already been signed, represent a total future lettable area of 152,514 m².

After the year-end 3 additional projects were started-up: In the Czech Republic, 1 building in VGP Park Tuchomerice and 1 building in VGP Park Plzen. In Germany: 1 building in VGP Park Rodgau.

Land bank

During the year 2013 VGP continued to prepare the development pipeline for future growth through the acquisition of 958,000 m² of new development land of which 803,000 m² was located in Germany, 110,000 m² in Estonia and 45,000 m² in the Czech Republic.

At the end of December 2013, VGP has a land bank in full ownership of 2,048,943 m². The land bank allows VGP to develop besides the current completed projects and projects under construction a further 580,000 m² of lettable area of which 282,000 m² in Germany, 130,000 m² in the Czech Republic, and 168,000 in the other countries.

At year-end VGP had another 769,000 m² of new land plots under option of which 705,000 m² were located in Germany. These land plots have a development potential of approx. 350,000 m² of new projects. VGP already acquired 537,000 m² of these land plots located in Germany during the course of January 2014 and the remaining land plots are expected to be acquired throughout 2014.

Acquisition of new building in Hamburg

In December 2013, VGP settled the acquisition of a new fully let 25,000 m² building located within its VGP Park Hamburg. The building generates around € 1.4 million rent income per annum.

The acquisition of the building provided a rare opportunity for VGP Park Hamburg to fully benefit from economies of scale from a
development and commercial point of view.

Financing

Following the successful public offering of € 75 million fixed rate bonds, due 12 July 2017 in July 2013, VGP successfully completed another public offering of € 75 million fixed rate bonds, due 6 December 2018 in December 2013. Both bonds have been listed on the regulated market of NYSE Euronext Brussels

As a result, the financial debt increased substantially from € 16.2 million as at 31 December 2012 to € 170.6 million as at 31 December 2013. The increase was due to a € 7.6 million increase in bank debt and a € 146.7 million net increase resulting from the issuance of the 2 bonds.

Additional comments on the 31 December 2013 consolidated financials

Taxes

Taxes increased from € 2.7 million as at 31 December 2012 to € 8.6 million as at 31 December 2013. The change in the tax line is mainly due to the variance of the fair value adjustment of the property portfolio and has therefore no cash effect.

Trade debts and other current liabilities

As at 31 December 2013 the trade debts and other current liabilities stood at € 17.0 million (compared to € 3.7 million as at 31 December 2012). The main reason for this relates to the outstanding payment of the € 7.6 million capital reduction. The pay-out occurred during the month of January 2014.

Outlook 2014

During 2013 VGP has been successfully expanding its land bank and has been starting to focus more and more on Germany.

Based on the positive trend in the demands for lettable area recorded by VGP during 2013 and the continuing trend seen during the first months of 2014, and provided there are no unforeseen events of economic and financial markets nature, VGP should be able to continue to substantially expand its rent income and property portfolio through the completion and start-up of additional new buildings.

VGP believes that it has now strong development land positions to support its development activities over the next few years.

Financial calendar

Annual report 2013	**9 April 2014**
First quarter trading update 2014	**9 April 2014**
General meeting of shareholders	**9 April 2014**
2014 half year results	**25 August 2014**
Third quarter trading update 2014	**14 November 2014**

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[1] Including the € 1.4 million annualised rent income generated by the 25,000 m² building acquired in Hamburg during December 2013)

[2] Yield applicable for total portfolio including the associates. If the associates would have been excluded the yields would have been 8.72% at the end of December 2013 compared to 8.86% as at the end of December 2012.