

# Auditor's Notification —

The summary annual report of OVG Real Estate B.V., which comprises the consolidated balance sheet as at 31 December 2010, the consolidated income statement and the consolidated cash flow statement for the year then ended, and related notes, is derived from the audited financial statements of OVG Real Estate B.V. for the year ended 31 December 2010.

Deloitte Accountants B.V. has expressed an unqualified audit opinion on those financial statements in our annual report dated 25 March 2011.

The summary annual report does not contain all disclosures required by generally accepted accounting principles in the Netherlands and Title 9, Book 2 of the Netherlands Civil Code. Reading the summary annual report, therefore, is not a substitute for reading the audited financial statements of OVG Real Estate B.V.

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Coen van  
Oostrom —  
CEO

## 1.0 — A Different Perspective

It is not easy to swim against the flow, but every industry has its exceptions; people who dare to go against the established order. Over the past fourteen years OVG Real Estate has succeeded in evolving from being the exception in the world of commercial real estate into becoming the benchmark. Time and again revitalizing the industry with fresh perspectives.

OVG was the first to focus, not on the location, but on the client as end-user. This also applied to the sustainable development of offices, to which we made a commitment in 2007 by participating in the Clinton Global Initiative. While this was innovative at the time, it is now standard.

All the more reason for OVG to once again take on our role as pioneer. The times again demand something different. Society is changing so rapidly and the effects of the financial crisis are so intense, that carrying on as before is no longer an option. For OVG, our genetic code simply makes this impossible. It has to be different again, since it can only get better.

In 2010 OVG was honored with the FGH Real Estate Award for the Maastoren in Rotterdam. A prestigious award for the most remarkable real estate project in The Netherlands. The jury's reasons: "Recognition for courage, entrepreneurship and far-sighted vision; the Maastoren is a monument for the future and far ahead of its time." We could hardly have received a more encouraging compliment. The Maastoren – with the international accountancy and consultancy company Deloitte and AKD Lawyers and Civil-law Notaries as main occupants – is a perfect blueprint for our business model that is aimed at the end-user. A cash flow-based and demand-driven form of property development that forms the ultimate basis for every type of sustainable development. This business model keeps us fast, fit and versatile. In October 2008 we needed to preserve this speed, operational fitness and financial versatility and so OVG decided to reorganize the company and adapt

it to the new reality. Looking back we were resolute and enterprising. Good navigation through this unparalleled storm is the reason OVG is now doing well and we are free and positively energized to do business and take advantage of current market opportunities not only in The Netherlands but also on the international market. Recent years have proven us to stand our own stress test extremely well. Our good results in 2010 have laid very solid foundations for the future. We are therefore confidently looking forward to the market in 2011.

At the end of 2010 vacant office space became a theme for social debate in the Netherlands. For the first time in its history the market saw a structural oversupply that was not being filled by an economic recovery. As OVG we want to offer enterprising real estate solutions for this vacancy rate, even though we are a developer and not the owner of this property. In cities short of space, we see the potential for extra space becoming available for transformation of the city center.

As market leader in The Netherlands and one of the largest developers in Europe we have therefore adapted our objectives for 2011 to this situation. Our perspective is thus also three-dimensional:

- transition to new functions for old offices
- redevelopment of existing stock
- new development of high-profile work

We have embraced a new claim to incorporate this asset: OVG re/developers. This re/developers claim emphasizes our entrepreneurship in deploying the entire team for this purpose.

We see it as our social responsibility to further strengthen our position as sustainable developer in the commercial market in the future. Wherever possible OVG will independently take on old properties in order to redevelop them.

A major highpoint of 2010 was the start of JOIN: a new and very promising joint venture comprising Triodos and OVG exclusively aimed at the development of sustainable, social real estate for the education, care and culture sectors. It is precisely now that our challenges in these sectors are greater than ever through the apparent gulf between increased demand from society and an exceptionally restricted budget

due to the pressure on the national budget. By contributing our years of experience in real estate, working in an integrally sustainable manner starting from both older and new real estate property, we can realize greater added value for these clients using fewer means. The joint venture between Triodos and OVG is setting the trend for new, innovative forms of cooperation in the real estate market.

I am deeply grateful to everyone within and outside OVG who has enthusiastically contributed to the successful realization of our projects. In particular I would like to thank my colleagues, our clients, financiers, architects, construction partners and many others for their unconditional trust and the pleasure we have working together.

On behalf of the Board,



Coen van Oostrom —  
Founder and CEO

Rotterdam, The Netherlands — March 25, 2011

# 2010 In Brief — Calendar

## Jan

**12th** Rental agreement signed with Dutch Heart Foundation The Hague

## Feb

**11th** OVG launches the pressure group 'De Groene Zaak' ('Green Matters') as Founding Partner

**26th** Redevelopment design Triton office awarded German sustainable DGNB-Gold certificate

## Mar

**01st** OVG sold the new KPMG/KPMG Meijburg office in The Hague

**12th** Contractors appointed for The Netherlands' biggest construction project: De Rotterdam

**12th** Completion of Binnenhof tower block and shops in Rotterdam

**31st** Handover of Vancouver Rotterdam to investor

## Apr

**21st** Leasing of Vancouver office in Rotterdam to RET

**27th** OVG sold the new Asics office in Hoofddorp

## May

**28th** CTBUH officially names Maastoren as tallest building in The Netherlands

## Jun

**04th** Announcement of Triodos & OVG joint-venture for social real estate

**08th** Design of Dutch Heart Foundation office gains first BREEAM-NL Excellent certificate

**17th** Construction commences on Asics Hoofddorp

**25th** Outline agreement signed Deloitte/AKD Zuidas Amsterdam

## Jul

**15th** Sirius Building leased to iSoft in Leiden

**16th** Cofely lease agreement signed for office in Rotterdam

**16th** Contract for Schneider Electric office in Hoofddorp signed

**19th** Contract for Van Oord office in Rotterdam signed

**28th** Handover of Deloitte office in The Hague to owner

## Aug

**04th** Lease agreement signed with Oranjewoud for office in Oosterhout

**16th** OVG sold the Triton office redevelopment in Frankfurt

**28th** OVG organizes open air Veerhaven concert for the people of Rotterdam

## Sep

**22nd** Construction commences on Van Oord office, Rotterdam

**25th** Construction commences on Dutch Heart Foundation office in Ypenburg, The Hague

**26st** CEO Coen van Oostrom speaks at Clinton Global Initiative Annual Meeting NY

**27th** Government recognizes TNT Center as blueprint project for energy neutrality

## Oct

**08th** Lease agreement signed for Danone research & innovation centre, Utrecht Science Park

## Nov

**03rd** Press Conference for start of Deloitte/AKD office development on Zuidas, Amsterdam

**08th** OVG's Maastoren wins FGH Real Estate Award 2010

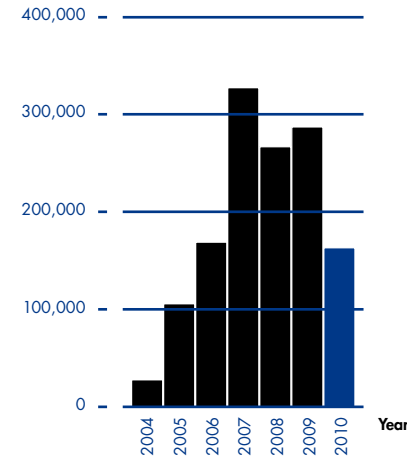
## Dec

**01st** Launch of name and start of new Triodos & OVG joint venture: JOIN Ontwikkeling

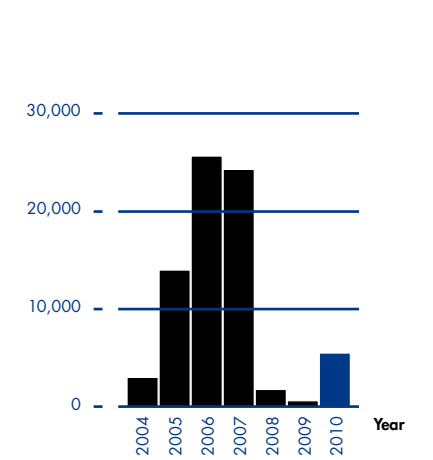
# 2.0 — Major Developments in 2010

In 2010 our revenue totaled € 160,737. Earnings before tax increased from € 1,754 in 2009 to € 5,310 in 2010. Net earnings improved from € 1,469 to € 3,899. During 2010, staff numbers increased from 42 FTE in January 2010 to 48 FTE as of December 31, 2010. The average number of FTE in 2010 was 41. All figures stated in this report are in thousands of €'s unless stated otherwise.

