Press Release

Half-yearly financial report

of the statutory manager
on the period from
01/01/2020 to 30/06/2020

REGULATED INFORMATION
EMBARGO UNTIL 6/08/2020 – 6:00 PM

MONTEA
SPACE FOR GROWTH

www.montea.com

Highlights H1 2020:

- ✓ Montea expands activities to Germany through cooperation with German IMPEC Group
- ✓ EPRA earnings of €27.3 million for H1 2020 (+ 13% compared with H1 2019)
- ✓ EPRA earnings per share of €1.72[1] for H1 2020 (+ 5% compared with H1 2019)
- ✓ With a debt ratio of 39.6%, Montea's consolidated balance sheet shows a high degree of solvency. Furthermore, the portfolio KPIs such as an occupancy rate of 99.3% and a remaining term of lease until first expiry of 7.7 years as well as a qualitative and diversified customer portfolio, constitute a valuable winning asset to tackle the current crisis.
- ✓ Also on 30 July 2020, Montea received 99% of the overdue rent invoices for the second quarter 2020 and 98% of the overdue rent invoices for the third quarter 2020.

Outlook for 2020 and update COVID-19:

- ✓ Montea reaffirms its aspiration to boost its property portfolio by ca. €300 million in 2020 and 2021, which will result in a total property portfolio of €1,450 million by the end of 2021. 70% of this growth (€209 million) has already been identified.
- ✓ The COVID-19 outbreak in early 2020 and (the results of) the measures taken to contain the virus could have an impact on Montea's financial performance in 2020. Based on the current knowledge and taking the consequences of the crisis into account, Montea expects for 2020:
  - EPRA earnings per share to grow to €3.44 (+5% compared with 2019)
  - The dividend per share to increase in line with the growth in the EPRA earnings per share, i.e. by 5% compared with 2019 from €2.54 to €2.67, based on a pay-out ratio of 80%.

[1] The impact of the capital increase (2,847,708 new shares were created) in Q1 2019 on the weighted average number of shares was the lowest in the first quarter of 2019 and increased towards the end of the year. This degressive impact should also be taken into account when comparing the EPRA earnings per share in 2020 with those of 2019.

Summary

- After Belgium, France and the Netherlands, Montea is now ready to enter the German market as well and in so doing to increase its international clout. The strong growth of the logistics sector in Europe and the leading role of the German economy are the main drivers for further international breakthroughs. To that end, Montea will enter into a partnership with IMPEC Group, a German real estate player focused exclusively on logistics developments. Montea wants to announce its first projects in Germany before the end of this year.

- Montea's EPRA earnings for the first 6 months of 2020 amount to €27.3 million, an increase of 13% compared with the same period in 2019 (€24.2 million). The EPRA earnings per share for the first six months of 2020 amount to €1.72, up by 5% compared with the same period in 2019 (€1.65 per share), taking into account an increase in the weighted average number of shares by 8%.[2].

- The net rental result increased by 6% (from €32.1 million for Q2 2019 to €34.2 million for Q2 2020). This increase was achieved through the acquisition of new premises/leased land and completed developments, which generate additional rental income.

- The net earnings (IFRS) for H1 2020 amounted to €47.9 million, driven partly by the latent capital gains on the project developments in Saint-Laurent-Blangy (FR) and Meyzieu (FR) (€9.2 million) and by an increase in the fair value of the existing real estate portfolio (€19.2 million).

- Montea has taken various measures to address the COVID-19 virus so as to ensure the continuity of its activities in the different countries in which it operates, whilst putting the health and well-being of all its stakeholders first. Employees were accordingly encouraged to switch to teleworking as much as possible for all tasks that do not require physical presence. Teleworking had been encouraged even before the crisis, so this measure did not pose any particular difficulties.

- With a debt ratio of 39.6% on 30 June 2020 (compared with 39.4% at the end of 2019), Montea's consolidated balance sheet shows a high degree of solvency. Furthermore, the strong portfolio KPIs such as an occupancy rate of 99.3% and a remaining term of lease until first expiry of 7.7 years as well as a qualitative and diversified customer portfolio, constitute a valuable winning asset to tackle the current crisis.

- Montea foresees an increase in its real estate portfolio of ca. €300 million in 2020 and 2021 resulting in a real estate portfolio of €1,450 million by the end of 2021. 70% of this growth (€209 million) has already been identified.

- The COVID-19 outbreak in early 2020 and (the results of) the measures taken to contain the virus could have an impact on Montea's financial performance in 2020. Based on the current knowledge and taking the consequences of the crisis into account, Montea expects for 2020:
  - EPRA earnings per share to grow to €3.44 (+5% compared with 2019).
  - the dividend per share to increase in line with the growth in the EPRA earnings per share, i.e. by 5% compared with 2019 from €2.54 to €2.67, based on a pay-out ratio of 80%.
  - the occupancy rate to be maintained above 97% and an average remaining term of the leases at first maturity above 7.5 years
  - the debt ratio to veer towards 44% by the end of 2020.

Pursuant to the guidelines issued by the European Securities and Markets Authority (ESMA), the Alternative Performance Measures (APM) used by Montea are marked with an asterisk (*) when first mentioned in this press release and then defined in a footnote to inform the reader that the definition is an APM. The performance indicators determined by IFRS rules or by law, as well as those not based on the items of the balance sheet or the income statement, are not considered as APMs. The detailed calculation of the EPRA performance indicators and other APMs used by Montea are presented in sections 3 and 4 of this press release.

2 The impact of the capital increase (2,847,708 new shares were created) in Q1 2019 on the weighted average number of shares was the lowest in the first quarter of 2019 and increased towards the end of the year. This degressive impact should also be taken into account when comparing the EPRA earnings per share in 2020 with those of 2019.

Table of contents

1 Management Report

1.1 Key figures

		BE	FR	NL	30/06/2020 6 months	31/12/2019 12 months	30/06/2019 6 months
Real estate portfolio							
Real estate portfolio - Buildings (1)							
Number of sites		**33**	**18**	**20**	**71**	**69**	**65**
Surface of the real estate portfolio							
Logistics and semi-industrial warehouses	sqm	623.113	202.702	289.743	1.115.558	1.073.248	1.049.887
Offices	sqm	57.407	17.774	29.456	104.637	103.334	98.510
Land - rent	sqm	6.512	0	156.498	163.010	163.010	163.010
Total surface	**sqm**	**687.032**	**220.476**	**475.697**	**1.383.206**	**1.339.593**	**1.311.408**
Development potential (sqm) - rent (2)	sqm	32.562	0	720.980	753.542	753.542	753.542
Development potential (sqm) - portfolio	sqm	191.907	112.204	40.120	344.231	368.743	201.907
Development potential (sqm) - in research	sqm	0	70.000	0	70.000	0	0
Development potential (sqm) - in option	sqm	79.137	0	120.000	199.137	224.137	314.169
Total surface - development potential (sqm)	**sqm**	**303.606**	**182.204**	**881.100**	**1.366.910**	**1.346.422**	**1.269.618**
Value of the real estate portfolio							
Fair value (3)	K€	542.098	192.767	412.300	1.147.166	1.083.085	1.022.001
Investment value (4)	K€	555.751	206.340	441.161	1.203.252	1.134.150	1.070.691
Occupancy Rate (5)	**%**	**99,7%**	**96,6%**	**100,0%**	**99,3%**	**99,3%**	**98,7%**
Real estate portfolio - Solar panels							
Fair value (3)	K€	22.122	0	4.115	26.237	12.195	11.951
Real estate portfolio - Projects under construction							
Fair value (3)	K€	37.229	2.101	2.865	42.195	64.004	70.161
Consolidated results							
Results							
Net rental result	K€				34.177	65.063	32.110
Property result	K€				36.575	68.135	33.503
Operating result before the porfolio result	K€				32.778	61.710	30.266
Operating margin (6)*	%				89,6%	90,6%	90,3%
Financial result (excl. Variations in fair value of the financial instruments) (7)*	K€				-5.125	-11.356	-5.535
EPRA result (8)*	**K€**				**27.267**	**49.997**	**24.195**
Weighted average number of shares					15.807.764	15.229.606	14.667.452
EPRA result per share (9)*	**€**				**1,72**	**3,28**	**1,65**
Result on the portfolio (10)*	K€				28.406	71.207	38.584
Variations in fair value of the financial instruments (11)	K€				-7.713	-12.739	-13.864
Net result (IFRS)	**K€**				**47.960**	**108.465**	**48.915**
Net result per share	**€**				**3,03**	**7,12**	**3,33**
Consolidated balance sheet							
IFRS NAV (excl. minority participations) (12)	**K€**				**708.197**	680.029	620.405
EPRA NAV (13)*	**K€**				**738.833**	702.953	644.454
Debts and liabilities for calculation of debt ratio	**K€**				**495.860**	470.104	472.572
Balance sheet total	**K€**				**1.253.328**	1.193.698	1.138.956
Debt ratio (14)	**%**				**39,6%**	39,4%	41,5%
IFRS NAV per share	**€**				**44,20**	43,09	39,31
EPRA NAV per share (15)*	**€**				**46,11**	44,54	40,83
EPRA NNAV per share (16)*	**€**				**44,35**	43,27	39,53
Share price (17)	**€**				**89,20**	81,00	75,40
Premium	**%**				**101,8%**	88,0%	91,8%

(1) Inclusive of real estate intended for sale.

(2) This line has been added compared to H1 2019. The 2019 figures have been supplemented to allow comparison with this year.

(3) Accounting value according to the IAS/IFRS rules, exclusive of real estate intended for own use.

(4) Value of the portfolio without deduction of the transactions costs.

(5) The occupancy rate is calculated based on m². For the calculation of this occupancy rate no account was taken, nor in the numerator, nor in the denominator, of the unoccupied m² intended for redevelopment and the land bank.

(6) *The operating margin is obtained by dividing the operating result before the result on the property portfolio by the net rental result. See section 4

(7) *Financial result (exclusive of variations in the fair value of the financial instruments): this is the financial result in accordance with the RREC RD excluding the variation in the fair value of the financial instruments, and reflects the actual funding cost of the company. See section 4.

(8) *EPRA earnings: 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 result (IFRS) exclusive of the result on the portfolio and the variations in the fair value of financial instruments. Cf www.epra.comm and section 3.

(9) *EPRA earnings per share concerns the EPRA earnings on the basis of the weightedaverage number of shares. Cf. www.epra.com and section 3.

(10) *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 sale of real estate. See section 4.

(11) Variations in the fair value of financial hedging instruments: this concerns the negative and/or positive variations in the fair value of the interest hedging instruments according to IFRS 9.

(12) IFRS NAV: Net Asset Value of intrinsic value before 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 according to IFRS by the number of shares entitled to dividends on the balance sheet date.

(13) *EPRA NAV: The EPRA NAV is the NAV that was adjusted so as to comprise also property and other investments at their fair value, and 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 3.

(14) Debt ratio according to the RREC RD of 13 July 2014.

(15) *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. Cf. www.epra.com and section 3.

(16) *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 in circulation on the balance sheet date. Cf. also www.epra.com and section 3.

(17) Share price at the end of the period.

