Annual Financial Press Release

From the statutory manager
for the period from
01/01/2019 to 31/12/2019

REGULATED INFORMATION
EMBARGO UNTIL 13/02/2020 – 7:30 AM

www.montea.com

Highlights 2019:

- ✓ EPRA earnings per share rose to € 3.28 in 2019, up 11% from 2018 (€2.95)
- ✓ Proposed gross dividend of €2.54 per share, an increase of 12% compared with 2018 (€ 2.26)
- ✓ Fair value of the property portfolio increased by €248 million, or 27% compared with 2018, to €1,159 million
- ✓ Strong portfolio fundamentals with an occupancy rate of 99.3% at the end of 2019 and average term of leases on first expiry date of 8 years (exclusive of term of solar panel certificates)
- ✓ Debt ratio of 39.4% at the end of 2019 – Investment potential of ca. €400 million before a debt ratio of 55% is reached
- ✓ EPRA NAV of €44.5 per share (+ 29% compared with the end of 2018)

Outlook for 2020-2021:

- ✓ Growth in EPRA earnings per share of €3.60 in 2021 (+10% compared with 2019)
- ✓ Dividend per share will grow in line with the EPRA earnings per share, from €2.54 to €2.80 (+ 10% compared with 2019) in 2021, based on a pay-out ratio of 80%
- ✓ Further growth of the property portfolio by 25%, which will result in a portfolio of €1,450 million at the end of 2021 – 61% of this growth (€178 million) has already been identified

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Summary

1. The EPRA earnings[1] amounted to €50.0 million in 2019, an increase of 40% compared with the EPRA earnings of €35.7 million in 2018. This increase was attained thanks to the recent acquisitions of new buildings/leased plots of land and delivered developments with a positive impact on the net rental income (€49.9 million in 2018 -> €65.1 million in 2019).

2. The EPRA earnings per share[2] amounted to €3.28 in 2019, an increase of 11% compared with 2018 (€2.95) despite an increase of the weighted average number of shares of 26%, mainly linked to the capital increase carried out in Q1 (€160.0 million). The 10% growth target for 2019 was therefore exceeded.

3. The net result (IFRS) amounted to €108.5 million, driven also by an increase in the fair value of the existing property portfolio[3] of €71.2 million. The net result (IFRS) per share amounted to €7.12 compared with €5.34 per share in 2018 (an increase of 33%).

4. The board of directors of the statutory manager of Montea will propose to the general meeting of shareholders to pay out a gross dividend of €2.54 per share, an increase of 12% compared with 2018. The pay-out ratio, calculated on the basis of the EPRA earnings, amounted to 80% in 2019.

5. An additional investment volume of €247.5 million (including an increase in the fair value of the existing portfolio[3] by €71.2 million) was realized in the course of 2019, whereby the property portfolio, including developments and solar panels, rose by 27% (€911.8 million at the end of -> € 1,159.3 million at the end of 2019). The fair value of the property portfolio, including developments and solar panels, amounted to €562.4 million in Belgium, €173.8 million in France and €423.1 million in the Netherlands.

6. The occupancy rate amounted to 99.3% on 31 December 2019 compared with 98.6% at the end of September 2019, as a result of an increase to 100% in the occupancy rate in Belgium and the Netherlands. The target of a minimum 97.5% occupancy rate was attained throughout 2019. The average remaining term of leases until the first termination option amounted to 8 years.

7. The average financing cost for 2019 amounted to 2.2% with a hedge ratio of 99% at the end of December 2019. The objective of lowering the financing cost to 2.2% with a cover ratio of more than 90% was thus attained.

8. The debt ratio amounted to 39.4% on 31 December 2019, compared with 51.3% at the end of 2018. Montea has an investment potential of ca. €400 million until a debt ratio of 55% is reached.

1 In accordance with the guidelines recently adopted by the European Securities and Markets Authority (ESMA), the Alternative Performance Measures (APMs) used by Montea will be indicated with an asterisk (*) the first time they are mentioned in this press release and then defined in a footnote. The reader is thereby apprised of the definition of an APM. The performance measures stipulated by IFRS rules or by law as well as the measures which are not based on the headings of the balance sheet or the income statement are not considered as APMs. The detailed calculation of the EPRA performance measures and other APMs which are used by Montea, are set out in Chapter 1.8 and 1.9 of this press release.

2 The EPRA earnings per share refer to earnings based on the weighted average number of shares.

3 Inclusive of the proceeds from the sale of investment properties (€ 0.4 million in 2019).

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9. Montea's outlook for the 2020 and 2021 period is as follows:

- EPRA earnings per share are expected to grow to €3.60 (+10% compared with 2019) in 2021
- Dividend per share is to rise in line with the growth of the EPRA earning per share from €2.54 to €2.80 (+ 10% compared with 2019) in 2021, on the basis of a pay-out ratio of 80%
- The property portfolio is expected to grow further by 25%, which will result in a property portfolio of €1,450 million by the end of 2021 → 61% of this growth (€178 million) has already been identified:
  - ✓ Investment budget of €21 million for projects in progress slated to be delivered in 2020;[4]
  - ✓ Investment budget of €147 million for future development projects slated to be delivered after 2020;[5]
  - ✓ Investment budget of €10 million for solar panel projects in Belgium and the Netherlands.[6]

The above mentioned amounts are the amounts to be invested which will effectively contribute to portfolio growth without taking into account investments already made in 2019 limited to those projects. Including these investments, the total investment budget for these projects amounts to € 230.0 million.

[4] See section 1.2.3.2. Project in progress, delivery in 2020
[5] See section 1.2.3.3. Future projects in progress, expected delivery after 2020
[6] See section 1.2.4.2 Developments in the photovoltaic portfolio

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1.1 Key figures

KEY FIGURES		BE	FR	NL	31/12/2019 12 months	31/12/2018 12 months
Real estate portfolio						
Real estate portfolio - Buildings (1)						
Number of sites		**33**	**16**	**20**	**69**	**63**
Surface of the real estate portfolio						
Logistics and semi-industrial warehouses	sqm	624.873	157.684	290.691	1.073.248	1.028.383
Offices	sqm	58.064	15.041	30.229	103.334	95.548
Land - rent	sqm	6.512	0	156.498	163.010	96.168
Total surface	**sqm**	**689.449**	**172.725**	**477.418**	**1.339.593**	**1.220.099**
Development potential (sqm) - rent	sqm	32.562	0	720.980	753.542	546.653
Development potential (sqm) - portfolio	sqm	191.907	112.204	64.632	368.743	133.655
Development potential (sqm) - in research	sqm	0	0	0	0	220.000
Development potential (sqm) - in option	sqm	79.137	0	145.000	224.137	550.419
Total surface - development potential (sqm)	**sqm**	**303.606**	**112.204**	**930.612**	**1.346.422**	**1.450.727**
Value of the real estate portfolio						
Fair value (2)	K€	522.544	150.891	409.650	1.083.085	870.423
Investment value (3)	K€	535.709	161.574	436.868	1.134.150	912.499
Occupancy Rate (4)	%	**99,8%**	**95,3%**	**100,0%**	**99,3%**	**99,1%**
Real estate portfolio - Solar panels						
Fair value	K€	12.108	0	87	12.195	13.016
Real estate portfolio - Projects under construction						
Fair value (2)	K€	27.783	22.876	13.345	64.004	28.395
Consolidated results						
Results						
Net rental result	K€				65.063	49.883
Property result					68.135	52.068
Operating result before the porfolio result	K€				61.710	46.068
Operating margin (5)*	%				90,6%	88,5%
Financial result (excl. Variations in fair value of the financial instruments) (6)*	K€				-11.356	-10.239
EPRA result (7)*	**K€**				**49.997**	**35.724**
Weighted average number of shares					**15.229.606**	**12.100.327**
EPRA result per share (8)*	**€**				**3,28**	**2,95**
Result on the portfolio (9)	K€				71.207	31.978
Variations in fair value of the financial instruments (10)	K€				-12.739	-3.127
Net result (IFRS)	**K€**				**108.465**	**64.575**
Net result per share	**€**				**7,12**	**5,34**
Consolidated balance sheet						
IFRS NAV (excl. minority participations) (11)	**K€**				**680.029**	**433.550**
EPRA NAV (12)*	**K€**				**702.953**	**443.735**
Debts and liabilities for calculation of debt ratio	**K€**				**470.104**	486.902
Balance sheet total	**K€**				**1.193.698**	**949.477**
Debt ratio (13)	**%**				**39,4%**	**51,3%**
IFRS NAV per share	**€**				**43,09**	**33,83**
EPRA NAV per share (14)*	**€**				**44,54**	**34,63**
EPRA NNAV per share (15)*	**€**				**43,27**	**34,16**
Share price (16)	**€**				**81,00**	**59,80**
Premium	**%**				**88,0%**	**76,8%**

The calculation of the operating margin, cfr gray cells, has been adjusted. As from today the operating margin is calculated by dividing the operating result before the result on the property portfolio by the property result and no longer by the net rental result.

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(1) Inclusive of real estate intended for sale.
(2) Accounting value according to the IAS/IFRS rules, exclusive of real estate intended for own use.
(3) Value of the portfolio without deduction of the transactions costs.
(4) *The occupancy rate is calculated on the basis of m². When calculating this occupancy rate, neither the numerator nor the denominator was taken into account for the unleased m² intended for redevelopment and the land bank.
(5) *The operating margin is obtained by dividing the operating result before the earnings from the property portfolio by the net rental earnings. See section 1.7.
(6) *Financial result (exclusive of variations in the fair value of the financial instruments): this is the financial result in accordance with the Royal Decree of July 13, 2014 regarding regulated property investment companies excluding the variation in the fair value of the financial instruments, and reflects the actual financing cost of the company. See section 1.7.
(7) *EPRA result: this concerns the underlying earnings from the core activities and indicates the degree to which the current dividend payments are supported by the profit. These earnings are calculated as the net earnings (IFRS) exclusive of the earnings from the portfolio and the variations in the fair value of financial instruments. Cf. www.epra.comm and section 1.6.
(8) *EPRA result per share concerns the EPRA earnings on the basis of the weighted average number of shares. Cf. www.epra.com and section 1.6.
(9) *Result on the portfolio: this concerns the negative and/or positive variations in the fair value of the property portfolio, plus any capital gains or losses from the construction of real estate. See section 1.7.
(10) Variations in the fair value of hedging instruments: this concerns the negative and/or positive variations in the fair value of the interest hedging instruments according to IFRS 9.
(11) IFRS NAV: Net Asset Value for profit distribution for the current financial year in accordance with the IFRS balance sheet. The IFRS NAV per share is calculated by dividing the equity capital by the number of shares entitled to dividends on the balance sheet date.
(12) *EPRA NAV: The EPRA NAV is the NAV that was adjusted so as to comprise also property and other investments and their fair value, which excludes certain items which are not expected to assume a fixed form in a business model with property investments in the long term. Cf. www.epra.com and section 1.6.
(13) Debt ratio according to the Royal Decree of 13 July 2014 on regulated property companies.
(14) *EPRA NAV per share: The EPRA NAV per share concerns the EPRA NAV on the basis of the number of shares entitled to dividends on the balance sheet date. Cf. www.epra.com and section 1.6.
(15) *EPRA NNNAV: This is the EPRA NAV that was adjusted so as to comprise also the fair value of financial instruments, debts and deferred taxes. The EPRA NNNAV per share concerns the EPRA NNNAV on the basis of the number of shares entitled to dividends on the balance sheet date. Cf. also www.epra.com and section 1.6.
(16) Share price at the end of the period.

