Press Release

Interim Statement

Montea adjusts growth target to €1.6 billion by the end of 2021

From the sole director
on the period from
1/01/2021 to 31/03/2021

REGULATED INFORMATION
EMBARGO UNTIL 12/05/2021 – 7:30 am

MONTEA
SPACE FOR GROWTH

www.montea.com

Highlights Q1 2021:

- Launch of **ESG report**: our medium-term sustainability strategy with the ambition of making our **own operations carbon-neutral** by 2021

- Elaboration and implementation of a **Green Finance Framework**

- Issue of **€ 235 million in Green Bonds** via US Private Placement

- **EPRA earnings: € 0.96 per share**, an increase of 22% compared with 2020, taking into account a one-off payment received in 2021 whereupon Montea waives its pre-emptive right to the possible sale of a plot of land with buildings in Tilburg. If this one-off payment is not taken into account, the EPRA earnings per share are up by 6.4% compared with the same period in 2020.

- **Strong fundamentals:**
  - ⇨ Controlled debt ratio of 36.3%
  - ⇨ High occupancy rate of 99.4%
  - ⇨ Long remaining term of the leases up to first expiry date of 7.5 years – exclusive of solar panels
  - ⇨ Qualitative and diversified client portfolio

- Montea is adjusting its growth target - also due to the recent revaluations of the existing portfolio - and boosting its ambition to get the property portfolio to grow by € 450 million compared with 2019, which will result **in a property portfolio of € 1,600 million** (previously € 1,450 million) by the end of 2021.

- Montea expects **the EPRA earnings per share to grow to € 3.68** in 2021 (up 5% compared with 2020) and **the dividend per share to increase to € 2.96** (also up 5% compared with 2020). These forecasts are based on current knowledge and an estimate of the COVID-19 crisis, without taking into account the possible negative consequences of a new wave or lockdown.

Summary

1. Montea has launched its first ESG report.[1] The primary aim is to continue to bring its expertise in logistics real estate to bear so as to make sustainable, long-term investments with added value for clients, shareholders, employees and other stakeholders. Montea has developed its sustainability vision for the future further linked to the 4Ps approach (People, Planet, Profit and Policy), via a strategic Plan for 2030/2050.

2. Montea developed and implemented a Green Finance Framework in the first quarter of 2021 to issue green financing instruments. These financing instruments include bond loans and credit agreements with banks in order to (re)finance sustainable projects with a clear benefit to the environment and society.

3. An important step was taken within the Green Finance Framework in early 2021: Montea completed its first US Private Placement[2] by issuing € 235 million in Green Bonds. The bonds are divided into four tranches:

- ⇨ € 50 million – 10-year term (maturity date: 27/04/2031) - coupon 1.28%
- ⇨ € 30 million – 10-year term (maturity date: 23/06/2031) - coupon 1.28%
- ⇨ € 85 million – 12-year term (maturity date: 04/01/2034) - coupon 1.42%
- ⇨ € 70 million – 15-year term (maturity date: 23/06/2036) - coupon 1.44%

4. The EPRA earnings of Montea amounts to € 15.4 million for the first 3 months of 2021, an increase of 24% compared with the same period in 2020 (€ 12.5 million), taking into account a one-off payment received in 2021 whereupon Montea waived a pre-emptive right on a possible sale of a plot of land with buildings in Tilburg. If this one-off payment is not taken into account, the EPRA result is up 8% compared with the same period in 2020. The EPRA earnings per share for Q1 2021 amount to € 0.96, up 22% compared with 2020. Without the one-off payment, the EPRA earnings per share are up 6.4% compared with the first 3 months of 2020.

5. The occupancy rate amounted to 99.4% as at 31 March 2021 and remained stable compared with the end of 2020. The average remaining term of the leases until their first expiry is 7.5 years (exclusive of solar panels).

6. With a debt ratio of 36.3% as at 31 March 2021 (compared with 38.0% at the end of 2020), Montea's consolidated balance sheet is demonstrably strongly solvent. The issue of € 235 million in Green Bonds in the first quarter – with starting dates during Q2 2021 and Q1 2022 – also strengthened Montea's liquidity position significantly. In addition, the portfolio KPIs constitute a valuable asset in tackling the current crisis. Montea reaffirms its proposal to distribute a gross dividend of € 2.83 per share in the second quarter of 2021.

7. An additional portfolio volume of € 86.1 million (including latent capital gains on completed projects and an increase in fair value of the existing portfolio of € 69.6 million) was attained in the first quarter of 2021. As a result, the fair value of the real estate portfolio including developments and solar panels was up by 6% (€ 1,364.5 million at the end of 2020 -> € 1,450.5 million at the end of the first quarter of 2021). Montea is thus reaching its portfolio target from the 2020-2021 growth plan 9 months ahead of schedule, with the total portfolio growing to at least € 1,450 million.

8. Montea is consequently adjusting its growth target and boosting the ambition to get the property portfolio to grow by € 450 million compared with 2019, which will result in a property portfolio of € 1,600 million (previously € 1,450 million) by the end of 2021.

9. Based on the current knowledge and assessment of the COVID-19 crisis, and leaving aside the serious negative consequences of a possible new wave or lockdown, Montea expects for 2021:

- ✓ the EPRA earnings per share to grow to € 3.68 (+ 5% compared with 2020)
- ✓ an increase of the dividend per share to € 2.96 (+ 5% compared with 2020)
- ✓ the occupancy rate to be maintained above 97%

[1] See press release of 16/04/2021 or go to www.montea.com for more information.
[2] See press release of 13/04/2021 or go to www.montea.com for more information.

- ✓ a debt ratio lower than 50%.

10. Montea aspires to make its own operations carbon neutral by the end of the year by reducing CO_2 emissions (by stimulating the use of public transport and electric cars, for instance), improve energy efficiency (e.g. energy monitoring) and use renewable energy sources (e.g. solar panels and heat pump applications). A cooperation arrangement with CO2logic has been set up to guide and certify the process. Montea is joining the Science Based Targets initiative to underscore its ambition and commitment in the fight against climate change.