EPRA - METRICS	Definition	Purpose	30/06/2020	30/06/2019
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: **27.267** In € / share: **1,72**	In € x 1000: **24.195** In € / share: **1,65**
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: **738.833** In € / share: **46,11**	In € x 1000: **644.454** In € / share: **40,83**
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: **710.576** In € / share: **44,35**	In € x 1000: **623.934** In € / share: **39,53**
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 %).	**1,2%**	**1,7%**
	Definition	**Purpose**	**30/06/2020**	**31/12/2019**
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	**5,9%**	**6,0%**
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.	**5,9%**	**6,0%**
G) EPRA cost ratio (incl. vacancy charges)	Administrative and operational charges (including vacancy charges), divided by rental income		**9,4%**	**9,3%**
H) EPRA cost ratio (excl. vacancy charges)	Administrative and operational charges (excluding vacancy charges), divided by rental income		**9,0%**	**9,0%**

1.2 Significant events and transactions

1.2.1 Rental activity

Occupancy rate of 99.3%

On 30 June 2020 the occupancy rate amounted to 99.3% (stable compared with the same period last year). 80% of the 7% of the leases due to expire in 2020 have already been renewed at this time.

Impact COVID-19:
The COVID-19 crisis had little impact on Montea's rental activities during the first 6 months of 2020.

The risk of default is minimized thanks to the company's qualitative and diversified client portfolio (at country, sector and site level). The warehouses are operational and in some instances even have enhanced activity. Montea is well aware of the challenges some customers are confronted with. Requests from tenants to stagger rents due over time are being considered on a case-by-case basis in order to find a balanced solution. Montea has not granted any rent reductions or waivers.

The rent arrears from the agreements concluded represent an amount of approximately €2.0 million on 30 July 2020.
Also on 30 July 2020, Montea received 99% of the overdue rent invoices for the second quarter 2020 and 98% of the overdue rent invoices for the third quarter 2020.
This percentage is in line with last year's percentage at the same time; only a limited part of the delays is directly related to the COVID-19 crisis.

1.2.2 Development activity

1.2.2.1 Projects delivered in Q2 2020

During the second quarter of 2020, an area of ca. 45,000 m² of pre-let projects was delivered for a total investment amount of ca. €35 million [3], at a net initial yield of 6.9%.

- **St-Laurent Blangy, France** [4]
  - Start of development: Q2 2019
  - Surface area: ca. 33,000 m² storage space and 1,900 m² office space
  - Leased for 20 years to Group Advitam
  - Investment value: ca. €22 million
  - Delivery: 15/06/2020

- **Meyzieu, France** [5]
  - Start of development: Q3 2019
  - Surface area: ca. 10,000 m² storage space
  - Leased for nine years to Renault
  - Investment value: ca. €13 million
  - Delivery: 15/06/2020

Impact of COVID-19:
The projects were delivered on time, in accordance with planned agreements, despite a temporary interruption of about one month in April 2020 as a result of measures taken by the competent authorities.

1.2.2.2 Projects in progress, delivery in 2020

Montea expects to deliver projects totalling ca. 14,000 m² in pre-let logistics premises and a pre-let parking facility of ca. 17,900 m² in the second half of 2020. The total investment value amounts to ca. €36 million[6], at a net initial return of 6.6% on average, inclusive of the let facility. The average term of these leases amounts to 11.7 years.

- **Schiphol Airport - parking (NL)**
  - Expected purchase: Q3 2020
  - Area of the facility: 17,900 m² (331 parking places)
  - Long-term lease
  - Investment value: ca. €9 million

- **Schiphol Airport (NL)**
  - Acquisition of the plot of land (21,500 m²) in 2019
  - Start of development: Q1 2020
  - Expected delivery: Q4 2020
  - Surface area of distribution centre: ca. 9,000 m²
  - Office space: ca. 1,000 m²
  - Long-term lease
  - Investment value (land + development): ca. €17 million

3 Of which €33.8 million already invested on 31/06/2020.
4 See press release of 04/04/2019 or www.montea.com for more information.
5 See press release of 19/09/2019 or www.montea.com for more information.
6 Of which €11.8 million already invested on 30/06/2020.

- **Circular and climate-neutral Blue Gate industrial estate in Antwerp, Belgium** [7]
    - Start of development: Q4 2019
    - Expected delivery Q4 2020
    - Surface area: ca. 4.250 m² distribution centre (urban distribution with electric cargocycle vehicles)
    - Leased for 15 years to DHL Express
    - Investment value: ca. €10 million

Impact of COVID-19:
Although Montea expects no delays for these projects, a possible delay in delivery of one month was taken into account in the aforementioned expected purchase and delivery dates because of COVID-19.

1.2.2.3 Future projects in progress, delivery expected after 2020

In addition, Montea expects to deliver a surface area of ca. 155,000 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, for which a tenant is expected to be found in the short term and then the construction works can start. The total investment budget is ca. €162 million.[8]

In the first six months of 2020 Montea was able to capitalize on the following development potential by signing a purchase pledge:

- **St-Priest industrial estate (FR)**
    - Acquisition of land (70,000 m²) in 2021
    - Investment budget for land: ca. €7 million

In addition, Montea expects to be able to start the following projects in the short term:

- **Lumineus (BE)**
    - Acquisition of plot of land (55,000 m²) in 2019
    - Start of development: after prerental (< Q4 2021)
    - Expected surface area of distribution centre: ca. 30,000 m²
    - Estimated investment budget for land + development: ca. €27 million

- **Vosdonk industrial estate, Etten-Leur (NL)**
    - Acquisition of plot of land (37,500 m²) in 2019
    - Start of development: after decontamination and commercialization (< Q4 2021)
    - Expected surface area of distribution centre: ca. 24,500 m²
    - Estimated investment budget for land + development: ca. €19 million

[7] See press release of 19/12/2019 or www.montea.com for more information.
[8] Of which €12.3 million already invested on 30/06/2020.

- **Logistics Park Waddinxveen (NL)**
  - Plot of land (remaining balance: 120,000 m²) under option [9]
  - Acquisition plot of land: Q3 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. €29 million

1.2.2.4 Developments in the PV-portfolio

Montea has installed photovoltaic systems in about 77.5% 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. €17.00 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. €9 million has been allocated for that purpose.

The total programme planned in 2019 amounts to €26.0 million of which €16 million had already been invested as at 30 June 2020.

1.2.3 Divestment activity

No divestments took place in Q2 2020.

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

1.2.4 Other events in H1 2020

Montea expands its activities to Germany through cooperation with the German IMPEC Group[10]

After Belgium, France and the Netherlands, Montea is now ready to enter the German market and thus increase its international position. The strong growth of the logistics market in Europe and the leading role of the German economy are the main drivers for further international breakthrough. For the expansion, Montea enters into a partnership with the IMPEC Group.

Like Montea, the IMPEC Group has grown out of a family business. Moreover, the German group has the same values with a focus on a long-term value creation through built-to-suit developments on strategic positions.

The IMPEC Group – or IMPEC Real Estate GmbH – was founded in 1993 by Gerhard Mannsperger. Since the arrival of son Domenique Mannsperger, a seasoned logistics developer, the company has focused exclusively on logistic developments, with clients like Seifert Logistics, Duvenbeck and Mateco. The IMPEC Group developed over 550,000 m² of leased storage space and has a transactional volume of €400 million in the past years.

The growth ambition is clearly present at Montea and due to this partnership Germany will be - next to Belgium, the Netherlands and France - the fourth country where Montea is active. The expansion marks the start of a next phase in the investment strategy in high-quality and sustainable logistics positions. Supported by ta debt ratio of 39.6%, Montea is convinced that it will grow rapidly in Germany. Montea expects to announce its first projects in Germany before the end of this year.

Introduction of the Companies and Associations Code (abolition of the legal from of limited partnership)

Under the introduction of the Companies and Associations Code (which abolished the legal form of a limited partnership) and the recent amendment of the Regulated Real Estate Companies Act (which makes it possible for a regulated real estate company to assume the form of a public limited company managed by a sole director), the statutory manager of Montea decided that Montea wishes to be transformed from a Comm.VA to a limited liability company with a sole director (subject to approval by the FSMA). Montea will convene an extraordinary general meeting of shareholders in the autumn of 2020 to deliberate on this matter and to restate the articles of association so as to bring them in line with the Companies and Associations Code. More information on this extraordinary general meeting of shareholders will be provided at a later date.

[10] See press release of 25/07/2020 or www.montea.com for more information.

1.2.5 Further strengthening of the financial structure

Result of optional dividend[11]

In total, 64.22% of coupons n°22 (representing the dividend for financial year 2019) were surrendered in exchange for new shares. 241,100 new shares were issued for a total issue amount of €18,004,383.60 (€4,913,618.00 in capital and €13,090,765.60 in share premium) under the authorized capital. The newly created shares have been admitted to trading on Euronext Brussels and Euronext Paris as of 15 June 2020. The share capital of Montea is represented by 16,023,694 shares.

Financing activities

Montea was moreover able to commit an amount of €175 million in new financing with a weighted average maturity of 5.4 years in the course of the second quarter of 2020.

Montea's debt ratio[12] amounted to 39.6% at the end of Q2 2020.

Impact of COVID-19:

Against the background of uncertainties due to the COVID-19 pandemic, Montea continued to work on strengthening its financial structure. All else the same, Montea has covered its financing needs (liabilities including expected expenditures on not yet committed projects in line with portfolio growth prospects) until June 2021.

11 See press release of 11/06/2020 or www.montea.com for more information.

12 Calculated pursuant to the Royal Decree of 13 July 2014 on regulated real estate companies.

1.2.6 Developments in policy on the Dutch REIT status

In order to carry out real estate investments in the Netherlands, in September 2013 Montea filed for the application of the 'Fiscale Beleggingsinstelling' (FBI) [tax investment institutions] as referred to in Article 28 of the Corporate Tax Act of 1969. Up to now, the Company's Dutch subsidiary, Montea Nederland NV and its subsidiaries still did not have a final decision from the Dutch tax authorities in which the FBI status was approved.

In 2016, with reference to certain case law of the Dutch Supreme Court, the Dutch tax authorities had developed a view in their policy concerning what the shareholder test will entail. As shareholder of its FBI subsidiary Montea Nederland NV, the Company would more specifically have to show that it can itself be considered as an FBI. Only then can the Company be considered by the Dutch tax authorities as a qualified shareholder under the FBI system.

In this context, consultations are held between the Dutch tax authorities, the Dutch Ministry of Finance and the Company to see how this can be put into practice in concrete terms. The Ministry stated that this interpretation cannot be given concrete form at this time, partly because of the dependence on the outcome of current appeal cases between the Dutch tax authorities and foreign investment funds regarding the refund of dividend tax, which the Ministry does not wish to anticipate. At the result of the Judgment of the European Court of Justice of 30 January 2020 (Köln-Aktienfonds Deka) is concluded that a foreign entity that wishes to use the Dutch FBI regime must meet similar requirements. This is explained to the (underlying) purpose of the relevant FBI requirements. On the basis of this Judgment, it would not be necessary for the foreign entity to meet exactly equal requirements. However, the Supreme Court has not yet provided any further explanation regarding this Judgment.

A judgment of the European Court of Justice and the subsequent judgment of the Supreme Court are expected to provide clarity whereupon Montea's question can be taken up again. The Dutch government is examining in addition whether a targeted adjustment of the FBI regime is necessary, possible and feasible in the long term with possibly a changed policy from 2021.

