

## **Financial Statements 2010**

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## Consolidated balance sheet as at 31 December 2010

In thousands of euros, after appropriation of result

<b>Assets</b>		<b>31-12-10</b>	<b>31-12-09</b>
<b>Fixed assets</b>			
<hr/>			
<b>1</b>	<b>Tangible fixed assets</b>		
1.1	Property in operation	2,081,229	2,017,089
1.2	Property under development	137,249	103,941
1.3	Property and other assets serving operations	26,489	39,328
		2,244,967	2,160,358
<hr/>			
<b>2</b>	<b>Financial fixed assets</b>		
	BWS housing subsidies receivable	0	3,541
	Other participating interests	12,863	30,729
	Receivables from other participating interests	50,759	51,446
	Other receivables	1,437	1,523
		65,059	87,239
	Total fixed assets	2,310,026	2,247,597
<hr/>			
<b>Current assets</b>			
<hr/>			
<b>3</b>	<b>Stocks</b>	<b>85,696</b>	<b>69,465</b>
<hr/>			
<b>4</b>	<b>Work in progress</b>	<b>32,232</b>	<b>38,847</b>
<hr/>			
<b>Debtors</b>			
5.1	Tenants	3,313	4,622
	Public authorities	116	158
5.2	Tax and social security contributions	30,624	30,117
5.3	Other receivables	9,720	18,961
5.4	Prepayments and accrued income	22,469	39,130
		66,242	92,988
<hr/>			
<b>6</b>	<b>Cash</b>	<b>32,476</b>	<b>30,944</b>
	Total current assets	216,646	232,244
<hr/>			
<b>Total assets</b>		<b>2,526,672</b>	<b>2,479,841</b>

**Equity and liabilities**

		<b>31-12-10</b>	<b>31-12-09</b>
<b>7</b>	<b>Group equity</b>		
	Share capital	16	20
	Statutory reserve for participating interests	9,039	9,325
	Other reserves	690,324	669,030
	Total group equity	699,379	678,375
	<b>Provisions</b>		
8.1	Provision for deferred tax liabilities	9,013	12,188
8.2	Provision for unprofitable investments	19,787	28,452
8.3	Other provisions	1,561	2,170
	Total provisions	30,361	42,810
<b>9</b>	<b>Long-term liabilities</b>		
	Loans	1,622,592	1,532,414
	Guarantee deposits	9,974	9,533
	Total long-term liabilities	1,632,566	1,541,947
	<b>Current liabilities</b>		
10.1	Amounts owed to credit institutions	47,815	65,638
	Prepayments on WIP	942	5,105
	Trade creditors	20,622	28,319
10.2	Tax and social security contributions	3,067	6,575
	Other amounts owed	45,400	64,500
10.3	Accruals and deferred income	46,520	46,572
	Total current liabilities	164,366	216,709
	<b>Total equity and liabilities</b>	<b>2,526,672</b>	<b>2,479,841</b>

## Consolidated profit and loss account for 2010

In thousands of euros

	2010	2009
<b>Operating income</b>		
12.1 Rents	171,168	167,789
12.2 Charges	12,435	11,828
12.3 Proceeds from sales of property	38,633	118,321
12.4 Change in work in progress	-4,163	-36,306
Capitalised production for own use	2,736	2,632
12.5 Other operating income	13,860	15,641
Total operating income	234,668	279,906
<b>Operating expenses</b>		
13.1 Costs of subcontracted work	8,087	42,009
Depreciation and amortisation	2,784	2,516
13.2 Other movements in the value of tangible and intangible fixed assets	35,876	39,070
Ground rent	2,853	2,730
13.3 Wages and salaries	24,177	23,482
Social security charges	3,128	3,018
Pension charges	4,180	4,215
13.4 Maintenance costs	37,200	49,735
13.5 Exceptional changes in value of current assets	-471	10,230
13.6 Other operating expenses	49,091	62,633
Total operating expenses	166,907	239,637
<b>Operating result</b>	67,761	40,270
<b>Finance income and expense</b>		
14.1 Interest and similar income	4,284	805
14.2 Interest and similar charges	56,126	55,459
Total finance income and expense	-51,842	-54,654
<b>Group result on ordinary activities before tax</b>	15,918	-14,385
15 Corporation tax	3,427	-7,026
Share in results of participating interests	-26,217	-7,895
<b>Group result after-tax before movements in the current value of tangible fixed assets</b>	-6,872	-29,306
1.1 Movements in the current value of property in operation	27,880	15,161
<b>Net result</b>	21,008	-14,145

## Consolidated cash flow statement for 2010

In thousands of euros

	2010	2009
<b>Cash flow from operating activities</b>		
Operating result	67,761	40,270
Adjusted for:		
– depreciation/amortisation	2,784	2,516
– other exceptional changes in value	35,405	49,300
– movements in provisions	-609	510
Changes in working capital:		
– movements in provisions	27,253	-17,844
– movements in current liabilities	-11,258	-20,002
	53,575	14,480
Net cash flow from operations	121,336	54,750
Interest income	4,284	805
Interest expense	-56,126	-55,459
Results of participating interests	-26,217	-7,895
Tax paid/received	-255	-199
	-78,314	-62,748
Net cash flow from operating activities	43,022	-7,998
<b>Cash flow from investing activities</b>		
Investments in tangible fixed assets:		
– property in operation	-27,878	-82,666
– property in development	-113,839	-96,907
– property serving operations	-6,121	-1,921
– movements in work in progress/stocks	-13,308	-18,494
Proceeds from disposals of tangible fixed assets	43,784	42,486
Movements in financial fixed assets	22,180	8,577
Net cash flow from investing activities	-95,182	-148,925
<b>Cash flow from financing activities</b>		
Movements in guarantee deposits	441	372
Proceeds from long-term loans	211,240	334,500
Repayments of long-term loans	-120,654	-119,427
Movements in save-as-you-earn accounts	-408	83
Movements in short-term loans	-19,100	-76,000
Repayment of share capital	-4	-13
Net cash flow from financing activities	71,515	139,515
Net cash flow	19,355	-17,408
<b>Movements in cash/amounts owed to credit institutions</b>		
Opening balance	-34,694	-17,286
Closing balance	-15,339	-34,694
<b>Total movements in cash</b>	<b>19,355</b>	<b>-17,408</b>

## Notes to the consolidated financial statements

### General

#### **Regulatory framework:**

Pursuant to the requirements set forth in the Social Housing Decree applicable to accredited institutions, the financial statements have been prepared in accordance with the provisions of Part 9, Book 2, of the Netherlands Civil Code, with various specific exceptions. Included in the Guidelines for Annual Reporting in the Netherlands is Guideline 645 Officially Recognised Social Housing Institutions, containing a more detailed interpretation of the accounting standards. This Guideline also contains specific formats for the balance sheet and the profit and loss account. Guideline 645 exclusively governs matters specific to the sector. All other matters are governed by the generally applicable accounting guidelines.

### Accounting policies

#### **General**

The accounting policies used for the valuation of assets and liabilities and for the determination of results are based on historical cost unless otherwise mentioned. An important component, tangible fixed assets in operation, is measured at current value based on the value in use. Unless otherwise stated, assets and liabilities are included at face value. An asset is recognised in the balance sheet when it is probable that the future economic benefits will flow to the company and its value can be reliably measured. A liability is recognised in the balance sheet when it is probable that settlement thereof will be accompanied by an outflow of resources and the amount thereof can be reliably measured. The financial statements include both legal liabilities and constructive liabilities quantifiable as having been 'internally formulated and externally communicated'. A constructive liability is linked to a decision-making and communication process connected with property development and restructuring.

Income is recognised in the profit and loss account when an increase in the economic potential, associated with an increase in an asset or a decrease in a liability, has occurred, the amount of which can be reliably measured. Expenses are recognised when a decrease in the economic potential, associated with a decrease in an asset or an increase in a liability, has occurred, the amount of which can be reliably measured. If a transaction results in all or almost all of the future economic benefits and all or almost all of the risks relating to an asset or a liability being transferred to a third party, the asset or liability ceases to be included in the balance sheet. Assets and liabilities are also derecognised as and when the requirements of probability of future economic benefits and reliability of measurement cease to be satisfied.

Income and expenses are attributed to the period to which they relate. Income is recognised if the company has transferred all significant risks to a purchaser. The preparation of the financial statements requires that management form judgements and make estimates and assumptions affecting the application of accounting policies and the reported amounts of assets and liabilities and of income and expenses. The actual results may differ from these estimates. The estimates and underlying assumptions are constantly reviewed. The effect of revised estimates is recognised in the period in which the estimate is revised and in future periods affected by the reappraisal.

#### **Basis of consolidation**

The consolidated financial statements contain the financial information of Woningbouwvereniging Stadgenoot and its group companies and other legal entities over which the company has control. Group companies are participating interests in which the company has a controlling interest or is able to influence policy on some other basis. The group companies are included in full in the consolidation with separate recognition of minority interests.

Proportional consolidation is applied in the case of participating interests in alliances where the company has the same influence on policy as each of the other participants (joint ventures).

Newly acquired participating interests are included in the consolidation from the date on which control is obtained. Participating interests which are disposed of are deconsolidated from the date on which control ceases. Intercompany accounts and transactions are eliminated in the consolidated financial statements, as are profits within the Group.

The consolidated entities are:

- Houdstermaatschappij Stadgenoot BV with subsidiaries: NV Stadsgoed (with subsidiary Stadsgoed Monumenten BV), BV Huismeesters van het Oosten, VVE Beheer Amsterdam BV (50%) (with subsidiary VE beheer Amsterdam Opleidingen BV), Het Oosten Monumenten BV, Amsterdamse Compagnie NV (66.6%), Stadgenoot Vastgoedbedrijf BV and Exploitatiemaatschappij Kadehotel BV.
- Stadgenoot Diensten BV with subsidiaries: Stadgenoot Energie BV, Stadgenoot Participaties II BV
- Stadgenoot Projecten BV with subsidiaries: Stadgenoot Ontwikkeling BV (with subsidiaries: Nieuw Amerika Ontwikkeling BV, Houthavens Ontwikkeling BV, Gershwin Ontwikkeling BV and Polderweg Ontwikkeling BV), Stadgenoot Maritiem BV, VOF Ontwikkelcombinatie IJ-Maritiem, 75% subsidiary of Stadgenoot Maritiem BV, IJ-Maritiem Holding BV, IJ-Maritiem BV, Forum Bos en Lommer Beheer BV 50%, Forum Bos en Lommer CV 50% and BLP Properties BV 50%.
- VOF Kolenkit (43.1%)
- Eerste Amsterdamse Gebiedsonderneming BV (33.3%)

all domiciled in Amsterdam.

The consolidated financial statements also include the owners' associations in which Woningbouwvereniging Stadgenoot has a controlling interest.

### **Financial instruments**

Financial instruments in the case of Woningbouwvereniging Stadgenoot comprise receivables included in financial fixed assets and in current assets, cash and long-term and current liabilities. Financial instruments are recognised at fair value on initial recognition, including directly attributable transaction costs. After initial recognition, financial instruments are carried at amortised cost. In the absence of any premium or discount and directly attributable transaction costs, the amortised cost is equal to the face value. A provision for bad debts is recognised in respect of receivables as necessary. As regards the amount of the deferred tax asset, reference is made to the section on Tax.

In addition, in the case of Woningbouwvereniging Stadgenoot, financial instruments also include derivatives. Derivative financial instruments are carried at fair value, with changes in the fair value recognised in the profit and loss account. Woningbouwvereniging Stadgenoot uses interest rate derivatives to hedge interest rate risks, to which cost-based hedge accounting is applied. Hedge accounting at cost results in the following exception to the accounting policies relating to derivatives stated above.

Using the cost-based hedge accounting model, the amount of a derivative on initial recognition, its subsequent carrying amount and its treatment in the profit and loss account depend on the exposure being hedged. This means that, if the hedged position is carried at cost, the amount of the derivative is also measured at cost and, as long as the hedged position remains on the balance sheet, any gains and losses on the derivative are not recognised.

Using cost-based hedge accounting satisfies the requirements set forth in CAR 290.

Woningbouwvereniging Stadgenoot uses cost-based hedge accounting for the interest-rate derivatives used to convert certain floating-rate loans into fixed-rate loans. Woningbouwvereniging Stadgenoot also uses cost-based hedge accounting for the interest rate derivatives used to hedge future financing transactions, on condition that it is highly probable that these transactions will become a reality. The gains and losses on the ineffective part of a hedge relationship are recognised in the profit and loss account. If an interest rate derivative ceases to satisfy the conditions for hedge accounting, matures or is sold, the hedging relationship is ended and the accumulated gain or loss is transferred to the profit and loss account.

### **Property in operation**

The property in operation is carried at current value based on the value in use. Value in use is understood to mean the net present value of the future proceeds from operations less the net present value of the future operating expenses over the estimated remaining life of the individual let properties. A more comprehensive explanation of the way in which the value in use is calculated and properties are allocated to complexes for this purpose can be found further on in the notes to the financial statements. Any increase or decrease in the current value over the year is recognised in the profit and loss account as movements in the current value of tangible fixed assets.

### **Property under development**

This concerns the projects under development for letting purposes. The carrying amount is measured at cost, including construction period interest costs plus project preparation and management costs, less an estimated provision for costs not covered and for other risks.

If the recognised provision exceeds the capitalised costs on a particular project, the excess is included as provisions for property under development on the liabilities side of the balance sheet.

### **Property and other assets serving operations**

The property and other assets serving operations are carried at cost less depreciation. The two head offices, on Sarphatistraat and on Bos en Lommerplein, are depreciated using the annuity method, based on a useful life of 50 years. The Bos en Lommerplein building was sold at the end of 2010.

Fixtures and fittings are depreciated on a straight-line basis over a useful life of 10–20 years. Equipment is depreciated on a straight-line basis over a useful life of 5–10 years.

### **Participating interests**

Participating interests in group companies and joint ventures are carried at net asset value. In calculating the net asset value, the accounting policies of Woningbouwvereniging Stadgenoot are applied. If the net asset value is negative, the amount is recognised in the provisions for participating interests on the liabilities side of the balance sheet.

Participating interests where Woningbouwvereniging Stadgenoot has no significant influence are carried at cost or a lower amount, as necessary.

### **Materials**

Stocks of materials are measured at the most recently paid purchase prices less a provision for obsolescence.

### **Stock of unsold homes/land and development positions**

The land and development positions are carried at the price paid plus associated expenses. As and when actual development starts, the assets are transferred to property under development/work in progress. If the land and development positions become impaired to such an extent that their fair value is less than the capitalised costs, the impairment loss is taken to the profit and loss account.

The stock of unsold homes concerns new housing completions and is carried at the lower of cost, including construction period interest and project preparation and management costs, and expected selling price. **Work in progress**

This concerns the projects under development for the purpose of sale. The carrying amount is measured at cost, including construction period interest costs plus project preparation and management costs, less an estimated provision for costs not covered and for other risks.

Profit is recognised in equal measure to the production of the homes which have been sold. Sales are recognised on project completion. Advance payments received are deducted from work in progress.

If advance payments exceed the capitalised costs on a particular project, the excess is included in current liabilities.

### **Statutory reserve for participating interests**

A statutory reserve for participating interests is formed for accumulated profits or capital gains which are not distributable.

### **Loans**

No repayments are made on loans contracted in the past under the Dutch 'dynamische kostprijsheersysteem' and not the full amount of the interest due is paid either (loans with increasing principal) as long as the associated operation of the assets generates operating losses originally costed under the system. For the duration of this period, the loan principal is increased each year by a previously calculated amount.

## **Rents**

Presented under this heading is the income under the terms of tenants' leases. Rents are increased annually within the limits prescribed by law, as decided by Woningbouwvereniging Stadgenoot.