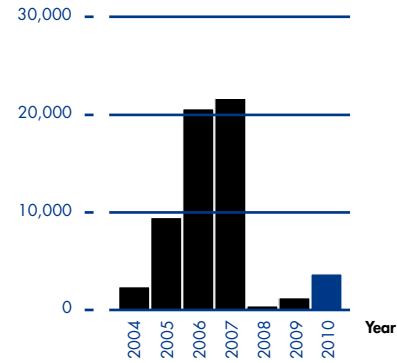
**Revenue**  
(Euro x 1,000)



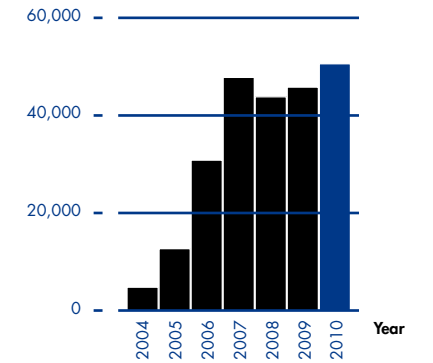
**Operating Result**  
(Euro x 1,000)



**Net Earnings**  
(Euro x 1,000)



**Shareholders' Equity**  
(Euro x 1,000)



## 3.0 — Key Statistics

Consolidated Income Statement (x1,000 euros)	2010	2009	2008	2007
Revenue	160,737	282,592	269,248	326,554
Operating result	5,478	232	2,091	24,324
Financial expenses	564	833	293	-
Earnings before tax	5,310	1,754	1,207	29,847
Net earnings	3,899	1,469	198	22,185

Consolidated Balance Sheet (x1,000 euros)	31-12-2010	31-12-2009	31-12-2008	31-12-2007
Total fixed assets	21,282	22,841	22,985	13,709
Work in progress	191,062	148,386	232,280	298,245
Shareholders' equity	50,128	46,229	44,760	48,062
Long term liabilities	5,625	11,036	7,000	12,375
Balance sheet total	244,454	211,847	311,419	326,586

Ratios	31-12-2010	31-12-2009	31-12-2008	31-12-2007
Average # staff	41	42	57	48
Operating result / revenues	3.4%	0.1%	0.8%	7.4%
Net earnings / revenues	2.4%	0.5%	0.1%	6.8%
Revenues / average # staff	3,920	6,728	4,724	6,803
Solvency*	20.5%	21.8%	14.4%	14.7%
Working capital**	49,461	48,143	36,895	61,009
Net earnings / average shareholders' equity	8.1%	3.2%	0.4%	55.5%

\* Represents shareholders' equity divided by total assets.

\*\* Represents current assets minus current liabilities.

Over the past three years OVG has completed what was in the pipeline for 2007. This resulted in the peak revenue during 2008 and 2009. A new supply line, that is expected to bring higher returns, even at lower revenue levels has been created during those difficult years. The net earnings show a sharp improvement compared to 2009. This improvement was aided by the fact that the company made no use of its available bank facilities during 2010 as reflected by the reduction in financial expenses.

The movements in the balance sheet are greatly affected by the changes in our work in progress. OVG has taken the necessary steps to move beyond the crisis with an increase of 29% (43 million) for work in progress. The project financing, accordingly increasing by 34% (29 million), has remained strong during the recent years and is expected to improve further in terms of price and level of advance financing. The company's aim has been to develop without purchasing the land in advance, for as much as possible. Conversion of existing positions has been given maximum focus, which has led to activity on all positions at hand.

The fixed assets have decreased slightly over the past three years. For 2011 we expect to invest in ICT to further support the efficiency and effectiveness of our personnel, this will have a minor effect on the fixed assets position. Other significant movements are not expected at this stage.

The equity position has improved by 8% compared to 2009. Even though this led to a slight decrease in solvability (20.5% compared to 21.8% in 2009). The group's working capital has also increased in addition to the equity position. The expectations for 2011 are to improve on all ratios although increased work in progress could cause a further decrease in solvency.

New members of staff joined the company during 2010 resulting in a total staff of 48 FTE at year-end. This increase was mainly due to the addition of staff for JOIN in December. The average number of staff for 2010 was not affected by these year-end additions and slightly decreased compared to 2009. For 2011 we expect to hire new talents and add experienced staff members in all business units.

## 4.0 — Board of Management

With the growth of the company, combined with the ambition to grow outside The Netherlands the structure of the group has been redefined. The board oversees all staff functions in line with previous years. The clear-cut definition of three business units, OVG Nederland, OVG International and JOIN Ontwikkeling underlines OVG's intention to focus on these businesses.

In early 2011 OVG will formally structure these business units by setting up new entities where necessary and appoint the respective directors responsible for them.



## 4.1 Executive Board

The Board is responsible for OVG policy. Under the chairmanship of founder and Chief Executive Officer Coen van Oostrom, the Board comprises two Board Members (Coen van Oostrom and Bas van Holten) who have joint responsibility for running the company, implementing its strategy and achieving its objectives and results. Alex Kompier was appointed as Director of Finance in 2009, however he is not a member of the Executive Board.

### Coen van Oostrom —

#### Chief Executive Officer (CEO)

Responsibilities and core tasks include:

- Chairman of the Executive Board
- Chairman of OVG International
- Chairman of JOIN Ontwikkeling (OVG/Triodos joint venture)
- Company Strategy
- Sustainability Center
- Branding

### Bas van Holten —

#### Managing Director of OVG Nederland

Responsibilities and core tasks include:

- Chairman of OVG Nederland

**Bas van Holten was appointed chairman of OVG Nederland in 2010.**

### Alex Kompier —

#### Director of Finance

Responsibilities and core tasks include:

- Finance, Tax and Accounting
- HRM and Office Management

**Coen van Oostrom has the executive responsibility for all additional tasks – including finance, tax and accounting.**

## 4.2 Advisory Board

### Mr. Joost H. van Heijningen Nanninga —

**Current Functions:** Partner of Egon Zehnder International, Member of the Advisory Board CVC Benelux, Member of the Supervisory Board of USG People, Member of the Supervisory Board of Breevast, ZBG Group, Member of INSEAD Dutch Council, Member of Advisory Board of Rotterdam School of Management.

**Previous Position:** Financial Manager, Elsevier Publishing.

### Mr. Frank H.G. de Grave —

**Current Functions:** National chair of the Order of Medical Specialists, Chair of PGGM, Chair of the Supervisory Board ARTIS zoo, Governor of SADC (Schiphol Area Development Corporation), Member of Advisory Council for Otto Uitzendorganisatie, Member of Board of Management Pantar Arbeidsbemiddeling, Member of the Supervisory Board Omroeporganisatie NTR, Chair of the Supervisory Board Verweij-Jonker Instituut, Chair of Advisory Council OMALE BV, Chair of the Supervisory Board of Sectorinstituut Bibliotheken, Chair of the Supervisory Board De Key Building Society, Member of Advisory Council Conclusion BV, Member of Advisory Council Astra Zeneca, Member of Advisory Council Apotheekzorg BV.