Despite the fact that Montea does not yet have the approval of the Dutch tax administration for FBI status, it does keep its accounts as if it already has such status. After all, the Ministry has already indicated in the past that it will act within the framework of the general principles of good administration in order to obtain a 'level playing field' ('equal cases will be treated equally'). This is intended to ensure that Montea will not be treated worse by the Dutch tax authorities than other sufficiently comparable Belgian RRECs with regard to the FBI status.

Montea Nederland NV has taken the position in its corporate tax returns for 2015, 2016, 2017 and 2018 that it qualifies for the FBI status, which means that it owes zero corporate tax. However, the Dutch tax inspector has imposed a provisional assessment for 2015, 2016, 2017 and 2018 taking into account the regular corporate tax rate. In view of 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). For 2015, however, Montea received a final corporate tax assessment (the response period for Dutch tax administration would expire before this period) that is €0.1 million higher than the provisional tax return. Montea filed an objection to the final assessment for 2015. Requests for ex officio reduction were submitted against the payments in 2016, 2017 and 2018. Montea also entered the same total amount (€5.4 million) as a receivable in its accounts. If FBI status is granted, this full amount will be reimbursed. If FBI 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. Each year, Montea Nederland has complied with the obligation to pay out a dividend under the FBI regime and has thus paid €1.0 million in dividend tax for the period 2015 to 2018. The dividend tax can perhaps be recovered if the FBI status is refused. The total impact for the years 2015 up to and including 2018 would therefore amount to €4.4 million or €0.29 per share (8.8% of the EPRA result 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 purpose. An amount of approximately €0.5 million will be paid in respect of the dividend tax due once the distribution obligation has been fulfilled. The impact of not obtaining FBI status for 2019 would therefore be €2.1 million or €0.13 per share (3.9% of the EPRA earnings 2019), i.e. the amount of the provisional assessment less the amount of dividend tax.

1.3 Summary of the condensed financial statements for the first six months closed on 30/06/2020

1.3.1 Condensed consolidated (analytical) income statement closed on 30 June 2020

ABBREVIATED CONSOLIDATED PROFIT & LOSS ACCOUNT (K EUR) Analytical	30/06/2020 6 months	30/06/2019 6 months
CONSOLIDATED RESULTS		
NET RENTAL RESULT	**34.177**	**32.110**
PROPERTY RESULT	**36.575**	**33.503**
% compared to net rental result	**107,0%**	**104,3%**
TOTAL PROPERTY CHARGES	-1.115	-840
OPERATING PROPERTY RESULT	**35.460**	**32.663**
General corporate expenses	-2.646	-2.301
Other operating income and expenses	-36	-97
OPERATING RESULT BEFORE THE PORTFOLIO RESULT	**32.778**	**30.266**
% compared to net rental result	**89,6%**	**90,3%**
FINANCIAL RESULT excl. Variations in fair value of the hedging instruments	**-5.125**	**-5.535**
EPRA RESULT FOR TAXES	**27.653**	**24.731**
Taxes	-387	-535
EPRA Earnings	**27.267**	**24.195**
per share (1)	**1,72**	**1,65**
Result on disposals of investment properties	0	304
Result on disposals of other non-financial assets	0	0
Changes in fair value of investment properties	28.406	38.280
Other portfolio result	0	0
PORTFOLIO RESULT	**28.406**	**38.584**
Changes in fair value of financial assets and liabilities	-7.713	-13.864
RESULT IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	**-7.713**	**-13.864**
NET RESULT	**47.960**	**48.915**
per share	**3,03**	**3,33**

KEY RATIOS	30/06/2020 6 months	31/12/2019 12 months	30/06/2019 6 months
Key ratios (€)			
EPRA result per share (1)	1,72	3,28	1,65
Result on the portfolio per share (1)	1,80	4,68	2,63
Variations in the fair value of financial instruments per share (1)	-0,49	-0,84	-0,95
Net result (IFRS) per share (1)	**3,03**	**7,12**	**3,33**
EPRA result per share (2)	1,70	3,17	1,53
Proposed distribution			
Payment percentage (compared with EPRA result) (3)		80,5%	
Gross dividend per share		2,54	
Net dividend per share		1,78	
Weighted average number of shares	15.807.764	15.229.606	14.667.452
Number of shares outstanding at period end	16.023.694	15.782.594	15.782.594

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

MONTEA
SPACE FOR GROWTH

1.3.2 Notes on the condensed consolidated (analytical) income statement

- Summary

  The EPRA earnings increased by 13% from €24.2 million for the first 6 months in 2019 to €27.3 million for the same period in 2020. The EPRA earnings per share amounted to €1.72 for the first 6 months of 2020, an increase of 5% compared with the same period last year (€1.65), taking into account the increase in the weighted average number of shares of 8%.[13]

  The increase in the EPRA earnings is due mainly to the strong growth of the property portfolio in 2019 and 2020, where the operating and financial costs were closely monitored and managed as such.

- The operating result before the result on the property portfolio amounted to €32.8 million in the second quarter of 2020, an increase of 8% compared with the same period last year (€30.3 million).

  - The net rental result amounts to €34.2 million for H1 2020, an increase of 6% (or €2.1million) compared with the same period in 2019 (€32.1 million). This increase is due mainly to the recent acquisition of new premises, let plots of land and delivered projects, which generate additional rental income. With an unchanged portfolio (and therefore excluding new purchases, sales and project developments between the two compared periods) the level of rental income increased by 1.7%, driven mainly by the indexing of leases (+2.2%), the renegotiation of a lease in the Netherlands (+0.1%) and the drop in the occupancy rate in France, partially offset with the increase in the occupancy rate in Belgium (-0.5%).
  - The property result for H1 2020 amounts to €36.6 million, up by €3.1 million (or 9%) compared with the same period last year (€33.5 million), primarily as a result of the increase in the net rental result (€2.1 million) and an increase in solar panel income (€0.3 million) and the project and property management fees (€0.3 million), and a drop in the non-rechargeable property costs due to a higher occupancy rate (€4.0 million).
  - The property costs and overheads rose in the first 6 months of 2020 by €0.6 million compared with the same period in 2019 mainly as a result of the growth of the portfolio and a higher subscription tax due to the strengthening of equity capital in 2019, leading to an increase in the operating property result before the result on the portfolio of €2.5 million or 8% compared with the same period last year (from €30.3 million in H1 2019 to €32.8 million in H1 2020).
  - The operating margin [14]* amounts to 89.6% for the first 6 months of 2020, compared with 90.3% for the same period last year, mainly due to the increase in the subscription tax paid.

---

13 The impact of the capital increase (2,847,708 new shares were created) in Q1 2019 on the weighted average number of shares was the lowest in the first quarter of 2019 and increased towards the end of the year. This degressive impact should also be taken into account when comparing the EPRA earnings per share in 2020 with those of 2019.

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

- The financial result excluding changes in the fair value of the financial instruments amounted to €5.1 million for the first 6 months of 2020, a drop of €0.4 million compared with the same period last year (€5.5 million).

  The average financing cost[15]* calculated on the average financial debt amounts to 2.1% for the first 6 months of 2020 compared with 2.2% for the same period in 2019.

- EPRA earnings

  The EPRA earnings for the first 6 months of 2020 amount to €27.3 million, an increase of 13% compared with the same period last year. The EPRA earnings per share rose by 5% to €1.72 for H1 2020, whereby due account is taken of an increase in the weighted average number of shares of 8%.[16]

- Result on the property portfolio[17]*

  The result on the property portfolio for the first 6 months of 2020 amounted to €28.4 million or €1.80 per share.[18] The increase in value is due to capital gains on the project developments delivered in June in Saint-Laurent-Blangy (FR) and Meyzieu (FR) (€9.2 million) and by an increase in the fair value of the existing real estate portfolio, chiefly in Belgium due to developments on the market (€19.2 million).

  The result on the property portfolio is a non-cash item and has no impact whatsoever on the EPRA earnings.

- Change in the fair value of financial instruments

  The negative change in the fair value of financial instruments amounted to - €7.7 million or - €0.49 per share at the end of Q2 2020. The negative impact arises out of the change in the fair value of the interest rate hedges taken out as at the end of June 2020 as a result of the declining long-term interest rate expectations in the course of 2020.

  The changes in the fair value of financial instruments are a non-cash item and have no impact whatsoever on the EPRA earnings.

- Net result (IFRS)

  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 the first six months of 2020 (€47.9 million) has dropped by €1.0 million compared with the previous year primarily due to the result booked on the investment portfolio in 2019 compared with 2020.

  The net result (IFRS) per share [19] amounts to €3.03 (€3.33 at the end of Q2 2019).

---

15 *This financial cost is a prorated average and is calculated on the basis of the total financial cost for the period compared with the financial debt over the past 12 months, without taking into account the valuation of the hedging instruments which does not constitute an actual financing cost for the company.

16 The impact of the capital increase (2,847,708 new shares were created) in Q1 2019 on the weighted average number of shares was the lowest in the first quarter of 2019 and increased towards the end of the year. This degressive impact should also be taken into account when comparing the EPRA earnings per share in 2020 with those of 2019.

17 *Result on the property portfolio: this concerns the negative and/or positive changes in the fair value of the property portfolio, plus any losses or gains resulting from the realization of property.

18 Calculated as the result on the real estate portfolio based on the weighted average number of shares.

19 Calculated on the basis of the weighted average number of shares.

1.3.3 Condensed consolidated balance sheet on 30 June 2020

	CONSOLIDATED BALANCE SHEET (EUR)	30/06/2020 Conso	31/12/2019 Conso	30/06/2019 Conso
I.	**NON-CURRENT ASSETS**	**1.217.746.768**	**1.161.380.537**	**1.081.801.959**
II.	**CURRENT ASSETS**	**35.581.352**	**32.317.252**	**57.153.624**
	TOTAL ASSETS	**1.253.328.121**	**1.193.697.790**	**1.138.955.582**
	SHAREHOLDERS' EQUITY	**708.196.762**	**680.029.177**	**620.404.629**
I.	Shareholders' equity attributable to shareholders of the parent company	708.196.762	680.029.177	620.404.629
II.	Minority interests	0	0	0
	LIABILITIES	**545.131.359**	**513.668.613**	**518.550.953**
I.	Non-current liabilities	437.472.501	412.772.382	427.694.923
II.	Current liabilities	107.658.859	100.896.231	90.856.030
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1.253.328.121**	**1.193.697.790**	**1.138.955.582**

1.3.4 Notes on the consolidated balance sheet on 30 June 2020

- On 30/06/2020, the total assets (€1,253.3 million) consisted mainly of investment properties (92% of the total), solar panels (2% of the total), and developments (3% of the total). The remaining amount of the assets (3% of the total) consisted of the other tangible and financial fixed assets, including assets intended for own use and current assets including cash investments, trade and tax receivables.

The fair value of Montea's total property portfolio pursuant to IAS 40 amounted to €1,215.6 million on 30 June 2020[20], consisting of the valuation of the property portfolio (buildings), including the buildings held for sale (€1,147.2 million), the fair value of the current developments (€42.2 million) and the fair value of the solar panels (€26.2 million).