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EPRA - METRICS	Definition	Purpose	31/12/2019	31/12/2018
A) EPRA earnings	Recurring earnings from the core operational activities.	A key measure of a company's underlying operating results from its property rental business and an indicator of the extent to which current dividend payments are supported by earnings.	In € x 1000: 49.997 In € / share: 3,28	In € x 1000: 35.724 In € / share: 2,95
B) EPRA NAV	This is the NAV that has been adjusted to include real estate and other investments at their fair value and exclude certain items that are not expected to materialize in a business model with long-term property investments.	Adjusts the IFRS NAV so that the shareholders receive the most relevant information on the fair value of the assets and liabilities in a real company for property investments with a long-term investment strategy.	In € x 1000: 702.953 In € / share: 44,54	In € x 1000: 443.735 In € / share: 34,63
C) EPRA NNNAV	This is the EPRA NAV that was adjusted to include also the fair value of (i) financial instruments (ii) debts and (iii) deferred taxes.	Adjusts the EPRA NAV, so that the shareholders receive the most relevant information on the current fair value of all assets and liabilities in the property entity.	In € x 1000: 682.907 In € / share: 43,27	In € x 1000: 437.699 In € / share: 34,16
D) EPRA VACANCY RATE	Estimated rental value (ERV) of vacant space, divided by the ERV of the entire portfolio.	A pure, financial measurement of vacancy (in %).	1,3%	1,5%
E) EPRA Net Initial Yield	Annualized rental income based on the steady rent collected on the balance sheet date, minus the non-recoverable property operating costs, divided by the market value of the property, plus the (estimated) acquisition costs.	A comparable benchmark for portfolio valuations in Europe	6,0%	6,4%
F) EPRA "Topped-up" Net Initial Yield	This benchmark integrates an adjustment of the EPRA NIY before the expiry of rent-free periods (or other non-due rental incentives such as discounted and tiered rent).	A comparable measure around Europe for portfolio valuations.	6,0%	6,4%
G) EPRA cost ratio (incl. vacancy charges)	Administrative and operational charges (including vacancy charges, divided by rental income		9,3%	11,7%
H) EPRA cost ratio (excl. vacancy charges)	Administrative and operational charges (including vacancy charges, divided by rental income		9,0%	11,3%

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1.2 Significant events and transactions in 2019

1.2.1 Lease activity in 2019

Occupancy rate of 99.3%

On 31 December 2019, the occupancy rate amounted to 99.3% compared with 99.1% at the end of 2018. Most leases which arrived at the first expiry date in 2019 (6% of the total portfolio) were extended.

The limited vacancy is located in France, at Le Mesnil-Amelot site, previously let to Autoclick and Facilit'Air. The portfolio in Belgium and the Netherlands is fully let.

1.2.2 Acquisitions in 2019

1.2.2.1 Acquisitions

A total acquisition volume of €82.5 million was realized in 2019. All acquisitions were made at an investment volume lower than or in line with the value determined by the independent real estate expert. Montea realized a net initial yield of 4.5% on these investments, including leased and non-leased land reserve. Excluding the land reserve, but including the leased land, the initial yield is 5.9%.[7]

1.2.2.2 Overview of acquisition in 2019

Montea acquires a leased plot in Born (NL) [8]

The plot, with an area of 220,000 m², is let to the Koopman Logistics Group for a term of 12.5 years. The location is excellent, on the A2 motorway and the Juliana Canal. The plot, acquired for an investment value of €37.2 million, provides moreover direct access to the Born Barge & Rail terminal for the distribution of containers to the ports of Antwerp and Rotterdam. This transaction has a future development potential of 120,000 m² of first-rate logistics premises at a top location.

Acquisition of a distribution centre in Oss (NL) [9]

Montea acquired a distribution centre in Oss, at a unique location with connection to the A50/A59 motorways. Delivered at the end of 2018, the distribution has an area of ca 16,500 m². It is let to Expeditie & Transportbedrijf Dollevoet for a period of 4.5 years. The total investment value amounted to ca. €10.1 million.

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7 The value of the non-leased land reserve (immediate development potential) amounts to ca. €20 million.
8 See press release of 21/02/2019 or www.montea.com for more information.
9 See press release of 4/04/2019 or www.montea.com for more information.

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Acquisition of a plot of land for development at Schiphol Airport (NL)[10]

Montea concluded a purchase agreement for a plot of land of ca. 21,500 m² near the A5 and A9 motorways at Schiphol Logistics Park (50 hectares in all). A new, 10,600 m² distribution centre can be developed here. The acquisition of this plot entailed an investment of ca. €5.0 million (including start-up costs).

Montea is planning to develop the first fossil-free building for logistics activities in Belgium under the name of 'Lumineus' [11]

- Acquisition of a 5.5-hectare plot for development situated on the Zolder-Lummen industrial zone for €7.3 million.
- Adjoining: Sale-and-rent back transaction for an 8,000 m² warehouse with 2,400 m² offices let to Bosal Emission Control Systems for a fixed term of 16 years for €7.4 million.

This project of ca. 30,000 m² will be developed on a strategic location near the Lummen interchange (interchange between E314 and E313) on a 5.5 hectare plot of land. The necessary energy for the entire building is supplied through a substantial investment in solar panels on the roof in combination with high-tech heat pumps.

The purchase of the 5.5-hectare plot was linked to the sale-and-rent back transaction of the adjoining industrial buildings of Bosal Emission Control Systems. The existing complex consists of a warehouse of ca. 8,000 m² with 2,400 m² of related offices and parking facilities. The entire complex has been rented back for a fixed term of 16 years.

Montea grows further in the Netherlands after the acquisition of the let building and a plot of land to be developed [12]

- Acquisition of let building of a multimodal nature in Tiel for €5.4 million
- Redevelopment of brownfield to sustainable space for contemporary logistics in Etten-Leur for €5.5 million (inclusive of decontamination costs)

Montea acquired the site of Currie Solutions in Tiel (NL). This land of over 16,000 m² with a modern logistics hotspot (ca. 4,300 m² warehouse and ca. 500 m² offices) is close to waterways and motorways. The site still boasts expansion possibilities for the client. A ten-year lease was concluded with Currie Solutions.

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[10] See press release of 4/04/2019 or www.montea.com for more information.
[11] See press release of 20/06/2019 or www.montea.com for more information.
[12] See press release of 14/10/2019 or www.montea.com for more information.

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Montea acquired a historically polluted site of 37,500 m² at the Vosdonk Industrial Estate in Etten-Leur, where after decontamination and commercialization, it plans to develop a sustainable building of ca. 24,500 m² for contemporary logistics. The decontamination work has already got underway. Montea delivered a distribution centre of ca. 20,000 m² for Bas Logistic adjacent to the site last year. With the acquisition of this plot, Montea now owns a contiguous expanse of land totalling ca. 80,000 m².

Acquisition of 2 buildings in Le Mesnil-Amelot (FR)

Montea acquired 2 leased logistics buildings (4,000 m² and 1,250 m²) located at Roissy Charles De Gaulle airport. Montea already owns logistics buildings of ca. 20,000 m² at this location. The buildings are leased to Bouygues Energie Services and to Mondial Air Fret respectively. These transactions have a total investment value of €2.7 million.

Montea acquires a 7-hectare plot of land in Senlis (FR)

Montea has acquired a plot of land of ca. 71,000 m² at a top location in Senlis, on the A1 exit of the Lille-Paris axis. The site is part of a 17 hectare industrial estate with future development potential.

1.2.3 Development activity in 2019

1.2.3.1 Projects delivered in the course of 2019

A surface area of ca. 42,000 m² of pre-leased projects was delivered in the course of 2019 for a total investment amount of €45.0 million (exclusive of investments for solar panels) at a net initial yield of 6.5%. It concerns the following buildings:

- Waddinxveen, the Netherlands: let to Isero and Dille & Kamille for a fixed term of 15 and 10 years respectively
    - Start Q4 2018 – delivered on 12/07/2019
- Heerlen, the Netherlands: let to Doc Morris for a fixed term of 15 years
    - Start Q4 2018 – delivered on 23/09/2019

1.2.3.2 Projects in progress, delivery in 2020

In addition, Montea expects to complete a minimum surface area of ca. 47,000 m² of pre-let projects in the course of 2020, the development of which started already in 2019, for a total investment amount of €41.5 million and a net initial yield of 6.7%. It concerns the following properties:

- **St-Laurent de Blangy, France**[13]
    - Start Q2 2019 – delivery Q2 2020
    - Surface area: ca. 33,000 m² warehouse space and 1,900 m² office space
    - Leased to Unéal-Advitam for a fixed term of 20 years
    - Investment value: €19.0 million, of which €12.9 million were already invested as at 31/12/2019

- **Meyzieu, France**[14]
    - Start Q3 2019 – delivery Q2 2020
    - Surface area: ca 10,000 m² warehouse space
    - Leased to Renault for a fixed term of 9 years
    - Investment value: €12.3 million, of which 8.1 million were already invested as at 31/12/2019

- **Circular and climate-neutral Blue Gate industrial estate in Antwerp, Belgium** [15]
    - Start Q4 2019 – delivery Q4 2020
    - Surface area: ca 4,250 m² distribution centre
    - Leased to DHL Express for a fixed term of 15 years
    - Investment value: €10.2 million – no outlays in 31/12/2019

A total budget of €21 million will be invested in the course of 2020 to finalize these projects.