## **Charges**

This concerns payments received from tenants for the supply of energy and in respect of service charges.

## **Proceeds from sales of property**

The proceeds from the sale of newbuild owner-occupied housing are recognised on completion of an entire project or project phase and are made up of the invoiced instalments less discounts and net of value-added tax.

The profit on the rented housing sold is recognised at the time of legal handover (conveyance).

## **Change in work in progress**

The recognition of production relating to newbuild owner-occupied housing is in equal measure to the progress of the project. Profit recognition reflects the production of the homes sold. The change in work in progress is made up of the recognised costs and profits for the year relating to the newbuild owner-occupied housing less the invoiced instalments on the completed homes for sale.

## **Costs of subcontracted work**

Costs of subcontracted work concerns the costs incurred on the newbuild owner occupied housing projects.

## **Other movements in the value of tangible and intangible fixed assets**

Included here are the unprofitable investments relating to property in operation (purchases and renovation) and property under development.

## **Wages and salaries/pensions**

At the beginning of 2009, the Council for Annual Reporting in the Netherlands published a new draft guideline, Guideline 271.3, concerning pensions, the requirements of which were optionally applicable with immediate effect. The basis of the new draft guideline is that, for all pension schemes, the pension charges to be recognised should in principle be the same as the amount of the pension contributions payable unless there were additional liabilities as at balance sheet date. Application of the new guideline did not result in any change in the accounting policies compared with the previous accounting treatment of pensions. Basically, the recognised pension charges for the year are equal to the pension contributions payable to the pension fund in respect of the period concerned. If the contributions payable have not been paid on the balance sheet date, a corresponding liability is recognised. If the contributions already paid as at balance sheet date exceed the amount of the contributions due, a prepayment is recognised if there will be any repayment by the pension fund or if the amount overpaid will be set against future contributions.

In addition, a provision is recognised as at balance sheet date for existing additional liabilities vis-à-vis the pension fund and the employees if it is probable that an outflow of resources will be required to settle those liabilities and the amount of the liabilities can be reliably estimated. The existence of additional liabilities is assessed by reference to the terms of the administrative agreement with the pension fund, the pension agreement with the employees and other explicit or implicit commitments to the employees. The amount of the provision is based on the best estimate of the net present value of the amounts needed to settle the liabilities as at balance sheet date. If the pension fund has a surplus as at balance sheet date, a corresponding asset is recognised if such surplus is at the company's disposal, it is probable that the surplus will accrue to the company and the amount of the asset can be reliably measured.

## **Maintenance costs**

The maintenance costs include all costs of work carried out in the year in connection with day-to-day maintenance, changes of tenant, contract repairs and planned maintenance. The expense concerned does not lead to an increase in value of the asset.

### **Finance income and expense**

The net figure is the balance of interest payable and receivable plus commission charges, costs of guarantees and results on interest rate swap contracts and the capitalised interest. Also accounted for in this item are changes in value of the income from financial assets and securities.

### **Corporation tax**

The tax on the results comprises both current tax and deferred tax. The current tax relates to the expected tax liability on the result before tax, taking account of tax facilities, including the agreement with the Dutch Tax Administration establishing the tax liability and non-allowable expenses, and applying the standard tax rates as at balance sheet date and any adjustments in the tax liability relating to prior years.

Tax is deducted from losses if there are profits from preceding years against which the loss can be set and this will result in a tax recovery. Tax is also deducted if it is reasonable to assume that it will be possible to set the loss against future profits. Deferred tax is calculated using the tax rates expected to be applicable when the temporary differences lapse and the tax loss carryforwards are utilised, and recognised at net present value (discount rate 6%).

### **Movements in the current value of tangible fixed assets**

The gains and losses in the value of the property in operation are recognised directly in the profit and loss account.

### **Cash flow statement**

The cash flow statement is prepared using the indirect method. This method involves adjusting the net result in respect of items in the profit and loss account which do not affect cash inflows and outflows during the year, changes in balance sheet items and items in the profit and loss account where the income and expenditure is not considered to be connected with operations.

The cash position shown in the cash flow statement is made up of the cash balance less overdraft borrowing. A distinction is made in the cash flow statement according to operating, investing and financing activities. The cash flows connected with financing are also split into cash flows relating to the principal (included in cash flow from financing activities) and interest payments (included in cash flow from operating activities).

## Notes to the separate items of the consolidated balance sheet

In thousands of euros

<b>Tangible fixed assets</b>		
<b>1.1 Property in operation</b>		
Value in use as at 1 January 2010		2,017,089
Movements in 2010:		
Investments		27,878
Impairment of purchased/renovated property		-18,688
Transferred from under development		54,678
Disposals		-27,608
Movements in current value		27,880
<b>Value in use as at 31 December 2010</b>		<b>2,081,229</b>
The book value based on historical cost is		1,703,688
<b>1.2 Property under development</b>		
Position as at 1 January 2010:		
Cost	181,459	
Accumulated impairment	-105,970	
Book value as at 1 January		75,489
Movements in 2010:		
Investments	113,839	
Impairment	-17,188	
Transferred to property in operation	-54,678	
Balance		41,973
Position as at 31 December 2010:		
Cost	219,344	
Accumulated impairment	-101,882	
<b>Book value</b>		<b>117,462</b>
Recognised under:		
Property under development	137,249	
Provision for unprofitable investments	-19,787	
		117,462

During the year, an amount of €6.8 million was capitalised in respect of construction period interest relating to property under development. In the case of newbuild projects not financed on a specific basis, an average interest rate of 3.88% was applied.

<b>1.3 Property serving operations</b>			
Position as at 1 January 2010:			
Cost		50,402	
Accumulated depreciation		-11,074	
Book value			39,328
Movements in 2010:			
Investments		6,121	
Disposals		-16,176	
Depreciation		-2,784	
Balance			-12,839
Position as at 31 December 2010:			
Cost		36,129	
Accumulated depreciation		-9,640	
<b>Book value</b>			<b>26,489</b>

<b>2 Financial fixed assets</b>	<b>BWS housing subsidies receivable</b>	<b>Other participating interests</b>	<b>Receivables from other participating interests</b>	<b>Other</b>	<b>Total</b>
Position as at 1 January 2010	3,541	30,729	51,446	1,523	87,239
Movements in 2010:					
Investments/advances	-3,541		1,706	0	-1,835
Disposals/repayments		-1,539	-2,393	-86	-4,018
Share in results of participating interests		-16,340			-16,340
Dividends received from participating interests		13			13
Changes in value					0
<b>Position as at 31 December 2010</b>	<b>0</b>	<b>12,863</b>	<b>50,759</b>	<b>1,437</b>	<b>65,059</b>

For a list of the participating interests of the officially recognised housing institution, reference is made to page 146.

<b>3 Stocks</b>			<b>2010</b>	<b>2009</b>
Stocks of materials	249		254	
Stock of unsold homes/land and development positions	85,447		69,211	
			85,696	69,465
Stocks of materials				
Cost	249		254	
			249	254
Stock of unsold homes/land and development positions				
Land and development positions	120,499		96,681	
Unsold homes	8,630		10,033	
Accumulated impairment	-43,682		-37,503	
			85,447	69,211
<b>4 Work in progress</b>				
Capitalised costs	41,015		41,868	
Recognised profits	0		324	
Instalments received from purchasers	-9,293		-8,450	
Provision for expected losses	-432			
			31,290	33,742
Presented under:				
Work in progress	32,232		38,847	
Prepayments	-942		-5,105	
			31,290	33,742

The cost of the work in progress as at year-end 2010 includes an amount of €1.1 million (2009: €0.3 million) in respect of capitalised interest calculated at a rate of 3.88%.

<b>Debtors</b>	2010	2009
<b>5.1 Tenants</b>		
Rents receivable	6,131	6,813
Provision for bad debts in respect of rents	-2,818	-2,191
	3,313	4,622

The amounts receivable from tenants in respect of rents fall due within one year.

<b>5.2 Tax and social security contributions</b>		
Deferred tax assets	30,624	30,117
	30,624	30,117

## Deferred tax assets

The deferred tax assets relate to the recognised tax loss carryforwards and recognised temporary differences. Realisation of these assets is not expected to be possible within one year. The face value of the recognised deferred tax asset is €13.4 million (2009: €14.3 million). The average term of the asset is 10 years (2009: 11 years). The discount rate applied is 2.97% (2009: 2.97%). The amount of unrecognised deferred tax assets is €660 million (2009: €562 million).

### 5.3 Other receivables

The other receivables include an amount of €0 (2009: €0) with a remaining term to maturity of longer than one year.

### 5.4 Prepayments and accrued income

The prepayments and accrued income include an amount of €1.3 million (2009: €3.7 million) with a remaining term to maturity of longer than one year.

<b>6 Cash</b>		
Freely available bank balances	32,471	30,939
Deposits	5	5
	32,476	30,944

The cash balance includes time deposits amounting to €5,000, maturing in periods ranging from 1 week to 3 months. The remainder of the cash is available on demand.

## 7 Group equity

### Shareholders' equity

Details of the shareholders' equity can be found in the notes to the company financial statements.

### Provisions

#### 8.1 Provision for deferred tax liabilities

Position as at 1 January 2010	12,188
Movements in 2010:	
Added	265
Utilised	-3,440
Released	
Position as at 31 December 2010	9,013

The provision for deferred tax liabilities reflects the tax effects of the differences between the reported profit and the profit calculated for tax purposes. Deferred tax with a remaining term of one year or less amounts to nil. The recognised deferred tax liability at face value amounts to €9.4 million (2009: €13.3 million). The average term of the liability is five years. The discount rate applied is 2.97%.

#### 8.2 Provision for unprofitable investments

For the detail of the provision for unprofitable investments, see item 1.2.

<b>8.3 Other provisions</b>		
Position as at 1 January 2010		2,170
Movements in 2010:		
Added		0
Utilised		-609
Released		0
Position as at 31 December 2010		1,561

<b>9 Long-term liabilities</b>	<b>Government loans and borrowings</b>	<b>Guarantee deposits</b>	<b>Other amounts owed</b>	<b>Total</b>
Position as at 1 January 2010	1,532,006	9,533	408	1,541,947
Movements in 2010:				
New loans	211,240			211,240
Repayments	-120,654			-120,654
Other movements		441	-408	33
Position as at 31 December 2010	1,622,592	9,974	0	1,632,566
Term to maturity:				
< 1 year	103,938			103,938
1-5 years	458,628			458,628
> 5 years	1,060,027	9,974		1,070,001

The average interest rate is 3.91% (2009:4.0%).

The duration amounts to 12.41 years (2009:11.48 years).

Of the loans, an amount of €73 million was secured by mortgages as at balance sheet date.

### Current liabilities

#### 10.1 Amounts owed to credit institutions

The overdraft facility with Bank Nederlandse Gemeenten as at 31 December 2010 amounted to €60 million (2009: €60 million), with an interest rate of 0.88%.

The overdraft facility with ING Bank as at 31 December 2010 amounted to €30 million (2009: €30 million), with an interest rate of 2.00%.

	2010	2009
<b>10.2 Tax and social security contributions</b>		
Value-added tax	818	4,256
Social security contributions and wage tax	2,249	2,319
	3,067	6,575

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**10.3 Accruals and deferred income**

Interest on loans not yet due	22,427	23,048
Rents received in advance	2,530	3,397
Other	21,563	20,127
	<hr/> 46,520	<hr/> 46,572

## **Contingent liabilities**

### **1 Investment commitments**

Not included in the balance sheet are newbuild and renovation project commitments totalling approximately €66 million relating to rented housing and housing for the owner-occupied market.

### **2. Ground rent liabilities in respect of existing housing stock**

A proportion of the property is built on leasehold land. In the case of new housing developments built since 1976, the long lease has been purchased. The annual ground rent payable on the other leasehold properties amounts to €2.4 million.

### **3. Part-buy part-rent**

The total exposure on part-buy part-rent homes sold based on 2010 repurchase prices as at year-end 2010 amounted to in excess of €3.9 million.

### **4. Interest rate derivatives**

Four derivative contracts were concluded in 2010, totalling €103 million. Three swaps were used in connection with the restructuring of our derivatives portfolio, enabling us to reduce our interest charges. The fourth swap contract serves to hedge the cash flow risk on a floating-rate loan. The entire derivatives portfolio as at 31 December 2010 amounted to €723.7 million (consolidated). The average interest rate on the payer swaps is 4.08%. The value of the interest rate swaps, both receiver and payer, as at 31 December 2010 was €86.6 million negative. The caps have a value of €1.9 million positive.

### **5. DIGH loan guarantee**

Stadgenoot has given a guarantee amounting to €4.7 million for the repayment of loans from the foundation Dutch International Guarantees for Housing. The foundation uses the funds from this loan to support housing projects in Suriname (in partnership with Stichting Brasa). For further information regarding financial support for institutions outside the Netherlands in 2010, reference is made to the directors' report.

### **6. Vesteda profit-sharing rights**

In 2005, Stadgenoot transferred the beneficial ownership of 108 rented social housing units on the Drie Wachters development to Vesteda. In connection with this transfer, Stadgenoot has a right to share in Vesteda's profits. The profit-sharing right concerns a proportion of the profit on the sale of the Vesteda homes in the development. Since sharing in the profit depends on a decision to sell by Vesteda and the timing of such sale cannot be estimated with any certainty, the profit-sharing right has not been recognised in the balance sheet.

### **7. Liability**

Stadgenoot bears joint and several liability for strategic alliances without definite legal personality and in the form of general partnerships (joint ventures).

### **8. Far West**

Far West is a joint initiative on the part of the Amsterdam housing associations Woonstichting De Key, Woningbouwvereniging Stadgenoot, Woningstichting Rochdale and Stichting Woonmaatschappij Amsterdam. The renovation projects of the four contributing housing associations in the Westelijke Tuinsteden district are being executed by Far West on behalf of the contributing housing associations.

### **9. Commitment to provide capital for Waarborgfonds Sociale Woningbouw**

As at 31 December 2010, the exposure of Woningbouwvereniging Stadgenoot to provide capital in connection with the guarantees given by Waarborgfonds Sociale Woningbouw amounted to €59 million. The committed capital can be called if it is found that WSW's capital base is insufficient to meet the guarantee claims upon WSW.

### **10. NCT-Beheer guarantee**

Woningbouwvereniging Stadgenoot has given a guarantee in respect of its share (19%) in New China Town C.V. This guarantee was taken over by Houdstermaatschappij Stadgenoot BV on 25 May 2010.

Houdstermaatschappij Stadgenoot BV guarantees up to 19% of the liabilities arising in connection with a loan, the principal of which totals a maximum of €70 million (Stadgenoot guarantee: €13.3 million), contracted by New China Town C.V. As at 31 December 2010, an amount of €64 million had been drawn down under this facility.

#### **11. Loan servicing guarantee**

At the time of contracting the loan, Woningbouwvereniging Stadgenoot gave a guarantee in connection with a loan granted by FGH Bank N.V. to BLP 1 Properties B.V. covering 25% of the interest and repayment obligations. On 30 December 2010, Stadgenoot took over the position of Woningstichting Rochdale in Forum Bos en Lommer Beheer B.V. and, in doing so, assumed the guarantee obligations of Rochdale vis-à-vis BLP 1 Properties B.V., meaning that, with effect from 30 December 2010, Stadgenoot is guaranteeing a total of 50% of the interest and repayment obligations. The total amount of the loan is €28 million and it falls due on 31 December 2011.

#### **12. Tax group**

Woningbouwvereniging Stadgenoot together with its subsidiaries forms a tax group for corporation tax and value-added tax purposes.