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1 Management report

1.1 Key figures

		BE	FR	NL	31/03/2021 3 months	31/12/2020 12 months	31/03/2020 3 months
Real estate portfolio							
Real estate portfolio - Buildings (1)							
Number of sites		**34**	**18**	**23**	**75**	**74**	**64**
Surface of the real estate portfolio							
Logistics and semi-industrial warehouses	sqm	648.831	202.702	331.865	1.183.399	1.162.118	1.072.350
Offices	sqm	66.664	17.774	30.598	115.036	114.096	102.511
Land - rent	sqm	6.512	0	180.345	186.858	186.858	163.010
Total surface - real estate portfolio (sqm)	**sqm**	**722.007**	**220.476**	**542.809**	**1.485.292**	**1.463.071**	**1.337.872**
Development potential (sqm) - rent	sqm	32.562	0	840.216	872.778	872.778	753.542
Development potential (sqm) - portfolio	sqm	132.007	112.204	160.120	404.331	404.331	368.743
Development potential (sqm) - in due diligence	sqm	0	70.000	0	70.000	70.000	70.000
Development potential (sqm) - in option	sqm	79.137	0	0	79.137	79.137	224.137
Total surface - development potential (sqm)	**sqm**	**243.706**	**182.204**	**1.000.336**	**1.426.246**	**1.426.246**	**1.416.422**
Value of the real estate portfolio							
Fair value (2)	K€	639.864	202.059	528.264	1.370.186	1.280.108	1.082.394
Investment value (3)	K€	655.968	216.288	575.551	1.447.807	1.351.828	1.134.920
Occupancy Rate (4)	**%**	**99,7%**	**97,1%**	**100,0%**	**99,4%**	**99,4%**	**99,3%**
Real estate portfolio - Solar panels							
Fair value	K€	24.865	0	7.821	32.686	29.755	12.269
Real estate portfolio - Projects under construction							
Fair value (2)	K€	10.018	2.523	35.117	47.658	54.590	74.407
Consolidated results							
Results							
Net rental result	K€				19.074	69.597	16.949
Property result	K€				21.988	74.374	17.663
Operating result before the porfolio result	K€				19.515	67.635	15.409
Operating margin (5)*	%				88,8%	90,9%	87,2%
Financial result (excl. Variations in fair value of the financial instruments) (6)*	K€				-2.813	-10.950	-2.702
EPRA result (7)*	K€				15.443	55.778	12.489
Weighted average number of shares					16.023.694	15.916.319	15.782.594
EPRA result per share (8)*	**€**				**0,96**	**3,50**	**0,79**
Result on disposals of investment properties	K€				0	0	0
Changes in fair value of investment properties	K€				69.584	107.308	-1.803
Deferred taxes on the result on the portfolio	K€				-12.332	0	0
Result on the portfolio (9)	**K€**				**57.252**	**107.308**	**-1.803**
Variations in fair value of the financial instruments (10)	**K€**				**5.359**	**-8.077**	**-4.110**
Net result (IFRS)	K€				78.054	155.009	6.576
Net result per share	**€**				**4,87**	**9,74**	**0,42**
Consolidated balance sheet							
IFRS NAV (excl. minority participations) (11)	**K€**				**894.123**	815.311	686.632
EPRA NRV (12)*	**K€**				**1.003.683**	911.747	759.908
EPRA NTA (13)*	**K€**				**931.460**	845.722	713.272
EPRA NDV (14)*	**K€**				**895.989**	817.356	689.510
Debts and liabilities for calculation of debt ratio	**K€**				**543.210**	531.279	471.264
Balance sheet total	**K€**				**1.497.345**	1.398.921	1.206.756
Debt ratio (15)	**%**				**36,3%**	38,0%	39,1%
IFRS NAV per share	**€**				**55,80**	50,88	43,51
EPRA NRV per share (16)*	**€**				**62,64**	56,90	48,15
EPRA NTA per share (17)*	**€**				**58,13**	52,78	45,19
EPRA NDV per share (18)*	**€**				**55,92**	51,01	43,69
Share price (19)	**€**				**89,00**	93,10	84,50
Premium	**%**				**59,5%**	83,0%	94,2%

1) Inclusive of real estate intended for sale.
2) Accounting value according to the IAS/IFRS rules, exclusive of real estate intended for own use.
3) Value of the portfolio without deduction of the transaction costs.
4) The occupancy rate is calculated on the basis of sqm. When calculating this occupancy rate, neither the numerator nor the denominator was taken into account for the unleased sqm intended for redevelopment and the land bank.
5) * The operating margin is obtained by dividing the operating result before the result on the property portfolio by the property result. See section 3.
6) *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 3.
7) *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.com and section 2.
8) *EPRA earnings per share concerns the EPRA earnings on the basis of the weighted average number of shares. Cf. www.epra.com and section 2.
9) *Result on the portfolio: this concerns the negative and/or positive variations in the fair value of the property portfolio, plus any capital gains or losses from the sale of real estate. See section 3.
10) 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.
11) 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.
12) * EPRA Net Reinstatement Value: NRV assumes that entities never sell assets and aims to represent the value required to rebuild the entity. The aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, including real estate transfer taxes. Cf. www.epra.com and section 2.
13) * EPRA Net Tangible Assets assumes that entities buy and sell assets, thereby crystallizing certain levels of unavoidable deferred tax. This is the NAV adjusted to include properties and other investments at their fair value and exclude certain line items that are not expected to take shape in a business model with investment properties over the long term. Cf. www.epra.com and section 2.
14) * EPRA Net Disposal Value provides the reader with a scenario of the disposal of the company’s assets resulting in the settlement of deferred taxes and the liquidation of debt and financial instruments.
15) Debt ratio according to the Royal Decree of 13 July 2014 on regulated property companies. Cf. www.epra.com and section 2.
16) * EPRA NRV per share: EPRA NRV per share is calculated by dividing the EPRA NRV by the number of shares outstanding at period end. Cf. www.epra.com and section 2.
17) * EPRA NTA per share: EPRA NTA per share is calculated by dividing the EPRA NTA by the number of shares outstanding at period end. Cf. www.epra.com and section 2.
18) * EPRA NDV per share: EPRA NDV per share is calculated by dividing the EPRA NDV by the number of shares outstanding at period end. Cf. www.epra.com and section 2.
19) Share price at the end of the period.

	Definition	Purpose	31/03/2021	31/03/2020
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: 15.443 In € / aandeel: 0,96	In € x 1000: 12.489 In € / aandeel: 0,79
B) EPRA Net Reinstatement Value	The EPRA NAV set of metrics make adjustments to the NAV per the IFRS financial statements to provide stakeholders with the most relevant information on the fair value of the assets and liabilities of a real estate investment company, under different scenarios. The Net Reinstatement Value assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	The objective of the EPRA NRV measure is to highlight the value of net assets on a long-term basis. Assets and liabilities that are not expected to crystallize in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Since the aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes should be included.	In € x 1000: 1.003.683 In € / aandeel: 62,64	In € x 1000: 759.908 In € / aandeel: 48,15
C) EPRA Net Tangible Assets	The Net Tangible Assets assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	The underlying assumption behind the EPRA Net Tangible Assets calculation assumes entities buy and sell assets, thereby crystallizing certain levels of deferred tax liability.	In € x 1000: 931.460 In € / aandeel: 58,13	In € x 1000: 713.272 In € / aandeel: 45,19
D) EPRA Net Disposal Value	Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.	The EPRA NDV provides the reader with a scenario where deferred tax, financial instruments, and certain other adjustments are calculated as to the full extent of their liability, including tax exposure not reflected in the Balance Sheet, net of any resulting tax. This measure should not be viewed as a "liquidation NAV" because, in many cases, fair values do not represent liquidation values.	In € x 1000: 895.989 In € / aandeel: 55,92	In € x 1000: 689.510 In € / aandeel: 43,69
E) EPRA cost ratio (incl. vacancy charges)	Administrative and operational charges (including vacancy charges), divided by rental income.		13,5%	11,8%
F) EPRA cost ratio (excl. vacancy charges)	Administrative and operational charges (excluding vacancy charges), divided by rental income.		12,3%	11,0%
	Definition	**Purpose**	**31/03/2021**	**31/12/2020**
G) 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 %).	1,4%	1,4%
H) 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	5,3%	5,5%
I) 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.	5,3%	5,5%

The EPRA cost ratio is always higher every time in the first quarter on account of IFRIC 21.