[13] See press release of 04/04/2019 or www.montea.com for more information.
[14] See press release of 19/09/2019 or www.montea.com for more information.
[15] See press release of 19/12/2019 or www.montea.com for more information.

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1.2.3.3 Future projects in progress, delivery after 2020

In addition, Montea expects to deliver a surface area of ca. 165,000 m² after 2020. This concerns mainly plots of land under Montea's control (either through purchase or option) which, owing to the unique location and the current rental market, are expected to find a tenant in the short term and then start the construction works. The total investment budget, excluding investments linked to these projects already made in 2019, is ca. €147 million.

- **Schiphol Airport (NL)**
  - Acquisition of the plot of land (21,500 m²) in 2019 (see section 1.2.3.2)
  - Amount already invested in 2019: € 5.0 million

  - Start of development: after commercialization (< Q4 2021)
  - Surface area of distribution centre: ca 10,600 m²
  - Estimated development investment budget: ca. € 12 million

- **Lumineus (BE)**
  - Acquisition of plot of land (55,000 m²) in 2019 (see section 1.2.3.2)
  - Amount already invested in 2019: € 7.3 million

  - Start of development: after commercialization (< Q4 2021)
  - Expected surface area of distribution centre: ca 30,000 m²
  - Estimated development investment budget: ca. € 18 million

- **Vosdonk Industrial Estate, Etten-Leur (NL)**
  - Acquisition of plot of land (37,500 m²) in 2019 (see section 1.2.3.2)
  - Amount already invested in 2019: € 5.5 million

  - Start of development: after decontamination and commercialization (< Q4 2021)
  - Expected surface area of distribution centre: ca. 24,500 m²
  - Estimated development investment budget: ca. € 13 million

- **Logistiek Park A12, Waddinxveen (NL)**
  - Plot of land (remaining balance: 120,000 m²) under option [16]
  - Acquisition of plot of land: Q2 2020

  - Start of development: after commercialization (< Q4 2021)
  - Maximum warehouse space: ca. 100,000 m²
  - Estimated investment budget for land + development: ca. € 80 million

- **Redevelopment of existing sites at Forest and Aalst (BE)**
  - Sites will be available in Q1 2021 and Q3 2021 respectively
  - Start of development: at the end of the current lease
  - Estimated investment budget: ca. € 24 million
  - A temporary loss of income has already been taken into account in the projected EPRA earnings per share for 2021

[16] See press release of 13/03/2017 or www.montea.com for more information.

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1.2.4 Developments in the photovoltaic portfolio

The investments in photovoltaic installations in 2019 will bring the total capacity of solar panels to 31 MWp at the end of 2019, capable of generating 29,000 MWh, comparable to the energy consumption of more than 8,000 households. Montea has only installed solar panels on the roofs of its Belgian and Dutch properties for the time being. In 2020, Montea will also look into whether to invest in photovoltaic installations on its roofs in France.

1.2.4.1 Installations in 2019

A total solar panel capacity of 16 MWp was installed on the roofs of the Montea's Belgian properties in 2019. This installation, for a total investment of ca. €9 million, accounts for a generation of 15,000 MWh, comparable with the energy consumption of more than 4,000 households.

A capacity of 8 MWp was also installed on the roofs of the company's buildings in the Netherlands in 2019. The investment budget for this installation amounted to ca. €4 million.

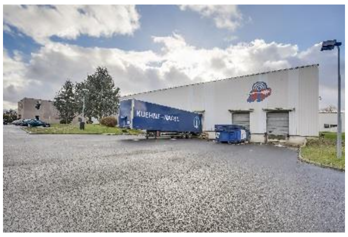
1.2.4.2 Expected installations after 2019

In the meantime, Montea has installed photovoltaic systems in about 70% of all roofs of the warehouses in Belgium and aspires to increase this percentage to 90% -- the maximum technical capacity of the current portfolio. An investment budget of ca. €6 million has been allocated for that purpose.

Meanwhile, 38% of the warehouse portfolio in the Netherlands has been fitted with solar panels. The number of Montea sites with photovoltaic installation will double in 2020. An investment budget of ca. €4 million has been allocated for that purpose.

1.2.5 Divestment activity in 2019

Divestment of building in Bondoufle (FR)



In line with the dynamic management of its property portfolio, Montea proceeded to sell a 3,908 m² building in Bondoufle in Q1 2019. The transaction was carried out for an amount of ca. €3.0 million. The sale price amounted to €0.3 million more than the fair value of the site determined by the independent real estate expert on 31/12/2018.

Building located in's-Heerenberg (NL) sold to Aberdeen Standard European Logistics Income PLC [17]

Montea concluded an agreement with Aberdeen Standard European Logistics Income PLC concerning the sale of a property located in 's-Heerenberg, which has been leased for many years to JCL Logistics. The actual sale took place in July 2019. The transaction was realized for an amount of ca €24.0 million, € 0.2 million above the fair value of the site determinated by the independent real estate expert on 30/06/2019.

[17] See press release of 20/06/2019 or www.montea.com for more information.

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1.2.6 Sustainable entrepreneurship: Plan 2030/2050

At Montea it is not about profit for profit's sake, but about sustainable value growth. Sustainability, in the broadest sense of the term, has long been ingrained in Montea's DNA and extends much further than purely ecological considerations. Montea endeavours to think further ahead that the current predetermined standards and legislation.

Montea will go a step further in 2020: the future vision for the medium and long term (2030 and 2050 respectively) will be studied and charted in the Plan 2030/2050: Sustainability Vision for the Future. The renewed vision and ambitions will be linked to the 4 Ps approach (People, Planet, Profit and Policy), which goes beyond the ESG criteria ((Environmental, Social and Governance).

The development of Plan 2030/2050 starts with a baseline measurement, an inventory of the current initial situation. The level playing field will also be determined. The number of stakeholders of Montea is constantly increasing and these will be integrated in this research study. Montea is accountable not only to its customers and shareholders. Society is also a very important stakeholder because of the impact of our activities on, for example, mobility, use of space, pollution, ... Montea is aware of this impact and does not think in purely economic terms.

In a subsequent phase, the existing portfolio and future projects will be thoroughly analysed and tested against what the needs are for the future.

The research study will result in a concrete action plan to be implemented in the medium and long term (2030 and 2050 respectively). Montea will therefore have this vision of the future permeate the Montea DNA and applied concretely in the field.

The first phase in the development of Plan 2030/2050 has started and will be completed in the spring of 2020. Given the importance of this research study for Montea, the stakeholders and society, Montea will call on experienced partners in this matter in order to achieve an optimal result.

Needless to say, Montea will continue its current efforts on the sustainability front, to wit:

- ✓ 340,000 m² of logistics floor space are equipped with an energy monitoring system to assess the tenants' energy consumption on a daily basis. Deviations in energy consumption can thus be detected early so as to take prompt action. Moreover, energy consumption is an important parameter for calculating the ecological footprint.
- ✓ The relighting programme in Belgium is being implemented further in our warehouses. The lighting in all our older buildings is being replaced by energy-efficient LED lighting.
- ✓ The use of heat pumps, recovery and reuse of water and the installation of charging stations for electric vehicles have now become standard in a new project to be developed.
- ✓ Montea supports the Dennie Lockefeer chair. This fundamental research programme at the University of Antwerp organizes scientific research into multimodal transport, in particular on how using inland waterways for transport can ultimately prove a solution to improving mobility.
- ✓ Montea organizes seminars for the sector at regular intervals with partners (e.g. VIL, Spryg) to share knowledge with as many stakeholders as possible.

Montea is also responsible, as an organization, for the well-being of its own employees. It encourages and stimulates them to become active in socially relevant initiatives alongside their work. Montea is pleased to support projects and initiatives where its employees are closely involved.

- ✓ Roparun: Montea will take part in this annual relay race from Paris to Rotterdam in 2020. The proceeds from this athletic challenge will be donated to Roparun, which works with people with cancer.

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- ✓ Montea takes part every year in IMMOrun, a sporting form of networking in the real estate world.
- ✓ Montea supports various charities, including De Kampenhoeve, a therapy centre with horses and donkeys, an initiative of one Montea's employees.
- ✓ Montea organizes activities and outings for its employees and their families on a regular basis.

1.2.7 Further strengthening of the financing structure

- Strengthening of shareholders' equity

Capital increase Q1 2019[18]

On 22 February 2019, Montea launched a public offering in Belgium for subscription to 2,847,708 new shares under a capital increase in cash within the authorized capital with irreducible allocation rights for a maximum amount of €160,041,189.60.

The issue price was set at €56.20 per new share and 9 irreducible allocation rights entitling the holder to subscribe to 2 new shares. 86.91% of the new shares (2,475,072 shares) were subscribed through the exercise of irreducible allocation rights, and the remaining 372,636 new shares through the exercise of scrips.

The net proceeds (after deduction of certain costs) for holders of unexercised irreducible allocation rights amounted to €0.48 per coupon no. 20.

The number of Montea shares in circulation increased from 12,814,692 to 15,662,400.

Merger by acquisition with Bornem Vastgoed NV[19]

As a result of the merger by acquisition to Bornem Vastgoed NV, the capital of Montea Comm.VA as the absorbing company was increased by €1,915.72 and 188 new shares were issued. The total issued share capital of Montea amounted to €319,202,470.23 as at 21 May 2019. The capital is as of that date represented by 15,662,588 fully paid up ordinary shares listed on both Euronext Brussels and Euronext Paris.

Optional dividend result[20]

In total, 43% of coupons no. 21 (which represent the dividend for financial year 2018) were surrendered in return for new shares. 120,006 new shares were issued for a total issue amount of €8,733,076.63 (€2,445,722.28 in capital and €6,287,354.35 in issue premium) within the authorized capital. The newly created shares were admitted to training on Euronext Brussels and Euronext Paris as of 14 June 2019. The share capital of Montea is represented by 15,782,594 shares.

[18] See press release of 1/03/2019 or www.montea.com for more information.
[19] See press release of 13/06/2019 or www.montea.com for more information.
[20] See press release of 13/06/2019 or www.montea.com for more information.

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1.2.8 Proposal to pay out a gross dividend of €2.54 per share

Based on the EPRA earnings of €3.28, the board of directors of Montea's statutory manager will propose a gross dividend of €2.54 gross per share (€1.78 net per share) as per a pay-out ratio[21] of 80% compared to the EPRA earnings. This means an increase in the gross dividend of 12% per share compared with 2018 (€2.26 gross per share), despite the increase of the weighted average number of shares by 26% as a result of the capital increase (creation of 2,847,708 new shares), the merger by acquisition with Bornem Vastgoed NV (creation of 188 new shares) and the optional dividend (creation of 120,006 new shares).