**Previous Positions:** Advisor to the Board of Directors Twynstra Gudde (2009-2010), Chief Financial Officer DSB Bank (March-May 2009), Chair of the Board of Management Health Authority (2004-2009), Member of the Lower House of the Dutch Parliament, party vice-chairman and spokesman on finance (2002-2004), Minister of Defense (1998-2002), Alderman of Amsterdam City Council, position of deputy mayor, portfolio finance and sport (1990-1996), Member of the Lower House of the Dutch Parliament (1982-1990), Amro Bank, last position deputy secretary of Board of Management (1980-1982).

### Mr. Dick P.M. Verbeek —

**Current Functions:** Vice Chairman Emeritus of Aon Group, Chairman of the Supervisory Board of Robeco Group N.V., Member of the Supervisory Boards of Aegon N.V. and Aon Groep Nederland B.V. Chairman Benelux Advisory Committee Banca Leonardo, Member of the Advisory Board CVC Benelux, Chairman of the INSEAD Dutch Council, Chair of the Board of Stichting Arboretum Trompenburg, Board Member of the Stichting Administratiefonds Rotterdam, Chair of the Board of Diergaarde Blijdorp, Chair of the Board of Stichting Kunstbezit Koninklijke Nedlloyd.

**Previous Positions:** Member of the Executive Board of Aon Group. Various managerial positions at Citibank.

## 5.0 — Our Business Profile

### 5.1 Activities

#### Development

Our activities comprise four complementary areas of expertise: offices, social projects (for education/care/culture functions), inner-city multi-functional building and area development – both new developments and redevelopments. Contrary to the more traditional developers OVG starts a development from the perspective of the client rather than first considering the location. Due to this strategy OVG has grown over a short period into a successful company and market leader in The Netherlands. OVG is recognized as a frontrunner of the ‘green development movement’ and as a pillar of stability in the rapidly evolving real estate sector. OVG’s position within the domestic market – our portfolio presently encompasses over 977,000 sqm GFA – is testament to the validity of our distinct approach and a solid basis for further sustainable growth.

OVG has been actively expanding throughout Europe for a few years now. We follow our corporate clients cross border and provide them with one international real estate partner. Our strength in green development again gives us a competitive advantage. Currently, we are concentrating on Germany as our second home market. Wherever necessary we actively co-operate with local partners for local expertise, networks and risk management.

### 5.2 Mission

OVG wants to maximize real estate values by being the leading European re/developer in zero-carbon sustainable buildings.

To fulfill our mission we embrace five lines of corporate behavior:

- Fostering a corporate culture in which everyone is an entrepreneur.
- Sustainable development with respect to the environment.
- Operating according to the highest ethical standards of business honesty.
- Going the extra mile to amaze our clients.
- Achieving corporate excellence, always building from good to great.

### 5.3 Strategy

In order to achieve its mission OVG has chosen to focus on sustainable development in three areas, linked to a new business unit structure:

- Offices and multi-functional buildings in The Netherlands by OVG Nederland.
- Offices and multi-functional buildings in Europe by OVG International.
- Social real estate (care/education/culture) in The Netherlands by JOIN Ontwikkeling, the joint venture between OVG and Triodos.

### **OVG Nederland**

Over the past fourteen years, the OVG Nederland business unit has been developed to such an extent that its organization and knowledge platform serves as a model for the development of the other business units.

OVG Nederland's strategic indices are:

- Transition to re/developers. For the first time in its history the Dutch market sees a structural oversupply in vacant office space that is no longer being filled by an economic recovery. OVG wants to offer enterprising real estate solutions for this vacancy rate, even though we are a developer rather than the owner of this property. Therefore OVG has focused its acquisition targets on this in 2011: (1) transition to new functions for old offices; (2) redevelopment of the existing stock; (3) new development of high-profile work. This will enable OVG to further strengthen its position as sustainable re/developer in the offices market in the future. Wherever possible OVG will also take on old properties in order to autonomously redevelop them.
- Strengthening the position of corporate clients. A central real estate portfolio approach for corporate clients in The Netherlands.
- Active partnering. Current economic market conditions offer more opportunities than ever to collaborate intensively with market parties to realize innovative building and area developments. OVG Nederland will act pro-actively as market leader.
- Focus on sustainable inner-city public transport locations. We believe in the value of inner-city public transport locations for the development of sustainable buildings. We will adopt an active position on these, wherever necessary.

### **OVG International**

Supported by our financiers, we are providing for further growth of our developments in Europe. Activities in our domestic market also offer a solid foundation for our expansion in new countries and local markets.

OVG International's strategic indices are:

- Follow our corporate clients cross border and provide them with an international real estate partner.
- Use green development strength as competitive advantage.
- Co-operation with local partners for local expertise, network and risk management.
- Focus on Germany as the second home market.

### **JOIN Ontwikkeling**

In 2010 OVG and Triodos set up the joint venture JOIN Ontwikkeling. With this company we want to become market leader in sustainable, social real estate for the care, education and culture sectors within five years. This joint venture has taken over the current activities of Triodos Real Estate Development (TRED).

JOIN Ontwikkeling's strategic indices are:

- Visibility in the creation of social real estate by initiating trend-setting real estate developments in three sectors: care, education and culture.
- Deploying the joint expertise of OVG and Triodos to contribute to further professionalization, sustainability and financial savings in these sectors.
- Long-term real estate financing and investments. The joint venture with Triodos (which has a proven record of service in the social sector) has contributed to enabling a long-term proposition to be developed for a sector that deserves professional guidance whereby the sector can concentrate on its social function for the end-user.

### **Risk Management Strategy**

OVG's risk management was further strengthened in 2010 by the implementation of its new process-monitoring program OVG 3.0. This disciplinary approach for the organization allows staff to be enterprising while at the same time enabling clear internal process requirements to be agreed for working and reporting. Since OVG prefers to develop on the basis of a signed lease agreement, its development process starts with a firm foundation. When making new offers to its tenants OVG specifically takes account of changing market conditions and returns in the market. In order to limit spatial planning risks to a minimum OVG has the best advisors in the market who undertake an extensive spatial planning analysis prior to every binding lease agreement. In order to limit construction risks with regard to schedule, price and supply reliability to a minimum OVG is currently working strategically together with a few large, financially strong builders. By working together with these solid parties, OVG reduces the risk of main contractor bankruptcies and the consequent risks that can be involved. Knowledge exchange and innovative contracting with these preferred suppliers also enables OVG to increase the supply reliability and innovation of its buildings for its clients.

### Financial Strategy Overall

Our objective for 2011 is to utilize our improved financial position.

We aim to achieve these goals by:

- Stronger focus on available cash at hand.
- Improving the financial competencies within our company.
- Increased cooperation with our main contractors.

These key components of our financial strategy will provide:

- A stable financial environment to support the ambitions of the group.
- Support for timely decisions regarding opportunities and threats.
- Increased opportunities with regard to redevelopments.

## 5.4 People

### Simplicity and Clarity in the Organization

In 2010 OVG continued developing the organization into three business units each with its own direction. The organization is still managed straightforwardly by a central board with founder Coen van Oostrom as CEO. Nevertheless the business unit structure provides more opportunities for future growth and specialization of professionals. The three business units are OVG Nederland, OVG International and JOIN Ontwikkeling (OVG's joint venture with Triodos). The most significant organizational change in 2010 is that Bas van Holten (Board Member and shareholder) has taken on the role of Managing Director of OVG Nederland.