	Belgium	France	The Netherlands	Total 30/06/2020	Total 31/12/2019	Total 30/06/2019
Real estate portfolio - Buildings (1)						
Number of sites	33	18	20	71	69	65
Warehouse space (sqm)	623.113	202.702	289.743	1.115.558	1.073.248	1.049.887
Office space (sqm)	57.407	17.774	29.456	104.637	103.334	98.510
Land space - rent (sqm) (2)	6.512	0	156.498	163.010	163.010	163.010
Total space (sqm)	**687.032**	**220.476**	**475.697**	**1.383.206**	**1.339.593**	**1.311.408**
Real estate portfolio - Land						
Development potential (sqm) - rent (3)	32.562	0	720.980	753.542	753.542	753.542
Development potential (sqm) - portfolio	191.907	112.204	40.120	344.231	368.743	201.907
Development potential (sqm) - in research	0	70.000	0	70.000	0	0
Development potential (sqm) - in option	79.137	0	120.000	199.137	224.137	314.169
Total surface - development potential (sqm)	**303.606**	**182.204**	**881.100**	**1.366.910**	**1.346.422**	**1.269.618**
Fair value (K EUR)	542.098	192.767	412.300	1.147.166	1.083.085	1.022.001
Investment value (K EUR)	555.751	206.340	441.161	1.203.252	1.134.150	1.070.691
Annual contractual rents (K EUR)	**34.746**	**10.976**	**24.390**	**70.112**	**67.217**	**64.651**
Gross yield (%)	6,41%	5,69%	5,92%	6,11%	6,21%	6,33%
Gross yield on 100% occupancy (%)	6,44%	6,04%	5,92%	6,18%	6,28%	6,43%
Un-let property (m²) (1)	1.776	7.394	0	9.170	9.373	14.405
Rental value of un-let property (K EUR) (4)	169	667	0	836	850	1.109
Occupancy rate	99,74%	96,65%	100,00%	99,34%	99,30%	98,70%
Real estate portfolio - Solar panels (5)						
Fair value (K EUR)	22.122	0	4.115	26.237	12.195	11.951
Real estate portfolio - Developments						
Fair value (K EUR)	37.229	2.101	2.865	42.195	64.004	70.161

(1) Including the buildings held for sale and the right of use, related to the land held in concession in accordance with IFRS 1.
(2) Surface area of the let plots of land is entered for 20% of the total surface area; the rental value of a plot of land amounts to ca. 20% of the rent value of a logistics property, for that matter.
(3) This line has been added compared to H1 2019. The 2019 figures have been supplemented to allow comparison with this year.
(4) Excluding the estimated rental value of projects under construction and/or renovation.
(5) The fair value of the investment in solar panels is entered under heading "D" of the fixed assets in the balance sheet.

20 As determined by the independent real estate expert JLL..

- The total surface area of the real estate portfolio-buildings amounts to 1,383,206 m², spread over 71 sites, i.e. 33 sites in Belgium, 18 sites in France and 20 sites in the Netherlands.

- Montea also has a total land bank of 1,366,910 m² of which 753,542 m² is let land in portfolio, 344,231 m² is unlet land in portfolio, 70,000 m² in Due Diligence phase and 199,137 m² under option, for a total development potential of ca. 50% lettable area (ca. 700,000 m²).

- The gross property yield on the total of the investment properties amounts to 6.2% on the basis of a fully let portfolio, which is stable compared with 6.3% on 31/12/2020. The gross yield (taking into account the current vacancy rate) amounts to 6.1%.

- The contractual annual rental income (excluding rent guarantees) amounts to €70.1 million, an increase of 8% compared with 30/06/2019, due mainly to the growth of the property portfolio.

- The occupancy rate amounts to 99.3% as at 30/06/2020 and has remained stable compared with the end of March 2020. The current vacancy rate is in France, at the site in Le Mesnil-Amélot previously let to Autoclick and Facilit'Air. The Belgian and Dutch portfolios were fully (100%) occupied at the end of the second quarter of 2020.

- The fair value of the current developments amounts to €42.2 million and consists of:
  - the site located on the Tyraslaan, Vilvoorde (BE)
  - the site located in Lummen (BE)
  - the site located in Bornem (BE)
  - the site located in Senlis (FR)
  - the site located at Schiphol Airport (NL)
  - the site located in Etten-Leur (NL)
  - solar panel investments (BE+NL)

- The fair value of the €26.2 million solar panels pertains to 24 solar panel projects in Belgium and the Netherlands.

- The total liabilities consist of the shareholders' equity (€708.2 million) and the total debt (€545.1 million).

  - Net result (IFRS) amounted to €708.2 million at 30 June 2020, compared to €680 million end 2019.

    The EPRA NAV[21]* amounted to €46.11 per share on 30/06/2020 (€44.54 per share on 31/12/2019). The increase is due to the growth of equity thanks to the EPRA earnings (including the dividend payment via optional dividend in 2019), the impact of the capital increase via optional dividend in 2019 and the positive revaluation of the portfolio, partially offset by the negative changes in the fair value of the financial hedging instruments in 2020. The EPRA NNNAV amounted to €44.35 per share on 30 June 2020 (€43.27 per share on 31/12/2019).

  - This total debt (€545.1 million) consists of:
    - €338.8 million of credit lines taken up from 8 financial institutions. Montea had €496.7 million in contracted lines of credit on 30 June 2020 and an undrawn capacity of €157.9 million;
    - €79.7 million in bond issues concluded by Montea in 2014 and 2015;
    - a current leasing debt of €47.8 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 €30.8 million; and
    - other debts and accrued charges[22] for an amount of €48.0 million.

  The weighted average maturity of the financial debts (credit lines, bond loans and lease obligations) amounts to 4.2 years as at 30 June 2020. The weighted average term of interest rate hedging is 6.5 years at the end of June 2020. The hedge ratio, which measures the percentage of financial debt at a fixed or a floating rate and then hedges it via an Interest Rate Swap or Cap, amounted to 94%.

  The interest coverage ratio is equal to 6.4 in the second quarter of 2020 compared with 5.5 for the same period last year.

  The average cost of borrowings was 2.1% in the first 6 months of 2020 (compared with 2.2% in the same period last year).

- The debt ratio[23] of Montea amounted to 39.6% at the end of Q2 2020 (compared with 39.4% at the end of 2019).

  Montea complies with all the covenants regarding the debt ratio that it has concluded with its financial institutions, under the terms whereof Montea's debt many not exceed 60%.

---

21 *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.

22 The accrued charges comprise largely the rent invoiced in advance for the subsequent quarter.

23 Calculated according to the Royal Decree of 13 July 2014 on regulated real estate companies.

Impact COVID-19:

Against the background of uncertainties due to the COVID-19 pandemic, Montea continued to work on strengthening its financial structure. For instance, Montea took out a total amount of €175 million in new credit lines during the second quarter of 2020. All else the same, Montea has covered its financing needs (liabilities including expected expenditures on not yet committed projects in line with portfolio growth prospects) until June 2021. Montea currently has an undrawn capacity of €157.9 million in credit lines.

The COVID-19 pandemic caused tensions in the financial markets whereby spreads in the debt markets increased significantly. The impact of this development on Montea is limited as it managed to take out new credit lines at margins in line with the margin of the already drawn credit lines.

The short-term commercial paper market is under pressure due to COVID-19, which translates into a reduction in volumes invested and an increase in margins. Montea does not have any short-term commercial paper, so it is not affected.

Montea always considers all possible forms of financing. Its access to the debt market has not been restricted as a result of COVID-19 thanks to its track record, its low debt ratio (39.6%) and the real estate class (logistics) in which it operates. Taking into account the uncertainties created by COVID-19, Montea decided to increase the available debt capacity, which will entail additional financial costs in the form of a reservation fee in future.

1.3.5 Valuation rules

The condensed consolidated half-yearly figures are drawn up on the basis of the principles of financial reporting in accordance with the IFRS IAS 34 standard “Interim Financial Reporting.” The same principles for financial reporting and calculation methods are used in these condensed half-yearly figures as those for the consolidated annual financial statements as at 31 December 2019.

- **New or amended standards and interpretations which are in force for the financial year that commenced on 1 January 2020**

  Unless stated otherwise, Montea has not availed itself of this these standards, as adjusted by the IASB, and interpretations issued by the IFRIC do not have a material impact on the presentation, notes or results of the company:

  - Amendments to IAS and IAS 8 Definition of material
  - Amendments IFRS 3 Business combinations
  - Amendment of the references to the Conceptual framework in IFRS standards.

- **New or amended standards and interpretations that have been issued but are not yet in force for the financial year beginning on 1 January 2020**

  A number of new standards, amendments to standards and interpretations are not yet applicable in 2020, but may be applied earlier. Unless indicated otherwise, Montea has not availed itself of. these standards, as amended by the IASB, and interpretations issued by the IFRIC do not have a material impact on the presentation, notes or results of the company:

  - Amendment to IFRS 10 and IAS 28 Sale or contribution of assets between an investor and its associate or joint venture (effective date postponed indefinitely; consequently, approval within the European Union has also been postponed)
  - IFRS 14 Deferred Financial Statements relating to Price Regulation (applicable for financial years beginning on or after 1 January 2016, but not yet approved in the European Union)
  - IFRS 17 Insurance contracts (effective date postponed to 2023; consequently, approval within the European Union has also been postponed).

Impact of COVID-19:
Rent reductions that would be granted exceptionally in times of economic crisis, such as the COVID-19 pandemic and the related lockdown, will be accounted for as a reduction of income in accordance with IFRS 9 ("impairment loss"). This does not apply to Montea for the period until 30 June 2020, however, as it has not granted any rent reductions to its customers.

1.4 Performance of Montea share on the stock exchange

The closing price on 30 June 2020 (€89.2) was 18.3% higher than the closing price a year earlier (€75.4).

STOCK MARKET PERFORMANCE	30/06/2020	31/12/2019	30/06/2019
Share price (€)			
At closing	89,20	81,00	75,40
Highest	100,40	84,00	80,10
Lowest	53,00	55,73	57,40
Average	84,88	73,99	70,02
Net asset value per share (€)			
IFRS NAV	44,20	43,09	39,31
EPRA NNNAV	44,35	43,27	39,53
EPRA NAV	46,11	44,54	40,83
Premium (%)	**101,8%**	**88,0%**	**91,8%**
Dividend return (%)		**3,1%**	
Dividend (€)			
Gross		**2,54**	
Net		**1,78**	
Pay out ratio		**80%**	
Volume (number of securities)			
Average daily volume	16.025	20.037	28.538
Volume of the period	2.019.182	5.109.550	3.567.305
Number of shares	**16.023.694**	**15.782.594**	**15.782.594**
Market capitalisation (K €)			
Market capitalisation at closing	1.429.314	1.278.390	1.190.008
Ratios (%)			
"Velocity"	**13%**	**32%**	**23%**

Dividend yield (%): Gross dividend divided by the average share price.
Gross Return (%): Movement in share prices since Montea was established + dividends) divided by the average share price.
“Velocity”: Volume for the period divided by the number of shares.