KEY RATIO'S	31/12/2019	31/12/2018
Key ratio's (€)		
EPRA result per share (1)	3,28	2,95
Result on the portfolio per share (1)	4,68	2,64
Variations in the fair value of financial instruments per share (1)	-0,84	-0,26
Net result (IFRS) per share (1)	7,12	5,34
EPRA result per share (2)	3,17	2,79
Proposed distribution		
Payment percentage (compared with EPRA result) (3)	**80%**	**81%**
Gross dividend per share	**2,54**	**2,26**
Net dividend per share	**1,78**	**1,58**
Weighted average number of shares	15.229.606,00	12.100.327
Number of shares outstanding at period end	15.782.594,00	12.814.692

(1) Calculation on the basis of the weighted average number of shares.
(2) Calculation on the basis of the number of shares in circulation on the balance sheet date.
(3) The pay-out ratio is calculated in absolute figures on the basis of the consolidated EPRA earnings. The dividend is actually paid out on the basis of the statutory result available for distribution by Montea Comm. VA.

21 The pay-out ratio of 80% was calculated on the basis of the EPRA earnings, not on the basis of het result available for distribution.

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1.2.9 Other events in 2019

Arrival of Jimmy Gysels brings property management to a higher level[22]

Jimmy Gysels was appointed Chief Property Management at Montea on 16 September 2019. He will continue the optimization of property management at Montea from this position, so as to be able to provide even better services to current and future customers. Particular attention will be paid to the further sustainability of the portfolio, innovation and customer-oriented communication.

1.2.10 Policy developments concerning the Dutch REIT status

With a view to its property investments in the Netherlands, in September 2013 Montea filed an application for the tax status of a '*Fiscal Investment Institution'* (hereinafter referred to as FII) pursuant to Article 28 of the Corporate Taxation Act of 1969. Montea Nederland NV and its subsidiaries have had no final decision from the Dutch tax authorities approving the FII status.

In 2016, referring to certain case law of the Dutch Supreme Court, the Dutch tax authorities developed a new approach in their policy concerning compliance with the shareholding test. More specifically, as shareholder of its FII subsidiary, Montea Nederland NV, the company would have to show that it can qualify as an FII itself. Only then can the Company be considered as a qualifying shareholder under the FII status in the view of the Dutch tax authorities.

In this connection, the Company and the Dutch tax authorities engaged in consultations to determine how to proceed in concrete terms. In light of the aforementioned coalition agreement, the talks between the Dutch tax authorities and Montea Nederland NV have been temporarily suspended. Montea hopes that the talks can resume shortly. The Ministry stated that this interpretation cannot be given concrete form at present, in particular because it will depend on the outcome of current appeals between the Dutch tax authorities and foreign investment funds regarding the refund of dividend tax, which the Ministry does not wish to anticipate. A ruling by the European Court of Justice and the subsequent judgment of the Supreme Court are expected to clarify matters, whereupon Montea's issue can be taken up again.

Despite the fact that Montea does not yet have the approval of the Dutch tax authorities concerning the FII status, it keeps its accounts as if it already had said status. The Ministry has already indicated in the past that they want to proceed under the general principles of good governance with regard to creating a level playing field ('equivalent cases are to be treated equally'). The aim is that Montea will not be treated worse by the Dutch tax authorities than other sufficiently similar Belgian regulated real-estate companies with existing agreements concerning FII status.
In its corporate tax returns for 2015, 2016, 2017 and 2018, Montea Nederland NV has adopted the position that it qualifies for the FII status, which means that it owes no corporate tax. The Dutch tax inspector has nonetheless imposed a provisional assessment for 2015, 2016, 2017 and 2018 taking into account the regular corporate income tax rate. Given the applicable tax rate (8%), Montea has opted to pay these provisional assessments (i.e. a total amount of € 5.3 million for these 4 years). However, as regards 2015, Montea received a final corporate income tax assessment (the response period for the Dutch tax authorities would expire before this period) that is € 0.1 million higher than the provisional tax return. Montea lodged an objection to the final assessment for 2015. Requests for an ex officio reduction were submitted against the

[22] See press release of 16/09/2019 or www.montea.com for more information.

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assessments for 2016, 2017 and 2018. Montea also recorded the same total amount (€5.4 million) as a receivable in its accounts. If FII status is granted, this full amount will be reimbursed. If FII status is refused, the assessment has been correctly paid and the receivable must be written off, with a material negative impact on Montea's profitability. Montea Nederland has fulfilled the obligation to pay out a dividend under the FII system every year and has thus paid an amount of € 1.0 million in dividend tax for the period from 2015 to 2018. The dividend tax can be recovered if FII status is refused. The total impact on the years from 2015 to 2018 inclusive would therefore amount to € 4.4 million or €0.29 per share (8.8% of the EPRA earnings for 2019).

Unless events occur that show that something else should be done, Montea intends to use the same method for 2019. An amount of approximately € 2.6 million will be paid in relation to the provisional assessment 2019. The figures for 2019 include a debt of €2.6 million and a receivable of €2.6 million for this. An amount of ca. € 0.5 million will be paid by way of the dividend tax due once the distribution obligation is fulfilled. The total impact for 2019 would therefore be €2.1 million or € 0.13 per share (3.9% of the EPRA earnings for 2019), i.e. the amount of the provisional assessment minus the amount of dividend tax.

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1.3 Financial results for financial year 2019

1.3.1 Condensed consolidated (analytical) income statement for financial year 2019

ABBREVIATED CONSOLIDATED PROFIT & LOSS ACCOUNT (K EUR) Analytical	31/12/2019 12 months	31/12/2018 12 months
CONSOLIDATED RESULTS		
NET RENTAL RESULT	**65.063**	**49.883**
PROPERTY RESULT	**68.135**	**52.068**
% compared to net rental result	**104,7%**	**104,4%**
TOTAL PROPERTY CHARGES	**-2.047**	**-1.730**
OPERATING PROPERTY RESULT	**66.089**	**50.338**
General corporate expenses	-4.207	-4.224
Other operating income and expenses	-172	-61
OPERATING RESULT BEFORE THE PORTFOLIO RESULT	**61.710**	**46.053**
% compared to net rental result	**94,8%**	**92,3%**
FINANCIAL RESULT excl. Variations in fair value of the hedging instruments	**-11.356**	**-10.239**
EPRA RESULT FOR TAXES	**50.354**	**35.814**
Taxes	**-357**	-89
EPRA Earnings	**49.997**	**35.724**
per share (1)	**3,28**	**2,95**
Result on disposals of investment properties	434	3
Result on disposals of other non-financial assets	0	0
Changes in fair value of investment properties	70.773	31.975
Other portfolio result	0	0
PORTFOLIO RESULT	**71.207**	**31.978**
Changes in fair value of financial assets and liabilities	-12.739	-3.127
RESULT IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	**-12.739**	**-3.127**
NET RESULT	**108.465**	**64.575**
per share	**7,12**	**5,34**

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1.3.2 Notes on condensed (analytical) income statement for financial year 2019

- Summary

The EPRA earnings rose by 40% from € 35.7 million in 2018 to € 50.0 million in 2019. The EPRA earnings per share amounted to €3.28 in 2019, an increase of 11% compared with 2018 (€2.95).

The increase in the EPRA earnings is due mainly to the strong growth of the real estate portfolio in 2018 and 2019, whereby the operational and financial costs are closely monitored and managed as such.

- Operating result before the result on the property portfolio amounted to €61.7 million, up 34% from 2018.

  - The net rental income amounted to €65.1 million, up by 30% (or 15.2 million) compared with the same period in 2018 (€49.9 million). This increase is mainly due to the recent acquisitions of new properties and delivered projects which generate additional income. With an unchanged portfolio (and thus excluding new acquisitions, sales and project development between the two comparable periods 2019 and 2018) the level of rental income has risen by 3.5%, mainly driven by the success in letting vacant units (+1.2%), renegotiating existing leases (+0.4%) and by indexing leases (+1.9%).
  - The property result amounted to €68.1 million and increased by €16.1 million (or 31%) compared with the same period the previous year, mainly due to the increase in the net rental income, an increase in income from solar panels and an increase in the chargeable property costs as a result of a higher occupancy rate.
  - The property costs and the overheads rose slightly by €0.4 million in 2019 compared with 2018 mainly as a result of the higher subscription tax (calculated on the basis of the equity capital) which led to an increase in the operating property result on the portfolio of €15.7 million or 34% compared with the same period in the previous year (from €46.1 million in 2018 to €61.7 million in 2019).
  - The operating margin[23]* amounted to 90.6*% for the entire year 2019, compared with 88.5% for 2018.

- Financial result exclusive of changes in the fair value of the financial instruments amounted to €-11.4 million compared with €-10.2 million 2018.

The net negative financial result on 31 December 2019 amounted to €11.4 million, up slightly by €1.1 million compared with the same period the previous year, mainly due to impact of the recognized lease obligations relating to concession land, which pursuant to IFRS 16 of 1 January 2019 is processed through the financial result instead of the Net Rental Income. Furthermore, the net negative result is affected by a higher amount of outstanding financial debts.
The total financial debt (including bond and lease debt) as at 31 December was hedged for 99% compared with a hedging ratio of 91% at the end of 2018.

[23] *The operating margin is obtained by dividing the operating result before the result on the property portfolio by the net rental income.

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The average financing cost[24]* calculated on the average financial debt amounts to 2.2% for financial year 2019 compared with 2.6% for financial year 2018.

The decrease in the average financing cost is mainly due to the further elaboration of the interest rate hedging restructuring programme.

- EPRA earnings of €3.28 per share, up 11% from 2018.

  The EPRA earnings for 2019 amounted to €50.0 million, an increase of 40% compared with the same period in the previous year. The EPRA earnings per share rose by 11% to €3.28 in 2019, taking into account an increase in the weighted average number of shares of 26%.

- Gross dividend of €2.54 per share to be proposed, up 12% from 2018.

  On the basis of the distributable result, Montea will propose a gross dividend of €2.54 per share to the general meeting of shareholders. This means an increase of the gross dividend per share of 12% compared with 2018.

- The result on the property portfolio[25] amounted to €71.2 million.

  The result on the property portfolio for financial year 2019 amounted to €71.2 or €4.68 per share.[26] The increase in value is due to a lower yield linked to developments on the market, the added value on project developments, and the signing of new leases.