### Talent Management

Recruiting and developing the best people in the right positions is the engine for the success of OVG. We therefore started a new Talent Management Program in 2010. OVG wants to set up this process with just as much care as its client and development processes. The procedure is made up of five building blocks: Recruitment, Mobility/Availability, Development, Engagement/Retention, and Performance/Reward. Through this we aim to bind the leaders of the future to us more closely and withstand various market crises even better.

### OVG Academy

Together with the staff we also developed the diverse disciplines of real estate development in modular form with our internal training program, the OVG Academy in 2010. The OVG Academy is a training program that is guided by the heavyweight professionals from our organization in order to safeguard our unique real estate expertise.

### Ultimate Team Players

OVG believes that the best performance is achieved through team effort and that utilizing the diversity in teams brings out the best in people. During the past year various tools have been put into action for this. 2010 was the year for expanding individual talents in the team context through a Meyers Briggs training, team coaching by Marc Lammers (Olympic champion as former women's hockey national coach), interactive quarterly sessions for all staff and sporting company team events for inspiration and renewed energy.

### Integrity Builds Relationships

One of OVG's core values is honesty. OVG therefore implements a clear policy on integrity and the required corporate governance. The code of conduct sets out the core values that form the basis for the way OVG operates. The success of intercollegiate cooperation and our relationships with external parties is founded on these factors. OVG feels that it is important to state rules of conduct explicitly and to be unambiguous about our policy to interact with our environment with integrity.

## 5.5 Social Responsibility

OVG is an advocate of cooperation and we are convinced that by sharing insights and resources, industry leaders, governments, academics and citizens can work together more effectively to overcome pressing issues, including climate change, poverty and social imbalance. In order to create a harmonious society, OVG invests in a wide range of cultural programs and organizations that focus on bridging the gaps between cultures and generations.

For some years now, OVG has been affiliated with the **Millennium Promise**, led by Jeffrey Sachs, which aims to eradicate extreme poverty by 2015. In order to achieve this commendable goal, Millennium Promise focuses on uniting individuals, governments, corporations and NGOs to jointly address the causes and the symptoms of poverty.

Each year OVG organizes the **OVG Veerhavenconcert**, a free, outdoor classical music concert in Rotterdam and also an outdoor concert for children.

OVG is founder of **Las Palmas Culture** and financially supports the Dutch Photo Museum and De Beeldfabriek (Image Factory), cultural organizations that are housed in the Las Palmas building.

As front-runner in sustainable development OVG is a partner of the **Dutch Architecture institute (NAi)**. OVG sponsors the institute because one of the focus points of the NAi for coming years is sustainability as an integral part of architecture, which is in line with the identity and vision of the company.

## Millennium Promise

Millennium Promise is the leading international non-profit organization solely committed to supporting the achievement of the Millennium Development Goals to halve extreme poverty by 2015. Millennium Promise oversees the Millennium Villages project, which supports integrated social and business development services for more than 500,000 people in rural communities across 10 countries in sub-Saharan Africa.

Since the launch in 2005, Millennium Promise has seen tremendous success in using a holistic and scalable approach to implement high-impact initiatives to fulfill our mission. These include:

### Developing dynamic partnerships:

Our partnerships with UNAIDS, the World Food Program, and scores of corporate partners are several examples of the coordinated effort to fight poverty, hunger and disease.

### Fighting malaria:

At the White House in December 2006, Millennium Promise launched Malaria No More, an organization that now leads a major global advocacy, engagement and implementation campaign for malaria control across Africa.

### Improving smallholder agriculture:

Helping farmers increase crop yields, manage climatic challenges, and develop sustainable businesses.

### Launching the Millennium Villages project:

Currently reaching 500,000 people in rural villages across sub-Saharan Africa, this groundbreaking project is demonstrating that the MDGs are accessible and achievable.

### Advocating on behalf of those without a voice:

Providing strategic guidance to governments and policy makers on how to meet the world's commitments to the most vulnerable communities.

[www.millenniumpromise.org](http://www.millenniumpromise.org)

## 6.0 — Our Sustainability

### 6.1 Sustainable Mission

Green development is the new reality. Not just a fashionable word, but rather an awareness that demands change. At OVG we are aware that we are dealing with scarcity of materials, fossil fuels, nature, space and even clean air, which all has an inevitable effect on the price of buildings. This is a basic principle of economics.

OVG wants to provide its clients with affordable accommodation for many years to come. We therefore see sustainability as an essential component of our operational excellence.

If you manage this scarcity properly, you will be able to continue to develop and revitalize accommodation for your clients in a responsible and affordable way. Good for our clients and good for the environment. Therefore we believe that lean development is always green development.

For us sustainability is synonymous with innovation and renewal: of product and particularly of process. We know from experience that if you 'set the bar high' and, together with your client, challenge design teams, a lot is possible without by definition being more expensive. Since 2008 OVG has had a separate Sustainability Centre with the aim of supporting this process and fulfilling, as far as possible, OVG's clients' green ambitions.

Since October 2007, OVG has been committed to the Clinton Global Initiative (CGI) in which companies promise to achieve extreme objectives in order to combat climate change. In the context of the CGI, at the start OVG promised to invest one billion dollars within the next five years in the development of sustainable buildings. Over the entire lifetime of these buildings this must produce a saving of one megaton of CO<sub>2</sub>.

Real estate needs an independent rating for sustainability. As a member of the Central Advisory Board of the Dutch Green Building Council we have therefore worked hard over the past two years to introduce the Dutch version of the BREEAM label. The first version was launched onto the market in October 2009. We are proud that in June 2010 we received the first Dutch BREEAM Excellent design certificate for the new building for the Nederlandse Hartstichting (Dutch Heart Foundation). The experience has taught us what is needed as regards design, procedures and teamwork in order to achieve this. We have set ourselves the goal of aiming for BREEAM.NL Excellent certification for every development.

## 6.2 Sustainable Highlights

### **Clinton Global Initiative: achieving our first carbon goal**

Despite of the crisis in 2010 we have met our commitment to the Clinton Global Initiative to save one megaton of CO<sub>2</sub> in the built environment. As part of the CGI, OVG's promise is to invest one billion dollars in five years from October 2007 in the development of sustainable buildings. This target was reached within three years (see letter of former President Clinton on page 30).

### **TNT Center: blueprint for sustainable building**

In 2010 the Triodos/OVG consortium was working on completing the construction of the innovative TNT Center, the most sustainable office building in Europe. This energy positive office serves as an international blueprint for sustainable building since all the company's sustainable innovations come together in the building and its management. In 2020 EU regulations will make it compulsory to build in an energy neutral way, making this project literally the building of the future. Under the UKP-NESK (Unique opportunities program for energy neutral schools and offices) arrangement the government officially deemed the project to be a blueprint for energy neutral construction.

### **First Green Lease contract on the Dutch Market**

In 2010 the Triodos/OVG consortium put the first green lease contract in The Netherlands into practice. Specifically, this means that when entering into the lease agreement we can guarantee the ambitious sustainability label for all performances and also for the energy consumption during the entire operational period.

### **Sustainable Redevelopment: Triton Haus in Frankfurt**

Acting as asset manager and developer on behalf of IVG Institutional Funds, OVG has realized an innovative green redevelopment plan for the outdated "Triton" building at the Bockenheimer Landstraße close to the banking district in Frankfurt's city centre. With our long-term experience in green office re/development, we have successfully designed the revitalization of the building according to the German DGBN-Gold highest sustainability standard. Allianz Real Estate Germany has acquired the office building for an investment volume of ca. € 200 million. In 2013 tenant Allianz Global Investors will centrally relocate from their current buildings to 'Triton'. With this acquisition the Board of Allianz can combine Allianz Global Investors' need for new and sustainable office space with Allianz's interest in investing in high quality office buildings in good locations. As green developer, OVG has achieved the goals of the previous owner by acting as a partner in preparing, designing and executing this transaction within a year. A true example of sustainable redevelopment of an old vacant office building into a new, highly sustainable and commercially attractive building.