Impact COVID-19:
The current crisis is characterized by a significant drop in stock market prices in certain sectors. Logistics is the category of real estate that is not expected to be impacted, or may even be impacted in a positive way by the crisis:

- Companies will want to limit their dependence on Asian countries and to build up strategic stockpiles;
- Consumer expectations in terms of delivery times will become more demanding and will lead various companies to want to build up their stocks;
- Companies that have not provided online services yet are being forced to adapt and will continue to provide such services after the crisis also;
- Consumers who were not yet familiar with the benefits of online services have been forced to learn to work with orders through the internet, which will bring a change in behaviour among late adopters.

The price of the Montea share had so far no impact from the COVID-19 pandemic.

1.5 Significant events after the balance sheet date

There were no significant events after the balance sheet date.

1.6 Transactions between affiliated parties

In H1 2020, there were no transactions between affiliated parties, with the exception of those carried out under market conditions and as customary when carrying out Montea's activities.

1.7 Main risks and uncertainties

1.7.1 Main risks and uncertainties[24]

The board of directors of Montea's statutory manager and the management are fully aware of the importance of developing and maintaining sound management and consequently preserving a quality portfolio. Montea applies clear and strict standards for (i) optimising and improving the existing buildings, (ii) the commercial management, (iii) the technical management of the buildings, and (iv) any investments in the existing buildings. The purpose of these criteria is to limit vacancies as well as to have the value of the property assets increase sustainably to the maximum.

The main risks and uncertainties with which the company may be confronted, the possible impact thereof, and the strategy to limit such impact are described in the Annual Financial Report 2019.

Impact of COVID-19:
The management of the global pandemic has led and could lead to the temporary discontinuance or limitation of certain activities in future, as well as (re)lockdown measures imposed by governments whose limitations are currently unprecedented with unprecedented restrictions. The current crisis could have the following consequences for Montea:

- Interruption or delay of development projects that would impact the company's revenues
- Financial problems for the hardest hit tenants with an impact on the company's income and cash flow
- Less easy access to financing and/or increase in credit margins by the banks and the financial markets are required with a possible impact on liquidity
- Liquidity risk

To date, none of these risks have occurred due to COVID-19.
Montea has a solid tenant base which minimizes the risk of non-payment. The majority of the tenants are large companies. The top 10 clients of Montea account for 34% of the rental income.
With a debt ratio of 39.6%, the consolidated balance sheet shows a strong solvent position. In addition, the portfolio KPIs such as an occupancy rate of 99.3% and a remaining term of lease to first expiry date of 7.7 years, as well as a qualitative and diversified client portfolio, are valuable assets to tackle the current crisis.

[24] For more information about the strategy implemented by Montea, please see the Annual Report. Where necessary, Montea's policy will be adjusted based on the risk factors described.

1.8 Corporate responsibility and sustainable entrepreneurship

At Montea, it is not a matter of profit for profit's sake, but of sustainable value growth. Sustainability, in the broadest sense of the term, has been ingrained in Montea's DNA for a long time and extends far beyond purely ecological considerations. Montea strives to think further ahead than current standards and legislation.

In 2020, Montea will go a step further: the medium (2030) and long term (2050) vision of the future will be shaped through research in the Plan 2030/2050: Sustainability Vision for the Future. The renewed vision and ambitions will be linked to the 4Ps 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, but also to society -- a very important stakeholder because of the impact of our activities on, for example, mobility, use of space, pollution… Montea is aware of that impact and has a much broader vision here than purely economically related.

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

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

The first phase for the charting of Plan 2030/2050 has started and will be completed in the spring of 2020. Given the importance of this research for both Montea, the stakeholders and society, Montea will call on experienced partners for optimal results.

Needless to say, Montea will continue its current efforts on the sustainability front. These comprise:

- ✓ 340,000 m² of logistics area is equipped with energy monitoring systems for the daily assessment of tenants' energy consumption. In this way, deviations in energy consumption can be detected at an early stage and can be acted upon quickly. In addition, energy consumption is an important parameter for the calculation of the ecological footprint.
- ✓ The relighting programme in Belgium is being further implemented in our warehouses. The lighting in all our older buildings is being replaced by energy-efficient LED lighting.
- ✓ The use of heat pumps, recuperation and reuse of water and the installation of charging stations for electric vehicles are now standard equipment in a new project to be developed.
- ✓ For the Lumineus project in Lummen, Montea goes a step further than the standard. The site will not only be gas free, but will also be disconnected from the drinking water network to a large extent. Montea is actually launching a pilot project in cooperation with De Watergroep to convert rainwater into drinking water. It is also looking into the possibility of short- and long-term energy storage by means of battery and hydrogen cells.
- ✓ Montea supports the Dennie Lockefeer chair. This fundamental research conducted by this chair at the University of Antwerp, organizes scientific studies on multimodality and in particular how the use of inland waterways can provide a possible solution to improving mobility.
- ✓ Montea organizes seminars for the sector with partners (e.g. VIL, Spryg) on a regular basis to share knowledge with as many stakeholders as possible.

As an organisation, Montea is also responsible for the welfare of its own employees. The company encourages and stimulates its employees to be active in socially relevant initiatives in addition to their work. Montea is delighted to support projects and initiatives in which its own employees are closely involved.

- ✓ Montea would participate in the Roparun, an annual relay race from Paris to Rotterdam to support organizations dedicated to people with cancer. However, this run was cancelled due to COVID-19. Montea organizes its own relay race from the Tilburg office to the Aalst office as a subsititute. Various non-profit organizations will also be supported in this.
- ✓ Montea participates annually in the 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 of Montea's employees.
- ✓ Montea organizes activities and outings for its employees and their families on a regular basis.

2 Statement pursuant to Article 13 of the Royal Decree of 14 November 2007

Pursuant to Article 13, paragraph 2 of the Royal Decree of 14 November 2007, Montea's statutory manager, Montea Management NV, represented by its permanent representative, Jo De Wolf, declares that, to the best of its knowledge:

- The condensed financial statements, drawn up according to the applicable standards for annual accounts, provide a faithful picture of the assets, financial situation and results of Montea and the companies included in the consolidation;
- The interim annual report provides a faithful overview of the information required pursuant to Article 13, §5 and §6 of the Royal Decree of 14 November 2007 concerning the bonds by issuers of financial instruments authorised to trade on a regulated market.

3 EPRA Performance measures[25]

A) 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:

(in EUR X 1 000)	30/06/2020	30/06/2019
Net result (IFRS)	**47.960**	**48.915**
Changes for calculation of the EPRA earnings		
To exclude:		
(i) Variations in fair value of the investment properties and properties for sale	-28.406	-38.280
(ii) Result on sale of investment properties	0	-304
(vi) Variations in fair value of the financial assets and liabilities	7.713	13.864
EPRA earnings	**27.267**	**24.195**
Weighted average number of shares	15.807.764	14.667.452
EPRA earnings per share (€/share)	**1,72**	**1,65**

[25] The EPRA indicators were limited audited by the auditor.

B) EPRA NAV – EPRA NAV per share

Definition: The EPRA NAV is the NAV that was applied so that it comprises real estate and other investment at their fair value and which 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, when 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, when the IRS is not cancelled before the maturity date.

Calculation:

(in EUR X 1 000)	30/06/2020	30/06/2019
Equity attributable to the shareholders of the parent company	**708.197**	**620.405**
NAV per share (€/share)	**44,20**	**39,31**
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	**708.197**	**620.405**
To exclude		
IV. Fair value of financial instruments	30.637	24.050
EPRA NAV	**738.833**	**644.454**
Number of shares in circulation per end period	16.023.694	15.782.594
EPRA NAV per share (€/share)	**46,11**	**40,83**

C) 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:

(in EUR X 1 000)	30/06/2020	30/06/2019
EPRA NAV	**738.833**	**644.454**
Number of shares in curculation at the end of the period	16.023.694	15.782.594
EPRA NAV (€/share)	**46,11**	**40,83**
To add:		
(i) Fair value of financial instruments	-30.637	-24.050
(ii) Revaluation of the fair value of financing at fixed interest rate	2.379	3.529
EPRA NNNAV	**710.576**	**623.934**
Nmber of shares in circultation at the end of the period	16.023.694	15.782.594
EPRA NNNAV per share (€/share)	**44,35**	**39,53**

D) 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 30/06/2020	(B) Estimated rental value portfolio (ERV) 30/06/2020	(A/B) ERPA Vacancy rate *(in %)* 30/06/2020	(A) Estimated rental value (ERV) for vacancy 30/06/2019	(B) Estimated rental value portfolio (ERV) 30/06/2019	(A/B) ERPA Vacancy rate *(in %)* 30/06/2019
Belgium	169	32.578	0,5%	372	32.426	1,1%
France	667	11.494	5,8%	737	9.177	8,0%
The Netherlands	-	23.949	0,0%	-	22.224	0,0%
Total	**836**	**68.021**	**1,2%**	**1.109**	**63.828**	**1,7%**

E) EPRA NIY / EPRA Topped-up NIY

Definition: The EPRA NIY is an annualised 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, increased with (estimated) purchase costs.

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

Calculation:

EPRA NIY *(in EUR x 1000)*		**30/06/2020**	**31/12/2019**
		TOTAL	**TOTAL**
Investment property – wholly owned		1.153.829	1.104.358
Investment property – share of JVs/Funds			
Assets for sale			
Minus developments		-42.195	-64.004
Completed property portfolio		**1.111.634**	**1.040.353**
Allowance for estimated purchasers' costs		54.645	49.694
Gross up completed property portfolio valuation	**B**	**1.166.280**	**1.090.047**
Annualised cash passing rental income		72.908	69.391
Property outgoings (incl. ground rents)		-3.582	-3.771
Annualised net rents	**A**	**69.326**	**65.620**
Rent free periods or other lease incentives		13	80
Topped-up net annualised rent	**C**	**69.340**	**65.699**
EPRA NIY	**A/B**	**5,9%**	**6,0%**
EPRA "topped-up" NIY	**C/B**	**5,9%**	**6,0%**

F) EPRA Cost ratio

Definition: The EPRA Cost ratio are administrative and operational charges (including vacancy charges), divided by 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 about the costs where necessary. See also www.epra.com.

Calculation:

EPRA Cost Ratios (in EUR x 1000)		30/06/2020	31/12/2019
(i) Administrative/operating expense line per IFRS income statement		**3.582**	**6.656**
(iii) Management fees less actual/estimated profit element		-198	-365
EPRA Costs (including direct vacancy costs)	**A**	**3.384**	**6.290**
(ix) Direct vacancy costs		-134	-166
EPRA Costs (excluding direct vacancy costs)	**B**	**3.250**	**6.125**
(x) Gross Rental Income less ground rents – per IFRS		36.045	67.985
Gross Rental Income	**C**	**36.045**	**67.985**
EPRA Cost Ratio (including direct vacancy costs)	**A/C**	**9,4%**	**9,3%**
EPRA Cost Ratio (excluding direct vacancy costs)	**B/C**	**9,0%**	**9,0%**

4 Detail van de berekening van de door Montea gehanteerde APM's[26]

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)*	**30/06/2020**	**30/06/2019**
Result on sale of property investments	-	304
Variations in the fair value of property investments	28.406	38.280
RESULT ON PORTFOLIO	**28.406**	**38.584**

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)*	**30/06/2020**	**30/06/2019**
Financial result	-12.837	-19.399
To exclude:		
Variations in fair value of financial assets & liabilities	7.713	13.864
FINANCIAL RESULT excl. variation in fair value of financial instruments	**-5.125**	**-5.535**

26 Exclusive of the EPRA indicators, some of which are considered as an APM and are calculated under Chapter 4 EPRA Performance measures. The alternative performance indicators were limited audited by the auditor.