  The surplus value is entered in a separate component of equity capital when valuing the solar panels. Losses in value are also entered in that component, unless they are realized or unless the fair value falls below the original investment cost.

  The result on the property portfolio is not a cash item and has no impact whatsoever on the EPRA earnings.

- The negative change in the fair value of financial instruments amounted to -€12.7 million.

  The negative change in the fair value of the financial instruments amounted to -€12.7 million or -€0.84 per share at the end of 2019. The negative impact stems from the change in the fair value of the interest rate hedges at the end of 2019 as a result of the long-term interest rate expectations in the course of 2019.
  The changes in the fair value of financial instruments are not a cash item and have no impact whatsoever on the EPRA earnings.

- Net result (IFRS) amounted to €108.5 million, up by €43.9 from 2018.

  The net result consists of the EPRA earnings, the result on the portfolio, and the changes in the fair value of financial instruments. The net result for 2019 (€108.5 million) rose by €43.9 million from the previous year thanks to an increase in the EPRA earnings and the positive change in the fair value of the property investments, partially offset by the negative change in the fair value of the financial instruments.
  The net result (IFRS) per share[27] amounted to €7.12 (compared with €5.34 in 2018).

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[24] *This financial cost is an average over the entire year, including the leasing debts and was calculated on the basis of the total financial cost in regard to the average of the initial balance and financial balance of the financial debt burden for 2017, without taking the valuation of the hedging instruments into account.
[25] *Result on the property portfolio: this concerns the negative and/or positive changes in the fair value of the property portfolio + any capital gains or losses as a result of the realization of real estate.
[26] Calculated as the result of the property portfolio on the basis of the weighted average number of shares.
[27] Calculated on the basis of the weighted average number of shares.

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1.3.3 Condensed consolidated balance sheet for financial year 2019

	CONSOLIDATED BALANCE SHEET (EUR)	31/12/2019 Conso	31/12/2018 Conso
I.	**NON-CURRENT ASSETS**	**1.161.380.537**	**910.425.883**
II.	**CURRENT ASSETS**	**32.317.252**	**39.050.817**
	TOTAL ASSETS	**1.193.697.790**	**949.476.700**
	SHAREHOLDERS' EQUITY	**680.029.177**	**433.568.523**
I.	**Shareholders' equity attributable to shareholders of the parent company**	680.029.177	433.549.949
II.	**Minority interests**	0	18.574
	LIABILITIES	**513.668.613**	**515.908.177**
I.	**Non-current liabilities**	412.772.382	427.154.510
II.	**Current liabilities**	100.896.231	88.753.667
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1.193.697.790**	**949.476.700**

1.3.4 Notes on the condensed consolidated balance sheet for financial year 2018

On 31 December 2019, the total assets (€ 1,193.7 million) consist primarily of investment properties (91% of the total), solar panels (1% of the total), and developments (5% of the total). The remaining amount of the assets (3% of the total) consists of the other tangible and financial fixed assets, including assets intended for own use and current assets containing the cash investments, trade and tax receivables.

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1.3.4.1 Value and composition of the property portfolio as at 31 December 2019

Montea's total property assets amount to € 1,159.3 million, consisting of the valuation of the property portfolio buildings including buildings held for sale (€ 1,083.1 million), the fair value of the current developments (€ 64.0 million) and the fair value of the solar panels (€ 12.2 million).

	Total 31/12/2019	Belgium	France	The Netherlands	Total 31/12/2018
Real estate portfolio - Buildings (0)					
Number of sites	69	33	16	20	63
Warehouse space (sqm)	1.073.248	624.873	157.684	290.691	1.028.383
Office space (sqm)	103.334	58.064	15.041	30.229	95.548
Land space - rent (sqm)	163.010	6.512	0	156.498	96.168
Total space (sqm)	**1.339.593**	**689.449**	**172.725**	**477.418**	**1.220.099**
Real estate portfolio - Land					
Development potential (sqm) - rent	753.542	32.562	0	720.980	546.653
Development potential (sqm) - portfolio	368.743	191.907	112.204	64.632	133.655
Development potential (sqm) - in research	0	0	0	0	220.000
Development potential (sqm) - in option	224.137	79.137	0	145.000	550.419
Total surface - development potential (sqm)	**1.346.422**	**303.606**	**112.204**	**930.612**	**1.450.727**
Fair value (K EUR)	1.083.085	522.544	150.891	409.650	870.423
Investment value (K EUR)	1.134.150	535.709	161.574	436.868	912.499
Annual contractual rents (K EUR)	**67.217**	**34.421**	**8.642**	**24.155**	**61.205**
Gross yield (%)	6,21%	6,59%	5,73%	5,90%	7,03%
Gross yield on 100% occupancy (%)	6,28%	6,61%	6,22%	5,90%	7,13%
Un-let property (m²) (1)	9.373	1.186	8.187	0	10.516
Rental value of un-let property (K EUR) (2)	850	112	738	0	876
Occupancy rate	99,3%	99,8%	95,3%	100,0%	99,1%
Real estate portfolio - Solar panels (3)					
Fair value (K EUR)	12.195	12.108	0	87	13.016
Real estate portfolio - Developments (4)					
Fair value (K EUR)	64.004	27.783	22.876	13.345	28.395

(0) Including buildings held for sale.
(1) The surface area of leased plots of land is booked for 20% of the total surface area; the rental value of a plot of land amounts to ca. 20% of the rental value of a logistics property.
(2) Exclusive of the estimated rental value of projects under construction and/or renovation.
(3) The fair value of the investment in solar panels is entered under section "D" of the fixed assets in the balance sheet.

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- The total surface area of the property portfolio amounts to 1,339,593 m², spread over 69 sites, namely 33 sites in Belgium, 16 sites in France and 20 sites in the Netherlands.

- Montea also has a total land bank of 1,346,422 m² of development potential, 753,542 m² of which are let in the portfolio, 368,743 m² unlet land in the portfolio and 224,137 m² under option. This land is expected to result in approximately 50% leasable surface area on average (approximately 670,000 m²).

- The gross property yield on the total investment properties amounts to 6.3% on the basis of a fully let portfolio, compared with 7.1% on 31 December 2018. When the units that are currently vacant are taken into account, the gross yield amounts to 6.2%.

- The contractual annual rental income (exclusive of rent guarantees) amounts to €67.2 million, a 10% increase from 31 December 2018, chiefly attributable to the growth of the property portfolio.

- The occupancy rate amounts to 99.3% on 31 December 2019 compared with 99.1% at the end of December 2018. The current vacancy is in France, at the Le Mesnil-Amélot site previously leased to Autoclick and Facilit'Air. The Belgian and Dutch portfolios is 100% occupied at the end of December 2019.

- The fair value of the current developments amounts to €64.0 million and consists of:

  - the site in Senlis (FR) (see section 1.2.2.2)
  - the site in Tyraslaan, Vilvoorde (BE)
  - the site in Saint-Luarent Blangy (FR) (see section 1.2.3.2)
  - the construction of the logistics hub in Meyzieu (FR) (see section 1.2.3.2)
  - the site at Schiphol Airport (NL) (see section 1.2.3.3.)
  - the site at Lummen (BE) (see section 1.2.3.3.)
  - the site in Etten-Leur (NL) (see section 1.2.3.3)
  - solar panel investments (BE+NL) (see section 1.2.4.1)

- The fair value of the solar panels of €12.2 million concerns twelve solar panel projects: one in Brussels (Forest), two in Wallonia (Heppignies and Milmort), eight in Flanders (Bornem (x2), Aalst, Erembodegem (x2), Grimbergen, Bilzen and Ghent) and one in the Netherlands (Etten-Leur).

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1.3.4.2. Composition of shareholders' equity and liabilities

- The total liabilities consist of the shareholders' equity of €680.0 million and a total debt of €513.7 million.

  This total debt (€513.7 million) consists of
  - € 291.3 million of credit lines taken up from 8 financial institutions. Montea had €321.7 million in contracted lines of credit on 31 December 2019 and an undrawn capacity of €30.4 million;
  - € 109.7 million in bond issues concluded by Montea in 2013, 2014 and 2015;
  - a current leasing debt of €48.5 million, consisting mainly of a lease obligation which pertains to the concession land (entry into force of IFRS 16) and of the financing of the solar panels at our site in Aalst;
  - the negative value of the current hedging instruments amounting to €23.0 million; and
  - other debts and accrued charges[28] for an amount of €41.3 million.

  The weighted average maturity of the financial debts (lines of credit, bond loans and lease obligations) is 3.9 years as at 31 December 2019. The average term of the interest rate hedges is 7.4 years as at the end of December 2019.

  The average financing cost of the debts amounted to 2.2% in 2019 (compared with 2.6% during the same period the previous year). The interest coverage ratio[29]* is equal to 5.5 x (compared with 4.5x in 2018).

  The hedge ratio amounts to 99.1% as at 31 December 2019 (compared with 90.8% as at 31 December 2018).

- Montea's debt ratio[30] amounted to 39.4% at the end of 2019 (compared with 51.3% at the end of 2018). As a result, Montea has an investment potential of ca. €600 million before a debt ratio of 60% is reached.

  Montea complies with all the covenants in terms of debt ratio that it has concluded with financial institutions, pursuant to which Montea may not have a debt ratio of over 60%.

- The EPRA NAV[31]* amounted to €44.54 per share on 31/12/2019 (€34.63 per share on 31/12/2018). The increase is due to the growth of equity thanks to the EPRA earnings, the impact of the capital increase of Q1/2019 and the positive revaluation of the portfolio, partially offset by the negative changes in the fair value of the financial hedging instruments in 2019. The EPRA NNNAV amounted to €43.27 per share on 31 December 2019 (€34.16 per share on 31/12/2018).

1.3.5 Valuation rules

The same financial reporting principles and calculation methods have been used for these figures as those which were used for the consolidated financial statements as at 31 December 2018.

28 The accrued charges comprise largely the rent invoiced in advance for the subsequent quarter.
29 *The interest coverage ratio is calculated by dividing the sum of het operational result before the result on the portfolio, together with the financial proceeds, by the net income.
30 Calculated in accordance with the Royal Decree of 13 July 2014 on regulated real estate companies.
31 *EPRA NAV: The EPRA NAV is the NAV which was adjusted to comprise also property and other investments at their fair value and which excludes certain items which are not expected to acquire any fixed form in the business model with investment properties in the long term. See also: www.epra.com. EPRA NAV per share: The EPRA NAV per share concerns the EPRA NAV on the basis of the number of shares in circulation on the balance sheet date. See also: www.epra.com.