The Stadgenoot tax group for corporation tax comprises the following companies:

- Woningbouwvereniging Stadgenoot
- Houdstermaatschappij Stadgenoot BV with its subsidiaries NV Stadsgoed with its subsidiary Stadsgoed Monumenten BV, BV Huismeesters van het Oosten, Het Oosten Monumenten BV, Stadgenoot Vastgoedbedrijf BV and Exploitatiemaatschappij Kadehotel BV.
- Stadgenoot Diensten BV with its subsidiaries: Stadgenoot Energie BV, Stadgenoot Participaties II BV
- Stadgenoot Projecten BV with its subsidiaries: Stadgenoot Ontwikkeling BV with its subsidiaries Nieuw Amerika Ontwikkeling BV, Houthavens Ontwikkeling BV, Gershwin Ontwikkeling BV and Polderweg Ontwikkeling BV and Stadgenoot Maritiem BV

The Stadgenoot tax group for value-added tax comprises the following companies:

- Woningbouwvereniging Stadgenoot
- Houdstermaatschappij Stadgenoot BV with its subsidiaries NV Stadsgoed with its subsidiary Stadsgoed Monumenten BV, Het Oosten Monumenten BV and Stadgenoot Vastgoedbedrijf BV
- Stadgenoot Ontwikkeling BV

## Notes to the separate items of the consolidated profit and loss account

In thousands of euros

<b>Operating income</b>	<b>2010</b>	<b>2009</b>
<b>12.1 Rents</b>		
Rents	177,676	175,983
Lost rental income due to vacancies	-6,508	-8,193
	171,168	167,789
Lost rental income expressed as % of rents	3.66%	4.66%
Rent arrears as % of rents	2.36%	2.82%
Rent owed by ex-tenants as % of rents	1.22%	1.05%
<b>12.2 Charges</b>		
Service charges	13,059	12,482
Lost service charge income due to vacancies	-624	-654
	12,435	11,828
<b>12.3 Proceeds from sales of property</b>		
Sales of existing housing stock	57,561	81,460
Value in use of existing housing stock	-23,940	-37,480
Selling costs of existing housing stock	-7,196	-10,276
	26,424	33,705
Sales of new homes	12,209	84,616
	38,633	118,321
<b>12.4 Change in work in progress</b>		
Subcontracted work in connection with sales of new homes	8,087	42,005
Result on sales of new homes	-42	6,305
Production value	8,046	48,311
Sales of new homes	-12,209	-84,616
Total change in work in progress	-4,163	-36,304
<b>12.5 Other operating income</b>		
Costs passed on to third parties	4,564	4,665
Operating expenses passed on	1,253	1,515
Maintenance costs passed on	1,441	1,213
Owners' Associations, management on behalf of third parties	6,077	8,073
Other income	525	176
	13,860	15,641

Operating expenses	2010	2009
<b>13.1 Costs of subcontracted work</b>		
Costs of subcontracted work on current projects	8,087	42,005
Miscellaneous selling costs	0	4
	8,087	42,009
<b>13.2 Other movements in the value of tangible fixed assets</b>		
Tangible fixed assets in operation	36,907	41,187
Tangible fixed assets under development	-1,031	-2,117
	35,876	39,070
<b>13.3 Wages and salaries</b>		
<b>Number of staff</b>		
As at year-end 2010, the company had 473 employees (2009:501), made up of 200 women and 273 men. The wages and salaries can be analysed by employee category as follows:		
Management	1,786	1,791
Operations	16,469	15,720
Property development	1,479	1,037
Administration	2,960	3,234
Other	1,370	1,533
Participating interests	7,422	7,400
	31,486	30,714
All staff are employed in the Netherlands.		
<b>13.4 Maintenance costs</b>		
Planned maintenance	21,294	21,937
Work connected with changes of tenant	5,806	13,961
Day-to-day maintenance	8,503	11,251
Social needs /quality-of-life	1,597	2,586
	37,200	49,735
<b>13.5 Exceptional changes in value of current assets</b>		
Land and development positions	-471	8,454
Stock of unsold homes		1,776
	-471	10,230

In thousands of euros

	2010	2009
<b>13.6 Other operating expenses</b>		
Operational expenses	11,656	10,796
Other expenses	23,143	36,191
Costs of supplying goods and services	14,293	15,646
	49,091	62.633
Operational expenses:		
Tax	9,874	9,123
Insurance	1,450	1,379
Contribution to national federation	331	295
	11,656	10.796
Other expenses:		
General overheads	9,608	9,448
Other staff costs	1,292	1,919
Temporary staff	1,255	6,762
Premises costs and office equipment	1,988	2,940
ICT costs	2,363	2,526
Property development project acquisition and preparation costs	740	3,690
Members' Council	122	149
Merger costs	0	2
Professional fees	2,128	2,755
Miscellaneous operating expenses	3,646	6,001
	23,143	36.191
<b>Finance income and expense</b>		
<b>14.1 Interest and similar income</b>		
Interest in respect of BWS housing subsidies	0	-24
Interest on other financial fixed assets	4,284	828
	4,284	805
<b>14.2 Interest and similar charges</b>		
Interest on long-term liabilities	63,470	60,518
Capitalised interest on property and movable assets under development	-8,900	-8,699
Interest on current liabilities	1,556	3,640
	56,126	55,459

In thousands of euros

<b>15 Corporation tax</b>	<b>2010</b>	<b>2009</b>
Current tax liability for the year	-332	-5,014
Current tax liability for prior years	0	-2,848
Movements in deferred tax	3,094	14,888
	<u>-3,427</u>	<u>7,026</u>

The current tax liability for the year has been calculated as follows:

Result before tax according to the consolidated financial statements	15,918
Unprofitable investments	47,656
Result on sales of existing housing stock	-38,633
Other temporary and permanent differences	-26,245
Total permanent and temporary differences	<u>-17,222</u>
Taxable amount	<u>-1,304</u>
Current tax liability for the year	-332

The weighted average effective tax rate was 21.5% (2009:28.6%).

	<b>2010</b>	<b>2009</b>
<b>16 The number of members of the Managing Board is 2</b>		
Their remuneration is as follows:		

	<b>Managing Board Member</b>	<b>Managing Board Member</b>
	<b>F. Bijdendijk</b>	<b>F. Bijdendijk</b>
Fixed pay	171,315	177,898
Variable pay/year-end bonus*1)	<u>26,685</u>	<u>17,797</u>
Total annual pay	198,000	195,695
Deferred benefits (pension)	-	6,275
Taxable expenses	24,057	14,842
Non-taxable expenses	<u>4,339</u>	<u>4,563</u>
Total of deferred benefits and expenses	28,396	25,680
Total remuneration	226,396	221,375
Benefit in kind of company car for tax purposes (including 5% own contribution)	53,350	53,350

Disclosure of information under the Act governing the Disclosure of Top Level Rewards in Publicly Funded Sectors (WOPT) is as follows:

Taxable annual pay	228,328	214,975
Pension contributions	-	9,363
Contractual working week (hours)	36	36

In thousands of euros

	<b>2010</b>	<b>2009</b>
	<b>Managing Board Chairman G.P. Anderiesen</b>	<b>Managing Board Chairman G.P. Anderiesen</b>
Fixed pay	162,221	160,261
Variable pay/year-end bonus*1)	24,039	15,438
Total annual pay	186,260	175,699
Deferred benefits (pension)	40,295	39,207
Taxable expenses	996	1,289
Non-taxable expenses	2,400	3,169
Total of deferred benefits and expenses	43,691	43,665
Total remuneration	229,951	219,364
Benefit in kind of company car for tax purposes (including 5% own contribution)	55,996	55,996
Disclosure of information under the Act governing the Disclosure of Top Level Rewards in Publicly Funded Sectors (WOPT) is as follows:		
Taxable annual pay	189,167	180,495
Pension contributions	55,038	52,247
Contractual working week (hours)	36	36

As stated in the 2004 financial statements, the scheme proposed by the Committee on Conditions of Employment for Directors of Housing Associations (Izeboud Committee) has been applied with effect from 2005.

In accordance with this scheme, the remuneration of the chairman of the Managing Board has been based on Scale H.

In accordance with this scheme, the remuneration of the other member of the Managing Board has been based on Scale I, based on legacy entitlements.

	2010	2009
<b>WOPT disclosures:</b>	<b>Finance Manager</b>	<b>Finance Manager</b>
Taxable annual pay	168.366	*2) 146.144
Pension contributions	45.146	45.217
Contractual working week (hours)	36	36

	2010	2009
<b>WOPT disclosures:</b>	<b>Property Development Manager</b>	<b>Property Development Manager</b>
Taxable annual pay	164,003	*2) 135,457
Pension contributions	45,146	42,753
Contractual working week (hours)	36	36

<b>WOPT disclosures</b>	<b>2010</b> <b>Letting Agent</b>	<b>2009</b> <b>Letting Agent</b>
Taxable annual pay	243,757	*3) 62,394
Pension contributions	14,382	15,160
Contractual working week (hours)	36	36

The level of incentive pay was fixed on the basis of agreements reached at the time of entering into the contract of employment, which was before the WOPT came into operation. The fixed pay is in accordance with the new, recently adopted internal pay scheme for management, which is supported by external benchmarking of competitive pay structures.

\*1) Commencing in 2009, the variable remuneration was changed to a year-end bonus . The year-end bonus relating to 2009 was paid In 2010. The year-end bonus for the reporting period will be payable in the current year.

\*2) This includes the year-end bonus for 2009 and 2010. The 2010 year-end bonus would normally have been paid in 2011.

\*3) This concerns the payment for the termination of the contract with a letting agent under the terms of the social plan following the merger associated with the 'new course' reorganisation. Date of joining Stadgenoot: 1-3-1989. Date of severance: 30-11-2010. Date of birth 23-07-1955.

Details of the gross remuneration paid to the chairman, vice-chairman and members of the Supervisory Board can be found in the report of the Supervisory Board on Page 77.

## **Notes on the current value of the consolidated balance sheet**

### **1. Introduction**

Stadgenoot measures the tangible fixed assets in operation using a form of current value, namely the value in use. Value in use provides Stadgenoot with an important tool for managing the value of the property portfolio and taking the right investment decisions.

The value in use is given by the net present value of the future income from operation over the estimated remaining useful life of the let property. The value in use is calculated complex by complex and represents the future earning capacity of each complex.

### **2. Cause for changes in parameters**

Stadgenoot decided the basis of the calculation of value in use for the opening balance sheet in 2008. No material changes were made by Stadgenoot for the reporting period. WSW did, however, issue guidelines on the parameters to be applied which did result in adjustments.

### **3. Parameters**

The following paragraphs discuss the main parameters for Stadgenoot's value in use calculations. A distinction is made in this context according to the following organisational elements of Stadgenoot:

- Stadgenoot at company level: §3.1–3.7
- N.V. Stadsgoed (wholly-owned subsidiary): §3.8
- N.V. Amsterdamse Compagnie (subsidiary with 66.7% ownership): §3.9.

#### **3.1 Discount rate and earning power value adjustment**

The discount rate applied reflects the minimum required return on the investments in tangible fixed assets, this being also specifically stated in the accounting standards (CAR 121.324). A discount rate reflecting the current market interest rate and the specific risks attaching to an asset is the minimum rate of return that would be demanded by investors when considering an equivalent investment in terms of cash flow, time horizon and risk.

In the case of Stadgenoot, the following general principles apply:

- The higher the risk, the higher the required rate of return;
- Apart from the market for rented social housing (with its own investors, representing a certain risk and yielding a specific return), the Amsterdam housing association sector is also involved in a separate market for commercial property (letting of business/industrial premises and homes in the deregulated rental market). Finally, there is a separate discount rate applicable to garages and car parks.

With effect from the 2010 financial statements, the discount rate has been reduced from 6.00% to 5.25% at the instigation of WSW, the inflation factor included in this figure having been reduced from 2.25% to 2.00%.

Having regard to the requirements of the accounting standards and other considerations, it has been decided to use the standard discount rate, based on 2.00% inflation, for the next five years. The real discount rate will subsequently be applied for the period from the sixth year onwards.

Finally, the interest on the funding side is accounted for separately by means of an earning power value adjustment. This has the advantage of ignoring short-term influences due to interest rate volatility and that both the long-term minimum return requirement and the effect of current interest rates on the portfolio are treated separately. The above can be presented in tabular form as follows:

Tangible fixed assets in operation	Period	Standard or real	Return basis	Inflation	Risk markup	Overall rate of return
Rented social housing	1-5 years	Standard	3.25%	2.00%	0.00%	5.25%
	6-50 years	Real	3.25%	0.00%	0.00%	3.25%
Deregulated rented housing	1-5 years	Standard	3.25%	2.00%	0.25%	5.50%
	6-50 years	Real	3.25%	0.00%	0.25%	3.50%
Commercial/industrial premises	1-5 years	Standard	3.25%	2.00%	1.25%	6.50%
	6-50 years	Real	3.25%	0.00%	1.25%	4.50%
Garages/car parks	1-5 years	Standard	3.25%	2.00%	0.50%	5.75%
	6-50 years	Real	3.25%	0.00%	0.50%	3.75%
Solids	1-5 years	Standard	3.25%	2.00%	0.00%	5.25%
	6-50 years	Real	3.25%	0.00%	0.00%	3.25%

### 3.2 Parameters

Price inflation for 2011 has been arrived at on the basis of the short-term estimates produced by the CPB, the Netherlands Bureau for Economic Policy Analysis. The wage inflation figure for 2011 has been taken from the CLA increase. For the ensuing years, the percentages have been extrapolated on a straight line to 2.00%. The rate of inflation for property prices used as the basis for the selling prices of the existing housing stock has been taken as being equal to the price inflation figure with a reduction of half a percentage point.

The estimated rate of wage inflation in 2011 is higher than last year, with a lower estimate for ensuing years. The estimated rate of price inflation for 2011 is higher than last year, with a lower estimate for ensuing years. Estimated property price inflation is lower than last year for all years.

Year	Wage inflation 2010	Wage inflation 2009	Price inflation 2010	Price inflation 2009	Property price inflation 2010	Property price inflation 2009
2010	n/a	1.00%	1.30%	1.00%	n/a	1.00%
2011	1.50%	1.31%	1.50%	1.31%	1.00%	1.31%
2012	1.60%	1.63%	1.60%	1.63%	1.10%	1.63%
2013	1.70%	1.94%	1.70%	1.94%	1.20%	1.94%
2014	1.80%	2.25%	1.80%	2.25%	1.30%	2.25%
2015	1.90%	2.25%	1.90%	2.25%	1.40%	2.25%
2016 and beyond	2.00%	2.25%	2.00%	2.25%	2.00%	2.25%

### 3.3 Investments and disposals

All expenditure on maintenance, with the exception of investments classed as expansion, taken into account in calculating the value in use is recognised as maintenance costs. There is therefore no capital expenditure on maintenance included in the value in use. Replacement investments no longer figure in the system because they are now part of the maintenance costs, which are included in the carrying amount for the remaining life of the property. For the approach to cash flow, the distinction between maintenance costs and replacement investments is not relevant. It was recently decided, in view of their nature, no longer to include some of the maintenance costs (ad hoc repairs, maintenance on change of tenant and planned maintenance) in the value in use. Work of this nature is now therefore treated as expansion investment.

Cash flows relating to disposals are included in the calculation for a period of five years, as required by the accounting standards.

The following table shows the net proceeds from sale and the number of homes sold each year. Net sales proceeds represents the selling price less costs, such as refurbishment costs and costs of dividing properties. Out of Stadgenoot's total number of rental units (33,562), 7,859 are included in a 'sales pool' from which

homes are sold to both sitting tenants and private buyers. This does not, however, imply that all these homes will ultimately be sold since it is Stadgenoot's general policy that not more than 49% of the number of units in a particular complex can be sold off. Sales are only included in the calculation for the first five years. No sales are included in the value in use from the six-year onwards, even if a formal decision to sell has been taken.

