



ANNUAL REPORT 2012

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Montea Comm. VA is a real estate investment trust (Belgian company: sicafi/vastgoedbevak, French company listing: SIIC) specialised in logistics and semi-industrial real estate in Belgium and France (**Montea** or **The Company**).

The company is a leading player in this market. Montea literally provides its clients with the room to grow, through flexible and innovative property solutions. In this way, Montea creates value for its shareholders.

On 31 December 2012, the property portfolio represented a surface of 514,767 m² across 32 sites. Montea Comm. VA has been listed on the NYSE Euronext Brussels (MONT) and Paris (MONTP) since late 2006.

Montea shares are aimed at Belgian and foreign individual and institutional investors looking for an indirect investment in logistics and semi-industrial property and who are seeking to achieve a high dividend yield while incurring a moderate risk.

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The annual financial reports in French and English are translated from the Dutch version. Only the Dutch version has probative value.

The annual report was translated under the responsibility of Montea and can be obtained at the registered office of the company. This annual report was prepared using the EURO currency.

The total amounts of figures in the tables and annexes reported in this annual report may in some instances lead to differences due to rounding off.

The data in this document correspond with reality and no details have been left out that would otherwise modify the intent of this document.

An online version is also available at www.montea.com.

Montea is an undertaking for collective investment and comes under the supervision of the FSMA (Financial Services and Markets Authority) in Belgium.

This annual financial report is a registration document in the sense of article 28 of the law of 16 June 2006 concerning public offers of investment instruments and admission of investment instruments for trading on regulated markets. The annual financial report has been approved by the FSMA on 02 April 2013.

1. Risk factors

Montea has set itself the goal of developing a solid, diversified portfolio of property aimed at generating stable rental income and resulting in a dependable, growing dividend for its shareholders.

As an investor in logistics property, Montea operates its business in a constantly evolving market. This naturally involves a number of risks. If these risks were to become a reality, it could have an adverse effect on Montea's business, its financial situation and its prospects. Montea takes these risks into account as part of its investment decisions.

Both Montea's management and the Board of Directors monitor the risks mentioned above on a continuous basis. As a result, management has outlined a policy of caution that can be adjusted where necessary¹. This report contains a non-exhaustive list of risks. This means that there may be other risks, hitherto unknown and/or improbable, that could have an unfavourable effect on Montea's business and financial position.

1.1 Market risks

1.1.1 Risks associated with the economic climate

Montea's business is subject to the influence of economic cycles. The general macro-economic indicators may have a negative influence on the development activities of Montea. They exert an influence on investment and entering into leases with companies in the sector of logistics and semi-industrial properties. They may also have an impact on the company's funding sources for investments.

1.1.2 Risks associated with the property market

Rent levels, vacancies and the value of buildings are affected significantly by supply and demand in the market in relation to the sale and lease of property. The main risks to which the company is exposed stem from keeping the occupancy rate up to the required mark and taking advantage of the opportunity to maintain rent levels – and hence also the value of the buildings – when new lease agreements are entered into or when existing leases are renewed.

Montea seeks to minimize the impact of these risks on its results and on the value of its portfolio through:

- the geographical diversification of its property portfolio;
- the diversification of its type of buildings;
- the diversification of its customers;
- the investment policy in quality buildings,
- the development of flexible real estate solutions for its customers.

By implementing these five elements, Montea has always succeeded in restricting vacancies at its sites. Since it was listed on the stock exchange, Montea has never had an occupancy rate of less than 91%. The aim is to achieve an occupancy rate of >95% at all times.

¹ For more information about Montea's strategy, please see point 4.1 in this annual report. The policy implemented by Montea will be adjusted where necessary, based on the risk factors described.

In addition, when existing leases are renewed and/or new ones are signed, the rent per m² has always been maintained at the same level. In the logistics sector, it is usually the case that as part of renegotiating and/or signing new leases, the basic rent (non-indexed) is maintained and a rent-free period of 3 to 6 months is granted, depending on the length of the lease.

In most cases, the stated rent is also higher than the estimated rental value. Based on the property estimate, the average rent-to-rental value ratio is 6.2% higher in Belgium and 5.3% higher in France (also see 4.2.3)

Based on the real estate portfolio as of 31 December 2012, no single client-tenant makes up more than 20% of its total rental income, nor does any single unit of property make up more than 20% of the portfolio. The value of the largest unit of property in the portfolio represents 12.8% of the total fair value of the portfolio (Saint-Cyr-en-Val site in Orléans – France).

Montea is prohibited from executing any transaction such that it leads to having over 20% of its real estate assets invested in one single real estate entity, or from increasing this percentage, should one or several real estate entities reach an investment of more than 20%². If the aforementioned obligations are not met at the moment of executing a transaction, Montea will make a request for exemption to the 20%³ limit to be increased⁴ or⁵ the necessary measures will be taken to reduce the importance of these tenants to below the 20%⁶ threshold.

Montea also intends to continue expanding its assets so that the relative importance of each building in its portfolio is limited.