- **New or amended standards and interpretations in force for the financial year that opened on 1 January 2019**

Pursuant to the standards amended by the IASB and the interpretations issued by the IFRIC, the following amendments and principles apply to the current period but have no material impact on the presentation, disclosure or results of the company:

- Amendments to IFRS 9 Financial Instruments;
- Amendments to IAS 19 Employee Benefits;
- Amendments to IAS 28 Investment in Associates and Joint Ventures;
- IFRIC 23 Uncertainty over Income Tax Treatments;
- Annual improvements to IFRS – Cycle 2015-2017.

IFRS 16 Leases is applicable as of 1 January 2019. It sets out the principles for the recognition, valuation, presentation and disclosure of leases and requires the lessee to account for all leases under a single model on the balance sheet. On the start date of a lease, a lessee recognizes an obligation to make lease payments as well as an asset that represents the right to use the underlying asset during the term of the lease. Lessees are required to recognize the interest on the lease obligation separately from the depreciation on the right of use. This standard has had an impact primarily on the balance sheet (investment property section) of 31 December 2019 for an amount of about €54 million.

- **New or amended standards and interpretations that have been published but are not yet in force for the financial year that opened on 1 January 2019**

A number of new standards, amendments to standards and interpretations do not apply yet in 2019, but may be adopted earlier. Unless indicated otherwise, they have not been used by Montea. These standards amended by the IASB and interpretations issued by the IFRIC are not expected to have any material impact on the presentation, disclosure or results of the company:

- Amendments to IAS 1 and IAS 8 Definition of Material (applicable for financial years as of 1 January 2020, but not approved in the European Union yet)
- Amendments to IFRS 3 Business Combinations (applicable for financial years as of 1 January 2020, but not approved in the European Union yet)
- Amendment to IFRS 10 and IAS 28 Sale or contribution of assets between an investor and the associate or joint venture (effective date deferred indefinitely, and consequently approval in the European Union is also deferred)
- Amendment to References to the Conceptual Framework in IFRS standards (applicable for financial years as of 1 January 2020, but not approved in the European Union yet)
- IFRS 14 Regulatory Deferral Accounts (applicable for financial years as of 1 January 2016, but not adopted in the European Union yet)
- IFRS 17 Insurance Contracts (applicable for financial years as of 1 January 2021, but not adopted in the European Union yet).

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1.4 Significant events after the balance sheet date

There were no significant events after the balance sheet date.

1.5 Transactions between affiliated parties

There were no transactions between affiliated parties in 2019 with the exception of those under market compliant conditions and as customary when Montea's activities are carried out.

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1.6 EPRA Performance measures

EPRA earnings – EPRA earnings per share

Definition: The EPRA earnings concern the net earnings (after processing of the operating result before the result on the portfolio, minus the financial results and corporate tax, exclusive of deferred taxes), minus the changes in the fair value of property investments and real estate intended for sale, minus the result from the sale of investment properties, plus changes in the fair value of the financial assets and liabilities. The EPRA earnings per share are the EPRA earnings divided by the weighted average number of shares for the financial year.

Purpose: The EPRA earnings measure the operational profitability of the company after the financial result and after taxes on the operational result. The EPRA earnings measure the net result from the core activities per share.

Calculation:

EPRA earnings

	(in EUR X 1 000)	**31/12/2019**	**31/12/2018**
	Net result (IFRS)	**108.465**	**64.575**
	Changes for calculation of the EPRA earnings		
	To exclude:		
(i)	Variations in fair value of the investment properties and properties for sale	-70.773	-31.975
(ii)	Result on sale of investment properties	-434	-3
(vi)	Variations in fair value of the financial assets and liabilities	12.739	3.127
	EPRA earnings	**49.997**	**35.724**
	Weighted average number of shares	15.229.606	12.100.327
	EPRA earnings per share (€/share)	**3,28**	**2,95**

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EPRA NAV – EPRA NAV per share

Definition: The EPRA NAV is the NAV applied so that it comprises real estate and other investments at their fair value and excludes certain items which are not expected to acquire fixed form in a business model with property investments in the long term. The EPRA NAV per share concerns the EPRA NAV on the basis of the number of shares in circulation on the balance sheet date. Cf. also www.epra.com.

Purpose: The EPRA NAV measures the intrinsic value without taking account of the fair value of the hedging instruments, the impact of which is booked in the financial costs in future financial years, if the IRS is not cancelled before the maturity date. The EPRA NAV per share measures the intrinsic value per share without taking into account the fair value of the hedging instruments, the impact of which is booked in the financial costs in future financial years, if the IRS is not cancelled before the maturity date.

Calculation:

EPRA VAN

	(in EUR X 1 000)	31/12/2019	31/12/2018
	IFRS NAV	**680.029**	**433.550**
	NAV per share (€/share)	**43,09**	**33,83**
	Effect of exercise of options, convertible debt and other equity instruments		
	Diluted net asset value after effect of exercise of options, convertible debt and other equity instruments	**680.029**	**433.550**
	To exclude		
(iv)	IV. Fair value of financial instruments	22.924	10.186
	EPRA NAV	**702.953**	**443.735**
	Number of shares in circulation per end period	15.782.594	12.814.692
	EPRA NAV per share (€/share)	**44,54**	**34,63**

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EPRA NNNAV – EPRA NNNAV per share

Definition: The EPRA NNNAV is the EPRA NAV that was applied so that it includes the fair value of financial instruments, debts and deferred taxes. The EPRA NNNAV per share concerns EPRA NNNAV on the basis of the number of shares in circulation on the balance sheet date. Cf. also www.epra.com.

Purpose: The EPRA NNNAV measures the intrinsic value taking into account the fair value of the hedging instruments. The EPRA NNNAV per share measures the intrinsic value taking into account the fair value of the hedging instruments.

Calculation:

EPRA NNVAN

	(in EUR X 1 000)	31/12/2019	31/12/2018
	EPRA NAV	**702.953**	**443.735**
	Number of shares in curculation at the end of the period	15.782.594	12.814.692
	EPRA NAV (€/share)	**44,54**	**34,63**
	To add:		
(i)	I. Fair value of financial instruments	-22.924	-10.186
(ii)	II. Revaluation of the fair value of financing at fixed interest rate	2.878	4.149
	EPRA NNNAV	**682.907**	**437.699**
	Nmber of shares in circultation at the end of the period	15.782.594	12.814.692
	EPRA NNNAV (€/share)	**43,27**	**34,16**

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EPRA vacancy

Definition: The EPRA vacancy corresponds to the complement of “Occupancy rate” with the difference that the occupancy rate used by Montea is calculated on the basis of square metres whereas the EPRA vacancy is calculated on the basis of the estimated rental value.

Purpose: The EPRA vacancy measures the vacancy percentage as a function of the estimated value without taking account of non-rentable m², intended for redevelopment, and of the land bank.

Calculation:

(in EUR X 1 000)	(A) Estimated rental value (ERV) for vacancy 31/12/2019	(B) Estimated rental value portfolio (ERV) 31/12/2019	(A/B) ERPA Vacancy rate *(in %)* 31/12/2019	(A) Estimated rental value (ERV) for vacancy 31/12/2018	(B) Estimated rental value portfolio (ERV) 31/12/2018	(A/B) ERPA Vacancy rate *(in %)* 31/12/2018
Belgium	112	32.480	0,3%	202	31.157	0,6%
France	738	9.327	7,9%	674	9.226	7,3%
The Netherlands	-	23.943	0,0%	-	19.210	0,0%
Total	**850**	**65.750**	**1,3%**	**876**	**59.593**	**1,5%**

EPRA NIY / EPRA Topped-up NIY

Definition: The EPRA NIY is calculated as the annualized rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, plus the (estimated) acquisition costs.

Purpose: Introduce a comparable benchmark for portfolio valuations in Europe. See also www.epra.com.

Calculation:

EPRA NIY *(in EUR x 1000)*		**31/12/2019**	**31/12/2018**
Investment property – wholly owned		1.104.358	913.236
Investment property – share of JVs/Funds		0	0
Trading property		0	0
Less: developments		-64.004	-28.395
Completed property portfolio		**1.040.353**	**884.841**
Allowance for estimated purchasers’ costs		49.694	40.576
Gross up completed property portfolio valuation	**B**	**1.090.047**	**925.417**
Annualised cash passing rental income		69.391	62.675
Property outgoings (incl. ground rents)		-3.771	-3.846
Annualised net rents	**A**	**65.620**	**58.828**
Add: Rent free periods or other lease incentives		80	80
Topped-up net annualised rent	**C**	**65.699**	**58.908**
EPRA Net Initial Yield	**A/B**	**6,0%**	**6,4%**
EPRA “topped-up” Net Initial Yield	**C/B**	**6,0%**	**6,4%**

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EPRA Cost ratio

Definition: The EPRA Cost ratios are the administrative and operating costs (including direct vacancy costs), divided by the gross rental income. See also www.epra.com.

Purpose: The EPRA cost ratios are intended to provide a consistent basis from which companies can provide more information on costs as and where necessary. See also www.epra.com.

Calculation:

EPRA Cost Ratios (in EUR x 1000)		31/12/2019	31/12/2018
(i) Administrative/operating expense line per IFRS income statement		**6.656**	**6.428**
(iii) Management fees less actual/estimated profit element		-365	-330
EPRA Costs (including direct vacancy costs)	**A**	**6.290**	**6.098**
(ix) Direct vacancy costs		-166	-234
EPRA Costs (excluding direct vacancy costs)	**B**	**6.125**	**5.864**
		0	0
(x) Gross Rental Income less ground rents – per IFRS		67.985	52.120
Gross Rental Income	**C**	**67.985**	**52.120**
EPRA Cost Ratio (including direct vacancy costs)	**A/C**	**9,3%**	**11,7%**

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1.7 Detail of calculation of APMs used by Montea[32]

Result on the portfolio

Definition: This concerns the positive and/or negative changes in the fair value of the property portfolio plus any capital gains or losses from the construction of properties.

Purpose: This APM indicates the positive and/or negative changes in the fair value of the property portfolio plus any capital gains or losses from the construction of properties.

Calculation:

RESULT ON PORTFOLIO *(in EUR X 1 000)*	**31/12/2019**	**31/12/2018**
Result on sale of property investments	434	3
Variations in the fair value of property investments	70.773	31.975
RESULT ON PORTFOLIO	**71.207**	**31.978**

Financial result exclusive of changes in the fair value of financial instruments

Definition: This is the financial result pursuant to the Royal Decree of 13 July 2014 on regulated real estate companies, exclusive of the change in the real value of the financial instruments.