In thousands of euros	2011	2012	2013	2014	2015
Net sales proceeds	39,302	41,706	44,383	53,218	57,081
Number of homes sold	250	260	280	325	340
Net sales proceeds per rental unit	157	160	159	164	168

### 3.4 Rental income, vacancies and rate of turnover

With effect from 1 July 2010, the level of social housing rents was adjusted in line with the inflation rate for 2009. The same system will be applied to the 2011 rent increase. With effect from 1 July 2011, the level of social housing rents will be adjusted in line with the inflation rate for 2010. That means a maximum rent increase for social housing in the coming year (1 July 2011–30 June 2012) of 1.3%. This has been laid down in a government decision. No decisions have yet been taken for the years beyond this and we are therefore applying the same figure. Section 5.4 describes the effect in financial terms of this inflation linked policy for the level of rents. As in the preceding year, the restriction on the number of homes in the core housing stock has again been abandoned.

Last year, separate figures were still used for the percentage of lost rent for the Residential Property Business Unit and for the Commercial/Civic Property Business Unit. For calculating the value in use in 2010, the distinction was made between rented social housing, deregulated rented housing, commercial/business property and car parks.

As in previous years, the value in use for 2010 takes account of different rates of tenant turnover according to dwelling units, garages and business premises.

### 3.5 Maintenance and remaining useful life

The remaining useful life of the portfolio as at year-end 2010 is 26.6 years, representing an average increase of 0.2 years compared with 2009. For a large proportion of the properties, the useful life has declined by one year.

The addition of 564 newbuild units and the completion of 19 upgraded units returned to operation had a minor moderating effect on the change in remaining useful life. A minimum life of 30 years is used for complexes included in the sales pool. This is the same as was used for the 2009 value in use. Also accounted for in the value in use for 2010, as in preceding years, are the demolition plans. The existing useful life has also been revised to take account of planned upgrading of properties and, where applicable, the useful life has been increased on completion of improvements.

Again in 2010, planned maintenance is based on a long-term maintenance plan for each complex. The basis for this maintenance plan is a visual inspection of the state of repair of a complex (condition measurement), leading to a decision regarding the maintenance expenditure which is needed to achieve the remaining useful life and vice versa. In this way, the planned maintenance expenditure on a complex and the useful life of that complex are interlinked.

### 3.6 Average cash flows per rental unit

Stadgenoot analyses its cash flows at individual asset level. Standard amounts are only used if there is no apparent relationship between asset and costs. To increase the insight into the value in use, we have calculated the average cash flows per rental unit over a period of five years.

### Average cash flows per rental unit per annum

Stadgenoot (at company level)	2010	2009
Rents	5,214	5,107
Lost rent	152	149
Planned maintenance	703	785
Ad hoc repairs	219	290
Work connected with changes of tenant	99	197
Work connected with social needs / quality of life	82	31
Corporate expenses	375	351
Administrative expenses	1,048	1,023

#### Notes on significant changes

- Average rental income increased largely as a result of the annual increase (1.2% on average with effect from 01-07-10) and the effect of harmonisation of rents.
- The figure for lost rents was revised upwards slightly on the basis of improved insight.
- Planned maintenance was slightly down, with considerably lower figures for ad hoc repairs and work connected with changes of tenant. This drop was partly due to the fact that the Property Division was included in Stadgenoot (company) with effect from 2010 whereas it was previously a subsidiary. This resulted in the transfer of costs from maintenance to administrative expenses. Improved insight also meant that certain costs are now treated as investments. Work connected with social needs / quality of life was increased but, overall, maintenance costs were adjusted downward.
- Corporate expenses were higher overall. There was a reduction in ground rents as a result of allowing for the purchase of long leases on lease expiry, in line with City of Amsterdam policy, but there was an increase in tax and insurance, for which an upward adjustment was made, based on budget figures.
- Administrative expenses were higher, owing to the incorporation of the Property Division into Stadgenoot (company).

### 3.7 Allocation to complexes

In preparing their financial statements, housing associations are required to adhere to the provisions of Part 9, Book 2, of the Netherlands Civil Code, Guideline 645, among other standards. Guideline 645 was made more stringent, the new stipulations being applicable with effect from the 2004 financial statements. They include the requirement that the allocation to complexes for the purposes of calculating the value in use should reflect:

- internal management structures
- policy with regard to specific product/market combinations (consistency of policy).

Within Stadgenoot, management of the portfolio in relation to future value is based on the different areas into which the Amsterdam market is divided. The allocation to complexes has been revised accordingly for calculating the value in use, with a new allocation being adopted for Stadgenoot. The two housing associations, AWW and Het Oosten, each have their own allocation to complexes for calculating their value in use. The allocation used in the opening balance sheet for 2008 was the same as that used in 2010. A change in the allocation to different complexes, incidentally, does not affect the amount of the value in use.

### 3.8 Subsidiary N.V. Stadsgoed

N.V. Stadsgoed is a wholly-owned subsidiary of Stadgenoot, with property concentrated in the centre of the city. Stadsgoed applies the same parameters as Stadgenoot for calculating the value in use.

With effect from the 2006 financial statements, Stadsgoed reduced the risk markup for business premises from 1.25% to 0.75%. The risk profile of the business premises in the centre of Amsterdam is very different from

that of business premises elsewhere in the city or in other urban centres. This is mainly due to the relative scarcity of business premises, especially in the segment of the market in which Stadsgoed operates, namely that of small business premises and buildings housing several businesses. Other factors taken into account in the reduction of the risk markup were the low level of lost rents, the good state of repair of the property and the low turnover of tenants due to the acceptable level of normal market rents.

### 3.9 Subsidiary N.V. Amsterdamse Compagnie

N.V. Amsterdamse Compagnie a subsidiary in which Stadgenoot has a 66.7% stake, the remaining 33.3% being owned by the City of Amsterdam. The object of this organisation is to provide small-scale business premises. In pursuing this object, Amsterdamse Compagnie attempts to improve the quality of life in a particular district wherever possible and necessary. N.V. Amsterdamse Compagnie applies the same parameters as Stadgenoot for calculating the value in use.

## 4. Overall picture of the tangible fixed assets in operation

Summarising, the current value of the tangible fixed assets in operation in 2010 and 2009 was as follows:

Tangible fixed assets in operation, in millions of euros	2010	2009	Difference
Stadgenoot (company)	1,939.2	1,883.9	55.3
N.V. Stadsgoed	120.3	111.7	8.6
Amsterdamse Compagnie	21.7	21.5	0.2
Stadgenoot (consolidated)	2,081.2	2,017.1	64.1

## 5. Analysis of differences

Compared with 2009, there was an increase of €64.1 million in the tangible fixed assets in operation. An analysis of the differences reveals the various movements in the value in use. The separate causes of these movements are presented in the following table and discussed below.

Position as at 31-12-2009, in millions of euros	2,017.1
Step 1: organic changes	-21.9
Step 2: movements in housing stock	60.5
Step 3: changes in parameters	114.2
Step 4: policy changes	-0.3
Step 5: earning power value adjustment	-97.2
Step 6: subsidiary N.V. Stadsgoed	8.6
Step 7: subsidiary Amsterdamse Compagnie	0.2
Position as at 31-12-2010	2,081.2

### 5.1 Organic changes: €21.9 million negative

Step 1 shows the effect of organic changes in 2010, moving forward 12 months (to year-end 2010). The change in value is explained by the removal of cash flows in 2010 (€116.3 million negative) which is only partially offset by the effect of moving the remaining cash flows one year closer (€94.4 million).

The remaining useful life of the complexes still averages 27 years. At this stage of the life-cycle, the value in use is generally seen to increase. In this case, however, that is not the picture. The cash flows removed from the equation in 2010 have a greater impact than the effect of discounting all future cash flows over a period that is shorter by one year. This is due to the absence of a substantial cash flow in the form of sales proceeds (€51.4 million). Overall, the effect of organic changes is to reduce the value in use by €21.9 million.

The 2010 value in use figure, incidentally, also includes the expected sales for 2015 (the fifth year), since Stadgenoot proceeds on the basis of a sales pool which is replenished each year. The adjustments in the expected sales for the period 2011–2014 are also accounted for in the value in use. This effect is included in step 4, policy changes.

## **5.2 Movements in housing stock: €60.5 million positive**

*Disposals: €1.4 million negative*

The projection was for 340 homes to be sold whereas in reality disposals totalled 253. In addition, 11 car parks were sold and 17 units, 10 homes and 7 business premises were transferred to a subsidiary of Stadgenoot. Also, as part of an exchange, 40 homes and 2 business premises were sold. The homes actually sold were, for the most part, not those included in the projections. This obviously depends on what actually happens during the year. The overall effect on the value in use was a drop of €1.4 million.

*New additions to the housing stock: €48.1 million positive*

New rental units were also brought into operation in 2010. Newbuilds totalled 583 rental units, including 19 units returned to the operating stock following completion of improvements, and purchases totalled 18 rental units. The value in use of newbuilds and purchases amounts to €47.3 million and €0.8 million, respectively.

*Improvements: €12.6 million positive*

Various properties were upgraded in 2010, resulting in additional rent increases, extensions to the useful life and/or extra WWS (home valuing scheme) points. The number of rental units involved is 1,018. The improvements concerned did not involve taking the rental units out of operation.

*Demolition: €1.2 million positive*

150 fewer rental units were demolished in 2010 than had been expected. The expected figure was 735, whereas in reality 585 were demolished. The effect was to lift the value in use by €1.2 million.

## **5.3 Changes in parameters: €114.2 million positive**

The parameter changes stem from a change of view with regard to the future in relation to the various parameters that are important in the calculation of the value in use. We are not talking about policy changes at this stage but about the projected rate of inflation, discount rate and useful life.

*Indexation increases: €1.3 million positive*

The estimated rate of wage inflation is higher in the first year and lower in subsequent years than one year ago. The estimated rate of price inflation for 2010 and 2011 is higher than one year ago and lower thereafter. The estimated property price inflation rate is lower than last year for all years. The value in use increases by €1.3 million as a result of these changes affecting indexation.

*Discount rate: €112.0 million positive*

The discount rate applied by Stadgenoot varies per product, owing to risk markups. With effect from the 2010 financial statements, the discount rate has been lowered from 6.00% to 5.25% at the instigation of WSW. The inflation factor included in this has been reduced from 2.25% to 2.00%. Compared with the preceding year, a different discount rate has also been applied to a small number of rental units. There has been no change in the risk markups. The value in use increases by €112.0 million as a result of these adjustments.

*Useful life: €0.9 million*

The remaining useful lives of the complexes have been increased overall, rising from 26.4 to 26.6 years. Although the useful life is basically shorter by one year on the existing stock, 564 newbuild units with a remaining life of 50 years have the effect of increasing the average useful life. The value in use rises by €0.9 million as a result of the revised useful life.

## **5.4 Policy changes: €0.3 million negative**

Finally, apart from the altered assumptions for the parameters, changes in policy for 2011 and beyond also give rise to a change in the value in use.

*Rent policy: €2.8 million negative*

The government has decided that the level of rents in the social housing sector in 2011 should be increased in line with inflation, as was the case in 2010. The social housing sector rent policy used in calculating the value in use is based on the rate of inflation for all years, as it was for the previously calculated value in use. For the other categories of rented properties, the rent policy is likewise inflation-linked. As in the preceding year, the Commercial/Civic Property Business Unit is also applying an inflation-linked rent policy. The actual level of rents is on average lower than projected and WWS (home valuing scheme) points have been adjusted accordingly. Overall, these factors have a negative effect of €2.8 million.

*Lost rent: €2.2 million negative*

Previously, a figure of 4.8% was taken into account by the Commercial/Civic Property Business Unit and 2.5% by the Residential Property Business Unit for loss of rental income. Under the new policy, allowance is made for lost rent in respect of four different products: rented social housing (2.21%), deregulated rented housing (4.60%), business premises (2.45%) and car parks (38.00%). Overall, the value in use falls by €2.2 million as a result of these adjustments.

*Operating expenses: €65.3 million positive*

The following comments can be made with respect to operating expenses:

- There was an increase in administrative expenses bearing on the value in use, mainly as a result of the transfer of Vastgoed BV to Stadgenoot (company), the overall effect of which was to reduce the value in use by €18.4 million. As regards the expenses of the development operations, a distinction is now made between selling activities and the other activities. Only the selling activities are now included in the calculation of the value in use, resulting in an increase in the value in use of €21.9 million. The expenses relating to the other activities are still included in the long-term plan but do not affect the value in use.
- Ground rent: The value in use rises by €10.4 million. More long leases being purchased meant there was a reduction in the amount of ground rent payable, which had the effect of lifting the value in use. This development is in line with City of Amsterdam policy.
- Tax and insurance: More costs have been included in the calculation, leading to a reduction in the value in use of €16.1 million. This results from an increased estimate of these costs for 2011 compared with the 2010 estimate.
- Maintenance: The projected maintenance costs are lower than in the preceding year, resulting in an increase in the value in use of €67.5 million. The figures used for maintenance on change of tenant and ad hoc repairs were lower, having the effect of lifting the value in use by €37.3 million and €59.8 million, respectively. The figures used for maintenance and work relating to social needs/quality of life were higher, having the effect of reducing the value in use by €3.2 million and €26.4 million, respectively. This includes the effect of transferring Vastgoed BV to Stadgenoot (company), with the associated shift from maintenance costs to administrative expenses. It was recently decided, in view of their nature, no longer to include some of the maintenance costs (ad hoc repairs, maintenance on change of tenant and planned maintenance) in the value in use. Work of this nature is now therefore treated as expansion investment. The overall effect is to increase the value in use by €67.5 million.

*Investments and disposals: €60.6 million negative*

- Stadgenoot proceeds on the basis of a sales pool which is replenished each year. Sales over the next five years are included in the calculation, with the first year which is removed from the sales equation in connection with organic changes replaced by the addition of one year. The value in use in 2009 took into account 2,037 disposals and the 2010 figure took into account 1,455, or 582 fewer. The sales falling out of the equation in 2010 totalled 340, for the period 2011–2014, 582 fewer sales were included in the calculation and, for 2015, 340 fewer. In this step, therefore, 242 fewer sales were included in the calculation, resulting in a negative impact of €43.8 million.
- The value of demolitions was up by €8.9 million. The 2009 value in use included 1,114 demolitions and the 2010 figure 910, some being different from the properties scheduled for demolition. The lower volume of demolitions results in a higher value in use, owing to the resultant increase in the average useful life, with an increased cash flow on balance.
- The residual value at the end of the useful life increases by €21.6 million, chiefly as a consequence of now including the purchase of long leases on expiry of the lease, in line with City of Amsterdam policy. Where

ground rent is still payable, the long lease is also purchased when properties are added to the sales pool. The resultant increase in the purchase of long leases leads to a higher residual value, since this figure is largely made up of the value of the purchased leasehold when properties reach the end of their life.

- The allowance for purchase of long leases, as already mentioned, has been adjusted upwards, resulting in a reduction in the value in use of €47.3 million.

#### **5.5 Earning power value adjustment: €97.2 million negative**

The decrease in the earning power adjustment is due to organic changes (approximately €10 million) and the lowering of the discount rate by 0.75 of a percentage point.

The combined effect of these two factors overshadowed completely the positive result of €18 million achieved by raising new loans and careful portfolio management.

The earning power value adjustment fell overall by €259.1 million to €161.9 million.

#### **5.6 Subsidiary N.V. Stadsgoed: €8.6 million positive**

Like Stadgenoot, the wholly-owned subsidiary N.V. Stadsgoed measures its assets at current value. Compared with 2009, there was an increase of €8.6 million in the tangible fixed assets in operation. An analysis of the differences reveals the various movements in the value in use. The separate causes of these movements are presented in the following table and discussed below.