Montea's growth strategy guarantees optimal risk sharing⁷ based on the following two pillars:

- the acquisition of buildings in Belgium and France that, on the basis of objective criteria such as accessibility of or proximity to major consumer centres, are optimally located and therefore offer a good potential in terms of marketing (geographical risk sharing);
- the acquisition of buildings leased to stable and solvent, high-quality tenants from diverse economic sectors such as the logistics sector, the food industry, the pharmaceutical sector, the consumer goods sector as well as the industrial sector (sectoral risk sharing).

1.1.3 Risk of inflation

When interest rates are fixed, Montea only has limited exposure to the risk of inflation hence the rental income is indexed annually (based on the health index). With a variation of 100 basis points, the impact of the index can be estimated at EUR 0.2 million.

By contrast, if there is a rise in nominal interest rates, low inflation results in a rise in real interest rates. This creates a major risk by increasing finance charges in a way that happens more quickly than revenue can be indexed. Montea has taken appropriate measures in this area to cover itself against risks of this type.

² Article 39, § 1 of the Royal Decree of 7 December 2010 on Sicafi.

³ Article 39, §1 of the Royal Decree of 7 December 2010 on Sicafi.

⁴ Article 39, § 3 of the Royal Decree of 7 December 2010 on Sicafi.

⁵ A deviation can only occur if the debt ratio of the Sicafi at the time of executing the transaction is less than 33% (see Article 39, § 4).

⁶ For more information about the 20% rule, please see article 39 of the RD of 7 December 2010 on sicafi; B.O.G. 28 December 2010, referred to below as the RD on sicafi.

⁷ Montea will, in the interest of its shareholders, provide the necessary diversification in terms of its tenants.

1.2 Risks associated with Montea's property portfolio

Montea's board of directors and management are fully aware of the importance of developing sound management practices and maintaining a quality portfolio. For this reason, Montea imposes strict, clear-cut criteria regarding the enhancing and upgrading of buildings, its commercial and technical management and investments and divestments. The aim of these criteria is to restrict vacancy level, as well as push up the value of Montea's property assets in a sustainable way.

1.2.1 Rental risks

Montea's entire turnover consists of the rent generated by leases to third parties. Non-payment by tenants and a decrease in the occupancy rate may have a negative impact on results. Montea is also exposed to the risk of a loss of rent associated with the departure of tenants at the end of their lease. When we take account of the current financial climate and if new tenants are found, it may be that the new leases generate lower rents than the current ones. This may affect the company's turnover and cashflows. This was the case with the renegotiation with Norbert Dentressangle at the site in Marennnes (Lyon) at the end of 2012.

In 2012, one lease agreement (Parts Express, Mechelen site, valid until 24/11/2017 with an initial break date of 31/12/2014) was terminated after mutual consultation. Montea received compensation of EUR 0.3 million for this. Although compensation amounts of this type are required to be stated in full immediately in the results, in accordance with the applicable IAS rules, Montea has nevertheless spread this compensation across the results for the period ending at the initial break date. Based on this, Montea therefore received a total amount of EUR 300 000 in 2012, of which EUR 142 000 was reported in the result (including EUR 45 000 of rent (2.5 months' rent) and EUR 23 000 of charges). Of the EUR 300 000, EUR 158 000 has been carried forward to the years ahead.

The effect of spreading this compensation has no material impact on Montea's results, even though spreading the amount in this way should not be allowed and, in principle, the results should be adjusted for 2012 by the total amount of the compensation received on the grounds that the non-material nature of the spread means that the results already published can be retained unchanged.

It was also Montea's intention to have the lease with Parts Express taken over by TNT Innight. At the request of TNT Innight, refurbishment works were to be carried out before TNT Innight could occupy the premises. Consequently, Montea and Parts Express agreed that Parts Express would pay (EUR 300 000) for the costs of these refurbishment works and for the rent to cover the months during which the building could not be occupied by TNT Innight. The lease contract had already been concluded with TNT Innight before the compensation was agreed with Parts Express. With that in mind, Montea took the view that the compensation should not be seen as for breaking a lease, but for taking over the lease with a temporary vacancy period for refurbishment.

Whenever a new lease agreement is signed and/or an existing lease extended, in certain cases Montea will offer a rent-free period, depending on the fixed term of the lease and the space taken. This rent-free period is granted in order to:

- carry out adaptation works when signing a new lease agreement;
- carry out new fit-out works.

Montea actively manages and guides its existing and future clients, to minimise vacancy and tenant turnover in its property portfolio.

The vast majority of leases contain a clause allowing the rental fee in Belgium to be annually adjusted to the index of consumer prices and in France to the index of construction costs⁸. 100% of the current leases in France and 96%⁹ of the current leases in Belgium are subject to changes to the above indices. No rental income is exposed to a reduction in the initial rent should there be a fall in the index.

Before a new client is accepted, its financial solvency is checked. On the signing of each lease an unconditional bank guarantee is required, the amount of which corresponds to a rent of 3 to 6 months. The rent is payable in advance, either on a monthly or quarterly basis.