1.2 Significant events and transaction in Q1 2021

1.2.1 Rental activity in Q1 2021

Occupancy rate of 99.4%

On 31 March 2021, the occupancy rate amounted to 99.4%, stable compared with the end of 2020. 29% of the 9% of the leases due to expire in 2021, have been renewed to date. The majority of the contracts come to maturity only in the fourth quarter of 2021.

The limited vacancy is located in Le Mesnil-Amelot (FR), previously let to Autoclick and UTC Aerospace.

Impact of COVID-19 on rental activity and customer payment behaviour

The COVID-19 crisis has had little impact on Montea's rental activities in the first 3 months of 2021.

The risk of non-payment is minimized thanks to its quality and diversified customer portfolio (in geographic as well as sector and site terms). The warehouses remain operational and have even increased their activity in certain cases. Montea is aware of the challenge some of its customers are up against. Requests from tenants to spread the rent owed over time are considered on a case-by-case basis in order to find a balanced solution. Montea has not granted any rent reductions or waivers.

The spread rental sums as a result of the agreements concluded amounted to ca. € 0.1 million at this time.
Montea collected 99% of the rent invoices payable in April and May (for monthly rentals) and the second quarter of 2021 (for quarterly rentals).

1.2.2 Development activity

1.2.2.1 Projects delivered in Q1 2021

The circular and climate-neutral business park Blue Gate in Antwerp (a distribution centre with a surface area of approx. 4,250 m² for a total investment amount of ca. € 10 million) was completed was completed in the course of the first quarter of 2021

- **Circular and climate-neutral Blue Gate industrial estate in Antwerp, Belgium [3]**
    - Start of development: Q4 2019
    - Delivery: 08/01/2021
    - Surface area: ca. 4,250 m² distribution centre (urban distribution with electric vehicles, cargo bikes)
    - 15-year fixed lease to DHL Express
    - Investment value: ca. € 10 million

1.2.2.2 Identified projects in progress in 2021

In addition, Montea has identified projects for a total investment budget of ca. € 171.5 million [4] that will contribute to the growth of the portfolio in 2021. These are mainly sites under Montea's control for which, given the unique location and the current rental market, the company expects to find a customer in the short term and thus to start the construction work

In the first quarter of 2021, the first phase (50% of the land purchased in 2020) of the development of a distribution centre in Waddinxveen in the Netherlands was started. This development has now been fully pre-let to HBM Machines B.V. for a fixed term of 10 years. Construction of the second phase will commence with a minimum of 50% pre-letting.

- **Logistics Park A12, Waddinxveen (NL)**
    - Surface area of the site: 120,000 m²
    - Acquisition of the plot of land: Q3 2020
    - Estimated investment budget for land + development: ca. € 80 million
    - **Development phase 1:**
        - Surface area: ca. 50,000 m²
        - Start of development: Q1 2021
        - Delivery: Q1 2022
        - Tenant: 10-year fixed term lease to HBM Machines B.V.[5]
    - **Development phase 2:**
        - Expected surface area of storage space: 50,000 m²
        - Start of development: after pre-letting (< Q4 2021)

[3] See press release of 19/12/2019 or go to www.montea.com for more information.
[4] Of which € 45.8 million was already invested on 31/03/2021
[5] See press release of 21/12/2020 or go to www.montea.com for more information.

In addition, Montea expects the acquisition, delivery or start of the following projects in 2021:

- **Distribution Centre, Brussels (BE)**
  - Concession agreement with the Port of Brussels: fixed 30-year term
  - Surface area: 35,000 m²
  - Purchase of distribution centre: Q2 2021
  - Surface area of distribution centre: 20,000 m²
  - 10-year fixed term lease to Van Moer Logistics
  - Investment value: ca. € 7 million

- **Cleantech recycle and distribution centre, Tiel (NL)[6]**
  - Purchase of leased area: Q3 2018
  - Surface area leased: 479,000 m² of which 31,800 m² will be released for the construction of a distribution centre; the remaining part will remain leased to Recycling Kombinatie REKO B.V. (for the storage and processing of residual waste) and Struyk Verwo Infra B.V.
  - Surface area of distribution centre: 9,700 m²
  - Start of development: Q2 2021
  - Delivery: Q1 2022
  - Let for 20 years to Re-Match
  - Investment value: ca. € 12 million

- **Schiphol Airport - parking site 2 (NL)**
  - Purchase of plot: Q4 2020
  - Start of construction: Q4 2020
  - Delivery of parking site / start of lease: Q2 2021
  - Surface area of plot: 4,400 m² (60 parking places)
  - 10-year fixed term lease to Amazon Logistics
  - Investment value: ca. € 2 million

- **Extension + parking facility, De Hulst, Willebroek (BE)**
  - Start of construction: Q2 2021
  - Start of lease: Q4 2021
  - Surface area of parking facility: 7,250 m² (75 parking places for cars and 76 for trucks)
  - Surface area of cross dock: ca. 2,000 m²
  - Let for 15.5 years to Dachser Belgium N.V.
  - Investment value: ca. € 2.5 million

- **Lumineus, Lummen (BE)**
  - Purchase of plot of land (55,000 m²) in 2019
  - Start of development: after preletting (< 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)**
  - Purchase of land (37,500 m²) in 2019
  - Start of development: after remediation and pre-letting (< Q4 2021)
  - Expected surface area of distribution centre: ca. 24,500 m²
  - Estimated investment budget for land + development: ca. € 19 million

[6] See press release of 26/04/2021 or go to www.montea.com for more information.

- **Renovation projects at existing sites (BE)**[7]
    - Start of renovation: upon end of lease (< Q4 2021)
    - Estimated investment budget: ca. € 15 million

- **St-Priest Industrial Estate (FR)**
    - Purchase of plot of land (70,000 m²) in 2022
    - Estimated investment budget: ca. € 7 million

1.2.2.3 Developments in the PV portfolio

The investments in PV installations as at the end of March 2021 bring the total capacity of solar panels to 38 MWp by the end of that year, good for the generation of 35,500 MWh, comparable to the energy consumption of more than 10,000 families or an equivalent CO_2 reduction of 565 hectares of forest. Montea has proceeded to PV installations on the roofs of its Belgian and Dutch portfolio for the time being. In 2021, the first PV installations will be installed on the roofs of the French portfolio.

Expected project completions in 2021

Montea has actually equipped ca. 81% of all the roofs of its warehouses in Belgium with PV installations. The ambition is to increase this percentage to 95%, the maximum technical capacity of the current portfolio. An investment budget of approximately € 2.7 million is earmarked to that end.

38% of the portfolio of warehouses in the Netherlands has already been fitted with solar panels. That percentage will be increased to 60% in 2021. An investment budget of approximately € 9.1 million is earmarked to that end.

In addition to Belgium and the Netherlands, PV installations are also planned in France as of 2021. An investment budget of ca. € 4 million has been earmarked to that end.

After this operation, the total generation by Montea's PV installations will correspond to the annual consumption of 16,300 families and an equivalent of 950 hectares of forest will be saved in terms of CO_2.

1.2.3 Divestment activity

No divestments took place in Q1 2021.