### **Business Development: flexible and mobile working methods**

OVG is focusing its business development on new real estate concepts that can facilitate modern working methods: mobile, more people per square metre, cheaper, high service and standing. In this way we will respond to the end-user's underlying demands for further cost-down strategy, shorter and more flexible lease agreements and integral facilities costs per workstation.

### **Transition to re/developers**

For the first time in its history the Dutch market sees a structural oversupply in vacant office space that is no longer being filled by an economic recovery. OVG wants to offer enterprising real estate solutions for this vacancy rate, even though we are a developer rather than the owner of this property. Therefore OVG has focused its acquisition targets on this in 2011: (1) transition to new functions for old offices; (2) redevelopment of the existing stock; (3) new development of high-profile work. This will enable OVG to further reinforce its position as sustainable re/developer in the offices market in the future.

### 6.3 Letter from Bill Clinton



WILLIAM JEFFERSON CLINTON

March 10, 2011

Coen Van Oostrom  
Chief Executive Officer  
OVG  
Postbus 23413  
3001 KK  
Rotterdam

Dear Coen:

I was pleased to learn that OVG completed its CGI Commitment to Action two years ahead of schedule.

Your company's investment in sustainable buildings demonstrates the positive environmental, social, and financial impact that smart business sense can bring to a project. I hope you will share the best practices that OVG developed with others in the industry and I wish you much success as you expand your green building efforts across Europe.

Sincerely,

A handwritten signature in blue ink that reads "Bill Clinton". The signature is fluid and cursive, with a long horizontal stroke at the end.

## 7.0 — Executive Board Report

### **In Control**

The introduction of a new project approach OVG 3.0, which structurally takes project control and risk management to a higher level, has enabled us to control the financial parameters even more strictly. OVG has actively involved all its financial stakeholders in these financial controls each quarter.

### **Focus on End-user**

OVG had relatively few land holdings in 2010 and developed only on the basis of solid lease contracts with corporate clients, therefore in the past year we were less severely affected by the crisis than many of our competitors. This end-user-oriented strategy in the office market also formed the basis in 2010 for the newly acquired re/development contracts. OVG acquired 133,000 sqm in new lease contracts in 2010. Making it market leader in The Netherlands in 2010 and one of the largest developers in Europe. In 2010 we concluded lease agreements with new clients such as the Dutch Heart Foundation (The Hague), public transport company RET (Rotterdam), dredging

and marine contracting company Van Oord (Rotterdam), technology company Schneider Electric (Hoofddorp), engineering firm Oranjewoud (Oosterhout), nutrition concern Danone (Utrecht), technology company Cofely GDF Suez (port of Rotterdam) and insurer Allianz (Frankfurt). We have also entered into a contract for the third time in a row with Deloitte/AKD to build new offices on the Zuidas in Amsterdam. The latter development is one of the largest solitary office development in our history at 40,000 sqm.

### **Investment Market**

In 2010 we effected 190 million in investment transactions. These include the sale of projects such as the KPMG/KPMG Meijburg office (The Hague), Van Oord office (Rotterdam), Asics office (Hoofddorp) and Triton redevelopment (Frankfurt). We see a continuing, great demand for sustainable offices and locations. This translates into a demand from European investors for buildings with the BREEAM.NL Excellent sustainability label. OVG therefore decided in mid 2010 to provide all its projects with at least the BREEAM.NL 'Good' certification and to set our sights for 'Excellent'. OVG will continue to use the develop and sell strategy but will also keep open the option of investing itself in order to be less susceptible to any possible changes in the investment market.

### Financing

Our corporate strategy – to re/develop sustainable buildings for end-users on the basis of a solid, signed lease contract – has also gained the confidence of our financiers again this year. We signed 52 million of new financing for our projects in 2010. OVG thanks its financiers Rabobank, FGH, SNS, ASN, ABN AMRO, Deutsche Bank and ING for this. Each quarter we proactively present our figures to our financiers in a transparent manner, which has ensured confidence in and insight into our company. In its own 'stress test' OVG makes allowance for possible rising interest rates and liquidity shortfalls in the real estate finance market – as a consequence of the increase of the required reserves for the real estate sector by the banks and the possible negative effects of developments on financial markets in parts of Europe (Ireland, Greece and Spain).

### New Markets

A major highpoint of 2010 was the start of JOIN: a new and very promising joint venture comprising Triodos and OVG exclusively aimed at the development of sustainable, social real estate for the education, care and culture sectors. It is precisely now that our challenges in these sectors are greater than ever through the apparent gulf between increased demand from society and an exceptionally restricted budget due to the pressure on the national budget. By contributing our years of experience in real estate, working in an integrally sustainable manner starting from both old and new real estate property, we can realize more added value for these clients using fewer means. The joint venture between Triodos and OVG is setting the trend for new, innovative forms of cooperation in the real estate market.

### Outlook 2011

We expect vigorous growth of turnover and profit in 2011. Since the financial markets showed a moderate recovery in 2010 and OVG's results were good and sound it will be easier for us to finance new projects.

We foresee a growth towards a different type of accommodation for office-users that can meet the 'new ways of working'. Therefore we are focusing our new and redevelopments on city hubs that have excellent public transport access.

Stricter regulations regarding buildings' energy performances will increase the value of sustainable buildings at sustainable locations. We anticipate a gradual move towards the mandatory design of energy neutral buildings in the EU in 2020.

In the Dutch market we are confronted with an undesirable growth of the office market vacancy rate. We expect local, regional authorities will explicitly designate economically sustainable locations in each city where building can still take place and thereby completely centralize locations for new buildings in a region. In our opinion, this is a good policy.

We consider it our social duty to further strengthen our position as sustainable developer in the office market in the future. Wherever possible OVG will take on old properties in order to redevelop them autonomously.

In the Dutch social real estate market we see increasing budgetary pressure, but at the same time an increasing demand for further professionalization, including the commissioning authorities' real estate activities. We expect serious growth through providing the care, education and culture sectors with an integral real estate service, thus freeing them from many of the risks and budgetary uncertainties.

Internationally, we see that the office market in Western Europe is recovering. OVG's growing international ambitions mean we shall be taking advantage of this. In 2011 we expect to be realizing developments outside The Netherlands for a number of existing corporate clients and thereby crossing international borders with our clients. Our focus for 2011 will be on the growth in the German market, with the commencement of construction of the Humboldthafen office in Berlin as major aim.

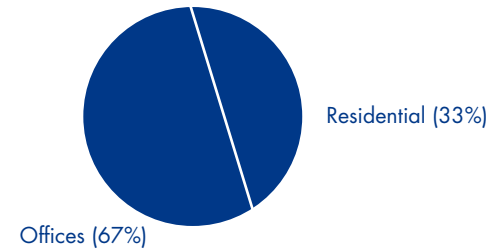
We are pleased with our solid financial results for last year and the composure in our company that leaves our hands free to carry on to leverage market opportunities with our dynamic entrepreneurship.