Montea also positions itself in the context of alliances with third parties (project developers, landowners, etc.), as a property developer. During the final quarter of 2011, Montea completed a built-to-suit project for Coca-Cola Belgium NV in Heppignies (for more information about this project, please see the 2011 annual report). In 2012, Montea signed a collaborative agreement with Group De Paepe to develop a distribution centre for DHL Global Forwarding at Brucargo (for more information about this project, please see point 4.3.2). However, Montea has no plans to become involved in speculative development projects (known as “blank” projects for which there no tenants are arranged in advance).

Within the property sector, Montea aims at two subsectors, one in real estate logistics (mainly storage and handling of goods) and the other in semi-industrial real estate (smaller properties usually rented to SMEs and smaller branches of international groups). In this way, the company tries to share its risk in terms of type of tenant/sector and geographical location.

When acquiring a building, Montea always performs a legal, environmental, accounting and fiscal due diligence, based on extensive internal analysis and usually with the assistance of external specialist consultants.

1.2.2 Management of the real estate portfolio

The Montea team, responsible for the daily management of the buildings, handles the technical management of the property portfolio and presents regularly efficient and flexible solutions in collaboration with the commercial team. Moreover, the commercial team will make every effort to proactively minimise any possible vacancies.

The internal property management team follows up the operational management of the technical maintenance of the buildings, as well as the coordination of the ongoing construction and renovation. The team submits an annual maintenance and renovation schedule to the Board of Directors for the purpose of securing optimal long-term portfolio profitability.

In 2012, a total of EUR 0.1 million were spent on maintenance costs. Moreover, an amount of EUR 3.6 million was invested in improvements to the existing portfolio.

In view of the fact that Montea has a relatively small team, when certain key members of staff leave, the company is exposed to an organizational risk. The unexpected departure of some employees may have adverse effects on the company's development. Should this situation occur, Montea is able to make up for these key functions temporarily by appealing to outsourcing.

⁸ ICC – indice de coûts de construction (index of construction costs).

⁹ The DHL lease at the Grimbergen site provides no clause relating to the annual indexing. The % was calculated on the basis of the number of cotntracts.

1.2.3 Risks associated with the fluctuation of the operational costs

Direct operational costs are mainly influenced by two factors:

- the age and quality of the buildings: these determine the maintenance and repair costs. Both are closely monitored and coordinated whereby the implementation of the work is outsourced;
- the level of vacancy and turnover of tenants: these determine, inter alia, the cost of unrented space, the cost of re-letting, the costs for renovation and discounts to new clients. The aim of active commercial portfolio management is to minimise these costs.

Montea conducts a policy of ongoing maintenance and refurbishment for its property portfolio in order to maintain or even increase existing rents, as well as to make it easier to lease the space again. Despite these measures, there is still the risk of the buildings losing value.

The preparation and monitoring of maintenance and refurbishment works is part of the package of tasks carried out by the Project Management team under the responsibility of the CDO.

Montea also focuses on new developments, in both Belgium and France. In mid-2012, Montea appointed Griet Cappelle (Civil Engineer and Architect) as Chief Development Officer (CDO) to supervise and guide these new-build projects.

1.2.4 Risk of destruction of the buildings

The risk of buildings destroyed by fire or other disasters is fully insured for new construction. The insurance policies, underwritten by Montea, also include additional guarantees (such as loss of rent¹⁰), which were established based on the best possible market coverage.

On 31 December 2012, the insured value of the property portfolio amounted to EUR 392.1¹¹ million (EUR 217.9 million in Belgium and EUR 174.2 million in France). This covers the full fair value of the portfolio on the same date.

During 2012, an entire premium of EUR 413,164.38 was paid for the insurance of these buildings. These insurance premiums were all invoiced to the tenants, with the exception however of the premiums paid for vacant buildings and with the exception of premiums whereby the recovery is either contractually impermissible or limited. The percentage of the total insurance premiums that could not be contractually invoiced to our clients amounted to 58.03% of the total.

1.3 Financial risks

1.3.1 Financial risks management

Exposure to foreign exchange, interest rates, liquidity and credit risks, can arise in the exercise of Montea's normal commercial activities. The company analyzes and reviews all risks and hereby defines the strategies in order to manage the economic impact on the performance of the sicafi. The results of these analyses and proposed strategies are reviewed and approved by the Board of Directors on a regular basis.

¹⁰ The average deposit for loss of rent is approximately 2 years.

¹¹ This value represented the full new-build value, including non-recoverable VAT, demolition and disposal costs. The entire portfolio in Belgium is insured by Montea itself. 9 sites in France, with a total fair value of EUR 57.1 million, are insured directly by Montea. The other 5 sites are insured by the tenant. The largest of these is the Saint-Cyr-en-Val site in Orléans, which is insured for a fair value of EUR 35.7 million.

1.3.2 Debt structure

At 31 December 2012, Montea's debt ratio was 51.33%¹² on a consolidated level and 50.52% on a statutory basis. Given the maximum allowed debt ratio of 65%, Montea still has a consolidated debt capacity of EUR 42.0 million given constant assets (i.e. without any growth in the property portfolio). Looked at the other way round, the operating balance sheet structure, if all other parameters remain constant, would be able to absorb a 22% reduction in the value of the property portfolio before reaching the maximum debt ratio of 65%.