[7] As part of its sustainability strategy, Montea decided to review the previously planned redevelopments in Aalst and Vorst. In Aalst, Montea decided to reinstate the building as it structurally meets today's requirements. A first phase has already been carried out by renovating the roof and adapting the insulation so that it complies with contemporary standards. The strategy was also changed in Vorst, where initially the two buildings let to Unilever were to be redeveloped. Montea decided to upgrade the current building, where until recently Lipton tea was produced, to a future-proof location, while the second building will be demolished to make way for a new state-of-the-art warehouse.

1.2.4 Montea has launched its first ESG report:[8] our sustainability strategy

Montea was proud to present its first ESG report[9] the prime objective of which is to continue to bring its expertise in logistics real estate to bear so as to achieve sustainable long-term solutions with added value for clients, shareholders, employees and other stakeholders. Sustainable entrepreneurship has always been in the Montea DNA. The track record of the past few years is the purest evidence of our pursuit of sustainable value growth rather than short-term profit. Montea has now taken essential steps to turn the Montea DNA into a clear vision and sustainability strategy for the medium (2030) and long (2050) term.

Montea conducted a baseline measurement in order to concrete actions and objectives. A Group Energy & Sustainability Manager was appointed to steer all concrete actions in the right direction and help Montea achieve all ambitious objectives. Montea aspires to make its own operations carbon neutral by the end of the year by reducing CO_2 emissions (e.g., stimulating the use of public transport and electric cars), improve energy efficiency (e.g., energy monitoring) and use renewable energy sources (e.g., solar panels and heat pump applications). In addition, numerous objectives were defined within the Environmental, Social and Governance section: a detailed description of the vision, strategic focus, objectives and achievements is provided in the ESG report (https://montea.com/investor-relations/).

1.2.5 Green Finance Framework[10]

To lend force to its sustainability ambitions, Montea has set up a Green Finance Framework to give a boost to its sustainability ambitions. With this framework, Montea intends to issue green financing instruments. These financing instruments include issuing bond loans and credit agreements with banks in order to (re)finance sustainable projects with a clear benefit to the environment and society. Sustainalytics, a Second Party Opinion Provider, confirmed that this financing programme is in line with the Green Bond Principles and Green Loan Principles. The Framework covers the following issues:

- Use of proceeds
- Process for project evaluation and selection
- Management of the proceeds
- Reporting
- External reviews

The Green Finance Framework is posted on https://montea.com/investor-relations/

1.2.6 US Private Placement: issue of € 235 million in Green Bonds[11]

An important step was taken in the Green Finance Framework in early 2021: Montea successfully completed its first US Private Placement by issuing € 235 million in Green Bonds. The bonds are divided into four tranches:

- € 50 million – 10-year term (maturity date: 27/04/2031) - coupon 1.28%
- € 30 million – 10-year term (maturity date: 23/06/2031) - coupon 1.28%
- € 85 million – 12-year term (maturity date: 04/01/2034) - coupon 1.42%
- € 70 million – 15-year term (maturity date: 23/06/2036) - coupon 1.44%

[8] See press release of 16/04/2021 or go to www.montea.com for more information.
[9] See press release of 16/04/2021 or go to www.montea.com for more information.
[10] Go to www.montea.com for more information.
[11] See press release of 14/04/2021 or go to www.montea.com for more information.

The bonds were placed through an US private placement with six internationally renowned investors. The issue was extremely well received: the target amount was exceeded several times over, thereby confirming the market's confidence in Montea's solid credit profile. The finance structure is strengthened by the diversification and unique maturities: the average maturity of the debts was extended considerably at an average coupon well below the current cost of debt.

The bonds were issued through the new Green Finance Framework. The proceeds will be used exclusively to (re)finance qualifying sustainable assets such as certified buildings, renewable energy, energy-efficiency programmes, etc., in accordance with the criteria set out in the Framework.

1.3 Summary of the condensed consolidated financial statements as at 31 March 2021

1.3.1 Consolidated (analytical) income statement as at 31 March 2021

ABBREVIATED CONSOLIDATED PROFIT & LOSS ACCOUNT (K EUR) Analytical	31/03/2021 3 months	31/03/2020 3 months
CONSOLIDATED RESULTS		
NET RENTAL RESULT	**19.074**	**16.949**
PROPERTY RESULT	**21.988**	**17.663**
% compared to net rental result	**115,3%**	**104,2%**
TOTAL PROPERTY CHARGES	**-752**	**-594**
OPERATING PROPERTY RESULT	**21.236**	**17.069**
General corporate expenses	-1.853	-1.644
Other operating income and expenses	131	-15
OPERATING RESULT BEFORE THE PORTFOLIO RESULT	**19.515**	**15.409**
% compared to net rental result	**102,3%**	**90,9%**
FINANCIAL RESULT excl. Variations in fair value of the hedging instruments	**-2.813**	**-2.702**
EPRA RESULT FOR TAXES	**16.702**	**12.708**
Taxes	**-1.259**	-219
EPRA Earnings	**15.443**	**12.489**
per share	**0,96**	**0,79**
Result on disposals of investment properties	0	0
Result on disposals of other non-financial assets	0	0
Changes in fair value of investment properties	69.584	-1.803
Deferred taxes on the result on the portfolio	-12.332	0
Other portfolio result	0	0
PORTFOLIO RESULT	**57.252**	**-1.803**
Changes in fair value of financial assets and liabilities	5.359	-4.110
RESULT IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	**5.359**	**-4.110**
NET RESULT	**78.054**	**6.576**
per share	**4,87**	**0,42**

1.3.2 Notes on the condensed (analytical) financial income statement

- Summary

The EPRA earnings increased by 24% from € 12.5 million in Q1 2020 to € 15.4 million in Q1 2021. The EPRA earnings per share amounted to € 0.96 for the first three months of 2021, an increase of 22% compared with the first quarter of 2020.

The increase in the EPRA earnings is due mainly to the strong growth of the property portfolio in 2020 and 2021, whereby the operational and financial costs are closely monitored and managed as such. In addition, Montea received a one-off payment in the first quarter of 2021 as a result of an agreement whereby Montea waived its right of first refusal on a possible sale of a plot of land with buildings in Tilburg.

- The Operating result for the earnings on the property portfolio amounted to € 19.5 million in the first quarter of 2021, an increase of 27% compared with the same period in the previous year (€ 15.4 million).

  - The net rental result amounted to € 19.1 million in the first quarter of 2021, up by 13% (or € 2.1 million) compared with the same period in 2020 (€ 17.0 million). This increase is due mainly to the recent acquisitions of new properties, leased land and completed projects, which generate additional rental income. With an unchanged portfolio (and therefore excluding new acquisitions, sales and project developments between both comparative periods 2021 and 2020), the level of rental income rose by 0.8%, driven mainly by the indexing of leases.
  - The property earnings amounted to € 22.0 million and were up by € 4.3 million (or 24%) compared with the same period last year due to the increase in net rental income, an increase in solar panel income and a one-off payment (described above) received.
  - The property costs and general overheads rose slightly in the first 3 months of 2021 compared with the same period in 2020 (€ 0.2 million). Despite this slight increase, the operating result before the result on the portfolio was up by € 4.1 million or 27% compared with the same period last year (from € 15.4 million in Q1 2020 to € 19.5 million in Q1 2021).
  - The operating margin[12]* amounted to 88.8% for the first 3 months of 2021, compared with 87.2% for the same period last year, due mainly to a rise in the property result. The operating margin was still somewhat lower in the first quarter compared with other quarters, owing to the application of IFRIC 21 and the seasonal nature of the solar panels.