**Coen van Oostrom**                      **Bas van Holten**

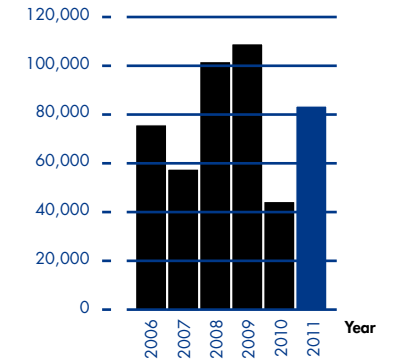
Rotterdam, The Netherlands — March 25, 2011

**Developments 2010**

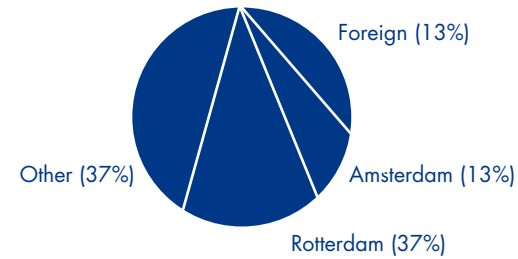


**Completed Real Estate in Gross Floor Area**

2011 showing the expected sqm to be completed

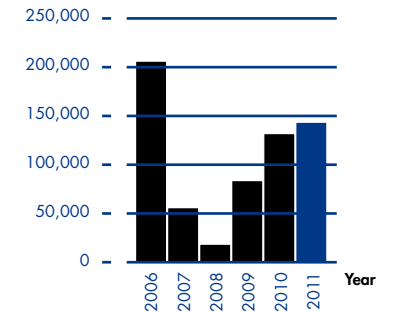


**Rental Agreements 2010**



**Signed Rental Agreements in Gross Floor Area**

2011 showing the expected sqm to be signed



## 8.0 — Financial Statements 2010

### 8.1 Consolidated Balance Sheet (after appropriation of result)\*

	Note	31 December 2010	31 December 2009
Tangible fixed assets	1	1,017	1,252
Investment property	2	12,853	13,257
Financial fixed assets	3	<u>7,412</u>	<u>8,332</u>
<b>Total fixed assets</b>		<b>21,282</b>	<b>22,841</b>
Work in progress	4	191,062	148,386
Accounts receivables	5	1,195	7,560
Affiliated company	6	1,505	336
Other receivables and prepayments	7	<u>3,332</u>	<u>7,933</u>
<b>Total receivables</b>		<b>6,032</b>	<b>15,829</b>
Cash and cash equivalents	8	26,078	24,791
<b>Total current assets</b>		<b><u>223,172</u></b>	<b><u>189,006</u></b>
<b>Total assets</b>		<b><u><u>244,454</u></u></b>	<b><u><u>211,847</u></u></b>

	Note	31 December 2010	31 December 2009
Shareholders' equity		50,128	46,229
Minority interest		<u>1,443</u>	<u>14</u>
<b>Group equity</b>	9	<b>51,571</b>	<b>46,243</b>
<b>Provisions</b>	10	<b>13,547</b>	<b>13,705</b>
Loans and borrowings	11	5,625	7,000
Other liabilities	12	<u>-</u>	<u>4,036</u>
<b>Long term liabilities</b>		<b>5,625</b>	<b>11,036</b>
Project financing	13	113,719	85,064
Pre-invoiced installments projects	14	-	10,094
Accounts payables		32,207	24,632
Affiliated company		-	2
Tax payables and social charges	15	8,970	6,362
Accruals and other payables	16	<u>18,815</u>	<u>14,709</u>
<b>Current liabilities</b>		<b><u>173,711</u></b>	<b><u>140,863</u></b>
<b>Total equity &amp; liabilities</b>		<b><u><u>244,454</u></u></b>	<b><u><u>211,847</u></u></b>

\* All amounts are in 1,000 euro's

## 8.2 Consolidated Income Statement\*

	Note	FY 2010	FY 2009
Revenue from projects	A	157,526	281,067
Other revenue		3,211	1,525
<b>Total revenue</b>		<b>160,737</b>	<b>282,592</b>
Direct project costs		145,583	272,963
Salaries & pensions	B	4,438	4,332
Depreciation		249	298
Other operating expenses	C	4,989	4,767
<b>Total operating expenses</b>		<b>155,259</b>	<b>282,360</b>
<b>Operating result</b>		<b>5,478</b>	<b>232</b>
Financial income		564	1,134
Financial expenses		-564	-833
Result from participations	D	-168	1,221
		-168	1,522
<b>Earnings before tax</b>		<b>5,310</b>	<b>1,754</b>
Company tax	E	-1,400	-201
Result third party interest		-11	-84
<b>Net result</b>		<b>3,899</b>	<b>1,469</b>

\* All amounts are in 1,000 euro's

## 8.3 Consolidated Cash Flow Statement\*

	FY 2010	FY 2009
<b>Operating result</b>	<b>5,478</b>	<b>232</b>
Adjustments for:		
Depreciation tangible fixed assets	249	298
(Increase)/decrease provisions	-270	3,620
Changes in working capital:		
(Increase)/decrease in inventory	-42,676	83,894
Decrease in other current assets (excl. cash)	9,797	12,601
(Increase)/decrease in current liabilities (excl. financing credit institutions)	4,193	-12,346
	-28,686	84,149
<b>Cash flow from business activities</b>	<b>-23,229</b>	<b>88,299</b>
Interest	-	301
Taxation	-1,400	-201
<b>Cash flow from operating activities</b>	<b>-24,629</b>	<b>88,399</b>
Investments tangible fixed assets	-14	-31
Investment in investment property	404	-708
Disposals/(investments) in participations (incl. loans to participations, nett)	1,811	1,955
Additions in loans to shareholders	-947	-
Investments in minority interest	1,418	-
Dividend paid minority interest	-	-183
<b>Cash flow from investment activities</b>	<b>2,672</b>	<b>1,033</b>
Additions/(repayment) long term liabilities	-5,411	4,036
Movement projectfinancing	28,655	-96,401
<b>Cash flow from financing activities</b>	<b>23,244</b>	<b>-92,365</b>
<b>Increase/(decrease) cashflow</b>	<b>1,287</b>	<b>-2,933</b>
<b>Opening cash</b>	<b>24,791</b>	<b>27,724</b>
<b>Movement in cash</b>	<b>1,287</b>	<b>-2,933</b>
<b>Closing cash</b>	<b>26,078</b>	<b>24,791</b>

\* All amounts are in 1,000 euro's

## 8.4 Notes to the Consolidated Financial Statements

All amounts are stated in thousands of Euros unless indicated otherwise.

### Activities

OVG Real Estate B.V. having its legal seat at Wilhelminakade 300 in Rotterdam, is engaged in development of real estate, mainly in the commercial market. In this respect OVG Projectontwikkeling B.V. represents the service organization for the projects of OVG Real Estate B.V.

### Group Structure

Financial information relating to subsidiaries within the group is included in the consolidated financial statements. The consolidated financial statements have been prepared in accordance with the accounting principles regarding valuation and profit recognition of OVG Real Estate B.V.

Minority interests in equity and results of group companies are separately disclosed in the consolidated financial statements.

The results of subsidiaries acquired during the year are consolidated from the date of acquisition. At acquisition the assets, provisions and liabilities are valued at fair values. Goodwill paid is capitalized. The results of subsidiaries sold during the year are consolidated until the movement of leaving the group.

Effective March 1st, 2010 OVG Real Estate acquired 70% of JOIN Ontwikkeling B.V. There is no goodwill involved in the transaction which concluded the start of this cooperation with Triodos. OVG Real Estate paid its share in JOIN Ontwikkeling B.V. in cash (€ 3,309).

## Consolidation Principles

The consolidated financial statements include the accounts of OVG Real Estate B.V. and all entities in which a direct controlling interest exists. All intercompany balances and transactions have been eliminated in the consolidated financial statements.