A sicafi specialized in logistics property, such as Montea has no problem with a debt ratio of 55%. This means that the sicafi can allow the portfolio to grow by EUR 25 million, fully funded by debt.

When the consolidated debt ratio exceeds 50%, a financial plan needs to be drawn up with an implementation diagram containing a description of the measures that will be taken to prevent the ratio exceeding 65%¹³. As of 31 December 2012, the consolidated debt ratio was 51.33%, meaning that Montea is required to draw up a financial plan and the implementation diagram that goes with it. For more information about the financial plan, please see point 4.5 of this annual report.

1.3.3 Liquidity risk

Montea maintains a healthy, sustainable relationship with its banking partners (ING, Belfius, BNP Paribas Fortis and KBC), which constitute a diversified group of leading European financial establishments. This spread guarantees attractive financial market terms.

The funding risk, which consists mainly of the sicafi having a shortfall of cash resources, is restricted by:

- spreading Montea's financial debt across four leading European financial establishments (ING, Belfius, BNP Paribas Fortis and KBC), each of which funds approximately one-quarter of Montea's financial debt;
- the term of the financial debt: during 2012, Montea finalised the refinancing of its total expiring debt (EUR 25.0 million) with an average term of 3.6 years. Montea is currently analysing its debt position with its financial establishments so that it can be ready, prior to its lines of credit becoming due for repayment, to refinance its debt on terms in line with the current market.

As of 31 December 2012, Montea had lines of credit totalling EUR 165.0 million, of which EUR 146.5 million was already drawn down. During 2013, EUR 30.0 million of these lines of credit will become due for repayment. For more information about Montea's funding structure, please refer to point 4.5 of this annual report.

In note 34 there is an overview of the financial liabilities with their respective maturities. The company manages its liquidity risk by making sufficient credit resources¹⁴ available and by reconciling both receipts and payments as much as possible.

¹² The debt ratio is calculated in accordance with article 53 § 2 of the RD on sicafi.

¹³ Art. 54 of the RD on sicafi.

¹⁴ As of 31/12/2012, Montea had EUR 165.0 million available in lines of credit, of which EUR 146.5 million was already drawn down. This means that Montea still has EUR 18.5 million available. If at 31/12/2012 Montea had drawn down all of its lines of credit in full for further investments, its debt ratio would have been 54.09%.

Taking account of the legal status of sicafi and given the nature of the assets in which Montea invests, the risk of the lines of credit not being renewed (except in the event of unforeseen circumstances) is small, even in the context of a tightening of credit terms. On the other hand, it is indeed the case that if market conditions worsen compared with previous years, there is a possible risk of an increase in credit margins after the due date.

There is also a risk of the bilateral lines of credit being terminated as a result of the cancellation, termination or review of the funding contracts as the result of not complying with the covenants stipulated at the time of signing these funding contracts.

Montea's undertakings with its financial establishments are in line with the marketplace and provide, among other things, that the debt ratio (under the terms of the RD on sicafi) does not exceed the ceiling of 60%.

As a result, should the company not comply with its obligations and, more generally, should it remain in default under the terms of these contracts, it is exposed to the risk of forced repayment. Although, based on current circumstances and the outlook that can reasonably be made, the company is unaware of any elements that might point to any of its undertakings not being honoured, the risk of non-compliance with its covenants cannot be excluded.

To prevent a liquidity problem in the future, Montea is currently taking action to secure in good time the funding required for the further growth of the portfolio. The sicafi currently foresees no problem in securing further sources of funding. In so doing, maintaining the balance between the cost of funding, as well as the term and diversification of the funding sources, is always to the fore.

Montea's current borrowing capacity is a further EUR 42.0 million, taking it to a debt ratio of 65% (the legal ceiling) or EUR 26.7 million for a debt ratio of 60% (covenants with the 4 banks).¹⁵

1.3.4 Risks associated with changes in interest rates

With the exception of its lease agreements, Montea enters into all of its financial debts at a variable interest rate (EURIBOR 3 months). This enables it to benefit from any low interest rates that may be available. 95.6% of its financial debt consists of lines of credit with variable interest rates.

To hedge the risk of increases in interest rates, Montea conducts a policy whereby part of its financial debt is covered by interest rate hedging instruments. This prudential policy prevents a rise in nominal interest rates without a simultaneous growth in inflation, resulting in an increase in real interest rates. Any rise in real interest rates cannot be offset by an increase in rental income through indexation. It is also a fact that there is always a time lapse between a rise in nominal interest rates and the indexation of rental income.

Hence the risk of rising interest rates is hedged by IRS ("Interest Rate Swaps"). 100% of the drawn down funding entered into by Montea is at a variable rate of interest. Montea conducts a policy whereby at least 75% of its drawn down bank funding is covered by the use of IRS-type hedging instruments (in which the variable interest rate is swapped with a fixed rate). As of 31/12/2012, the total debt position with a variable interest rate of EUR 146.5 million was covered 87.7% by IRS-type hedging instruments, with maturity dates between 2012 and 2021. This means that 12.3% (or EUR 18.1 million) of the total EUR 146.5 million is exposed to variable interest rates.

¹⁵ Assuming constant asset levels (i.e. with no growth in the portfolio).