Position as at 31-12-2009, in millions of euros	111.7
Step 1: organic changes	1.4
Step 2: movements in housing stock	5.0
Step 3: changes in parameters	9.9
Step 4: policy changes	-6.7
Step 5: earning power value adjustment	-1.0
Position as at 31-12-2010	120.3

##### *Organic changes: €1.4 million positive*

The remaining useful life of the complexes still averages more than 40 years. The organic change in value is due to the different timings of the calculation of the value in use (31-12-2009 and 31-12-2010). Cash flows between these dates are removed and the remaining cash flows move one year closer. Therefore, even with no change in the portfolio, the same policy and unchanged parameters, the value in use will be different. The movement due to organic changes in 2010 was €1.4 million positive.

##### *Movements in housing stock: €5.0 million positive*

17 rental units were purchased in 2010, increasing the value in use by €4.8 million. One rental unit was returned to operation following redevelopment, resulting in an increase in the value in use of €0.2 million.

##### *Changes in parameters: €9.9 million positive*

For years 2011 and beyond, slightly lower indices have been applied. This has a small negative effect on the net present value of the rental income and increases the operating expenses. Overall, the value in use falls by €0.1 million on the basis of the latest economic forecasts. The discount rate used for the first five years has been adjusted from 6.00% to 5.25%. Beyond the five-year horizon, the discount rate reflects the real interest rate, which has also been adjusted downwards by 0.5 of a percentage point. The new discount rate has the effect of increasing the value in use by €9.8 million.

##### *Policy changes: €6.7 million negative*

The actual rents as at year-end 2010 are slightly lower than projected, added to which, the lost rent percentage has been increased for 2011 and 2012. The combined effect of these two changes is to depress the

value in use by €2.0 million. Lower expenditure has been budgeted for planned maintenance in the years ahead, increasing the value in use by €1.9 million. Finally, higher estimates for operating expenses produce a negative movement in the value in use of €6.6 million.

*Earning power value adjustment: €1.0 million negative*

The earning power value adjustment fell by €1.0 million.

## **5.7 Subsidiary Amsterdamse Compagnie(66.7%): €0.2 million positive**

Like Stadgenoot, N.V. Stadsgoed measures its assets at current value. Stadgenoot's share in Amsterdamse Compagnie N.V. is 66.7%. Compared with 2009, there was an increase of €0.2 million in the tangible fixed assets in operation. An analysis of the differences reveals the various movements in the value in use. The separate causes of these movements are presented in the following table and discussed below.

Position as at 31-12-2009, in millions of euros	21.5
Step 1: organic changes	0.4
Step 2: movements in housing stock	0.0
Step 3: changes in parameters	0.8
Step 4: policy changes	0.1
Step 5: earning power value adjustment	-1.1
Position as at 31-12-2010	21.7

*Organic changes: €0.4 million positive*

The total net cash flow in 2010 that was included in the value in use calculation as at year-end 2009 (the cash flow removed) amounted to approximately €0.8 million. The positive effect of all the remaining operating cash flows beyond 2010 moving one year closer is €1.2 million. The effect of the organic changes is a function of the remaining useful life of the complexes in continued use by the company.

*Movements in housing stock: €0.0 million*

There were no changes in the housing stock.

*Changes in parameters: €0.8 million positive*

The parameters based on the economic indices from 2009 have been replaced by the parameters from 2010. This means that the calculation uses slightly lower indices for the years 2011 and beyond. Overall, the negative effect of a lower rate of price inflation on the sales proceeds has the biggest impact, causing the value in use to fall by €0.2 million. The change in the discount rates has the effect of increasing the value in use by €1.0 million. The discount rate used for the first five years has been reduced by 0.75 of a percentage point. Beyond the five-year horizon, the discount rate reflects the real interest rate, which has also been adjusted downwards by 0.5 of a percentage point

*Policy changes: €0.1 million positive*

There have been various policy changes, with a minor impact on the value in use. A small proportion of the staff costs and overheads is now allocated to operation of the property portfolio, following the introduction of new activities in 2010.

A change in the policy on disposals results in the inclusion of 308 sales of rental units, 116 more than in the preceding year. The effect on the value in use is nil.

*Earning power value adjustment: €1.1 million negative*

The organic changes lead to a drop in the earning power value adjustment of €0.1 million. A change in the parameter used for the calculation makes a further reduction in the earning power value adjustment of €1.0 million, resulting in the combined reduction of €1.1 million.

**6. Reconciliation of the movements in tangible fixed assets in operation on the face of the balance sheet and the movements in the current value of property in operation recognised in the profit and loss account**

The relationship with the amount recognised in the profit and loss account is presented as a movement in value of €27.9 million, made up as follows:

<b>tangible fixed assets in operation</b> in millions of euros	<b>Stadgenoot</b> <b>(company)</b>	<b>NV</b> <b>Stadsgoed</b>	<b>Amsterdamse</b> <b>Compagnie NV</b>	<b>Stadgenoot</b> <b>(consolidated)</b>
Balance sheet movements	55.3	8.6	0.2	64.1
Investments	-58.5	-5.2	-0.2	-63.9
Disposals	27.6	0.0	0.0	27.6
Movements in value in the profit and loss account	24.4	3.4	0.0	27.9

## Company balance sheet as at 31 December 2010

In thousands of euros, after appropriation of result

<b>Assets</b>	<b>31-12-10</b>	<b>31-12-09</b>
<b>Fixed assets</b>		
<hr/>		
Tangible fixed assets		
Property in operation	1,939,186	1,883,865
Property underdevelopment	91,970	53,475
Property and other assets serving operations	25,512	39,179
	<hr/>	<hr/>
	2,056,668	1.976.519
<hr/>		
<b>17 Financial fixed assets</b>		
BWS housing subsidies receivable	0	3,541
Participating interests in group companies	78,099	72,516
Receivables from group companies	27,099	26,518
Other participating interests	33,216	49,286
Receivables from other participating interests	50,769	51,446
Other receivables	1,433	1,511
	<hr/>	<hr/>
	190,616	204.818
Total fixed assets	<hr/>	<hr/>
	2,247,284	2,181,337
<hr/>		
<b>Current assets</b>		
Stocks	54,719	54.137
Work in progress	12,225	14.533
<hr/>		
Debtors		
Tenants	2,980	4,225
Public authorities	116	158
Group companies	37,274	48,770
Tax and social security contributions	29,873	30,220
Other receivables	5,106	9,309
Prepayments and accrued income	12,874	22,812
	<hr/>	<hr/>
	88,223	115.494
<hr/>		
Cash	4,409	2.831
Total current assets	<hr/>	<hr/>
	159,576	186,995
<hr/>		
<b>Total assets</b>	<b>2,406,860</b>	<b>2,368,332</b>

<b>Equity and liabilities</b>	<b>31-12-2010</b>	<b>31-12-2009</b>
<b>18 Shareholders' equity</b>		
Share capital	16	20
Statutory reserve for participating interests	9,039	9,325
Other reserves	690,324	669,030
Total shareholders' equity	699,379	678,375
<b>Provisions</b>		
Provision for participating interests	10,529	2,209
Provision for unprofitable investments	16,335	27,401
Other provisions	10,298	13,738
Total provisions	37,162	43,348
<b>Long-term liabilities</b>		
Loans	1,533,340	1,466,935
Guarantee deposits	9,213	8,784
Total long-term liabilities	1,542,553	1,475,719
<b>Current liabilities</b>		
Amounts owed to credit institutions	11,432	36,259
Prepayments on WIP	440	2,627
Trade creditors	3,718	10,502
Amounts owed to group companies	22,040	6,225
Tax and social security contributions	4,854	7,793
Other amounts owed	45,400	65,500
Accruals and deferred income	39,882	41,984
Total current liabilities	127,766	170,890
Total equity and liabilities	2,406,860	2,368,332

## Company profit and loss account for 2010

In thousands of euros

	2010	2009
<b>Operating income</b>		
Rents	162,928	160,845
Charges	12,055	11,520
Proceeds from sales of property	34,347	114,255
Change in work in progress	3,905	-20,779
Capitalised production for own use	1,204	1,095
Other operating income	13,017	15,663
Total operating income	227,455	282,598
<b>Operating expenses</b>		
Costs of subcontracted work	10,987	55,225
Depreciation and amortisation	2,656	2,456
Other movements in the value of tangible and intangible fixed assets	35,606	38,497
Ground rent	2,775	2,677
Wages and salaries	18,743	18,334
Social security charges	2,392	2,343
Pension charges	3,205	3,291
Maintenance costs	41,573	55,339
Exceptional changes in value of current assets	-471	10,230
Other operating expenses	46,591	59,274
Total operating expenses	164,057	247,667
<b>Operating result</b>	<b>63,398</b>	<b>34,931</b>
<b>Financing command expense</b>		
Interest and similar income	4,158	1,638
Interest on similar charges	53,548	53,978
Total financing command expense	-49,390	-52,340
<b>Result on ordinary activities before tax</b>	<b>14,008</b>	<b>-17,409</b>
Corporation tax	3,094	-6,941
Share in results of participating interests	-20,517	-4,330
<b>Group result after-tax before movements in current value of tangible fixed assets</b>	<b>-3,415</b>	<b>-28,680</b>
Movements in the current value of property and operation	24,423	14,535
<b>Net result</b>	<b>21,008</b>	<b>-14,145</b>

## **Notes to the company financial statements**

### **General**

For the balance sheet and profit and loss account items in respect of which disclosures are not made below, reference is made to the notes to the consolidated balance sheet and profit and loss account.

### **Accounting policies**

The accounting policies used for the valuation of assets and liabilities and for the determination of results are the same as those used for the consolidated balance sheet and profit and loss account.

### **Statutory reserve for participating interests**

A statutory reserve for participating interests is formed containing accumulated profits and capital gains which cannot be distributed by the officially recognised housing institution.

## Notes to the separate items of the company balance sheet

<b>17 Financial fixed assets</b>	<b>BWS Participating housing interests in group subsidiaries receivable</b>	<b>interests in group companies</b>	<b>Receivables from group companies</b>	<b>Other participating interests</b>	<b>Receivables from other participating interests</b>	<b>Other</b>	<b>Total</b>
Position as at 1 January 2010	3,541	72,516	26,518	49,286	51,446	1,511	204,818
Movements in 2010:							
Investments/advances			581	615	1,706	3	2,905
Disposals/repayments	-3,541	-404	0	-113	-2,383	-81	-6,522
Share in results of participating interests		5,987		-16,585			-10,598
Dividends received from participating interests				13			13
Position as at 31 December 2010	0	78,099	27,099	33,216	50,769	1,433	190,616

For a list of the participating interests of the officially recognised housing institution, reference is made to page 146.

<b>18 Shareholders' equity</b>	<b>Share capital</b>	<b>Statutory reserve for participating interests</b>	<b>Other reserves</b>	<b>Total</b>
Position as at 1 January 2010	20	9,325	669,030	678,375
Movements in 2010:				
Repayments	-4			-4
Transfers		-286	286	0
Result for the year			21,008	21,008
Position as at 31 December 2010	16	9,039	690,324	699,379

### 19 Auditors' fees

The following fees charged by KPMG Accountants and other KPMG entities have been charged to the company (and its subsidiaries and other companies included in the consolidation), as referred to in Section 2:382a of the Netherlands Civil Code.

	<b>2010 KPMG Accountants</b>	<b>2010 Other KPMG entities</b>	<b>2010 Total for KPMG</b>	<b>2009 KPMG Accountants</b>	<b>2009 Other KPMG entities</b>	<b>2009 Total for KPMG</b>
Audit of the financial statements	180	0	180	208	0	208
Other audit assignments	10	0	10	8	0	8
Tax consultancy	0	18	18	0	38	38
Other non-audit services	0	26	26	0	0	0
	190	44	234	216	38	254

## **Other information**

### **Report by the independent auditors**

Two: the Managing Board and Supervisory Board of Woningbouwvereniging Stadgenoot

### **Statement concerning the financial statements**

We have audited the 2010 financial statements of Woningbouwvereniging Stadgenoot, Amsterdam, as included in this report. These financial statements consist of the consolidated and company balance sheets as at 31 December 2010, the consolidated and company profit and loss accounts for 2010 and the consolidated cash flow statement for 2010 together with the notes, including a summary of the principal accounting policies for financial reporting and other notes.

### **The management's responsibility**

The management of the officially recognised housing institution is responsible for preparing the financial statements, which are required to present a true and fair view of the assets, equity and liabilities and results, and for producing the directors' report, both pursuant to the provisions relating to the financial statements and the directors' report included in Section 26, subsection 1, of the Rented Social Housing Sector Management Decree, Guideline 645 published by the Council for Annual Reporting in the Netherlands and the Act governing the Disclosure of Top Level Rewards in Publicly Funded Sectors. The management of the officially recognised housing institution is also responsible for internal control systems deemed necessary to enable the preparation of financial statements free of material misstatements due to fraud or error.

### **The auditors' responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with the laws of the Netherlands, including Dutch auditing standards and the audit protocol under Heading A in Annex III of the Rented Social Housing Sector Management Decree. This obliges us to observe the standards of professional behaviour expected of us and requires us to plan and perform our audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes performing activities to obtain audit information on the amounts and disclosures in the financial statements. The precise activities to be performed depend on the auditors' professional judgement including their assessment of the risks of material misstatements due to fraud or error. That assessment takes account of the internal control system relevant to the presentation of a true and fair view of assets, equity and liabilities and results in the financial statements in order to be able to make a proper decision concerning the appropriate audit activities in the particular circumstances but not with the object of expressing an opinion on the effectiveness of the officially recognised housing institution's internal control system. An audit also includes assessing the suitability of the accounting policies used and the reasonableness of estimates made by the officially recognised housing institution's management, as well as evaluating the overall financial statement presentation.

We believe that the audit information obtained by us provides an adequate and suitable basis for our opinion.

### **Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of Woningbouwvereniging Stadgenoot as at 31 December 2010 and of the result and the cash flows for the year then ended, in accordance with Section 26, subsection 1, of the Rented Social Housing Sector Management Decree, Guideline 645 published by the Council for Annual Reporting in the Netherlands and the Act governing the Disclosure of Top Level Rewards in Publicly Funded Sectors.

### **Statement concerning other statutory requirements**

Pursuant to the provisions of Section 28, part a of the Rented Social Housing Sector Management Decree, we hereby state that no deficiencies were revealed by our examination of whether the directors' report has been prepared in accordance with Part 9, Book 2, of the Netherlands Civil Code, and whether the information required pursuant to the provisions of Section 2:392, subsection 1g, of the Netherlands Civil Code has been included. We also state that, to the best of our judgement, the directors' report and the housing report are consistent with the financial statements, as required by the provisions of Section 2:391, subsection 4, of the

Netherlands Civil Code. We also state that the obligation to disclose in the directors' report any financial support to foreign institutions within the meaning of MG 2005-04, MG 2008-03 and MG 2010-03, the obligation to disclose in the directors' report any purchases of land within the meaning of MG 2001-26 and the obligation to disclose in the directors' report any sponsorship activities within the meaning of MG 2006-04 have been complied with.

Amstelveen, 18 May 2011

KPMG ACCOUNTANTS N.V.

K.G.P. Tegel

### **Statement concerning the disposition of funds in the interests of housing**

The Managing Board hereby states that all funds were spent in the interests of housing in the reporting period.

Amsterdam, 18 May 2011

Managing Board

### **Post-balance-sheet events**

In October 2010, the Managing Board and the Council of Members of Far West decided to terminate the Far West strategic alliance sooner than originally intended. In 2011, all the activities and all the assets, equity and liabilities will be transferred to the member organisations, guaranteeing the continuation of activities. The effect for the Far West association will be that this officially recognised housing institution ceases to exist.