The consolidated companies in the report are:

Entities	Established in	% Shareholders	Shareholder(s)
<b>OVG Real Estate B.V.</b>	<b>Rotterdam</b>	<b>84.5%</b>	<b>C.P.G. van Oostrom Beheer B.V.</b>
		<b>8.5%</b>	<b>Stichting ESA</b>
		<b>7.0%</b>	<b>HNOG Beheer B.V.</b>
<b>OVG Projectontwikkeling B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Investment Management B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten II B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten V B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten VI B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten VII B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XI B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XII B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>Laan op Zuid B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XVIII B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XIX B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XX B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XXI B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XXII B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XXIII B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Landbank B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XXV B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XXVI B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XXIX B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XXXIV B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XXXV B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XXXVI B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XXXVII B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projecten XXXVIII B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Projects B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Property Investments B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Infrastructure Development B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>
<b>OVG Deutschland B.V.</b>	<b>Rotterdam</b>	<b>100%</b>	<b>OVG Real Estate B.V.</b>

Entities	Established in	% Shareholders	Shareholder(s)
OVG Projecten III B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten IV B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten VIII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten IX B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten X B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XIII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XIV B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XVII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XXVII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XXVIII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Lansingerpoort B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XXXI B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XXXII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XXXIII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XXXIX B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XL B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XLI B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XLII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XLIII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XLIV B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XLV B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XLVI B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XLVII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XLVIII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten XLIX B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten L B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LI B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LIII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LVI B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LVII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LVIII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LIX B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LX B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LXI B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LXII B.V.	Rotterdam	100%	OVG Projects B.V.

Entities	Established in	% Shareholders	Shareholder(s)
OVG Projecten LXIII B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LXIV B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LXV B.V.	Rotterdam	100%	OVG Projects B.V.
OVG Projecten LIV B.V.	Rotterdam	100%	OVG Deutschland B.V.
OVG Humboldthafen Verwaltungs GmbH	Berlin	100%	OVG Projecten LIV B.V.
OVG Humboldthafen GmbH & Co KG	Berlin	94%	OVG Projecten LIV B.V.
		6%	OVG Humboldthafen Verwaltungs GmbH
OVG A2 Maastricht B.V.	Rotterdam	100%	OVG Infrastructure Development B.V.
OVG Maasboulevard B.V.	Rotterdam	100%	OVG Infrastructure Development B.V.
BAM-Huis Den Haag Beheer B.V.	Rotterdam	70%	OVG Projecten XXI B.V.
BAM-Huis Den Haag C.V.	Rotterdam	69.3%	OVG Projecten XXI B.V.
	Rotterdam	1%	BAM-Huis Den Haag Beheer B.V.
Exploitiemaatschappij Marconistraat 2 B.V.	Nieuwegein	100%	OVG Property Investments B.V.
Join Ontwikkeling B.V.	Rotterdam	70%	OVG Real Estate B.V.
Join Projecten 1 B.V.	Rotterdam	100%	Join Ontwikkeling B.V.
Triodos/OVG Green Offices B.V.	Rotterdam	50%	OVG Projects B.V.
De Rotterdam Beheer B.V.	Rotterdam	25%	OVG Projects B.V.
De Rotterdam C.V.	Rotterdam	24.75%	OVG Projecten XXXIII B.V.
		1%	De Rotterdam Beheer B.V.
Businesspark Gouda B.V.	Rotterdam	50%	OVG Property Investments B.V.
Schiepoort V.O.F.	Rotterdam	50%	OVG Projecten II B.V.
Stadsherstel Historisch Rotterdam N.V.	Rotterdam	1%	OVG Real Estate B.V.

Companies mentioned below are not consolidated in the report, because OVG Real Estate B.V. does not hold, directly or indirectly, more than half of the voting capital and does not have a decisive influence on these companies.

## **GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS**

The financial statements are prepared in accordance with Generally Accepted Accounting Principles in the Netherlands and Title 9, Book 2 of the Netherlands Civil Code.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

The financial information relating to OVG Real Estate B.V. is included in the consolidated financial statements. Accordingly, in accordance with Article 402, Book 2 of the Netherlands Civil Code, a company profit and loss account has been presented in condensed form.

## **PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES**

### **Tangible Fixed Assets**

Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, less impairments in value. Depreciation is charged to the income statement based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use. Tangible fixed assets relate to properties not held for development or investment purposes.

### **Investment Property**

Investment properties are those that are held either to earn rental income or for capital appreciation or for both and those properties are stated at fair value without depreciation. External, independent valuation companies, having an appropriate recognized professional qualification and recent experience in the location and category of property being valued, value the investment portfolio once a year. Any gain or loss arising from a change in fair value is recognized in the income statement as result from revaluation.

## **Financial Fixed Assets**

The (non-consolidated) participations are – on the basis of the share in the equity of the company – valued at net asset value and if applicable less impairments in value. The net asset value is based on the latest available financial statements of the company. With the valuation of participations any impairment in value is taken into account. The results are accounted for in profit and loss according to the interest held. The loans to participations are valued at face value after deduction of any provisions.

Participations with a negative equity are valued at nihil and to the amount of the negative equity a provision is made. In case of loans to or receivables on the participation, the provision will be charged to the receivables. In case a balance remains, a provision for participations is made.

## **Inventories and Projects**

The inventories consist of land and buildings acquired for future development activities. The land and buildings are valued at acquisition price or lower net realizable value.

Projects are carried at direct costs. Direct costs include all development costs incurred relating to the project site, including interest and overhead. All projects for which construction has not yet commenced, and which have not been sold or without 70% or more signed agreements are provided for 70%. Profit mark-up is capitalized in the case that a project is sold and is calculated linearly over the period between the start and the end of the construction.

## **Receivables**

Receivables are included at face value, less any provision for doubtful accounts. These provisions are determined by individual assessment of the receivables.

## **Provisions**

For amounts of taxation payable in the future, due to differences between the valuation principles in the annual report and the valuation for taxation purposes of the appropriate balance sheet items, a provision has been formed for the aggregate of these differences multiplied by the future tax rate.

The provision for warranties is recorded on behalf of the estimated costs expected to arise from the current warranties on account of projects delivered. Warranty claims are deducted from this provision. As per 2010 this provision is released and all estimated costs are presented as accruals.

The provision for rental guarantees for completed projects is recorded on behalf of the estimated costs expected to arise from the current rental guarantees.

Other provisions are provisions for incentives to be paid according to signed rental agreements and for other amounts to be paid. A provision is recognized when an obligation exists.

Long term provisions are valued at net present value.

#### **Principles for the Determination of the Results**

All initial start-up costs for potential projects are expensed. All projects for which construction has not yet commenced and which have not been sold or without 70% or more, signed agreements are provided for 70%. Rental guarantees are expensed as part of the estimated profit upon completion.

Revenue from projects is recognized as actual costs plus mark-up. The mark-up is quarterly recognized by the formula: calculated profit end of work multiplied by the percentage of the stage of completion minus profit already accounted for. The stage of completion is determined by the number of days under construction divided by the total number of construction days. Profit mark-up commences in the case that the project is sold at the start of the construction period. Losses are recognized in the year in which they become foreseeable.

#### **Corporate Income Tax**

Corporate income tax is calculated at the applicable rate on the profits for the financial year, taking into account deductible costs and permanent differences between profit calculated according to the profit and loss account and profit calculated for taxation purposes.

#### **Financial Derivates**

Financial derivates are recognized at cost, the fair value is disclosed in the notes to the consolidated balance sheet.

#### **Other Income and Expenses**

All costs which can not directly be allocated to a project are expensed.