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)*	30/06/2020	30/06/2019
Net rental result	36.575	33.503
Operating result (before the result on the portfolio)	32.778	30.266
OPERATING MARGIN	**89,6%**	**90,3%**

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 balance and end balance of the financial debt burden without taking into account the valuation of the hedging instruments and interest charges of leasing debts in respect of IFRS 16.

Purpose: The company finances itself partially through 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)	30/06/2020	30/06/2019
Financial result	-12.837	-19.399
To exclude:		
Other financial income and charges	-92	-34
Variations in fair value of financial assets and liabilities	7.713	13.864
Interest expenses related to leasing debts (IFRS 16)	1.053	1.077
Activated interest charges	-784	-557
TOTAL FINANCIAL CHARGES (A)	**-4.948**	**-5.050**
AVERAGE FINANCIAL DEBTS (B)	**478.383**	**466.070**
AVERAGE COST OF DEBT (A/B)	**2,1%**	**2,2%**

Interest coverage ratio

Definition: The interest coverage ratio is calculated by the sum of the operating result before the result on the portfolio, together with the financial income, divided by the net interest costs.

Purpose: This APM indicates how many times the company earns its interest charges.

Calculation:

INTEREST COVERAGE RATIO (in EUR X 1 000)	30/06/2020	30/06/2019
Operational result, before result on portfolio	32.778	30.266
Financial income (+)	92	34
TOTAL (A)	**32.870**	**30.300**
Net financial charges (-)	5.176	5.500
TOTAL (B)	**5.176**	**5.500**
INTEREST COVERAGE RATIO (A/B)	**6,35**	**5,51**

5 Outlook and update COVID-19

Montea has taken various measures to ensure the continuity of its activities in the different countries in which it operates, whilst putting the health and well-being of all its stakeholders first. Employees were accordingly encouraged to switch to teleworking as much as possible for all tasks that do not require physical presence. Teleworking had been encouraged even before the crisis, so this measure did not pose any particular difficulties. Continuity of service to the tenants is guaranteed by the operational teams who remain in close contact with them.

The risk of default is minimized thanks to the company's qualitative and diversified client portfolio (at country, sector and site level). The warehouses are operational and in some instances even have enhanced activity. Montea is well aware of the challenges some customers are confronted with. Requests from tenants to stagger rents due over time are being considered on a case-by-case basis in order to find a balanced solution (ca. 10% of the quarterly rent in Q2 2020 has been allocated on the basis of justified reasons). Montea has not granted any rent reductions or waivers. The arrears due to the agreements concluded on July 30, 2020 amount to approximately €2.0 million.

Also on 30 July 2020, Montea received 99% of the overdue rent invoices for the second quarter 2020 and 98% of the overdue rent invoices for the third quarter 2020.
This percentage is in line with last year's percentage at the same period; only a limited part of the delays are directly related to the COVID-19 crisis.

Montea has two ongoing projects under construction, one in the Netherlands (Schiphol) and one in Belgium (Antwerp - Blue Gate). These two projects have not been delayed to date. Montea does not expect an interruption or delay in the delivery of these projects in 2020.

In the context of the uncertainties due to the COVID-19 pandemic, Montea has continued to strengthen its financial structure. In the second quarter of 2020, Montea concluded new credit lines for a total amount of €175 million. If everything remains equal, Montea has covered its financing needs (liabilities including expected expenses for uncommitted projects in line with prospects for portfolio growth) until June 2021. Montea currently has an undrawn credit line capacity of €157.9 million. With a debt ratio of 39.6% on 30 June 2020, Montea's consolidated balance sheet is highly solvent and the company expects to be able to achieve its charted growth plan.

The valuation of the real estate portfolio at the end of the first quarter of 2020 provided by the real estate experts for the publication of quarterly information does not indicate any negative change in fair value brought about by the current crisis. On the contrary, due to the prudent and conservative valuation of the property portfolio in the past, Montea is able to record even in these challenging times an increase in value of €19.2 million. Logistics is the category of real estate that is not expected to be impacted, or may even be impacted in a positive way by the crisis:

- Companies will want to limit their dependence on Asian countries (nearshoring) and to build up strategic stockpiles;
- Consumer expectations in terms of delivery times will become more demanding and will lead various companies to want to build up their stocks;
- Companies that have not provided online services yet are being forced to adapt and will continue to provide such services after the crisis also;
- Consumers who were not yet familiar with the benefits of online services have been forced to learn to work with orders through the internet, which will bring a change in behaviour among late adopters.

In the longer term Montea thereby maintains its aspiration to boost its property portfolio by ca. €300 million in 2020 and 2021, which will result in a total property portfolio of €1,450 million by the end of 2021. 70% of this growth (€209 million) has already been identified.

In the short term (outlook for 2020), the COVID-19 outbreak and (the results of the) measures taken to contain the virus could have an impact on Montea's financial performance. Based on the current knowledge and taking the consequences of the crisis into account, Montea expects:

- growth in the EPRA earnings per share to €3.44 (+5% compared with 2019)
- an increase in the dividend per share in line with the growth in the EPRA earnings per share, i.e. by 5% compared with 2019 from €2.54 to €2.67, based on a pay-out ratio of 80%
- an occupancy rate above 97% to be maintained and an average remaining term of the leases to first expiry date above 7.5 years
- a debt ratio that will evolve towards 44% by the end of 2020

6 Forward-looking statements

This press release contains, inter alia, forecasts, opinions and estimates made by Montea with regard to the future performance of Montea and of the market in which Montea operates ('outlook').

Although prepared with the utmost care, such an outlook is based on Montea's estimates and forecasts and is by nature subject to unknown risks, uncertain elements and other factors. These could lead to results, financial conditions, performance and final achievements that differ from those expressed or implied in these projections. Some events are difficult to predict and may depend on factors beyond Montea's control. In view of such uncertainties, Montea cannot given any guarantees on these forecasts.

Statements in this press release that pertain to past activities, achievements, performance or trends should not be considered as a statement or guarantee that they will continue in the future.

Furthermore, the outlook is only valid as of the date of this press release.

Unless it is legally required to do so, Montea in no way undertakes to update or change these forecasts, even if there are changes in the expectations, events, conditions, assumptions or circumstances on which such forecasts are based. Nor does Montea, any of its managers, directors, members of its management or advisors guarantee that the assumptions on which the outlook is based are free from error, and none of them can state, guarantee or predict that the results expected by such outlook will actually be achieved.

7 Financial calendar

05/11/2020	Quarterly figures 30/09/2020 (before stock market)

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 30/06/2020 Montea's property portfolio represented total space of 1,383,206 m² across 71 locations. Montea Comm. VA has been listed on NYSE Euronext Brussels (MONT) and Paris (MONTP) since 2006. Montea obtained the EPRA BPR Gold Award on 11/12/2019.

PRESS CONTACT

Jo De Wolf
+32 53 82 62 62
jo.dewolf@montea.com

FOR MORE INFORMATION

www.montea.com

Annex 1: Consolidated overview of the income statement on 30/06/2020[27]

		30/06/2020 6 months	31/12/2019 12 months	30/06/2019 6 months
I.	Rental income	34.177	65.063	32.109
II.	Write-back of lease payments sold and discounted	0	0	0
III.	Rental-related expenses	0	1	1
	NET RENTAL RESULT	**34.177**	**65.063**	**32.110**
IV.	Recovery of property charges	**0**	0	0
V.	Recovery of charges and taxes normally payable by tenants on let properties	2.753	6.986	3.598
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0	0
VII.	Charges and taxes normally payable by tenants on let properties	-2.869	-7.371	-3.993
VIII.	Other rental-related income and expenses	2.514	3.457	1.789
	PROPERTY RESULT	**36.575**	**68.135**	**33.503**
IX.	Technical costs	-12	-22	-17
X.	Commercial costs	-22	-58	4
XI.	Charges and taxes of un-let properties	-134	-166	0
XII.	Property management costs	-919	-1.794	-826
XIII.	Other property charges	-28	-8	-1
	PROPERTY CHARGES	**-1.115**	**-2.047**	**-840**
	PROPERTY OPERATING RESULT	**35.460**	**66.089**	**32.663**
XIV.	General corporate expenses	-2.646	-4.207	-2.301
XV.	Other operating income and expenses	-36	-172	-97
	OPERATING RESULT BEFORE PORTFOLIO RESULT	**32.778**	**61.710**	**30.266**
XVI.	Result on disposal of investment properties	0	434	304
XVII.	Result on disposal of other non-financial assets	0	0	0
XVIII.	Changes in fair value of investment properties	28.406	70.773	38.280
XIX.	Other portfolio result	0	0	0
	OPERATING RESULT	**61.184**	**132.917**	**68.849**
XX.	Financial income	92	57	34
XXI.	Net interest charges	-5.176	-11.309	-5.500
XXII.	Other financial charges	-41	-105	-69
XXIII.	Change in fair value of financial assets & liabilities	-7.713	-12.739	-13.864
	FINANCIAL RESULT	**-12.837**	**-24.095**	**-19.399**
XXIV.	Share in the result of associates and joint ventures	0	0	0
	PRE-TAX RESULT	**48.346**	**108.822**	**49.450**
XXV.	Corporation tax	-387	-357	-535
XXVI.	Exit tax	0	0	0
	TAXES	**-387**	**-357**	**-535**
	NET RESULT	**47.960**	**108.465**	**48.915**
	Attributable to:			
	Shareholders of the parent company	47.960	108.465	48.915
	Minority interests	0	0	0
	Number of shares in circulation at the end of the period	16.023.694	15.782.594	15.782.594
	Weighted average of number of shares of the period	15.807.764	15.229.606	14.667.452
	NET RESULT per share (EUR) (normal/diluted) per share / weighted average of number of shares (EUR)	**3,03**	**7,12**	**3,33**

[27] The condensed financial statements have been subjected to a limited review by the auditor.