- The financial result excluding changes in the fair value of financial instruments amounted to -€ 2.8 million, compared with -€ 2.7 million in the same period last year.

[12] *The operating margin is obtained by dividing the operating result before the result on the property portfolio by the property result.

- Taxes

Despite the fact that Montea does not yet have the approval of the Dutch tax administration regarding the FBI status 'Fiscale Beleggingsinstelling' [tax investment institutions], it conducted its accounts up to and including 2020 as if it had already obtained the FBI status. The basis of this can be found in the 'level playing field' principle with other sufficiently comparable Belgian REITs with existing agreements regarding the FBI status.

Based on new facts (withdrawal of the tax ruling as of 1 January 2021 in the case of sufficiently similar Belgian REITs, by way of precaution Montea has taken into account in the income statement that the FBI status might be refused for the period as of 1 January 2021. A provision of € 0.9 million accordingly was maintained in the income statement of the first quarter of 2021, i.e. the difference between the taxation transparent status of the FBI and the regular taxed sphere. Supported by European law, however, Montea's efforts remain focused on being able to apply the FBI status in the Netherlands as of 2021. The 2021 tax return will therefore be filed as FBI since Montea continues to believe that it fulfils all the conditions to be able to claim said status.

- EPRA earnings

The EPRA earnings for the first 3 months of 2021 amounted to € 15.4 million, up 24% from the same period last year. The EPRA earnings per share amounted to € 0.96 for Q1 2021, up 22% from the same period last year.

- Result on property portfolio[13]

The result on the property portfolio for the first 3 months of 2021 amounts to € 57.3 million (compared to the same period last year when it was - € 1.8 million). The increase can mainly be explained by an increase in fair value of the existing property portfolio, linked to the market evolution, including latent capital gains on completed projects (€ 69.6 million). The increase is partly compensated (- € 12.3 million) by a provision for deferred taxes on the Dutch portfolio result of Q1 2021, which was processed as a matter of prudence (not obtained FBI status, see section 'Taxes').

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

- Change in the fair value of financial instruments

The positive change in the fair value of financial instruments amounts to € 5.4 million or € 0.33 per share at the end of Q1 2021 (compared with a negative change of - € 4.1 million in the same period in 2020). The positive impact arises from the change of the fair value of the closed interest rate hedges at the end of March 2021 due to the slightly increased long-term interest rates in 2021.

The changes in the fair value of financial instruments are not a cash item and have no impact on the EPRA earnings.

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[13] *Result on the property portfolio: this concerns the negative and/or positive variations in the fair value of the property portfolio + any loss or gain resulting from the realisation of property.

- Net result (IFRS)

The net result consists of the EPRA earnings, the result on the portfolio, the changes in the fair value of financial instruments partly offset by a provision for deferred tax on the Dutch portfolio result that was processed on the basis of a principle of caution (obtained FBI status not obtained, see section on 'Taxes').

The net result in the first quarter of 2021 (€ 78.1 million) was up by € 71.5 million compared to the same period last year, mainly due to the result on the property portfolio booked in 2021 compared to 2020. The net result (IFRS) per share [14] amounts to € 4.87 (€ 0.42 at the end of Q1 2020).

[14] Calculated on the basis of the weighted average number of shares

1.3.3 Condensed consolidated balance sheet for Q1 2021

		CONSOLIDATED BALANCE SHEET (EUR)	31/03/2021 Conso	31/12/2020 Conso	31/03/2020 Conso
I.		NON-CURRENT ASSETS	1.446.240.463	1.360.538.550	1.171.195.886
II.		CURRENT ASSETS	51.104.691	38.382.025	35.559.759
		TOTAL ASSETS	1.497.345.153	1.398.920.575	1.206.755.645
		SHAREHOLDERS' EQUITY	894.122.714	815.310.611	686.631.866
I.		Shareholders' equity attributable to shareholders of the parent company	894.122.714	815.310.611	686.631.866
II.		Minority interests	0	0	0
		LIABILITIES	603.222.439	583.609.964	520.123.780
I.		Non-current liabilities	475.662.521	477.806.518	416.730.708
II.		Current liabilities	127.559.918	105.803.445	103.393.072
		TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1.497.345.153	1.398.920.575	1.206.755.645

1.3.4 Notes to the consolidated balance sheet for Q1 2021

- The total assets as at 31/03/2021 (€ 1,497.3 million) consist mainly of investment properties (92% of the total), solar panels (2% of the total), and projects under development (3% of the total). The remaining assets (3% of the total) consist of other tangible and financial fixed assets, including assets for own use and current assets containing cash deposits, trade and tax receivables.

  The fair value of Montea's total property portfolio (including the buildings held for sale) amounts to € 1,450.5 million as at 31 March 2021[15]. The total real estate portfolio consists of the valuation of the real estate portfolio buildings including the buildings held for sale (€ 1,370.2 million), the fair value of the ongoing developments (€ 47.7 million) and the fair value of the solar panels (€ 32.7 million).

[15] As determined by the independent real estate expert JLL.

	Totaal 31/03/2021	België	Frankrijk	Nederland	Totaal 31/12/2020	Totaal 31/03/2020
Vastgoedportefeuille - Gebouwen (0)						
Aantal sites	75	34	18	23	74	69
Oppervlakte opslag (m²)	1.183.399	648.831	202.702	331.865	1.162.118	1.072.350
Oppervlakte kantoren (m²)	115.036	66.664	17.774	30.598	114.096	102.511
Oppervlakte terreinen - verhuurd (m²) (1)	186.858	6.512	0	180.345	186.858	163.010
Totale oppervlakte (m²) - vastgoedportefeuille	**1.485.292**	**722.007**	**220.476**	**542.809**	**1.463.071**	**1.337.872**
Vastgoedportefeuille - Grondreserve						
Ontwikkelingspotentieel (m²) - verhuurd	872.778	32.562	0	840.216	872.778	753.542
Ontwikkelingspotentieel (m²) - in portefeuille	404.331	132.007	112.204	160.120	404.331	368.743
Ontwikkelingspotentieel (m²) - in due diligence	70.000	0	70.000	0	70.000	70.000
Ontwikkelingspotentieel (m²) - in optie	79.137	79.137	0	0	79.137	224.137
Totale oppervlakte (m²) - ontwikkelingspotentieel	**1.426.246**	**243.706**	**182.204**	**1.000.336**	**1.426.246**	**1.416.422**
Reële waarde (K EUR)	1.370.186	639.864	202.059	528.264	1.280.108	1.082.394
Investeringswaarde (K EUR)	1.447.807	655.968	216.288	575.551	1.351.828	1.134.920
Contractuele jaarlijkse huurinkomsten (K EUR)	74.088	35.794	10.683	27.612	72.867	67.767
Bruto rendement (%)	5,41%	5,59%	5,29%	5,23%	5,69%	6,26%
Bruto rendement als 100% verhuurd (%)	5,48%	5,62%	5,70%	5,23%	5,75%	6,34%
Niet verhuurde delen (m²)	8.149	1.958	6.191	0	8.149	9.464
Huurwaarde van niet verhuurde delen (K EUR) (2)	1.015	176	839	0	734	859
Bezettingsgraad	99,4%	99,7%	97,1%	100,0%	99,4%	99,3%
Vastgoedportefeuille - Zonnepanelen (3)						
Reële waarde (K EUR)	32.686	24.865	0	7.821	29.755	12.269
Vastgoedportefeuille - Ontwikkelingen						
Reële waarde (K EUR)	47.658	10.018	2.523	35.117	54.590	74.407

(0) inclusive of buildings held for sale
(1) Surface area of leased land is entered for 20% of the total area, since the rental value of a land is ca. 20% of the rental value of a logistic building.
(2) Exclusive of the estimated rental value of projects under construction and/or renovation.
(3) The fair value of the investment in solar panels is entered in section "D" of the fixed assets in the balance sheet.