#### **Tax Liabilities**

OVG Real Estate B.V. is the head of a fiscal unity for the value added tax and the corporate income tax and for that reason it is, jointly and severally liable for the tax liabilities of the whole fiscal unity. Tax liabilities of the subsidiary companies are presented under the tax payables in the balance sheet.

#### **Principles for Preparation of the Consolidated Cash Flow Statement**

The cash flow statement is prepared according to the indirect method. The funds in the cash flow statement consist of cash, cash equivalents and bank facilities.

Corporate income taxes, issuances of share capital, interest received and dividends received are presented under the cash flow from operating activities. Interest paid and dividends paid are presented under the cash flow from financing activities.

# Project Impressions 2010 —

**De Rotterdam —**  
**TNT Center —**  
**Eneco —**  
**Maastoren —**  
**KMPG/KPMG Meijburg —**  
**Las Palmas —**  
**Dutch Heart Foundation —**

De Rotterdam — under construction

“Rotterdam is the only city in The Netherlands  
that dares to put up a building like this.”  
Rem Koolhaas — Owner/Architect at OMA



"Leaders from all disciplines have worked on the TNT Center with great enthusiasm and have been willing to share all they have learned. A fantastic example of sustainable enterprise."

Rob Boerée —  
Director Energy & Climate Change at Agentschap NL



“It is the first time in our history that we are installing such a large solar panel façade in The Netherlands.”

OVG —



Maastoren —  
Winner FGH Real Estate Award 2010

**"On completion the Maastoren was  
already far ahead of its time."**

FGH jury —



"The good teamwork with OVG meant that the use of outside advisors could be kept to a minimum."

Hans Zwart — Partner at KMPG



Las Palmas

"Las Palmas nominated for the  
Rotterdam Architecture Award 2010!"

Bentham Crouwel Architects —  
on Twitter



Dutch Heart Foundation — under construction  
First BREEAM 'Excellent' office in The Netherlands.

"The new office for the Dutch Heart Foundation in  
The Hague achieved a BREEAM 'Excellent' score  
that had never been attained before."  
Dutch Green Building Council (DGBC) —



# Projects 2010 —

**De Rotterdam —**  
**Asics —**  
**UPC —**  
**KMPG/KPMG Meijburg —**  
**Dutch Heart Foundation —**  
**Eneco —**  
**Van Oord —**  
**Cofely —**  
**Oranjewoud —**  
**Maastoren —**  
**Haagsche Zwaan —**  
**Vancouver —**  
**Deloitte Zuidas —**  
**Danone —**  
**Schneider Electric —**  
**TNT Center —**  
**Triodos —**  
**Humboldthafen —**  
**Pollux —**  
**Triton Frankfurt —**



#### De Rotterdam

Co-developer — MAB Development

Segment — Multifunctional building

Lessee — Amvest, NH Hoteles, Municipality of Rotterdam

Location — Wilhelminapier, Rotterdam

Architect — Rem Koolhaas, Offices for Metropolitan Architecture (OMA)

Size — 168,000 sqm

Delivery — Q4 2013



#### Asics

Segment — Offices

Lessee — Asics Europe

Location — Beukenhorst-Zuid, Hoofddorp

Architect — Cepezed

Size — 5,400 sqm

Delivery — Q3 2011

**UPC**

Segment — Offices  
 Lessee — UPC  
 Location — Leeuwarden  
 Architect — Paul de Ruiter Architects  
 Size — 7,800 sqm  
 Delivery — Q4 2011

**KPMG/KPMG Meijburg**

Segment — Offices  
 Lessee — KPMG and KPMG Meijburg  
 Location — Prins Willem Alexanderkwartier,  
 The Hague  
 Architect — Meyer en Van Schooten Architects  
 Size — 10,500 sqm  
 Delivery — Q1 2011

**Nederlandse Hartstichting  
(Dutch Heart Foundation)**

Segment — Offices  
 Lessee — Nederlandse Hartstichting  
 Location — Prins Willem Alexanderkwartier,  
 The Hague  
 Architect — Meyer en Van Schooten Architects  
 Size — 5,800 sqm  
 Delivery — Q4 2011

**Eneco**

Segment — Offices, redevelopment  
 Lessee — Eneco  
 Location — Prins Alexander, Rotterdam  
 Architect — Dam en Partners Architects  
 Size — 30,000 sqm  
 Delivery — Q3 2011





#### Van Oord

Segment — Offices  
 Lessee — Van Oord  
 Location — Nieuwe Maas, Rotterdam  
 Architect — De Jong Gortemaker Algra Architects  
 Size — 15,900 sqm  
 Delivery — Q1 2012



#### Cofely

Segment — Offices  
 Lessee — Cofely Nederland  
 Location — Waalhaven, Rotterdam  
 Architect — JHK Architects  
 Size — 6,100 sqm  
 Delivery — Q3 2012



#### Oranjewoud

Segment — Offices  
 Lessee — Oranjewoud  
 Location — Oosterhout  
 Architect — Paul de Ruiter Architects  
 Size — 8,400 sqm  
 Delivery — Q3 2012



### Maastoren

Segment — Offices

Lessee — Deloitte, AKD, Q-Park, Mabanafit,  
RSA, Alp Maritime, Oxbow Coal,  
Zenco, Brightoil, Master It, LUKOIL

Location — Kop van Zuid, Rotterdam

Architect — Dam & Partners Architects

Size — 69,000 sqm

Delivery — Q4 2009

Winner FGH Real Estate Award 2010



### Haagsche Zwaan

Segment — Offices

Lessee — Deloitte

Location — Schenkkade, The Hague

Architect — ZZDP Architects

Size — 21,500 sqm

Delivery — Q3 2010



### Vancouver

Segment — Offices and Commercial

Lessee — RET

Location — Kop van Zuid, Rotterdam

Architect — Claus en Kaan Architects

Size — 11,500 sqm

Delivery — Q1 2010



**Deloitte Zuidas**  
 Segment — Offices  
 Lessee — Deloitte, AKD  
 Location — Zuidas, Amsterdam  
 Architect — PLP Architecture  
 Size — 40,000 sqm  
 Delivery — Q3 2014



**Danone**  
 Segment — Offices and Laboratories  
 Lessee — Danone  
 Location — Uithof, Utrecht  
 Architect — Cepezed  
 Size — 20,000 sqm  
 Delivery — Q2 2013



**Schneider Electric**  
 Segment — Offices  
 Lessee — Schneider Electric  
 Location — Beukenhorst-Zuid, Hoofddorp  
 Architect — Bias Architects  
 Size — 6,100 sqm  
 Delivery — Q4 2012



#### TNT Center

Segment — Offices

Lessee — TNT

Location — Beukenhorst-Zuid, Hoofddorp

Architect — Paul de Ruiter Architects

Size — 17,250 sqm

Delivery — Q1 2011



#### Triodos

Segment — Offices

Lessee — Triodos

Location — Zeist

Size — 20,000 sqm

Delivery — Q1 2015



### Humboldthafen

Segment — Offices

Location — Kapelle-Ufer/ Alexander-Ufer, Berlin,  
Germany

Architect — Architect competition

Size — 30,000 sqm

Delivery — As of 2014



### Pollux

Segment — Offices

Lessee — Commerzbank AG, Heussen  
Rechtsanwalts-gesellschaft, Salans GmbH

Location — Frankfurt Messe

Architect — Kohn Pederson Fox

Size — 35,000 sqm



### Triton Frankfurt

Segment — Offices, redevelopment

Lessee — Allianz Global Investors

Location — Westend, Frankfurt

Architect — Claus en Kaan Architecten -

TEK TO NIK Architekten

Original design:

Nägele, Hoffman & Tiedemann

Size — 28,500 sqm

Delivery — Q3 2010

# Colophon —

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