Annex 2: Consolidated overview of the balance sheet on 30/06/2020[28]

	CONSOLIDATED BALANCE SHEET (EUR x 1.000)	30/06/2020	31/12/2019	31/12/2018
I.	**NON-CURRENT ASSETS**	**1.217.747**	**1.161.381**	**910.426**
A.	Goodwill	-	-	-
B.	Intangible assets	481	419	374
C.	Investment properties	1.189.726	1.147.476	896.873
D.	Other tangible assets	27.358	13.344	13.149
E.	Non-current financial assets	147	107	1
F.	Finance lease receivables	-	-	-
G.	Trade receivables and other non-current assets	35	35	29
H.	Deferred taxes (assets)	-	-	-
I.	Participations in associates and joint ventures according to the equity method	-	-	-
II.	**CURRENT ASSETS**	**35.581**	**32.317**	**39.051**
A.	Assets held for sale	-	0	2.377
D.	Trade receivables	12.821	13.405	15.599
E.	Tax receivables and other current assets	8.068	9.186	13.867
F.	Cash and cash equivalents	10.976	7.690	4.634
G.	Deferred charges and accrued income	3.716	2.037	2.574
	TOTAL ASSETS	**1.253.328**	**1.193.698**	**949.477**
	TOTAL SHAREHOLDERS' EQUITY	**708.197**	**680.029**	**433.569**
I.	**Shareholders' equity attributable to shareholders of the parent company**	**708.197**	**680.029**	**433.550**
A.	Share capital	319.848	314.983	256.063
B.	Share premiums	222.274	209.184	100.891
C.	Provisions	118.114	47.397	12.020
D.	Net result of the financial year	47.960	108.465	64.575
II.	**Minority interests**	**-**	**0**	**19**
	LIABILITIES	**545.131**	**513.669**	**515.908**
I.	**Non-current liabilities**	**437.473**	**412.772**	**427.155**
A.	Provisions	-	-	-
B.	Non-current financial debts	406.689	389.741	416.968
	a. Credit institutions	310.922	263.308	306.431
	b. Financial leasings	919	943	1.047
	c. Other (bond + IFRS 16 lease liability)	94.848	125.491	109.491
C.	Other non-current financial liabilities	30.783	23.031	10.186
E.	Other non-current liabilities	-	-	-
II.	**Current liabilities**	**107.659**	**100.896**	**88.754**
A.	Provisions	-	-	-
B.	Current financial debts	61.344	61.340	45.085
	a. Credit institutions	29.600	29.600	45.000
	b. Financial leasings	99	92	85
	c. Other	31.645	31.648	-0
C.	Other current financial liabilities	-	-	-
D.	Trade debts and other current debts	23.052	14.214	20.142
	a. Exit taks	278	274	1.445
	b. Other (bond + IFRS 16 lease liabilities)	22.774	13.940	18.697
E.	Other current liabilities	4.775	4.809	4.707
F.	Accrued charges and deferred income	18.488	20.534	18.819
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1.253.328**	**1.193.698**	**949.477**

[28] The condensed financial statements have been subjected to a limited review by the auditor.

Annex 3: Consolidated overview of changes to shareholders' equity[29]

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Share capital	Share premiums	Reserves	Result	Deduction of transfer rights and costs	Minority interests	Shareholders' equity
Balance at 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
Balance at 31/12/2019	**314.983**	**209.183**	**47.397**	**108.465**	**0**	**0**	**680.029**
Elements directly recognized as equity	**4.865**	**13.091**	**2.301**	**0**	**0**	**0**	**20.257**
Capital increase	4.865	13.091	0	0	0	0	17.956
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	2.301	0	0	0	2.301
Own shares	0	0	0	0	0	0	0
Own shares held for employee option plan	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0
Corrections	0	0	0	0	0	0	0
Subtotal	**319.848**	**222.274**	**49.698**	**108.465**	**0**	**0**	**700.286**
Dividends	0	0	-40.049	0	0	0	-40.049
Result carried forward	0	0	108.465	-108.465	0	0	0
Result for the financial year	0	0	0	47.960	0	0	47.960
Balance at 30/06/2020	**319.848**	**222.274**	**118.114**	**47.960**	**0**	**0**	**708.197**

[29] The condensed financial statements have been subjected to a limited review by the auditor.

Annex 4: Overview of the consolidated comprehensive income[30]

ABBREVIATED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR x 1.000)	30/06/2019 6 months	31/12/2018 12 months	31/12/2017 12 months
Net result	**47.960**	**108.465**	**64.575**
Other items of the comprehensive income	**2.301**	**-242**	**10**
Items taken in the result	**0**	**0**	**0**
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investments properties	**0**	**0**	**0**
Changes in the effective part of the fair value of authorized cash flow hedges	**0**	**0**	**0**
Items not taken in the result	**2.301**	**-242**	**10**
Impact of changes in fair value of solar panels	**2.301**	**-242**	**10**
Comprehensive income	**50.260**	**108.223**	**64.585**
Attributable to:			
Shareholders of the parent company	50.260	108.223	64.585
Minority interests	0	0	0

30 The condensed financial statements have been subjected to a limited review by the auditor.

Annex 5: Consolidated overview of the cash flow summary [31]

CONSOLIDATED CASH FLOW STATEMENT (EUR x 1.000)	30/06/2020 6 months	31/12/2019 12 months
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR (A)	**7.690**	**4.634**
Net result	**47.960**	**108.465**
Financial cash elements (not dedectable of the net profit) to become the operating result	**5.909**	**11.356**
Received interests	-92	-57
Payed interests on finances	6.002	11.413
Received dividends	0	0
Taxes (dedected from the net result) to become the operating result	**387**	**357**
Non-cash elements to be added to / deducted from the result	**-20.419**	**-58.570**
Depreciations and write-downs	**131**	**255**
Depreciations/write-downs (or write-back) on intangible and tangible assets (+/-)	131	256
Write-downs on current assets (+)	0	-1
Write-back of write-downs on current assets (-)	0	0
Other non-cash elements	**-20.550**	**-58.825**
Changes in fair value of investment properties (+/-)	-28.406	-70.773
IFRS 9 impact (+/-)	7.713	12.739
Other elements		
Realized gain on disposal of investment properties	0	-434
Provisions	143	0
Taxes	0	-357
NET CASH FROM OPERATING ACTIVITIES BEFORE CHANGE IN WORKING CAPITAL REQUIREMENTS (B)	**33.837**	**61.608**
Change in working capital requirements (C)	**6.780**	**3.294**
Movements in asset items	**22**	**7.406**
Trade receivables	0	-7
Other long-term non-current assets	583	2.194
Other current assets	1.118	4.681
Deferred charges and accrued income	-1.679	537
Movements in liability items	**6.758**	**-4.112**
Trade debts	8.897	-4.302
Taxes, social charges and salary debts	-59	-1.626
Other current liabilities	-33	101
Accrued charges and deferred income	-2.046	1.714
NET CASH FLOW FROM OPERATING ACTIVITIES (A)+(B)+(C) = (A1)	***48.307***	***69.536***
Investment activities	**-28.577**	**-136.504**
Acquisition of intangible assets	-131	-168
Investment properties and development projects	-24.859	-136.027
Other tangible assets	-6	-195
Solar panels	-3.581	-548
Disposal of investment properties	0	434
Disposal of superficy	0	0
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B1)	**-28.577**	**-136.504**
FREE CASH FLOW (A1+B1)	**19.729**	**-66.968**
Change in financial liabilities and financial debts	**16.948**	**-51.704**
Increase (+)/Decrease (-) in financial debts	24.700	-58.621
Increase (+)/Decrease (-) in other financial liabilities	-7.752	12.845
Increase (+)/Decrease (-) in trade debts and other non-current liabilities	0	-5.928
Change in other liabilities	**0**	**0**
Increase (+)/Decrease (-) in other liabilities	0	0
Increase (+)/Decrease (-) in other debts	0	0
Change in shareholders' equity	**-19.792**	**137.717**
Increase (+)/Decrease (-) in share capital	4.865	58.647
Increase (+)/Decrease (-) in share premium	13.091	108.292
Increase (+)/Decrease (-) in consolidation differences	0	0
Increase (+)/Decrease (-) in minority interests	0	-19
Dividends paid	-40.049	-28.961
Increase (+)/Decrease (-) in reserves	2.301	-242
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	**-5.909**	**-11.356**
NET FINANCIAL CASH FLOW (C1)	**-8.754**	**74.658**
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR (A1+B1+C1)	**10.976**	**7.690**

Annex 6: Fair value hierarchy[32]

	Fair value hierarchy (EUR x 1000)	30/06/2020 Booking value	30/06/2020 Level 1 (1)	30/06/2020 Level 2 (2)	30/06/2020 Level 3 (3)
I.	**NON-CURRENT ASSETS**	**1.217.747**	**-**	**663**	**1.217.084**
A.	Goodwill	-	-	-	-
B.	Intangible assets	481	-	481	-
C.	Investment properties	1.189.726	-	0	1.189.726
D.	Other tangible assets	27.358	-	-	27.358
E.	Non-current financial assets	147	-	147	-
F.	Finance lease receivables	-	-	-	-
G.	Trade receivables and other non-current assets	35	-	35	-
H.	Deferred taxes (assets)	-	-	-	-
I.	Participations in associates and joint ventures according to the equity method	-	-	-	-
II.	**CURRENT ASSETS**	35.581	**10.976**	**24.605**	**-**
A.	Assets held for sale	-	-	-	-
B.	Current financial assets	-	-	-	-
C.	Finance lease receivables	-	-	-	-
D.	Trade receivables	12.821	-	12.821	-
E.	Tax receivables and other current assets	8.068	-	8.068	-
F.	Cash and cash equivalents	10.976	10.976	-	-
G.	Deferred charges and accrued income	3.716	-	3.716	-
	TOTAL ASSETS	**1.253.328**	**10.976**	**25.268**	**1.217.084**
	LIABILITIES	**545.131**	**-**	**547.511**	**-**
I.	**Non-current liabilities**	**437.473**	**-**	**439.852**	**-**
A.	Provisions	-	-	**-**	-
B.	Non-current financial debts	406.689	-	409.069	-
	1. Bank debts	310.922	-	310.922	-
	2. Bonds + IFRS 16 lease liability	94.848	-	97.227	-
	3. Other long term financial debts (bail, guarantees,...)	919	-	919	-
C.	Other non-current financial liabilities	30.783	-	30.783	-
D.	Trade debts and other non-current debts	-	-	-	-
E.	Other non-current liabilities	-	-	**-**	-
F.	Deferred taxes - liabilities	-	-	-	-
II.	**Current liabilities**	**107.659**	**-**	**107.659**	**-**
A.	Provisions	-	-	-	-
B.	Current financial debts	61.344	-	61.344	-
	1. Bank debt	29.600	-	29.600	-
	2. Financial leasing	99	-	99	-
	3. Other (bond + IFRS 16 lease liability)	31.645	-	31.645	-
C.	Other current financial liabilities	-	-	-	-
D.	Trade debts and other current debts	23.052	-	23.052	-
E.	Other current liabilities	4.775	-	4.775	-
F.	Accrued charges and deferred income	18.488	-	18.488	-
	TOTAL LIABILITIES	**545.131**	**-**	**547.511**	**-**

[32] The condensed financial statements have been subjected to a limited review by the auditor.