- The total surface area of the real estate portfolio is 1,485,292 m², spread over 75 sites: 34 in Belgium, 18 in France and 23 in the Netherlands.

- Montea also has a total land bank of 1,426,246 m² of development potential, of which 872,778 m² of rented land in portfolio, 404,331 m² of unrented land in portfolio, 70,000 m² of land in the research phase and 79,137 m² in option. This land bank is expected to result in ca. 50% lettable area on average (> 700,000 m²).

- The gross yield on all the investment properties amounts to 5.5% based on a fully let portfolio, compared with 5.8% on 31/12/2020. When the current vacancy rate is taken into account, the gross yield is 5.4%.

- The contractual annual rental income (excluding rental guarantees) amounts to € 74.1 million, up 9% from 31/03/2020, mainly due to the growth of the property portfolio.

- The occupancy rate amounts to 99.4% as at 31/03/2021 and has remained stable compared to the end of December 2020. The limited vacancy is located in Le Mesnil-Amelot (FR) previously let to Autoclick and UTC Aerospace.

- The fair value of the ongoing developments amounts to € 47.7 million and consists of

  - the site located in Lummen (BE)
  - the extension potential in Bornem (BE)
  - the site in Senlis (FR)
  - the parking project at Schiphol Airport (NL)
  - the remediated site at Etten-Leur (NL)
  - the site in Waddinxveen (NL)
  - solar panels under construction (BE + NL)

- The fair value of the solar panels of € 32.7 million concerns 33 solar panel projects spread over Belgium and the Netherlands.

- The total liabilities (€ 1,497.3 million) consist of shareholders' equity of € 894.1 million and total debt of € 603.2 million.

  - The shareholders' equity (IFRS) amounts to € 894.1 million as at 31 March 2021 compared to € 686.6 million at the end of March 2020

  - The total liabilities (€ 603.2 million) consist of:

    - € 391.6 million in drawn credit lines from 8 financial institutions. Montea has € 486.7 million in contracted credit lines on 31 March 2021 and an undrawn capacity of € 95.1 million;
    - € 79.8 million in bond loans that Montea concluded in 2014 and 2015;
    - a current lease liability of € 44.8 million, mainly formed by the recognition of a lease liability for the concession land (entry into force of IFRS 16) and for the financing of the solar panels on the Aalst site;
    - the negative value of current hedging instruments amounting to € 25.7 million;
    - € 12.3 million in deferred taxes; and
    - other debts and accruals [16] amounting to € 49.0 million.

The weighted average maturity of the financial debts (credit lines, bond loans and leasing liabilities) amounts to 6.2 years today, an increase of more than 2 years as due to the contracted US private placement in Q2 2021.

The weighted average maturity of the interest rate hedges is 6.4 years as at the end of March 2021. The hedge ratio, which measures the percentage of financial liabilities with fixed or floating interest rates subsequently hedged via an Interest Rate Swap or Cap, is 89% as at the end of March 2021.

The Interest Coverage Ratio was 7.0 in the first quarter of 2021 compared with 5.6 for the same period last year.

The average financing cost[17]* of the debt amounts to 2.1% in the first 3 months of 2021, and has remained stable compared with the same period last year.

16 Accruals and deferred income comprise in large measure rent already invoiced in advance for the following quarter.

17 *This financial cost is an average over a full year and is based on the total financial result compared to the average of the opening balance and closing balance of financial liabilities without taking into account the valuation of the hedging instruments and interest costs for lease obligations booked in accordance with IFRS 16

- Montea's debt ratio[18] stands at 36.3% at the end of Q1 2021 (compared with 38.0% at the end of 2020).

  Montea complies with all covenants on the debt ratio that it has concluded with its financial institutions, under the terms of which Montea's debt ratio may not exceed 60%.

[18] Calculated according to the Royal Decree of 13 July 2014 concerning REITs.

1.4 Significant events after the balance sheet date

Montea invests in multimodal urban logistics in Brussels[19]

Montea and the Port of Brussels signed a land concession agreement for a fixed term of 30 years (extendable by periods of 10 years) for a site of ca. 35,000 m² on the Vilvoordselaan, immediately adjacent to the Trimodal Terminal Brussels (TTB). This means that in addition to the access road to the centre of Brussels, the site exceptional multimodal possibilities for rail and canal traffic.

Montea and DSV have signed a purchase agreement for a distribution centre of ca. 20,000 m² on the above-mentioned concession land in the Port of Brussels. This transaction has an investment value of € 7 million and was overseen by JLL. Montea will also take further steps on the sustainable value growth front to make the site sustainable by installing charging stations, LED lighting, solar panels, etc.

The former DSV site will be leased to Van Moer Logistics (www.vanmoer.com) for a fixed period of ten years as of Q2 2021. Van Moer Logistics was urgently looking for additional capacity for its waterbound goods flows towards Brussels. The acquisition of the TTB by Van Moer Logistics some time ago was also part of this plan. Van Moer Logistics will also reactivate the adjacent tracks and thus make the hub fully trimodal.

Montea develops cleantech recycle facility for Re-Match in Tiel[20]

In September 2018, Montea acquired a site with a total area of 47.9 ha in Tiel, where it will start building a 9,700 m² recycling and distribution centre for Re-Match. Once this development for Re-match is completed, there will still be 45 ha of land available for development on the site, which will be leased to Recycling Kombinatie REKO B.V. (for the storage and processing of residual waste) and Struyk Verwo Infra B.V. Easily accessible from the A15 motorway, the site is situated on the Amsterdam-Rhine & De Waal Canal and has its own quay facilities.

Sustainable techniques are at the core of this project: the building will be full-electric, rainwater will be reused and the roof will be equipped with solar panels. The site will be commissioned by Re-Match in Q4 2021, and the new building is expected to be delivered in the first quarter of 2022. Re-Match Nederland B.V. signed a lease agreement for a fixed period of 20 years.

Re-Match is the first and only company to recycle the entire artificial turf system and boasts EU Environmental Technology Verification (ETV) accreditation. They offer sports facilities and stadiums an opportunity to get rid of their worn out artificial turf in a safe and environmentally friendly way. The new recycling centre will create 35 full-time jobs and will have the capacity to recycle more than 2 million square metres of artificial turf per year (280 full-size pitches) from the Netherlands and Belgium.