Purpose: This APM indicates the actual financing cost of the company.

Calculation:

FINANCIAL RESULT excl. variations in fair value of financial instruments *(in EUR X 1 000)*	**31/12/2019**	**31/12/2018**
Financial result	-24.095	-13.366
To exclude:		
Variations in fair value of financial assets & liabilities	12.739	3.127
FINANCIAL RESULT excl. variation in fair value of financial instruments	**-11.356**	**-10.239**

32 Exclusive of the EPRA measures, some of which are considered as an APM, and are calculated under Chapter 1.8 EPRA Performance measures.

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Operating margin

Definition: This is the operating result before the result of the real estate portfolio divided by the net rental income.

Purpose: This APM measures the operational profitability of the company as a percentage of the rental income.

Calculation:

OPERATING MARGIN (in EUR X 1 000)	31/12/2019	31/12/2018
Net rental result	68.135	52.068
Operating result (before the result on the portfolio)	61.710	46.053
OPERATING MARGIN	**90,6%**	**88,4%**

Average cost of debt

Definition: Average financial cost over the entire year calculated on the basis of the total financial result with regard to the average of the initial and closing balance of the financial debt burden without taking into account the valuation of the hedging instruments.

Purpose: The company resorts partially to debt financing. This APM measures the cost of this source of financing and the possible impact on the results.

Calculation:

AVERAGE COST OF DEBT (in EUR X 1 000)	31/12/2019	31/12/2018
Financial result	-24.095	-13.366
To exclude:		
Financial income	-57	-91
Variations in fair value of financial assets and liabilities	12.739	3.127
Interest charges related to leasing obligations (IFRS 16)	2.146	-
Activated interest charges	-896	-1.491
TOTAL FINANCIAL CHARGES (A)	-10.164	-11.821
AVERAGE FINANCIAL DEBTS (B)	463.437	449.223
AVERAGE COST OF DEBT (A/B) (*)	**2,2%**	**2,6%**

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Interest Coverage Ratio

Definition: the — The interest coverage ratio is calculated by dividing the sum of the operating result before result on the portfolio and the financial revenues by the net interest costs.

Purpose: — This APM indicates the number of times required for the company to earn its interest charges.

Calculation:

INTEREST COVERAGE RATIO (in EUR X 1 000)	31/12/2019	31/12/2018
Operational result, before result on portfolio	61.710	46.053
Financial income (+)	57	91
TOTAL (A)	**61.767**	**46.144**
Financial charges (-)	11.309	10.237
TOTAL (B)	**11.309**	**10.237**
INTEREST COVERAGE RATIO (A/B)	**5,46**	**4,51**

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1.8 Outlook for 2020-2021

1.8.1 Economic climate

Montea is well aware that its activities are influenced in part by the general economic climate. Lower economic growth can have an impact on the occupancy rate and on the rental income. Montea anticipates such developments by constantly revaluating its portfolio, whereby non-strategic properties are regularly divested. In addition, Montea focuses its investments on multi-modal top locations, with a preference for harbour and airport locations in Belgium, France and the Netherlands. For new developments, Montea also tries to enter into long-term leases with companies in sectors with high added value. Finally, Montea is constantly endeavouring to make its portfolio sustainable, for instance by installing solar panels on its roofs. The aforementioned focus on quality leads to a portfolio with strong fundamentals, including a high occupancy rate (99.3%) and long-term leases on first due date (8 years).

Thanks to its current position, Montea (as a developer and end investor) can cater to the growing appetite for logistics in its 3 home markets, with potential for expansion to other core markets. The company has positioned itself ideally through its broad network and track to adapt to economic trends such as e-commerce and the increasing demand for sustainability.

1.8.2 Specific outlook for Montea

- Investment pipeline
  Montea will continue the sturdy growth story in the years to come thanks to the expansion of the teams in 3 countries in the years to come and the establishment of various partnerships.
  This growth will be achieved in particular through:
  - a combination of acquired land positions with a view to develop leasable build-to-suit projects;
  - sale-and-lease back transactions;
  - investments within the extended RREC legislation;
  - investment in renewable sources of energy.

  Montea expects to register 25% growth in its portfolio over the next 2 years that will result in a total property portfolio of €1,450 million by the end of 2021. 61% of this growth (€178 million) has already been identified:

  - ✓ Investment budget of €21 million for projects in progress slated to be delivered in 2020[33]
  - ✓ Investment budget of €147 million for future development projects slated to be delivered after 2020[34]
  - ✓ Investment budget of €10 million for solar panel projects in Belgium and the Netherlands[35]

  The foregoing amounts are still to be invested and will contribute to portfolio growth without taking into account investments already made in 2019 linked to these projects. Including these investments, the total investment budget for these projects amounts to €230 million.

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[33] See section *1.2.3.2 Projects in progress, delivery in 2020*
[34] See section *1.2.3.3 Future projects in progress, expected delivery after 2020*
[35] See section *1.2.4.2 Developments in the photovoltaic portfolio*

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- EPRA earnings per share/Dividend per share

  Montea expect the EPRA earnings per share to grow to €3.60 (+ 10% compared with 2019) in 2021.

  Montea expects the dividend per share to rise in line with the growth of the EPRA earnings per share, i.e. from €2.54 to €2.80 (+ 10% compared with 2019) in 2021, on the basis of pay-out ratio of 80%.

- Occupancy rate and term of the leases
  The growth of the portfolio is accompanied by a continuous arbitrage which results in exceptional property-related performance measures such as the occupancy rate (99.3% at the end of 2018), the average term of leases to the first termination option (8 year at the end of 2019) and the average age of the buildings (<8 year at the end of 2019). Thanks to its focus on the type of tenant and their activity (such as the healthcare sector, recycling sector, etc.), as well as on strategic locations with high added value (such as airports, locations adjacent to water, etc.), Montea manages to expand its real estate portfolio in optimal fashion.

  Montea expects to maintain an occupancy rate of at least over 97%.
  Montea expects to maintain the average term of its leases on first expiry date above 7.5 years.

- Financing strategy
  Montea aspires to pursue a diversified financing policy, the ultimate aim being to bring its financing in line with the term of its leases. It will always take into account the expected debt ratio of ca. 55% when it invests.

  Montea expects an average cost of debts of maximum 2.2%, based on a hedge ratio of over 80%.

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1.9 Statement on compliance with certain covenants concerning the bond issue

In compliance with article 5.11 of the issue terms for the bonds issued on 28 June 2013 (totalling €30 million), on 28 May 2014 (totalling €30 million), and on 30 June 2015 (totalling €50 million), Montea will make a statement in its consolidated annual and half-yearly figures regarding the compliance with certain covenants imposed in article 5.10 of these issue terms.

Montea declares that:

- The consolidated debt ratio is 39.4%, thereby making it below the 65% mark required in Article 5.10 point (d) of the information memorandum of the debenture loans issued in 2013 and 2014 and Article 5.10 point (c) of the information memorandum of the debenture loans issued in 2015;
- The “Interest Cover” is 5.5, thereby making it higher than 1.5 as required in Article 5.10 point (e) of the information memorandum of the debenture loans issued in 2013 and 2014 and Article 5.10 point (d) of the information memorandum of the debenture loans issued in 2015.

2 Forward-looking statements

This press release also contains a number of statements focused on the future. Statements such as these are subject to risks and uncertainties that may result in the actual results differing substantially from the results that might have been expected from the forward-looking statements made in this press release. Some of the major factors that may affect these results include changes to the economic situation, as well as commercial and competitive circumstances resulting from future court rulings or changes to legislation.

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3 Financial calendar

14/05/2020	Interim results on 31/03/2020 (before market opening)
19/05/2020	General meeting of shareholders
06/08/2020	Half-yearly results on 30/06/2020 (after market opening)
05/11/2020	Interim results on 30/09/2020 (before market opening)

This information is also available on our website www.montea.com.

ABOUT MONTEA "SPACE FOR GROWTH"

Montea Comm. VA is a public property investment company (PPIC – SIIC) under Belgian law specialising in logistical property in Belgium, France and the Netherlands, where the company is a benchmark player. Montea literally offers its customers room to grow by providing versatile, innovative property solutions. In this way, Montea creates value for its shareholders. On 31/12/2019 Montea's property portfolio represented total floor space of 1,339,593 m² across 69 locations. Montea Comm. VA has been listed on NYSE Euronext Brussels (MONT) and Paris (MONTP) since 2006. On 11/12/2019 Montea obtained the EPRA BPR Gold Award.

MEDIA CONTACT

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FOR MORE INFORMATION

www.montea.com

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ANNEX 1

Consolidated overview of the profit and loss account on 31/12/2019

	CONSOLIDATED PROFIT & LOSS ACCOUNT (EUR x 1.000)	31/12/2019 12 months	31/12/2018 12 months
I.	Rental income	65.063	52.896
II.	Write-back of lease payments sold and discounted	0	0
III.	Rental-related expenses	1	-3.012
	NET RENTAL RESULT	**65.063**	**49.883**
IV.	Recovery of property charges	**0**	0
V.	Recovery of charges and taxes normally payable by tenants on let properties	6.986	5.847
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0
VII.	Charges and taxes normally payable by tenants on let properties	-7.371	-6.493
VIII.	Other rental-related income and expenses	3.457	2.831
	PROPERTY RESULT	**68.135**	**52.068**
IX.	Technical costs	-22	-6
X.	Commercial costs	-58	-130
XI.	Charges and taxes of un-let properties	-166	0
XII.	Property management costs	-1.794	-1.534
XIII.	Other property charges	-8	-60
	PROPERTY CHARGES	**-2.047**	**-1.730**
	PROPERTY OPERATING RESULT	**66.089**	**50.338**
XIV.	General corporate expenses	-4.207	-4.224
XV.	Other operating income and expenses	-172	-61
	OPERATING RESULT BEFORE PORTFOLIO RESULT	**61.710**	**46.053**
XVI.	Result on disposal of investment properties	434	3
XVII.	Result on disposal of other non-financial assets	0	0
XVIII.	Changes in fair value of investment properties	70.773	31.975
XIX.	Other portfolio result	0	0
	OPERATING RESULT	**132.917**	**78.031**
XX.	Financial income	57	91
XXI.	Net interest charges	-11.309	-10.237
XXII.	Other financial charges	-105	-92
XXIII.	Change in fair value of financial assets & liabilities	-12.739	-3.127
	FINANCIAL RESULT	**-24.095**	**-13.366**
XXIV.	Share in the result of associates and joint ventures	0	0
	PRE-TAX RESULT	**108.822**	**64.665**
XXV.	Corporation tax	-357	-89
XXVI.	Exit tax	0	0
	TAXES	**-357**	**-89**
	NET RESULT	**108.465**	**64.575**
	Attributable to:		
	Shareholders of the parent company	108.465	64.575
	Minority interests	0	0
	Number of shares in circulation at the end of the period	15.782.594	12.814.692
	Weighted average of number of shares of the period	15.229.606	12.100.327
	NET RESULT per share (EUR)	**7,12**	**5,34**