In 2011, the assets and equity and liabilities will be divided among the members, including the results of the Far West association in 2011. By way of indication, as at year-end 2010, Far West's total assets amounted to €612.2 million. Stadgenoot will be taking over its share, i.e. 32.33%, of the assets, equity and liabilities in 2011.

### **Provisions of the articles of association concerning the appropriation of results**

The articles of association do not contain any provisions relating to the appropriation of results. The object of the association is to pursue activities solely in the area of housing.

### **Proposed appropriation of the result**

#### *Recommendations of the Supervisory Board*

As stipulated in Articles 27 and 36 of the articles of association, the Supervisory Board has examined the financial statements for 2010.

Having taken cognisance of the auditors' report on these financial statements from KPMG Accountants NV, we invite the Council of Members of Woningbouwvereniging Stadgenoot to approve the 2010 financial statements as they stand.

In anticipation of the approval of the financial statements by the Council of Members, it is proposed to add the surplus of €21,008,000 to the other reserves. The balance sheet has been drawn up after this proposed appropriation of the result.

Approval by the Council of Members' means official adoption of the financial statements, ratification of the decisions taken by the Managing Board and the supervision exercised by the Supervisory Board and consent to the appropriation of the result.

Amsterdam, 18 May 2011

Supervisory Board

## Key figures

### Numbers of units under management

Position as at 1-1-2010	Stadgenoot	Far West	Stadsgoed	Vesteda	Stadsgoed Monumenten	Stedenfonds	Amsterdamse Compagnie	Prospect Zuidas	Total
Dwelling units	29,907	2,644	127	108	26	277	0	0	33,089
Business premises	1,579	246	113	0	25	11	264	0	2,238
Car parks	2,449	288	0	82	0	175	98	0	3,092
	33,935	3,178	240	190	51	463	362	0	38,419

### Stand per 31-12-2010

Dwelling units	29,450	2,492	128	108	36	277	0	34	32,525
Business premises	1,626	255	113	0	32	11	269	0	2,306
Car parks	2,486	287	0	82	0	175	95	0	3,125
	33,562	3,034	241	190	68	463	364	34	37,956
Change	-373	-144	1	0	17	0	2	34	-463

### Analysis of change

<b>Added</b>									
Purchases from officially recognised housing institutions	15	0	0	0	0	0	0	0	15
Purchases from third parties	2	0	0	0	0	0	0	0	2
Purchases from associated entities	0	0	0	0	17	0	0	0	17
Redevelopment	19	0	1	0	0	0	0	0	20
Reorganisation (division)	457	0	0	0	0	0	10	0	467
Internal transfer	19	0	0	0	0	0	0	0	19
Newbuild	564	15	0	0	0	0	0	34	613
Administrative adjustments	0	0	0	0	0	0	0	0	0
<b>Removed</b>									
Sales to private buyers	-254	-12	0	0	0	0	0	0	-266
Sales to officially recognised housing institutions	-42	-50	0	0	0	0	0	0	-92
Sales to sitting tenants	-10	-3	0	0	0	0	0	0	-13
Sales to market participants	0	0	0	0	0	0	0	0	0
Sales to associated entities	-17	0	0	0	0	0	0	0	-17
Demolition	-585	-92	0	0	0	0	-3	0	-680
Redevelopment	-114	0	0	0	0	0	0	0	-114
Reorganisation (combination)	-408	-2	0	0	0	0	-2	0	-412
Internal transfer	-19	0	0	0	0	0	0	0	-19
Administrative adjustments	0	0	0	0	0	0	-3	0	-3
<b>Total change</b>	<b>-373</b>	<b>-144</b>	<b>1</b>	<b>0</b>	<b>17</b>	<b>0</b>	<b>2</b>	<b>34</b>	<b>-463</b>

## Annex

### Group companies, participating interests and strategic alliances

For the purpose of clustering similar activities, Stadgenoot has three holding companies: Houdstermaatschappij Stadgenoot B.V., Stadgenoot Projecten B.V. and Stadgenoot Diensten B.V. in addition to the three holding companies, there are three associated entities within Woningbouwvereniging Stadgenoot:

#### **Eerste Amsterdamse Gebiedsonderneming B.V.**

Established	2006
Activities	Eerste Amsterdamse Gebiedsonderneming (EAG) coordinates the planned activities of Stedenfonds. It was decided at the end of 2009 to wind up the activities of EAG. EAG will not be assuming any new obligations but will continue in existence as long as there are any rights and obligations under existing contracts. This mainly concerns guarantee commitments under turnkey purchase contracts. EAG's management contracts have been taken over by the shareholders.
Shareholders	Stadgenoot (33.3%), Woonstichting De Key (33.3%) and Bouwfonds Ontwikkeling BV (33.3%).
Management	Woonstichting de Key, Bouwfonds Ontwikkeling B.V. and Woningbouwvereniging Stadgenoot.
Internal supervision	-

#### **Stedenfonds Amsterdam N.V.**

Established	2005
Activities	Stedenfonds is a property investment fund set up by De Key, Stadgenoot and Rabo Vastgoed B.V. The shareholders of Stedenfonds have given commitments to fund the growth of the portfolio up to an amount of at least €275 million.  Stadgenoot manages the complexes Basiushof, Parkrand, Ripperdahof, IJburg Blok 41 and IJburg Blok 56 on behalf of Stedenfonds.
Shareholders	Stadgenoot (4.2%), Woonstichting De Key, Rabo Vastgoed BV and nine pension funds.
Management	J.C.L. Severens.
Internal supervision	Supervisory Board comprising H.G. Hilverink, J.M.F.X. van Veggel, S. Kalkman and Thewessen.

#### **Far West**

Established	2000
Activities	Far West is an association and officially recognised housing institution with three members: Woningbouwvereniging Stadgenoot, Woonstichting De Key and Woningstichting Rochdale. The members have transferred the beneficial ownership of homes, business premises and car parks/secure basement storage spaces to Far West in connection with the joint integrated Westelijke Tuinsteden district area development in the City of Amsterdam. Management remains in the hands of the transferring housing associations. Against the background of the current economic crisis, the Council of Members decided in October 2010 to wind up the Far West association and to transfer the economic ownership back to the members by dividing up the assets. The operating apparatus of Far West was largely dismantled at the end of March 2011. The members will be using the whole of 2011 to facilitate the return of the property in a managed fashion, including all the legalities. The finalised redistribution of the assets is scheduled for the end of 2011. Stadgenoot's stake is 32.33%.

Management	J.J.M. Thielen.
Internal supervision	Supervisory Board comprising M.F. Werkman, R.T.F. Kleipool, E.J.J. van Leeuwen, D.M. Swagerman and P.L. Lahaye.
Council of Members	Stadgenoot (chair), Woonstichting De Key and Woningstichting Rochdale.

**Kristal N.V. (in liquidation)**

Established	2001
Activities	Kristal was a property development organisation for six housing associations in the urbanised west of the Netherlands (Randstad). Partly as a consequence of the economic recession, the six housing associations have restricted scope for investment. Management, the Supervisory Board and shareholders of Kristal NV therefore decided to terminate the activities of Kristal NV on 30 September 2010. The staff of 50 at Kristal, working on projects, have been transferred to the various housing associations. The company's affairs are currently being wound up and it should be possible to cease activities altogether in the course of 2011.

Shareholders	Stadgenoot (16.7%), ZVH, Stichting Haag Wonen, DUWO, Stichting Woonbron and Stadswonen.
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Liquidator	R.J.A. van Hamersveld.
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**Stichting Brasa**

Established	2000
Activities	Stichting Brasa was founded in 2000 with the object of improving the housing situation and the quality of life for people in Paramaribo, in partnership with sister foundation Sekrepatu. Assisted by Brasa, the plan is for Sekrepatu to grow into a Suriname housing association with the object of building and managing affordable good-quality rented accommodation. Brasa is an initiative of Stadgenoot and Ontwikkelingsbedrijf Amsterdam. These partners were joined by Rochdale, in 2005, and by Woonstichting De Key, in 2006.

Management	Woningbouwvereniging Stadgenoot, Woonstichting De Key, Woningstichting Rochdale and B.A. van der Zande.
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Internal supervision	-
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**Coöperatieve Herverzekeringsmaatschappij Woningcorporaties U.A.**

Established	2005
Activities	Reinsurance of the fire and related risks of residential buildings owned by the cooperative's members (Amsterdam housing associations). The aim was to reduce the overall risk costs of the members and provide risk management support. At the general meeting of members held on 22 September 2010, it was concluded that the present setup of CHW was no longer supported by the members and that, as a consequence, CHW was to be wound down with effect from 31 December 2010. In a letter dated 26 November 2010, Stadgenoot announced that it would be entering into agreement with a different insurance company. Financial settlement will be completed in 2011. Stadgenoot has an interest of 9%.

Management	.G. van Harten, N.T.J. Overdeest and G.G. Jörke.
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Internal supervision	-
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### **Stichting Duurzaamheidsbarometer**

Established	2009
Activities	The Foundation was set up by five housing associations (Woonbron, Tiwos, HaagWonen, SWZ and Stadgenoot), who have together developed the 'Barometer' as a tool for measuring sustainability in collaboration with Stichting Natuur & Milieu. This tool allows a picture to be obtained of the status and the development of the housing stock from the sustainability point of view. The methodology takes into account five aspects of sustainability, viz. future value, health, energy, use of materials and water. The participating associations began working with the Barometer in the first half of 2009, applying it to a number of complexes for the purpose of gaining experience.
Management	Woningbouwvereniging Stadgenoot, Woningstichting SWZ and Stichting Woonbron.
Internal supervision	-

### **V.O.F. Kolenkitbuurt-Zuid**

Established	2005
Activities	<p>The district known as Kolenkitbuurt is a redevelopment area. Stadgenoot (AWV) and Far West finalised the Implementation Plan (Uitwerkingsplan (UWP) Zuidelijk Veld) in 2005. The plan is based on the demolition of all the homes in the area, totalling more than 700. AWV and Far West continued their partnership in 2005 by establishing a joint venture (VOF Kolenkitbuurt-Zuid), with the central object of completing the entire Implementation Plan, sharing the risks and costs on a joint basis. Of the five planned phases of the UWP Zuidelijk Veld scheme, demolition has taken place in Phase I and rebuilding is in full swing. The first homes are due for completion after the end of summer 2011.</p> <p>The go-ahead was given for Phase II at the end of 2010. In view of the economic circumstances, however, the JV has put the demolition/rebuilding work on hold provisionally for two years. The partners are still convinced of the quality of the development and are determined to stick to the original concept of the UWP scheme, albeit with a slower pace of implementation. In order to give the scheme the maximum chance of success, the successor to Far West will become a partner in the JV, which has district development company status (WOM status), conferring exemption from tax on conveyancing of property.</p>

### **Houdstermaatschappij Stadgenoot B.V.**

Established	2002
Activities	Houdstermaatschappij Stadgenoot BV is the holding company for all of Stadgenoot's operations.
Shareholders	Woningbouwvereniging Stadgenoot (100%).
Management	G.P. Anderiesen and F.P. Bijdendijk.
Internal supervision)	Supervisory Board of Woningbouwvereniging Stadgenoot.

## **N.V. Stadsgoed**

Established	1999
Activities	<p>The area of operation of NV Stadsgoed covers a large portion of central Amsterdam, between the Singelgracht canal and the waterfront on the IJ. This zone includes sensitive areas in which the quality of life is sometimes severely compromised. In these areas, Stadsgoed buys up rundown property or property with undesirable uses and/or sector involvement, frequently dealing with criminal parties. Typical examples are Geldersekaade, Prins Hendrikkade, Nieuwendijk, Amstel/Amstelstraat, Vijzelstraat and the Wallen.</p> <p>Stadsgoed's goal is to develop an attractive, varied and lively inner-city for Amsterdam affording good quality of life. Buildings need to be well maintained and visitors need to be stimulated by attractive small businesses in a safe environment. Stadsgoed attempts to achieve these goals by renovating and/or restoring the premises it buys before redeveloping them for the desired type of use in partnership with committed users.</p> <p>In 2010, Stadsgoed carried out work, for example, on the premises purchased in 2009 on Damrak. The new hotel 'The Exchange' is expected to be opened in the summer of 2011. Hotel The Exchange is an initiative of Lloyd hotel in close partnership with Stadsgoed and marks the first step on the road to an improved and prettier Damrak.</p> <p>Stadsgoed staff are employed by Stadgenoot and are seconded to N.V. Stadsgoed.</p>

Shareholders	Houdstermaatschappij Stadgenoot BV (100%).
Management	J.A. Wiggers (employed by Stadgenoot).
Internal supervision	Supervisory Board comprising F.P. Bijdendijk, G. Anderiesen and I.J. Cohen.

### **Stadsgoed Monumenten B.V.**

Established	2001
Activities	Stadsgoed Monumenten BV has been active since January 2005 in connection with the purchase and operation of national listed buildings by Stadsgoed.
Shareholders	N.V. Stadsgoed (100%).
Management	N.V. Stadsgoed.
Internal supervision	Supervisory Board of N.V. Stadsgoed.

### **De Amsterdamse Compagnie N.V.**

Established	2005
Activities	<p>Object of this organisation is to create small-scale business premises. In its projects, Amsterdamse Compagnie strives to improve the quality of life in the locality where possible and desirable. The company makes use of the capacity and expertise possessed by its shareholders. It accordingly requires only a small staff, who are seconded to it from Stadgenoot.</p> <p>With effect from 1 January 2011, the City of Amsterdam has stopped its investment grants for the creation and transformation of small-scale business premises. This has implications for Amsterdamse Compagnie's possible purchases / investment horizon. The General Meeting of Shareholders now intends to explore other possibilities for stimulating purchasing policy. In 2010, with the approval of the General Meeting of Shareholders, Amsterdamse Compagnie added a new activity to its portfolio, namely the provision of services to third parties by letting small-scale business premises on the Stadgenoot campus Sarphatistraat.</p>

Shareholders	Houdstermaatschappij Stadgenoot BV (66.66%) and gemeente Amsterdam (33.33%).
Management	A.S. de Vos (employed by Stadgenoot).
Internal supervision	-

**VvE Beheer Amsterdam B.V.**

Established	2001
Activities	VvE Beheer Amsterdam BV provides a comprehensive package of services to associations and owners.
Shareholders	Houdstermaatschappij Stadgenoot BV (50%) and Woonstichting De Key (50%).
Management	B. Burgers.

**VvE Beheer Amsterdam Opleidingen B.V.**

Established	2009
Activities	VvE Beheer Amsterdam Opleidingen BV provides training for Owners' Associations.
Shareholders	VvE Beheer Amsterdam B.V. (100%).
Management	VvE Beheer Amsterdam B.V.
Internal supervision	-

**Stadgenoot Vastgoedbedrijf B.V. (no activities)**

Established	2006
Activities	With effect from 31 December 2010, the activities and staff of Stadgenoot Vastgoedbedrijf have been transferred to Woningbouwvereniging Stadgenoot. The company no longer has any activities.
Shareholders	Houdstermaatschappij Stadgenoot BV (100%).
Management	P.N.L. van der Horst (employed by Stadgenoot).
Internal supervision	Supervisory Board of Woningbouwvereniging Stadgenoot.

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**Exploitiemaatschappij Kadehotel B.V. (no activities)**

Established	1999
Activities	Exploitiemaatschappij Kadehotel BV was set up to operate a hotel. The company's activities ceased in 2001.
Shareholders	Houdstermaatschappij Stadgenoot BV (100%).
Management	Houdstermaatschappij Stadgenoot BV.
Internal supervision	Supervisory Board of Woningbouwvereniging Stadgenoot.