[19] See press release of 12/04/2021 or go to www.montea.com for more information
[20] See press release of 26/04/2021 or go to www.montea.com for more information

Phase 1 (50,000 m² logistics real estate on Logistics Park A12 in Waddinxveen is 100% let

At the end of 2020 Montea announced the development of 50,000 m² of logistics real estate on Logistics Park A12 in Waddinxveen. HBM Machines B.V. was the first tenant to sign a 10-year fixed lease for 36,000 m² in this development. In May 2021 HBM Machines N.V. signed an additional lease agreement for the remaining 14,000 m² in this development, also for a fixed period of 10 years.

1.5 Transactions between affiliated parties

There were no transactions between affiliated parties in the first quarter of 2021, with the exception of those carried out under market conditions and as customary when carrying out Montea's activities.

2 EPRA Performance measures

EPRA earnings – EPRA earnings per share

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

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

Calculation:

(in EUR X 1 000)	31/03/2021	31/03/2020
Net result (IFRS)	**78.054**	**6.576**
Changes for calculation of the EPRA earnings		
To exclude:		
Variations in fair value of the investment properties and properties for sale	-69.584	1.803
Result on sale of investment properties	-	-
Variations in fair value of the financial assets and liabilities	-5.359	4.110
Deferred taxes related to EPRA changes	12.332	-
EPRA earnings	**15.443**	**12.489**
Weighted average number of shares	16.023.694	15.782.594
EPRA earnings per share (€/share)	**0,96**	**0,79**

EPRA NAVs – EPRA NAVs per share

In October 2019, the EPRA published its new Best Practice Recommendations which set out the financial indicators listed real estate companies should disclose so as to provide more transparency across the European listed sector. The EPRA NAV and EPRA NNNAV were consequently replaced by three new Net Asset Value indicators: Net Reinstatement Value (NRV), Net Tangible Assets (NTA) and Net Disposal Value (NDV).
The EPRA NAV indicators are obtained by adjusting the IFRS NAV in such a way that stakeholders get the most relevant information about the fair value of assets and liabilities. The three different EPRA NAV indicators are calculated on the basis of the following scenarios:

Net Reinstatement Value: based on the assumption that entities never sell assets and aims to reflect the value needed to build the entity anew. The purpose of this indicator is to reflect what would be required to reconstitute the company through the investment markets based on the current capital and financing structure, including Real Estate Transfer Taxes.
EPRA NRV per share refers to the EPRA NRV based on the number of shares in circulation as at the balance sheet date. See www.epra.com.

(in EUR X 1 000)	31/03/2021	31/03/2020
IFRS Equity attributable to shareholders	**894.123**	**686.632**
NAV per share (€/share)	**55,80**	**43,51**
I) Hybrid instruments		
Diluted NAV at fair value	**894.123**	**686.632**
Exclude:		
V. Deferred tax in relation to fair value gains of investment property	12.332	-
VI. Fair value of financial instruments	25.642	27.034
Include:		
XI. Real estate transfer tax	71.586	46.242
NRV	**1.003.683**	**759.908**
Fully diluted number of shares	16.023.694	15.782.594
NRV per share (€/share)	**62,64**	**48,15**

Net Tangible Assets: assumes that entities buy and sell assets, thereby realising certain levels of deferred taxation. This pertains to the NAV adjusted to include property and other investments at fair value and to exclude certain items that are not expected to be firmly established in a business model with long-term investment properties.
EPRA NTA per share refers to the EPRA NTA based on the number of shares in circulation as at the balance sheet date. See www.epra.com.

(in EUR X 1 000)	31/03/2021	31/03/2020
IFRS Equity attributable to shareholders	**894.123**	**686.632**
NAV per share (€/share)	**55,80**	**43,51**
I) Hybrid instruments		
Diluted NAV at fair value	**894.123**	**686.632**
Exclude:		
V. Deferred tax in relation to fair value gains of investment property	12.332	-
VI. Fair value of financial instruments	25.642	27.034
VIII.b) Intangibles as per the IFRS balance sheet	-637	-394
NTA	**931.460**	**713.272**
Fully diluted number of shares	16.023.694	15.782.594
NTA per share (€/share)	**58,13**	**45,19**

Net Disposal Value: provides the reader with a scenario of the sale of the company's assets leading to the realization of deferred taxes, financial instruments and certain other adjustments. This NAV should not be considered a liquidation NAV as in many cases the fair value is not equal to the liquidation value.
The EPRA NDV per share refers to the EPRA NDV based on the number of shares in circulation as at the balance sheet date. See www.epra.com.

(in EUR X 1 000)	31/03/2021	31/03/2020
IFRS Equity attributable to shareholders	**894.123**	**686.632**
NAV per share (€/share)	**55,80**	**43,51**
I) Hybrid instruments		
Diluted NAV at fair value	**894.123**	**686.632**
Include:		
IX. Fair value of fixed interest rate debt	1.867	2.878
NDV	**895.989**	**689.510**
Fully diluted number of shares	16.023.694	15.782.594
NDV per share (€/share)	**55,92**	**43,69**

EPRA rental vacancy rate

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

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

Calculation:

(in EUR X 1 000)	**(A)** **Estimated rental value (ERV) for vacancy** 31/03/2021	**(B)** **Estimated rental value portfolio (ERV)** 31/03/2021	**(A/B)** **ERPA Vacancy rate** *(in %)* 31/03/2021	**(A)** **Estimated rental value (ERV) for vacancy** 31/12/2020	**(B)** **Estimated rental value portfolio (ERV)** 31/12/2020	**(A/B)** **ERPA Vacancy rate** *(in %)* 31/12/2020
Belgium	176	34.259	0,5%	177	33.760	0,5%
France	839	11.519	7,3%	826	11.494	7,2%
The Netherlands	-	26.376	0,0%	-	26.132	0,0%
Total	**1.015**	**72.155**	**1,4%**	**1.003**	**71.386**	**1,4%**

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)*		31/03/2021	31/12/2020
Investment property – wholly owned		1.385.405	1.301.836
Investment property – share of JVs/Funds		0	0
Assets for sale		0	0
Minus developments		-47.658	-54.590
Completed property portfolio		**1.337.747**	**1.247.246**
Allowance for estimated purchasers' costs		75.993	70.154
Gross up completed property portfolio valuation	**B**	**1.413.740**	**1.317.400**
Annualised cash passing rental income		78.810	76.049
Property outgoings (incl. ground rents)		-3.692	-3.718
Annualised net rents	**A**	**75.118**	**72.331**
EPRA NIY	**A/B**	**5,3%**	**5,5%**
EPRA "topped-up" NIY	**C/B**	**5,3%**	**5,5%**

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 Ratio (in EUR x 1000)		**31/03/2021**	**31/03/2020**
(i) Administrative/operating expense line per IFRS income statement		**2.761**	**2.163**
(iii) Management fees less actual/estimated profit element		-99	-91
EPRA Costs (including direct vacancy costs)	**A**	**2.662**	**2.072**
(ix) Direct vacancy costs		-244	-149
EPRA Costs (excluding direct vacancy costs)	**B**	**2.418**	**1.923**
(x) Gross Rental Income less ground rents – per IFRS		19.711	17.497
Gross Rental Income	**C**	**19.711**	**17.497**
EPRA Cost Ratio (including direct vacancy costs)	**A/C**	**13,5%**	**11,8%**
EPRA Cost Ratio (excluding direct vacancy costs)	**B/C**	**12,3%**	**11,0%**

3 Detail on the calculation of APMs used by Montea [21]

Result on the portfolio

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

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

Calculation:

RESULT ON PORTFOLIO *(in EUR X 1 000)*	**31/03/2021**	**31/03/2020**
Result on sale of property investments	-	-
Variations in the fair value of property investments	69.584	-1.803
Deferred taxes on the result on the portfolio	-12.332	-
RESULT ON PORTFOLIO	**57.252**	**-1.803**

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

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

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

Calculation:

FINANCIAL RESULT excl. variations in fair value of financial instruments *(in EUR X 1 000)*	**31/03/2021**	**31/03/2020**
Financial result	2.547	-6.812
To exclude:		
Variations in fair value of financial assets & liabilities	-5.359	4.110
FINANCIAL RESULT excl. variation in fair value of financial instruments	**-2.813**	**-2.702**

[21] Exclusive of EPRA indicators, some which are considered as an APM and are calculated under Chapter 2: EPRA Performance measures.