Annex 7: Segment reporting: Consolidated overview of the income statement as at 30/06/2020 per geographic region[33]

	(EUR x 1.000)	30/06/2020 BE	30/06/2020 FR	30/06/2020 NL	30/06/2020 Elim.	30/06/2020 6 months
I.	Rental income	17.402	4.671	12.104	0	34.177
II.	Write-back of lease payments sold and discounted	0	0	0	0	0
III.	Rental-related charges	0	0	0	0	0
	NET RENTAL INCOME	**17.402**	**4.671**	**12.104**	**0**	**34.177**
IV.	Recovery of property charges	0	0	0	0	0
V.	Recovery of charges and taxes normally borne by tenants on let properties	1.547	573	633	0	2.753
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0	0	0	0
VII.	Charges and taxes normally borne by tenants on let properties	-1.345	-618	-906	0	-2.869
VIII.	Other rental-related income and expenses	2.127	189	199	0	2.514
	PROPERTY RESULT	**19.731**	**4.815**	**12.030**	**0**	**36.575**
IX.	Technical costs	0	-12	0	0	-12
X.	Commercial costs	0	-22	0	0	-22
XI.	Charges and taxes of un-let properties	-22	-107	-5	0	-134
XII.	Property management costs	-642	-277	0	0	-919
XIII.	Other property charges	-25	-4	0	0	-28
	PROPERTY CHARGES	**-689**	**-421**	**-5**	**0**	**-1.115**
	PROPERTY OPERATING RESULT	**19.042**	**4.394**	**12.025**	**0**	**35.460**
XIV.	General costs of the company	-2.140	-325	-181	0	-2.646
XV.	Other operating income and expenses	11	-47	0	0	-36
	OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	**16.913**	**4.021**	**11.844**	**0**	**32.778**
XVI.	Result on disposal of investment properties	0	0	0	0	0
XVII.	Result on disposal of other non-financial assets	0	0	0	0	0
XVIII.	Changes in fair value of investment properties	19.315	7.124	1.966	0	28.406
XIX.	Other portfolio result	0	0	0	0	0
	OPERATING RESULT	**36.228**	**11.146**	**13.810**	**0**	**61.184**
XX.	Financial income	92	0	0	0	92
XXI.	Net interest charges	-2.903	-483	-1.790	0	-5.176
XXII.	Other financial charges	-30	-10	-2	0	-41
XXIII.	Changes in fair value of financial assets and liabilites	-7.713	0	0	0	-7.713
	FINANCIAL RESULT	**-10.553**	**-493**	**-1.792**	**0**	**-12.837**
XXIV.	Share in the result of associates and joint ventures	0	0	0	0	0
	PRE-TAX RESULT	**25.675**	**10.653**	**12.018**	**0**	**48.346**
XXV.	Corporate taxes	-38	-30	-319	0	-387
XXVI.	Exit tax	0	0	0	0	0
	TAXES	**-38**	**-30**	**-319**	**0**	**-387**
	NET RESULT	**25.637**	**10.623**	**11.699**	**0**	**47.960**
	EPRA RESULT	**14.035**	**3.499**	**9.733**	**0**	**27.267**
	Weighted average number of shares	15.808	15.808	15.808	0	15.808
	NET RESULT PER SHARE	**1,62**	**0,67**	**0,74**	**0**	**3,03**
	EPRA RESULT PER SHARE	**0,89**	**0,22**	**0,62**	**0**	**1,72**

Despite being a Dutch entity, SFG is included under the Belgium segment.

[33] The condensed financial statements have been subjected to a limited review by the auditor.

Annex 8: Segment reporting: Consolidated overview of the balance sheet as at 30/06/2020 per geographic region[34]

	(EUR x 1.000)	30/06/2020 BE	30/06/2020 FR	30/06/2020 NL	30/06/2020 Elim.	30/06/2020 Conso
I.	**NON-CURRENT ASSETS**	**761.698**	**195.551**	**419.397**	**-158.899**	**1.217.747**
A.	Goodwill	0	0	0	0	0
B.	Intangible assets	481	0	0	0	481
C.	Investment properties	579.690	194.871	415.165	0	1.189.726
D.	Other tangible assets	22.478	647	4.232	0	27.358
E.	Non-current financial assets	159.046	0	0	-158.899	147
F.	Finance lease receivables	0	0	0	0	0
G.	Trade receivables and other non-current assets	2	33	0	0	35
H.	Deffered taxes (assets)	0	0	0	0	0
I.	Participations in associates and joint ventures according to the equity method	0	0	0	0	0
II.	**CURRENT ASSETS**	**263.527**	**8.943**	**11.136**	**-248.024**	**35.581**
A.	Assets held for sale	0	0	0	0	0
B.	Current financial assets	0	0	0	0	0
C.	Finance lease receivables	0	0	0	0	0
D.	Trade receivables	5.146	4.425	3.251	0	12.821
E.	Tax receivables and other current assets	249.506	1.183	5.402	-248.024	8.068
F.	Cash and cash equivalents	6.085	2.502	2.389	0	10.976
G.	Deffered charges and accrued income	2.789	833	94	0	3.716
	TOTAL ASSETS	**1.025.224**	**204.494**	**430.533**	**-406.923**	**1.253.328**
	TOTAL SHAREHOLDERS' EQUITY	**515.170**	**90.602**	**257.807**	**-155.383**	**708.197**
I.	**Shareholders' equity attributable to the shareholders of the parent company**	**515.170**	**90.602**	**257.807**	**-155.383**	**708.197**
A.	Share capital	319.848	0	95.469	-95.469	319.848
B.	Share premiums	222.274	0	0	0	222.274
C.	Reserves	-52.589	79.979	150.639	-59.914	118.114
D.	Net result of the financial year	25.637	10.623	11.699	0	47.960
II.	**Minority interests**	**0**	**0**	**0**	**0**	0
	LIABILITIES	**510.054**	**113.892**	**172.726**	**-251.540**	**545.131**
I.	**Non-current liabilities**	**435.658**	**1.745**	**69**	**0**	**437.473**
A.	Provisions	0	0	0	0	0
B.	Non-current financial debts	404.874	1.745	69	0	406.689
C.	Other non-current financial liabilities	30.783	0	0	0	30.783
D.	Trade debts and other non-current debts	0	0	0	0	0
E.	Other non-current liabilities	0	0	0	0	0
F.	Deferred taxes - liabilities	0	0	0	0	0
II.	**Current liabilities**	**74.396**	**112.147**	**172.656**	**-251.540**	**107.659**
A.	Provisions	0	0	0	0	0
B.	Current financial debts	61.228	83	33	0	61.344
C.	Other current financial liabilities	0	0	0	0	0
D.	Trade debts and other current debts	3.019	9.847	10.186	0	23.052
E.	Other current liabilities	98	99.220	157.215	-251.759	4.775
F.	Accrued charges and deferred income	10.050	2.997	5.222	219	18.488
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1.025.224**	**204.494**	**430.533**	**-406.923**	**1.253.328**

Despite being a Dutch entity, SFG is included under the Belgium segment.

[34] The condensed financial statements have been subjected to a limited review by the auditor.

Annex 9: Independent expert's report on 30/06/2020

Valuation	The valuation of the various investment objects in the portfolio was supported by the following methods: the rental value capitalisation method and the income approach according to a Discounted Cash Flow (DCF) model, with a verification of the unit prices obtained.
Evolution of value	The Fair Value of the projects (exclusive of developments and solar panels) pursuant to IAS 40 has gone from €1,083 million on 31/12/2019 to €1,147 million on 30/06/2020. This Fair Value of €1,147 million corresponds to an investment value of €1,203 million (deed in hand). The initial yield (the rental income considered in respect of the investment value) of the full portfolio amounts to 6.1%.
Assets	The assets at this time amount to ± 1,278,568 m² of storage space and ± 104,637 m² of office floor space, for a total floor space of ± 1,383,206 m². Except for the 18 sites in France and 20 sites in the Netherlands, the current properties are situated mainly in the Flemish rhombus (Antwerp – Brussels – Ghent).
Rental income	The actual rental income is calculated after deducting the advance levy on income derived from real estate when the latter is payable by the owner, and in certain rare cases, as an average rental income until the next due date, if there are rent reduction or the rent is not contractually constant. This annual income amounted to €70.1 million per year on 30/06/2020. The aforementioned rental amounts are the net rental income minus additional payments for municipal charges and any insurance premiums.

The occupancy rate for the entire portfolio, calculated on the basis of the floor space, amounts to 99.3%.

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 30 June 2020 is:

For Belgium:

€485.304.100

Four hundred and eighty-five million three hundred and four thousand and one hundred Euro

For the Netherlands:

€412.300.000

Four hundred and twelve million three hundred thousand Euro

For France:

€192.767.100

One hundred and ninety-two million seven hundred and sixty-seven thousand and hundred 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 30 June 2020 is:

€57.653.600

Fifty-seven million six hundred fifty-three thousand and six hundred Euro

3. Properties under development

On the basis of the above we are of the opinion that the aggregate Fair Value of the properties listed above (under development) as at the 30 June 2020 is:

For Belgium:

€20.609.700

Twenty million and six hundred and nine thousand and seven hundred Euro

For The Netherlands:

€15.670.000

Fifteen million six hundred and seventy thousand Euro

For France:

€2.073.500

Two million and seventy-three thousand and five hundred Euro

4. Solar Panels

On the basis of the above we are of the opinion that the aggregate Fair Value of the solar panels as at the 30 June 2020 is:

For Belgium:

€22.122.400

Twenty-two million one hundred and twenty-two thousand and four hundred Euro

For The Netherlands:

€4.115.000

Four million one hundred fifteen thousand Euro

5. Solar Panels under development

On the basis of the above we are of the opinion that the aggregate Fair Value of the solar panels under development as at the 30 June 2020 is:

€3.841.500

Three million eight hundred and forty-one thousand and five hundred 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.

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

Annex 10: Auditor's report

EY Bedrijfsrevisoren
EY Réviseurs d'Entreprises
De Kleetlaan 2
B-1831 Diegem

Tel: +32 (0)2 774 91 11
ey.com

Report of the statutory auditor to the shareholders of Montea Comm. VA on the review of the Condensed Consolidated Half-yearly Figures as of 30 June 2020 and for the six-month period then ended

Introduction

We have reviewed the accompanying interim condensed consolidated overview of the balance sheet of Montea Comm. VA (the "Company"), and its subsidiaries (collectively referred to as "the Group") as at 30 June 2020 and the related condensed consolidated overview of the income statement, condensed overview of the consolidated global result, condensed overview of the consolidated cashflow and condensed consolidated overview of changes in equity capital for the six-month period then ended, and explanatory notes, collectively, the "Condensed Consolidated Half-yearly Figures". These statements show a consolidated balance sheet total of € 1.253.328 thousand and a consolidated profit for the six-month period of € 47.960 thousand. The board of directors is responsible for the preparation and presentation of these Condensed Consolidated Half-yearly Figures in accordance with International Financial Reporting Standard *IAS 34 Interim Financial Reporting* ("IAS 34") as adopted by the European Union. Our responsibility is to express a conclusion on these Condensed Consolidated Half-yearly Figures based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Half-yearly Figures are not prepared, in all material aspects, in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union.

Building a better working world

Emphasis matter – Covid-19

Without qualifying our review opinion, we draw your attention to the disclosures of the Half-Year Financial Report with regards to the consequences on the result of the Company, of the measures taken relating to the Covid-19 virus. The continuous evolution around the Covid-19 virus, creates an important uncertainty. The impact of these developments on the Company is disclosed in the Half-Year Financial Report and more specifically described in the Chapter "Main risks and uncertainties" regarding the risks and uncertainties for the Company as a consequence of the measures taken relating to the Covid-19 virus.

Brussels, 5 august 2020

EY Bedrijfsrevisoren bv/EY Réviseurs d'Entreprises srl
Statutory auditor
represented by

Joeri Klaykens
(Signature)

Digitaal ondertekend door Joeri Klaykens (Signature)
DN: cn=Joeri Klaykens (Signature), c=BE
Datum: 2020.08.05 14:03:25 +02'00'

Joeri Klaykens*
Partner
* Acting on behalf of a bv/srl

21JK0036