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ANNEX 2
Consolidated overview of the balance sheet on 31/12/2019

	CONSOLIDATED	31/12/2019	31/12/2018
I.	**NON-CURRENT ASSETS**	**1.161.381**	**910.426**
A.	Goodwill	-	-
B.	Intangible assets	419	374
C.	Investment properties	1.147.476	896.873
D.	Other tangible assets	13.344	13.149
G.	Trade receivables and other non-current assets	35	29
II.	**CURRENT ASSETS**	**32.317**	**39.051**
A.	Assets held for sale	0	2.377
D.	Trade receivables	13.405	15.599
E.	Tax receivables and other current assets	9.186	13.867
F.	Cash and cash equivalents	7.690	4.634
G.	Deferred charges and accrued income	2.037	2.574
	TOTAL ASSETS	**1.193.698**	**949.477**
	TOTAL SHAREHOLDERS' EQUITY	**680.029**	**433.569**
I.	**Shareholders' equity attributable to shareholders of the parent company**	**680.029**	**433.550**
A.	Share capital	314.983	256.063
B.	Share premiums	209.184	100.891
C.	Reserves	47.397	12.020
D.	Net result of the financial year	108.465	64.575
II.	**Minority interests**	**-0**	**19**
	LIABILITIES	**513.669**	**515.908**
I.	**Non-current liabilities**	**412.772**	**427.155**
B.	Non-current financial debts	389.741	416.968
	a. Credit institutions	263.308	306.431
	b. Financial leasings	943	1.047
	c. Other (bond + IFRS 16 lease liability)	125.491	109.491
C.	Other non-current financial liabilities	23.031	10.186
E.	Other non-current liabilities	-	-
II.	**Current liabilities**	**100.896**	**88.754**
B.	Current financial debts	61.340	45.085
	a. Credit institutions	29.600	45.000
	b. Financial leasings	92	85
	c. Other (bond + IFRS 16 lease liability)	31.648	-0
C.	Other current financial liabilities	-	-
D.	Trade debts and other current debts	14.214	20.142
	a. Exit taks	274	1.445
	b. Other	13.940	18.697
E.	Other current liabilities	4.809	4.707
F.	Accrued charges and deferred income	20.534	18.819
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1.193.698**	**949.477**

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ANNEX 3

Consolidated overview of changes in equity capital (€ '000)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (EUR x 1.000)	Share capital	Share premiums	Reserves	Result	Deduction of transfer rights and costs	Minority interests	Shareholders' equity
Explanation	29	29	30	31	30	32	
ON 31/12/2018	**256.063**	**100.891**	**12.020**	**64.575**	**0**	**19**	**433.568**
Elements directly recognized as equity	**58.920**	**108.292**	**-237**	**0**	**0**	**-19**	**166.957**
Capital increase	58.647	108.292	0	0	0	0	166.939
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	-242	0	0	0	-242
Own shares	0	0	0	0	0	0	0
Own shares held for employee option plan	273	0	0	0	0	0	273
Minority interests	0	0	0	0	0	-19	-19
Corrections	0	0	5	0	0	0	5
Subtotal	**314.983**	**209.183**	**11.783**	**64.575**	**0**	**0**	**600.525**
Dividends	0	0	-28.961	0	0	0	-28.961
Result carried forward	0	0	64.575	-64.575	0	0	0
Result for the financial year	0	0	0	108.465	0	0	108.465
ON 31/12/2019	**314.983**	**209.183**	**47.397**	**108.465**	**0**	**0**	**680.029**

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ANNEX 4
Overview of the consolidated comprehensive income

ABBREVIATED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR x 1.000)	31/12/2019 12 months	31/12/2018 12 months
Net result	**108.465**	**64.575**
Other items of the comprehensive income	**-242**	**10**
Items taken in the result	**0**	0
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investments properties	0	0
Changes in the effective part of the fair value of authorized cash flow hedges	0	0
Items not taken in the result	-242	10
Impact of changes in fair value of solar panels	**-242**	**10**
Comprehensive income	**108.223**	64.585
Attributable to:		
Shareholders of the parent company	**108.223**	**64.585**
Minority interests	0	0

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ANNEX 5
Overview of the consolidated cash-flow summary (€ '000)

CONSOLIDATED CASH FLOW STATEMENT (EUR x 1.000)	31/12/2019 12 months	31/12/2018 12 months
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR (A)	**4.634**	**3.436**
Net result	**108.465**	**64.575**
Financial cash elements (not dedectable of the net profit) to become the operating result	**11.356**	**10.239**
Received interests	-57	-91
Payed interests on finances	11.413	10.330
Received dividends	0	0
Taxes (dedected from the net result) to become the operating result	**357**	**89**
Non-cash elements to be added to / deducted from the result	**-58.570**	**-28.567**
Depreciations and write-downs	**255**	**373**
Depreciations/write-downs (or write-back) on intangible and tangible assets (+/-)	256	205
Write-downs on current assets (+)	-1	157
Write-back of write-downs on current assets (-)	0	11
Other non-cash elements	**-58.825**	**-28.941**
Changes in fair value of investment properties (+/-)	-70.773	-31.975
IFRS 9 impact (+/-)	12.739	3.127
Other elements	0	0
Realized gain on disposal of investment properties	-434	-3
Provisions	0	0
Taxes	-357	-89
NET CASH FROM OPERATING ACTIVITIES BEFORE CHANGE IN WORKING CAPITAL REQUIREMENTS (B)	**61.608**	**46.336**
Change in working capital requirements (C)	**3.294**	**10.143**
Movements in asset items	**7.406**	**-6.652**
Trade receivables	-7	13
Other long-term non-current assets	2.194	-1.235
Other current assets	4.681	-5.119
Deferred charges and accrued income	537	-311
Movements in liability items	**-4.112**	**16.795**
Trade debts	-4.302	9.929
Taxes, social charges and salary debts	-1.626	-681
Other current liabilities	101	4.270
Accrued charges and deferred income	1.714	3.277
NET CASH FLOW FROM OPERATING ACTIVITIES (A)+(B)+(C) = (A1)	***69.536***	***59.915***
Investment activities	**-136.504**	**-175.075**
Acquisition of intangible assets	-168	-313
Investment properties and development projects	-136.027	-174.246
Other tangible assets	-195	-84
Solar panels	-548	-436
Disposal of investment properties	434	3
Disposal of superficy	0	0
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B1)	**-136.504**	**-175.075**
FREE CASH FLOW (A1+B1)	**-66.968**	**-115.160**
Change in financial liabilities and financial debts	**-51.704**	**93.052**
Increase (+)/Decrease (-) in financial debts	-58.621	85.326
Increase (+)/Decrease (-) in other financial liabilities	12.845	-1.521
Increase (+)/Decrease (-) in trade debts and other non-current liabilities	-5.928	9.248
Change in other liabilities	**0**	**0**
Increase (+)/Decrease (-) in other liabilities	0	0
Increase (+)/Decrease (-) in other debts	0	0
Change in shareholders' equity	**137.717**	**36.981**
Increase (+)/Decrease (-) in share capital	58.647	24.195
Increase (+)/Decrease (-) in share premium	108.292	34.250
Increase (+)/Decrease (-) in consolidation differences	0	0
Increase (+)/Decrease (-) in minority interests	-19	-100
Dividends paid	-28.961	-21.375
Increase (+)/Decrease (-) in reserves	-242	10
Increase (+)/Decrease (-) in changes in fair value of financial assets/liabilities	0	0
Disposal of treasury shares	0	0
Dividend paid (+ profit-sharing scheme)	**0**	**0**
Interim dividends paid (-)	0	0
Financial cash elements	**-11.356**	**-10.239**
NET FINANCIAL CASH FLOW (C1)	**74.658**	**119.794**
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR (A1+B1+C1)	**7.690**	**4.634**

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ANNEX 6
Independent real estate expert's report on 31/12/2019[36]

Opinion of value and signature

1. Properties held as an investment

On the basis of the above we are of the opinion that the aggregate Fair Value of the property listed above (investment properties) as at the 31 December 2019 is:

For Belgium:

€468.563.500

Four hundred and sixty-eight million five hundred and sixty-three thousand and five hundred Euro

For the Netherlands:

€409.650.000

Four hundred and nine million six hundred fifty thousand Euro

For France:

€150.891.000

One hundred and fifty million eight hundred and ninety-one thousand Euro

This is our opinion of the fair value on the basis that, as considered local market practice in Belgium, the gross (or "investment") value has been reduced by 2.5% as an estimate of the typical trading costs of such a property in the Belgian market. For the Netherlands and France, the fair value is the investment value reduced by the transfer costs, conform local practice.

2. Right of use – concession (Belgium):

On the basis of the above we are of the opinion that the aggregate Fair Value of the Right of use (concession properties Belgium listed above) as at the 31 December 2019 is:

€54.840.000

Fifty-four million eight hundred forty thousand Euro

36 The full report from the property assessor dated 31/12/2018 was not included in this annual report, but only the conclusions. This is because the full report contains confidential information that may be of interest to competitors.

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This is our opinion of the fair value on the basis that, as considered local market practice in Belgium, the gross (or "investment") value has been reduced by 2.5% as an estimate of the typical trading costs of such a property in the Belgian market. For the Netherlands and France, the fair value is the investment value reduced by the transfer costs, conform local practice.

We hope we have provided the advice you required and would of course be delighted to respond should you have any questions.

Yours sincerely,

Greet Hex MRICS
Director
Valuation & Consulting

JLL

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ANNEX 7
Auditor's declaration

The statutory auditor, Ernst & Young Bedrijfsrevisoren, represented by Mr Joeri Klaykens, confirms that their control activities on the consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted for use in the European Union, have been largely completed and that these did not result in any significant corrections that should be made to the accounting figures, resulting from the consolidated financial statements and included in this press release.