Definition: This is the operating result before the result of the real estate portfolio, divided by the property result.

Purpose: This APM measures the operational profitability of the company as a percentage of the property result.

Calculation:

OPERATING MARGIN *(in EUR X 1 000)*	31/03/2021	31/03/2020
Property result	21.988	17.663
Operating result (before the result on the portfolio)	19.515	15.409
OPERATING MARGIN	**88,8%**	**87,2%**

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)	31/03/2021	31/03/2020
Financial result	2.547	-6.812
To exclude:		
Other financial income and charges	16	-75
Variations in fair value of financial assets and liabilities	-5.359	4.110
Interest charges related to leasing liabilities (IFRS 16)	512	529
Activated interest charges	-514	-219
TOTAL FINANCIAL CHARGES (A)	-2.799	-2.467
AVERAGE FINANCIAL DEBTS (B)	532.703	472.561
AVERAGE COST OF DEBT (A/B) (*)	**2,1%**	**2,1%**

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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 (en EUR X 1 000)	31/03/2021	31/03/2020
Operational result, before result on portfolio	19.515	15.409
Financial income (+)	5	90
TOTAL (A)	**19.519**	**15.499**
Net financial charges (-)	2.797	2.776
TOTAL (B)	**2.797**	**2.776**
INTEREST COVERAGE RATIO (A/B)	**6,98**	**5,58**

4 Update on COVID-19 and outlook

4.1 COVID-19

In 2021, Montea will continue to guarantee the various measures taken to ensure the continuity of its activities in the various countries in which it operates, putting the health and well-being of all its stakeholders first. Teleworking is the norm for all tasks that do not require physical presence. Montea has a digital environment and modern communication tools, so this measure does not present any particular difficulties. The continuity of service to the tenants is guaranteed by the operational teams that are in close contact with the tenants.

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 spread rents resulting from the agreements concluded represent an amount of ca. € 0.1 million at the end of the first quarter in 2021.
Montea has received payment for 99% of the rental invoices due for April and May (for the monthly rents) and the second quarter (for the quarterly rents) 2021.

Montea has also continued to work on bolstering its financial structure, including a debt ratio of 36.3% and an Interest Coverage Ratio of 7.0x. In contracting the US private placement in April 2021, Montea has secured its financing needs until mid-2022, a comfortable position in these uncertain times. Montea has an undrawn capacity in credit lines of € 95.1 million and a drawdown volume in bonds of € 235.0 million as at the end of March 2021.
Montea is always considering all possible forms of financing. Access to the debt market was not restricted for Montea as a result of COVID-19 thanks to its track record, its low debt ratio and the property class (logistics) in which it operates.

Logistics is the property class that is not expected to be affected by the crisis, or perhaps even positively:

- 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

4.2 Specific outlook for Montea

Various trends in the logistics sector have been accelerated by the coronavirus pandemic. For instance, e-commerce has grown even faster and the importance of certain market trends such as omnichannel, nearshoring, sustainable e-commerce, use of data analytics and robotisation is constantly increasing. Thanks to the increasing importance of these trends, the in-house expertise (track record as a developing end investor), the well filled development pipeline and the numerous land positions, Montea is reaffirming the further growth of its property portfolio (also due to the recent revaluations of the existing portfolio) by € 450 million compared with 2019, which will result in a property portfolio of € 1,600 million by the end of 2021 (previously € 1,450 million).

The establishment of various partnerships, including the cooperation with Germany's IMPEC Group, will enable Montea to continue its solid growth story in the coming years.

This growth will be achieved in particular through

- A combination of acquiring land positions with a view to developing pre-let build-to-suit projects;
- Sale-and-lease back transactions;
- Investments within the expanded REIT legislation;
- Investments in renewable sources.

ased on current knowledge and assessment of the coronavirus crisis, leaving aside severe negative consequences of a possible new wave or lockdown, Montea expects in 2021:

- ✓ the EPRA earnings per share to grow to € 3.68
  (+ 5% compared with 2020)
- ✓ the dividend per share to grow to € 2.96
  (+ 5% compared with 2020)

In 2021 Montea will continue its strategy of subjecting its portfolio to continuous arbitrage. This strategy results in exceptional property-related performance indicators such as the occupancy rate (99.4% on 31/03/2021), average duration of leases until first termination option (7.5 years on 31/03/2021), and average age of buildings (8.2 years on 31/03/2021). Thanks to its focus on the type of clients and their activity (sectors such as healthcare, recycling, etc.) as well as on strategic locations with high added value (such as airports, waterfront locations, etc.), Montea has succeeded in expanding its real estate portfolio in optimal fashion.

Montea therefore expects to maintain an occupancy rate at least above 97%.

Montea aspires to make its own operations carbon neutral by the end of the year by reducing CO_2 emissions (by stimulating the use of public transport and electric cars, for instance), improve energy efficiency (e.g., energy monitoring) and use renewable energy sources (e.g., solar panels and heat pump applications). A cooperation arrangement with CO2logic has been set up to guide and certify the process. Montea is joining the Science Based Targets initiative to underscore its ambition and commitment in the fight against climate change.

Montea has achieved its objective of developing and implementing a Green Finance Framework by 2021. The company has drawn up this Green Finance Framework to issue green finance instruments, which can include bonds, loans, private placements and all other green finance instruments, so as to finance and/or refinance sustainable projects with a clear benefit to the environment and society.

5 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.

6 Financial calendar

12/05/2021	Interim statement – results as at 31/03/2021 (before opening of trading)
18/05/2021	General meeting of shareholders
19/08/2021	Semi-annual financial report – results as at 30/06/2021 (after closing of trading)
19/08/2021	Analysts' call on half-yearly financial report
29/10/2021	Interim statement – results as at 30/09/2021 (before opening of trading)

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

ABOUT MONTEA "SPACE FOR GROWTH"

Montea NV is a public property investment company (SIRP – SIIC) under Belgian law, specializing in logistical property in Belgium, France and the Netherlands. The company is a leading player on this market. Montea literally offers its customers space for growth by providing versatile, innovative property solutions. This enables Montea to create value for its shareholders. As at 31/03/2021, Montea's property portfolio represented total floor space of 1,485,292 m², spread over 75 locations. Montea NV has been listed on NYSE Euronext Brussels (MON) and Paris (MONTP) since 2006.

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FOR MORE INFORMATION

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