Based on the existing debt position at 31 December 2012 and the shorter-term interest rates in effect at the time, a 100 basis points rise in short-term interest rates would only mean a small increase in total funding costs (EUR +0.3 million).

During 2012, two IRS contracts (for a notional amount of EUR 35 million) were replaced by a single contract (for a notional amount of EUR 60 million).

This transaction is part of the programme to keep funding costs under control, whereby the negative value of the most expensive hedging instrument is spread over a longer term, taking account of a higher notional amount and a lower cost of hedging. As a result of this transaction, and based on the same amount of funding and hedging instruments, the cost of hedging will not exceed 2.4% (up to and including 31/10/2016).

FAIR VALUE OF THE HEDGES (EUR x 1,000)	Maturity	Nominal amount	Amount taken	Interest rate
Multicallable IRS	01/10/2018	-10.000	-10.000	4,11%
Forward IRS	01/10/2018	-25.000	-25.000	4,49%
Stepped IRS	01/07/2022	60.000	30.000	4,50%
TOTAL		0	-5.000	

Of the new stepped IRS for a nominal amount of EUR 60 million, EUR 30 million will be drawn down by 31/12/2013. The full amount of EUR 60 million will be drawn down by 1st July 2014.

In this way, Montea will pay a charge of 4.5% until 31/12/2012. This charge falls to 2.5% from 1/01/2013 to 31/10/2016 and then gradually rises again to 4% until 31/12/2022.

Montea has a further financial debt of EUR 6.7 million in relation to its current lease agreements (4.4% of the total financial debt). These 7 leases (for 3 sites) expire between 2014 and 2017. At the time, these agreements were entered into with a fixed annuity per quarter (including interest charges).

Taking account of the lines of credit with variable interest rates, the hedging instruments and fixed interest rates on the lease agreements, the average interest charge in 2012 was 3.84%¹⁶ (including bank margins).

Moreover has each variation of the interest curve an influence on the fair value of the IRS. Montea books a negative variation on the fair value of the hedging instruments when the interest rates are lower than the applied ratio of the IRS interest rates. These negative variations can influence the net result but have no influence on the net current result. This year again negative variations in the fair value of hedging instruments were recorded, as a consequence of the further decrease of the interest rates.

In note 7 there is an overview of the fair value of hedging instruments. An increase or decrease of 1 basis point in the interest rates of our debts with floating interest rates would mean an increase or decrease in the market value of financial hedging instruments by EUR 0.13 million. This sensitivity is not a cash element and would have no impact on the net current result, but rather on the net result.

For more information about our funding policy, please see point 4.5.

¹⁶ This finance cost is an average over the whole year, including lease debts in France and Belgium. It is calculated based on the total finance cost in relation to the average start and end balance of the debt burden for 2012.

1.3.5 Exchange rate risk

The Sicafi's property portfolio consists exclusively of buildings in Belgium and France and all leases are in EURO. The company is thus not exposed to any exchange rate risk.

1.3.6 Credit risk

The credit risk is the risk of financial loss to the sicafi if a client or counterparty fails to meet its contractual obligations. The management has a credit policy and the exposure to credit risk is managed on a continuous basis. Each new tenant must be independently examined for creditworthiness before the sicafi makes a lease offer, taking into account a rental guarantee of 3 or 6 months.

1.3.7 Risk in relation to pending court proceedings

Montea has already mentioned the fact that in 2008 a third party issued a writ against Montea because this party was of the opinion that it was entitled to a contribution in kind by a merger or other transaction on certain premises. Montea had declined this contribution in kind because it was of the opinion, based on objective elements, that the contractual terms for this to be the case had not been fulfilled. The party in question claimed compensation of EUR 5.4 million from Montea. In the figures for 2011, a one-off provision of EUR 1.20 million¹⁷ was set aside for this purpose under the heading for "other operating revenue and costs". For more information, please see point 4.3.6.1 "Agreement to bring in certain buildings as the result of the stock exchange listing" in this annual report.

1.4 Regulatory risks

1.4.1 Environmental permits

Montea or the tenants have the necessary environmental permits for the operation of all certified installations in its buildings¹⁸. They are modified if (changes to) the law, the type of operation or the technical characteristics require this.

1.4.2 Environmental risks (state of the buildings, quality of soil, subsoil and groundwater)

Before a building is purchased, Montea thoroughly examines all deviations and environmental risks.

To avoid any pollution and financial risk, Montea also performs an investigation when necessary into the quality of the soil, the subsoil and the groundwater for buildings where risk activities are or have been conducted, such as the presence of a fuel tank. In the event of proven contamination, Montea shall make every effort to manage the potentially associated risks with due diligence. Moreover, Montea periodically checks its facilities that may present a risk to the soil.

¹⁷ After the financial results were announced on 16th February 2012, Montea, pursuant to a court ruling, set aside a provision of EUR 1.2 million. For more information about this ruling, please see the 2011 annual report (www.montea.com).

¹⁸ Montea is responsible for permits relating to the operation of the building. The tenant is responsible for any additional licensing in relation to the respective activity. These documents are part of the procedure for purchase/sale and/or renting.