**Het Oosten Monumenten B.V. (no activities)**

Established	2001
Activities	Het Oosten Monumenten BV was set up to look after all national listed buildings in the Stadgenoot portfolio. As a result of a change in the regulations (governing tax on conveyancing), the national listed buildings have been transferred from the company to Stadgenoot. With the completion of this transfer, the company ceased its activities.
Shareholders	Houdstermaatschappij Stadgenoot BV (100%).
Management	Houdstermaatschappij Stadgenoot BV.
Internal supervision	Supervisory Board of Woningbouwvereniging Stadgenoot.

**B.V. Huismeesters van Het Oosten (no activities)**

Established	2001
Activities	This company's activities ceased on 30 June 2008. The janitorial services are now provided by Woningbouwvereniging Stadgenoot itself.
Shareholders	Houdstermaatschappij Stadgenoot BV (100%).
Management	Houdstermaatschappij Stadgenoot BV.
Internal supervision	Supervisory Board of Woningbouwvereniging Stadgenoot.

**Stadgenoot Projecten B.V.**

Established	2006
Activities	Stadgenoot Projecten B.V. is a holding company for all projects involving third parties.
Shareholders	Woningbouwvereniging Stadgenoot (100%).
Management	G.P. Anderiesen and F.P. Bijdendijk.
Internal supervision	Supervisory Board of Woningbouwvereniging Stadgenoot.

**Stadgenoot Ontwikkeling B.V.**

Established	2003
Activities	In November 2010, Stadgenoot Projecten B.V. took over the shares of Houdstermaatschappij Stadgenoot B.V. (95%) and Kristal N.V. (5%). At the same time, Kristal N.V. stepped down as director. Then, at the end of November, the company's articles of association were amended and the name Het Oosten Kristal BV was changed to Stadgenoot Ontwikkeling B.V. The current projects of Stadgenoot Ontwikkeling B.V. will be transferred to Woningbouwvereniging Stadgenoot with effect from 1 July 2011.
Shareholders	Stadgenoot Projecten B.V. (100%).
Management	P.J.C. Kramers (employed by Stadgenoot).
Internal supervision	Supervisory Board of Woningbouwvereniging Stadgenoot.

**Gershwin Ontwikkeling B.V.**

Established	2001
Activities	This company was set up with the object of developing and building new rented and owner-occupied housing and business premises in the district by the name of Gershwin in Amsterdam's Zuidas zone. As at year-end 2010, Gershwin Ontwikkeling BV and Ymere each had a 50% stake in the consortium De Complete Stad, the original third partner, ING Vastgoed Ontwikkeling BV, having retired from the consortium in 2010. De Complete Stad holds a development position involving a project made up of around 600 new homes and 11,500 m <sup>2</sup> of office space and civic facilities as part of Amsterdam's Zuidas expansion scheme. In view of the existing economic situation, the project will be put on hold for the time being. In April 2011, the shares were transferred to Stadgenoot Projecten BV, which also assumed the role of Managing Board of this company.
Shareholders	Stadgenoot Ontwikkeling B.V. (100%).
Management	Stadgenoot Ontwikkeling B.V.
Internal supervision	Supervisory Board of Woningbouwvereniging Stadgenoot.

### **Polderweg Ontwikkeling B.V.**

Established	2001
Activities	<p>Polderweg Ontwikkeling BV is a partner in the development consortium (joint venture) Ontwikkelingscombinatie Polderweggebied V.O.F.</p> <p>In April 2011, the shares were transferred to Stadgenoot Projecten BV, which also assumed the role of Managing Board of this company.</p>
Shareholders	Stadgenoot Ontwikkeling B.V. (100%).
Management	Stadgenoot Ontwikkeling B.V.
Internal supervision	Supervisory Board of Woningbouwvereniging Stadgenoot.

### **Ontwikkelingscombinatie Polderweggebied V.O.F.**

Established	2005
Activities	<p>Ontwikkelingscombinatie Polderweggebied VOF was set up to develop the Oostpoort area (previously known as Polderweggebied). This central district in the Eastern sector of the city is destined to become a lively, urban, traffic-free neighbourhood, with intimate squares and streets inviting visitors on a journey of discovery. The first buildings have already been completed. The development of Oostpoort involves three subzones:</p> <ul style="list-style-type: none"><li>- Oostpoort West</li><li>- Oostpoort Central</li><li>- Oostpoort East</li></ul> <p>In Oostpoort West, a large underground car park is to be built with space for around 874 cars, on top of which will be a shopping centre and approximately 350 new homes. The underground parking facility will provide both a public car park and private parking spaces, cycle parking areas and secure storage areas. Above ground, the buildings will have commercial use at ground level and in some places at first-floor level, with rented social housing apartments and apartments for owner occupation in the upper storeys. The commercial property in Oostpoort West has been sold to the investor in the shopping centre and the public section of the underground parking. The social rented housing apartments with their associated parking spaces are to be taken over by Stadgenoot and Ymere at cost. The apartments intended for sale together with their associated parking spaces are to be taken over and marketed by OCPmarket, a backstop being provided by the partners (each with a 33% stake) in case any apartments remain unsold 12 months after completion.</p> <p>In Oostpoort East, the plan was to build the Danshuis. However, on 9 February 2011, Stadgenoot and Stichting Danshuis Amsterdam terminated their partnership. Stichting Danshuis Amsterdam was unable to sign the lease because an important future tenant of this proposed centre for professional dance companies and partner in the scheme had unexpectedly backed out, putting an end to the Danshuis project. Preparations for the start of construction were at an advanced stage, the building permit had been granted and site preparation had already been completed. The development consortium Ontwikkelingscombinatie OCP and Stadsdeel Oost are exploring the possibilities of rapidly finding an alternative use for the Danshuis project. The preference is for a plan which fits in as closely as possible with the existing design of the building and the building permit which has been issued for it.</p> <p>Oostpoort Central includes a large number of facilities. In addition to the new business district of Stadsdeeltkantoor, there will be all kinds of functions of a cultural, sporting and educational nature. Some of these facilities are already in use.</p>

This subzone forms the lively heart of Oostpoort.

Partners Polderweg Ontwikkeling B.V. (33.33%), Werkmaatschappij Projectontwikkeling Ymere VI BV (33.33%) and Bouwfonds Polderweg BV (33.33%).

#### **Houthavens Ontwikkeling B.V.**

Established 2001

Activities Houthavens Ontwikkeling BV is a partner in the joint venture Vof Houthavens. In April 2011, the shares were transferred to Stadgenoot Projecten BV, which also assumed the role of Managing Board of this company.

Shareholders Stadgenoot Ontwikkeling B.V. (100%).

Management Stadgenoot Ontwikkeling B.V.

Internal supervision Supervisory Board of Woningbouwvereniging Stadgenoot.

V.O.F. Houthavens

Established 2001

Activities A total of 99 rented social housing units (50 homes intended for young people and 9 large social rented housing units), 184 homes intended for the deregulated market and 9,500 m<sup>2</sup> of business premises is being developed and built. The former port district of Houthaven is to become a lively part of Amsterdam, providing a unique addition to the supply of homes in the Spaarndammerbuurt neighbourhood. The project marks the culmination of the redevelopment along the south bank of the IJ. The ambition is to achieve a sustainable development with sustainable buildings in the Houthaven. More than 30% of the new homes are earmarked for the social rented housing sector, with the remainder being let at market rents or sold. The programme includes 50 homes specially intended for young people. These are small social rented housing units for working young people, for which there is a separate waiting list.

Partners Houthavens Ontwikkeling B.V. (50%) and Vaartpoort VII B.V. (50%).

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#### **Nieuw Amerika Ontwikkeling B.V.**

Established 2001

Activities Nieuw Amerika Ontwikkeling BV is a partner in the joint venture Ontwikkelingscombinatie Nieuw Amerika V.O.F. In April 2011, the shares were transferred to Stadgenoot Projecten BV, which also assumed the role of Managing Board of this company.

Shareholders Stadgenoot Ontwikkeling BV (100%).

Management Stadgenoot Ontwikkeling BV.

Internal supervision Supervisory Board of Woningbouwvereniging Stadgenoot.

**Ontwikkelingscombinatie Nieuw Amerika V.O.F.**

Established	2000
Activities	<p>Ontwikkelingscombinatie Nieuw Amerika has developed and built three freestanding buildings on Amsterdam's Oostelijke Handelskade, linked by an underground parking facility on two levels. The Detroit Building, with 82 owner-occupied apartments and 2,900 m<sup>2</sup> of office space, is entirely new. All three buildings are 35 m tall.</p> <p>The Boston Building, with 130 owner-occupied apartments and 2,500 m<sup>2</sup> of business premises, is also a new building but stands adjacent to and on top of a redeveloped former warehouse. The Chicago Building, with 93 rented social housing units as well as business/commercial premises, forms an integral unit with the existing Wilhemina warehouse building to which it is linked in a spectacular fashion with its upper storeys projecting over the top of the old warehouse.</p> <p>All three buildings were completed several years ago. There is currently a lawsuit which has not been settled. When it is, the JV can be wound up.</p>
Partners	Nieuw Amerika Ontwikkeling BV (33.3%), Vaartpoort X BV (33.3%) and Werkmaatschappij Projectontwikkeling Ymere I BV (33.3%).-

**CAN DLG II Beheer B.V.**

Established	2005
Activities	CAN DLG II Beheer BV is the active partner in CAN DLG II Grondbedrijf CV. The shares are to be transferred to Stadgenoot Projecten BV in 2011, with Stadgenoot assuming the role of Managing Board of this partnership.
Shareholders	Stadgenoot Ontwikkeling BV (36%), AM Grondbedrijf BV and Blauwhoed Eurowoningen Participaties BV.
Management	Stadgenoot Ontwikkeling BV, AM Grondbedrijf BV and Blauwhoed Eurowoningen Participaties BV.
Internal supervision	-

**CAN DLG II Grondbedrijf C.V.**

Established	2005
Activities	CAN DLG II Grondbedrijf CV was set up to manage the Subzone II land in the CAN area (Central Amsterdam North).
Sleeping partners	Stadgenoot Participaties BV (34.56%), AM Deelnemingen Grondbedrijf BV and Bilzekruid BV.
Active partner/Management	CAN DLG II Beheer BV (4%).

**Czan-Beheer B.V.**

Established	1995
Activities	Czan-Beheer BV is the active partner in CZAN Ontwikkeling CV.
Shareholders	Stadgenoot Projecten BV (16,7%), Blauwhoed Eurowoningen Participaties BV and AM BV.
Management	F.P. Bijdendijk, N. Mol, AM BV and Blauwhoed Eurowoningen Participaties BV.
Internal supervision	-

**Czan-Ontwikkeling C.V.**

Established	1995
Activities	<p>Central Zone Amsterdam North (CZAN) is a new residential district close to the centre of Amsterdam Noord, made up of the subzones Elzenhage-Noord, the Stations area, Noorderkwartier and Elzenhage-Zuid. The district is intended to form a whole with the revamped shopping centre in the heart of Amsterdam Noord and acquire a regional function. The whole project comprises more than 2,500 new homes and in excess of 175,000 m<sup>2</sup> of commercial property. The project CAN Phase 3 (southern parcel) in Elzenhage-Noord comprises:</p> <ul style="list-style-type: none"><li>- 86 rented social housing units</li><li>- 47 homes for letting on the open market</li><li>- 11 sheltered housing units</li><li>- 115 parking spaces, including 55 underground and 61 on the surface.</li></ul> <p>The plans for Elzenhage-Noord, the Stations area and Phase 2 of the refurbishment of the Boven 't Y Shopping Centre are due to go ahead (for the most part). However, the economic crisis means that the new homes planned for Elzenhage-Zuid have been put on hold for a number of years.</p>
Sleeping partners	Stichting Inzet IV (19.1%), Bronsmos BV, Gordiaan Vastgoed BV, Dalkruid BV and Amstelland Deelnemingen NH BV.
Active partner/ Management	Czan-Beheer BV (1.7%).

**Stichting Inzet IV**

Established	2003
Activities	Stichting Inzet IV has a stake as a sleeping partner in Czan-Ontwikkeling CV, with an interest of 19.1% in the partnership's capital.
Management	P.C. Keeman (employed by Stadgenoot).
Internal supervision	-

**Prospect Zuidas B.V.**

Established	2003
Activities	Prospect Zuidas BV is a partner in V.O.F. Royaal Zuid. In 2010, the Django Building was completed and handed over to Prospect Zuidas BV.
Shareholders	Stadgenoot Projecten BV (25%), Woningstichting Eigen Haard (50%) and Woningstichting Rochdale (25%).
Management	Woningstichting Eigen Haard, Woningbouwvereniging Stadgenoot and Woningstichting Rochdale.
Internal supervision	-

## V.O.F. Royaal Zuid

Established	2007
Activities	<p>Zuidas Amsterdam is developing 270 ha of land to create <i>the</i> centre for international business, knowledge development, quality living and other facilities. One of the subprojects is Gershwin, the first residential area in the Zuidas development. In size, Gershwin is comparable to Artis or the KNSM island, for example. There will be around 1,300 new homes in a range of price categories. Gershwin is made up of a total of four subzones, with Subzone 3 being developed by Royaal Zuid. Subzone 3 includes the Miles Building (plot 7) and the Django Building (plot 8). Stadgenoot is co-owner of the Django Building via Prospect Zuid-As BV and is responsible for managing the 34 student flats and the civic and commercial property.</p> <p>The Miles Building stands on the corner of the new Boelegracht canal and the new Gershwinplein square.</p> <p>The complex is partially built over the water and comprises:</p> <ul style="list-style-type: none"><li>- 72 homes for letting on the open market;</li><li>- 81 parking spaces;</li><li>- 500 m<sup>2</sup> (gross floor area) of business premises.</li></ul> <p>On plot 8, the Django Building was completed in 2010. This building comprises:</p> <ul style="list-style-type: none"><li>- 108 rented apartments, including 34 rented social housing units (student flats);</li><li>- 695 m<sup>2</sup> of civic property;</li><li>- 1,277 m<sup>2</sup> of business premises and</li><li>- 97 parking spaces.</li></ul> <p>The technical management of the Django Building and the management of the deregulated units and parking spaces are the responsibility of Eigen Haard.</p> <p>In addition to the plots already developed – 7 (Miles Building) and 8 (Django Building) – there are also plots 9 (Ella Mansions) and 10 (Duke Tower) as work in progress for Vof Royaal Zuid still to be developed.</p>
Partners	Prospect Zuidas BV (33.3%), ERA Contour BV (33.3%) and Bouwfonds Ontwikkeling BV (33.3%).

## Stadgenoot Maritiem B.V.

Established	2007
Activities	Stadgenoot Maritiem BV is a partner in V.O.F. Ontwikkelingscombinatie IJ-Maritiem e.o.
Shareholders	Stadgenoot Projecten BV (100%).
Management	Stadgenoot Projecten BV.
Internal supervision	Supervisory Board of Stadgenoot.

**V.O.F. Ontwikkelcombinatie IJ-Maritiem e.o.**

Established	2007
Activities	<p>VOF Ontwikkelcombinatie IJ-Maritiem e.o. was set up for the redevelopment of a site on the IJ waterfront in Amsterdam Noord. The River IJ together with the River Amstel form the most important element in the Amsterdam landscape. With the transformation of the waterfront on the south side of the IJ now in full swing, the city is turning its attention to the north bank of the IJ. Plans are currently being worked on for the area on various scales. Most of these plans are still at the exploratory stage. The aim is to transform the area step-by-step from the existing monofunctional port and industrial zone into a mixed urban area with housing, businesses and facilities. The Amsterdam 2010–2040 Structural Vision sees the Eastern IJ Waterfront in Amsterdam Noord as an area for living and working. The local Amsterdam-Noord council in its meeting on 29 September 2010 decided that a land use planning should be drawn up for the area around the Oranjewerf ship repair yard. In due course, Stadgenoot plans to build housing on the Oranjewerf site.</p> <p>The partnership became the legal owner of the development site Nieuwendammerdijk 538-542 (Oranjewerf) in January 2008. In 2010, the business premises at Nieuwendammerdijk 538 D were also purchased, strengthening our position in the area.</p>
Partners/Management	Stadgenoot Maritiem BV (75%) and ADC Maritiem BV (25%).