1.4.3 Other regulatory risks

Montea is fully aware that changes may be made to the regulations or that new obligations may be introduced.

Changes to the regulations or new obligations for the Company or its associate parties may have an effect on the yield and value of its assets. In that regard, we mention the following three European initiatives: UCITS IV Directive ("Undertakings for Collective Investments in Transferable Securities"), AIFM Directive ("Alternative Investment Fund Managers"), EMIR Regulation ("European Market Infrastructure Regulation").

The AIFMD mainly affects the operating organisation of the property trust and the required appointment of a depositary.

If a directive from the European Parliament and Council regarding derivative and negotiated products, central counterparties and transaction registers (also known as the European Market Infrastructure Regulation, or "EMIR") were to apply to Montea, the company would run the risk of being subject to higher funding costs on account of the guarantees for the hedging instruments that it uses to manage its risks and the impact on the availability of its lines of credit. At the moment the aforementioned regulation has not been adopted yet.

The company is also subject to the risk of unfavourable changes to the system governing property trusts (sicafi) in the future. These changes could cause a reduction in results or intrinsic value, or increase the debt ratio (for example through the application of new accounting rules), reduce the maximum debt ratio permitted or have an effect on the mandatory payment of dividends to Montea shareholders. The transposition into Belgian law of the ICBE IV directives could have an effect on certain aspects of the way property trusts are organised. As a result, the company may have to modify its existing rules and procedures in that regard, which could in turn mean that it would have to allocate resources to do so.

The company is subject to corporation tax (33.99%), but its taxable base is limited to non-deductible expenses and abnormal and benevolent advantages. This means that rental income, as well as capital gains are not included in the taxable base, resulting in the taxable base being reduced significantly. Dividend payments are subject to a withholding tax of 25%¹⁹.

In the event of Montea losing accreditation of its status as a property trust (sicafi), the company would also forgo the benefit under this favourable tax system. However, Montea believes that this risk is merely theoretical, given that it ensures that all of its obligations are complied with, meaning that any loss of status remains theoretical only, in principle.

In addition, new national legislation and regulations could come into effect, or possible changes made to the existing legislation and regulations, such as the existing practices within the tax department mentioned in circular Ci.RH.423/567.729 dated 23rd October 2004 issued by the Belgian Finance Ministry in connection with calculating exit tax.

Montea calculates the purchaser cost value mentioned in the circular, with the deduction of registration charges or VAT, which means that the purchaser cost value mentioned in the circular, differs from (and can also be less than) the value of the property, as stated in the IFRS balance sheet for the property trust.

¹⁹ The increase of the 25% withholding tax on the dividends of (non-residential) property trusts was implemented by adjustment of article 269 of the 1992 Income Tax Code pursuant to article 84 of the Programme Law of 27/12/2012 (BOJ 31/12/2012). This change applies to income allocated or payable from 1/1/2013.

2. LETTER TO THE SHAREHOLDERS

Dear Shareholders,

We are delighted to be sending you this letter to accompany the annual report for Montea's sixth financial year.

In 2007, we named our annual report "A year of dedication and creativity", which referred to our values and commitments. During 2008, which we called "A year of growth", we saw our property portfolio grow by over 50%. 2009 was "A year of challenges", in which despite the economic crisis, Montea succeeded in meeting its targets and paying out a dividend that was in line with that of 2008. 2010 was a year of new opportunities for Montea. With the successful capital raising conducted in mid-2010, new investment opportunities in France and an expanded management team, we laid the foundations for a new phase in Montea's story of growth, "A year of new perspectives", in 2011. The good groundwork achieved in 2011 began to bear its first fruit in 2012.

In 2012, Montea succeeded in expanding its portfolio by approximately another 15% through the purchase of two logistics platforms (Saint-Laurent-Blangy and Saint-Martin-de-Crau), as well as the built-to-suit development of a new distribution centre for DHL Global Forwarding at Brussels Airport. Montea also worked on enhancing its property portfolio by divesting the premises at Aartselaar and Berchem. In 2012 the company also focused on building a development pipeline that is expected to produce initial returns in 2013. The customised development for St. Jude Medical at Brucargo and the purchase of a logistics site in Puurs are the first two examples.

In addition to growth, our focus was also on the performance of the existing portfolio. This enabled Montea to keep the occupancy rate above the 95% mark for the whole of the year.

Keeping our funding costs under control by restructuring the hedging instruments and refinancing matured financial bank debt was a third major achievement for Montea in 2012.

The fair value of our property portfolio was EUR 283.68 million at 31st December 2012. Montea took a major step forward in becoming firmly established in France through the purchase of two class A logistics platforms at Saint-Laurent-Blangy (Arras) and Saint-Martin de Crau (Marseille), each leased for 9 years. The company also confirmed its role as a specialist in logistics property by handing over the built-to-suit development of a new distribution for DHL Global Forwarding at Brussels Airport in Zaventem.

The property portfolio of 514,767 m², spread across the 32 various sites, is generating an average gross return of 8.30%. This gross return is based on lease contracts with +/- 60 large and smaller clients operating in many different sectors, ranging from logistics (DHL, Fedex, Chronopost, Norbert Dentressangle), industry (BF Goodrich, Brossette, Jan De Nul) and consumer goods (Unilever, H&M, Barry Callebaut).

Montea continued to focus in 2012 on managing its existing property assets.

Net rental income was EUR 19.93 million, corresponding with an increase of 3.4%²⁰ compared with 2011. Montea signed new leases and extended existing one for over 41,000 m² of space. This demonstrates that Montea is concentrating on achieving commercial effectiveness against what is a difficult economic background. This also contributed towards achieving an occupancy rate of 96.27%.

²⁰ The fair value of the property portfolio rose by 15%. By contrast, net rental income only grew by 3.4%. This was due mainly to the fact that DHL's lease at Brucargo generated no rental income for 2012, while the sites at Saint-Laurent-Blangy and Saint-Martin-de-Crau only produced partial rental income.

The operating margin was 84.1% for the whole of 2012, compared with 75.3% for the same period last year. Last year's operating margin was weighed down by the one-off provision of EUR 1.2 million²¹ in relation to a court case. Discounting this adjustment, the operating margin in 2011 was 81.5%.

The consolidated debt ratio was 51.33%. 87.7% of financial debt to banks was covered by contracts that together ensure a fixed funding level of 4.75%²².

Finally, we would draw your attention to two additional elements from the results that had an effect on the net result of EUR -3.11 million, but not on the net current result of EUR 11.25 million (and hence also not on the dividend). This involved the negative variation in the fair value of the property portfolio (IAS 40, valued by independent property specialists) of 1.8% (or EUR 6.33 million). There was also a significant negative variation in the fair value of the hedging instruments (IAS 39) caused by movements in interest rates during the financial year (EUR 8.02 million, included in full in the result).

Based on the above, the net result was EUR -3.11 million. Disregarding the "non-cash" elements arising from the application of the accounting standards on hedging instruments and property investments, the net current result was EUR 11.25 million, which represents an increase of 9.8% compared with the previous year.

The Board of Directors will propose to the general meeting of shareholders that it pay out a gross dividend per share of EUR 1.93 for the full 2012 year, which represents an increase of 5% compared with the previous year and for which the choice of an optional dividend will also be offered. This corresponds with a net dividend of EUR 1.4475 per share²³.

Finally, the Board of Directors would like to thank the entire team at Montea for the efforts it put in on a daily basis in 2012 and for the performance it achieved by year's end.

Gerard Van Acker*
Chairman of the Board of Directors

Jo De Wolf**
Chief Executive Officer

* Permanent representative of Gerard Van Acker SPRL

** Permanent representative of Jo De Wolf SPRL

²¹ The figures for 2011 included a one-off provision of EUR 1.20 million under the heading "other operating revenue and costs". If this one-off provision is disregarded:

- the operating margin in 2011 was EUR 15.71 million;
- the net operating result in 2011 was EUR 10.25 million (EUR 1.82 per share).

In the tables, the comparisons in the figures are always made with this one-off provision included.

In the notes relating to the financial figures, the comparisons in the figures are always made with this one-off provision excluded.

²² This financial cost is the annual runrate of bank debt, based on the refinancing carried out and the hedging put in place, taking account of the short-term interest rate at 31st December 2012.

²³ A slight reduction of 0.4% as the result of the 25% withholding tax in 2012 (compared with 21% in 2011).

3. Key Figures

Foreword:

The figures for 2011 included a one-off provision of EUR 1.20 million²⁴ under the heading "other operating revenue and costs". If this one-off provision is disregarded:

- the operating margin in 2011 was EUR 15.71 million;
- the net current result in 2011 was EUR 10.25 million (EUR 1.82 per share).

In the tables, the comparisons in the figures are always made with this one-off provision included.

In the notes relating to the financial figures, the comparisons in the figures are always made with this one-off provision excluded.

		31/12/2012	30/06/2012	31/12/2011	30/06/2011
		12 months	6 months	12 months	6 months
Real estate portfolio					
Real estate portfolio - Buildings					
Number of sites		32	31	31	33
Surface of the real estate portfolio					
Logistics and semi-industrial warehouses	M²	466.042	424.909	416.283	435.998
Offices	M²	48.725	44.147	44.630	45.268
Total surface	M²	514.767	469.056	460.913	481.266
Development potential	M²	90.500	90.500	90.500	90.500
Value of the real estate portfolio					
Fair value (1)	K€	283.678	250.284	246.987	249.512
Investment value (2)	K€	295.039	260.319	256.623	258.896
Occupancy rate					
Occupancy rate (3)	%	96,27%	95,52%	96,45%	96,37%
Real estate portfolio - Solar panels					
Fair value (1)	K€	7.777	7.867	7.902	7.791
Consolidated results					
Net current result					
Net rental result	K€	19.927	9.510	19.275	9.323
Operating result (4)	K€	16.756	8.011	14.506	7.461
Operating margin (5)	%	84,08%	84,24%	75,26%	80,02%
Financial result	K€	-5.469	-2.480	-5.424	-2.584
Net current result (6)	K€	11.248	5.506	9.044	4.857
Number of shares entitled to the result of the period		5.634.126	5.634.126	5.634.126	5.634.126
Net current result / share	€	2,00	0,98	1,61	0,86
Non-current result					
Result on the real estate portfolio (7)	K€	-6.330	-4.271	-4.420	-1.784
Result on financial derivatives (8)	K€	-8.023	-3.197	-4.918	1.786
Net result	K€	-3.106	-1.962	-293	4.860
Number of shares entitled to the result of the period		5.634.126	5.634.126	5.634.126	5.634.126
Net result / share	€	-0,55	-0,35	-0,05	0,86
Consolidated balance sheet					
Equity (excl. minority participations)	K€	123.663	104.478	116.896	122.164
Debts and liabilities for calculation of debt ratio	K€	157.836	145.269	134.462	137.345
Balance sheet total	K€	307.498	279.575	269.482	270.327
Debt ratio (9)	%	51,33%	51,96%	49,90%	50,81%
Net asset value / share	€	19,18	18,54	20,75	21,68
Net asset value / share (excl. IAS 39)	€	22,17	21,12	22,75	22,91
Share price	€	28,40	26,02	24,52	25,30
Premium / (discount)	%	28,07%	23,22%	7,76%	10,43%