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**IJ-Maritiem Holding B.V.**

Established	2007
Activities	IJ-Maritiem Holding BV purchased the shares of IJ-Maritiem BV in 2007.
Shareholders	VOF Ontwikkelcombinatie IJ-Maritiem e.o (100%).
Management	P.P.M. Roelofs (employed by Stadgenoot) and G. van Arum.

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**IJ-Maritiem B.V.**

Established	1994
Activities	This company was set up in 1994 to operate a marina and associated industrial buildings/business premises. The company is the owner of Nieuwendammerdijk 530 (part of the Oranjewerf site).
Shareholders	IJ-Maritiem Holding BV (100%).
Management	IJ-Maritiem Holding BV.

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**Waterstad Beheer B.V.**

Established	1996
Activities	Waterstad Beheer BV is the active partner in Waterstad IJburg C.V. with a 1% share in the partnership's capital.
Shareholders	Stadgenoot Projecten BV (16.67), AM Wonen B.V., AMVEST Exploitatie Eigen Beheer B.V., Eurowoningen Ontwikkelingsmaatschappij B.V., Stichting de Alliantie. Volker-Wessels Vastgoed B.V., Stichting Ymere and Bouwfonds Ontwikkeling B.V.
Management	M.A. Schaap, H.H.C. Sanders and D.D.M. van Noort.
Internal supervision	Supervisory Board comprising F.P. Bijdendijk, H.D. Werner, R.R. Huikeshoven, S.S. Schuwer, R.A. Willems, J.F.P. Houben, J.W. van Barneveld and W.J. Bodewes.

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**Waterstad IJburg C.V.**

Established	1997
Activities	The limited partnership Waterstad IJburg CV was set up with the object of developing housing and other development on IJburg artificial island site. Waterstad's IJburg construction activities are almost completed. At the most recent meeting of the Supervisory Board, on 7 October 2008, it was therefore decided to allow Waterstad IJburg CV and Waterstad Beheer BV to 'go to sleep' as far as possible. This implies that the companies cease to perform any activities of their own and merely act as estate manager for a number of joint activities on the part of players and/or shareholders involved in Waterstad. Winding up the companies was felt to be inadvisable in connection with the complexity of the process.
Silent partners	Stichting Inzet (16.5%), Vestam Participaties BV, Stichting IJburg-PWV, Stichting DAGA Beheer, Ontwikkelingsmaatschappij BWB N-W BV, Beleggingsmaatschappij Wijde Gront BV, Volker Wessels Stevin Deelnemingen BV, AM Deelnemingen Noord Holland BV and Nieuwe Land BV.
Active partner/ Management	Waterstad Beheer BV (1%).

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**Stichting Inzet**

Established	1995
Activities	Stichting Inzet is a silent partner in Waterstad IJburg CV, with a 16.5% share in the capital.
Management	P.C. Keeman (employed by Stadgenoot).

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**NCT Beheer BV**

Established	2001
Activities	NCT Beheer BV is an active partner in New China Town CV (New China Town Project). NCT Beheer BV has a 1.1% share in the capital of New China Town CV and is holder of 50% of the shares of New Chinatown Beheer BV. The latter company is the active partner in New Chinatown Amsterdam CV.
Shareholders	Stadgenoot (33.3%), New Century Dragon BV (33.3%) and Krytoned BV (33.3%) (Rabo Vastgoed).
Management	Krytoned BV.
Internal supervision	F.P. Bijdendijk.

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**New China Town C.V.**

Established	2001
Activities	New Chinatown CV was set up for the development, construction and marketing of the Oosterdokseiland plots 1 and 2 East Plaza project. East Plaza is part of the overall project for Oosterdokseiland. The project is a collaborative venture involving Oosterdokseiland Ontwikkeling Amsterdam CV. New China Town CV and Oosterdokseiland Ontwikkeling Amsterdam CV are in turn both limited partners in New Chinatown Amsterdam CV (NCA). New China Town CV has a 49.5% stake in this partnership. New Chinatown Amsterdam CV is responsible for the development of the entire project.
Active partner/Management	NCT Beheer BV (1.1%).

Silent partners Stichting Inzet II (37.5%), Rabo Vastgoed BV 37.5% and Dragon CV (23.9%).

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#### **Stichting Inzet II**

Established 2001

Activities Stichting Inzet II is a limited partner in New Chinatown CV.

Management P.C. Keeman is employed by Stadgenoot and is the executive at the head of this foundation.

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#### **Forum Bos en Lommer Beheer B.V.**

Established 2004

Activities Forum Bos en Lommer Beheer BV is an active partner in Forum Bos en Lommer CV. Stadgenoot took over the Rochdale share at the end of 2010 and now holds 50% of the shares in the management company.

Shareholders Stadgenoot Projecten BV (50%) and AM BV (50%).

Management AM BV and Stadgenoot Projecten BV.

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#### **Forum Bos en Lommer C.V.**

Established 2004

Activities Redevelopment of the GAK Building. The limited partnership will be responsible for the development of the-GAK Building (Bos en Lommer). The limited partnership is a shareholder (5%) of BLP 1 Properties BV.

Silent partners Stadgenoot Participaties (49%) and Amstelland Deelneming NH BV (49%).

Active partner/Management Forum Bos & Lommer Beheer BV (2%).

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#### **BLP 1 Properties B.V.**

Established 2004

Activities The company bought the GAK Building at the end of December 2004 for €34 million. The first phase involves the redevelopment of the North Wing of GAK Building. This project will create around 330 studios for sale, 1,927 m<sup>2</sup> (gross floor area) of business premises and a number of parking spaces still to be decided. Any studios not sold will be taken out of the project by Stadgenoot and let as student accommodation. Construction is due to start in 2011 with completion scheduled for the beginning of the academic year 2012/2013.

Shareholders Forum Bos en Lommer CV (5%, ordinary shares) and AM Grondbedrijf BV (95%, preference shares).

Management Forum Bos en Lommer Beheer BV.

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#### **Stadgenoot Diensten B.V.**

Established 2004

Activities Stadgenoot Diensten BV is a holding company for all the companies performing services on behalf of Woningbouwvereniging Stadgenoot.

Shareholders Woningbouwvereniging Stadgenoot (100%).

Management G.P. Anderiesen and F.P. Bijdendijk.

Internal supervision Supervisory Board of Woningbouwvereniging Stadgenoot.

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**Stadgenoot Participaties  
B.V.**

Established	1959
Activities	Stadgenoot Participaties BV is a limited partner in CAN DLG II Grondbedrijf CV and Forum Bos en Lommer CV. The company will possibly act as silent partner in several limited partnerships in the future.
Shareholders	Houdstermaatschappij Stadgenoot BV (100%).
Management	P.C. Keeman (employed by Stadgenoot).
Internal supervision	Supervisory Board of Woningbouwvereniging Stadgenoot.

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**Stadgenoot Energie B.V.**

Established	2007
Activities	The articles of association of this company were amended at the beginning of 2010, changing the name to Stadgenoot Energie B.V. the company became the legal owner of the Oostenburgereiland CHP plant. The intention is to transfer several CHP plants to this company in due course.
Shareholders	Stadgenoot Diensten BV (100%).
Management	Stadgenoot Diensten BV.
Internal supervision	Supervisory Board of Woningbouwvereniging Stadgenoot.

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**Gemeenschappelijk Glas Amsterdam B.V.**

Established	2009
Activities	The alliance of the shareholder entities is aimed at developing and securing an open, freely accessible, high-grade and future-proof optical fibre fixed communication infrastructure delivering the maximum choice of electronic services and facilities for users in Amsterdam. In 2011, the shares of the holding company (6.25%) were transferred to Stadgenoot Diensten BV, so that all 'Stadgenoot' shares are now held by Stadgenoot Diensten BV.
Shareholders	Houdstermaatschappij Stadgenoot BV (12.5%), Stadgenoot Diensten BV (6.25%), Rochdale E&P BV (6.25%), Diensten De Key BV (12.5%), Ymere Markten BV (12.5%) and Amsterdam Participatie Glasvezelnet Holding BV (50%).
Management	D.J. Tijn and R.B. de Haas.
Internal supervision	-

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**Glasvezelnet Amsterdam  
B.V.**

Established	2006
Activities	Same object as Gemeenschappelijke Glas Amsterdam BV.
Shareholders	Gemeenschappelijk Glas Amsterdam BV (30%) and Reggefiber BV (70%).
Management	L.M. Meijerink and Reggefiber Group BV.
Internal supervision	Supervisory Board comprising M. van der Horst, H. Draaisma, P.G. Diercks, J.F. Nieuwenhuis and J. Davids.

**Buurtleven.nl BV**

Established	2008
Activities	The development, management, maintenance and operation of the website Buurtleven.nl. At the end of 2010, the shareholders decided to wind up the company. This process will be completed in 2011.
Shareholders	Stadgenoot Diensten BV (25%), Woningstichting Rochdale (25%), Diensten De Key (25%) and Ymere (25%).
Management	H.J.G. van Kaam, M. Beerman, Diensten De Key BV and F.C.B. Storm.
Internal supervision	-

## Financial summary of group companies, participating interests and strategic alliances

In thousands of euros

Name	Share	Shareholders' equity	Turnover	Profit	Loans <sup>1</sup>	Overdraft facilities <sup>1</sup>
<b>Participating interests of Woningbouwvereniging Stadgenoot</b>						
Eerste Amsterdamse Gebiedsonderneming BV	33.3%	367	315	219		
Stedenfonds Amsterdam NV	4.2%	67,304	3,357	1,985		
Houdstermaatschappij Stadgenoot BV	100%	78,099	0	3,649		26,889
Stadgenoot Projecten BV	100%	-10,269	0	52		3
Stadgenoot Diensten BV	100%	-259	0	411	750	9,520
Far West	32.3%	50,344	59,978	-2,891	39,428 <sup>6</sup>	
Kristal NV	16.7%	435	7,981	-7,676		
Woningnet NV <sup>5</sup>	11.1%	6,815	16,367	442		
Coöperatieve Herverzekeringsmaatschappij <sup>7</sup>	9%	3,000	2,254	0		
VOF Kolenkitbuurt Zuid	43.1%	12,192	15,520	778		
<b>Participating interests of Houdstermaatschappij Stadgenoot BV</b>						
NV Stadsgoed	100%	52,971	5,070	5,312		
De Amsterdamse Compagnie NV	66.7%	9,999	2,224	311		
VvE-beheer Amsterdam BV	50%	1,973	4,423	472		
Stadgenoot Vastgoedbedrijf BV	100%	-679	75,729	-577		-22,027
Exploitiemaatschappij Kadehotel BV	100%	5	0	0		
Het Oosten Monumenten BV	100%	59	0	-13		521
BV Huismeesters van Het Oosten	100%	45	0	0		7
Gemeenschappelijk Glas Amsterdam BV	12.5%	7,055	0	-859		
<b>Participating interests of Stadgenoot Diensten BV</b>						
Stadgenoot Participaties BV	100%	51	0	-5		
Stadgenoot Energie BV	100%	220	260	204		
Buurtleven NL BV <sup>5</sup>	25%	97	765	7		
Gemeenschappelijk Glas Amsterdam B.V.	6.3%	7,055	0	-859		
<b>Participating interests of Stadgenoot Projecten BV</b>						
Stadgenoot Ontwikkeling BV	100%	-2,389	12,791	-1,401		
Stadgenoot Maritiem BV	100%	-815	0	52	22,423	
Waterstad Beheer BV <sup>5</sup>	16.7%	73	0	-1		
NCT Beheer BV <sup>5</sup>	33.3%	-4	0	0		
CZAN Beheer BV <sup>5</sup>	20%	-48	0	-29		
Forum Bos & Lommer BV <sup>5</sup>	50%	-14,232	0	-11,754		
Prospect Zuidas BV <sup>5</sup>	25%	243	11,363	-358	6,181	

In thousands of euros

Name	Share	Shareholders' equity	Turnover	Profit	Loans <sup>1</sup>	Overdraft facilities <sup>1</sup>
<b>Participating interest of N.V. Stadsgoed</b>						
Stadsgoed Monumenten BV	100%	-22	1,304	1,732		
<b>Participating interest of VvE-beheer Amsterdam BV</b>						
VVE Beheer Amsterdam Opleidingen BV	100%	17	0	0		
<b>Participating interests of Stadgenoot Ontwikkeling BV</b>						
Gershwin Ontwikkeling BV	100%	-2,972	0	-1,496		
Polderweg Ontwikkeling BV <sup>2</sup>	100%	18	0	-145		
Houthavens Ontwikkeling BV <sup>3</sup>	100%	-521	0	2	3,159	
Nieuw Amerika Ontwikkeling BV <sup>4</sup>	100%	-290	0	-258	767	
CAN DLG II Beheer BV	36%	4	0	-16		
<b>Participating interest of Stadgenoot Maritiem BV</b>						
VOF ontwikkelingscombinatie IJ-Maritiem	75%	3,248	639	328		
<b>Participating interest of VOF ontwikkelingscombinatie IJ-Maritiem</b>						
IJ-Maritiem Holding BV	100%	2,740	0	66		
<b>Participating interest of IJ-Maritiem Holding BV</b>						
IJ-Maritiem BV	100%	2,732	304	71		
<b>Participating interest of Gemeenschappelijk Glas Amsterdam BV</b>						
Glasvezelnet Amsterdam BV <sup>5</sup>	66.6%	11,692	252	-2,727		
<b>Participating interest of Prospect Zuidas BV</b>						
VOF Royaal Zuid <sup>5</sup>	33.3%	1,687	927	43		
<b>Other financial interests</b>						
CAN DLG II Grondbedrijf CV <sup>5</sup>		816	3,359	4		
CZAN Ontwikkeling CV <sup>5</sup>		184	69	-260		
Waterstad IJburg CV <sup>5</sup>		414	191	81		
New Chinatown CV <sup>5</sup>		4,470	452	16		
Forum Bos en Lommer CV <sup>5</sup>		-14,235	0	-11,751		
BLP 1 Properties BV <sup>5</sup>		-14,254	0	-13,307	3,684	
Stichting Inzet		160	0	0	17	
Stichting Inzet II		-2,040	0	-574	3,145	
Stichting Inzet IV <sup>5</sup>		-830	0	-59	860	
Stichting Woonbench					80	

<sup>1</sup> All the loans and overdraft facilities made available by Woningbouwvereniging Stadgenoot are disclosed here. Stadgenoot charges market interest rates appropriate to the risk.

<sup>2</sup> Including VOF Ontwikkelingscombinatie Polderweggebied

<sup>3</sup> Including VOF Ontwikkelingsmij. Houthavens

<sup>4</sup> Including VOF Ontwikkelcombinatie Nieuw Amerika

<sup>5</sup> 2009 figures

<sup>6</sup> This is a subordinated loan

N.B.: The figures presented here are taken from the company financial statements of the individual participating interests. The results are included in the Stadgenoot financial statements on a pro rata basis.

**Note on BLP Properties and Forum Bos en Lommer:**

BLP Properties BV reported a loss of €13.3 million. Forum Bos en Lommer CV, as shareholder, includes its share in this loss (€11.7 million) in results of participating interests. Forum Bos en Lommer Beheer BV is the active partner in the limited partnership and exercises control. In this capacity, the company presents the share in the results of participating interests in its financial statements. This is still the loss reported by BLP Properties. Stadgenoot's share is 50%.

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