(1) Book value according to IAS/IFRS standards.

(2) Value of the portfolio without deduction of transfer rights.

(3) Occupancy rate, based on m². For the calculation of this occupancy rate, nor in the denominator, nor in the numerator, the non-leasable m², intended for redevelopment and the land bank, were included.

(4) Result before the portfolio result.

(5) The operating result before the portfolio result divided by the net rental result.

(6) Net result without taking account of the portfolio result (code XVI, XVII, XVIII and XIX of the income statement) and without taking account of the variations of the measurement of financial hedges (code XXII of the income statement).

(7) Negative and/or positive variations in the fair value of the property portfolio + any gains or losses from the realisation of property.

(8) Negative and/or positive variations in the fair value of the rate hedging instruments under IAS 39.

(9) Debt ratio according to the Royal Decree of 7th December 2010.

(10) Share price at the end of the financial year.

(11) When calculating the net assets, 6,448,148 shares are taken into account, which was the number of shares after the capital raising of 20th December 2012.

(12) When calculating the net current result per share, 5,634,126 shares are taken into account, which was the number of shares prior to the capital raising of 20th December, because the newly issued shares have no entitlements in the results for 2012.

(13) Share price – net asset per share / net asset per share.

²⁴ After the financial results were announced on 16th February 2012, Montea, pursuant to a court ruling, set aside a provision of EUR 1.2 million. For more information about this ruling, please see the 2011 annual report (www.montea.com).

4. Management report

The guiding principles of the Montea strategic plan have been retained for 2012.

4.1 Montea's strategy " Space for Growth "

- ➔ Montea literally offers its clients the opportunity to grow through flexible, innovative property solutions. For this reason, Montea maintains a broad network of brokers, landowners, project developers and contractors.
- ➔ Montea converts its market knowledge into top-quality property investments that offer long-term added value to clients and shareholders.
- ➔ Montea is staffed by an enthusiastic team of logistics property experts. Through its clear insight into client requirements, Montea seeks to identify quality, customised solutions geared to the constantly changing economic situation.
- ➔ This is why shares in Montea offer a risk that is spread, as well as profitable growth and a stable dividend.

Montea operates according to these three core concepts:

- **Logistics and semi-industrial property**

Montea believes in the long-term value of logistics and semi-industrial property. The complete life cycle of a logistics building is slightly longer than that of other institutional property categories. Architectural requirement, changing techniques, free height and other technical specifications evolve less quickly than in other segments, in office property, for example. When renovations are nevertheless called for during the life cycle, their cost in relation to the total value is lower than elsewhere. This makes logistics property an interesting long-term investment.

- **Pure player**

Montea acts in the marketplace as an end-investor that takes a long-term view of its property portfolio. Using its expertise and experience in niche markets, Montea works with other parties in the sector, such as developers and landowners, to become involved in the development process at an earlier stage. The built-to-suit project with Coca-Cola and the collaboration with Group De Paepe to deliver the distribution platform are two interesting examples of that vision. It is Montea's aim to continue carrying out this type of project in the future.

- **Final investor**

Montea acts in the marketplace as an end-investor that takes a long-term view of its property portfolio. Using its expertise and experience in niche markets, Montea works with other parties in the sector, such as developers and landowners, to become involved in the development process at an earlier stage. The built-to-suit project with Coca-Cola and the collaboration with Group De Paepe to deliver the distribution platform for DHL Global Forwarding are two interesting examples of that vision. It is Montea's aim to continue carrying out this type of project in the future.

4.2 Report of the property expert²⁵

4.2.1 The semi-industrial and logistics property market in Belgium in 2013

4.2.1.1 The rental market

4.2.1.1.1 Supply

Stocks

Stocks of industrial buildings continued to grow in 2012, despite the weak economic climate. There were two driving forces behind this increase. On the semi-industrial market, numerous new developments are aimed at SMEs opting to buy for their own use rather than rent. However, while the number of developments on the logistics market may be more limited, each new unit usually represents a large space. The greatest progress is to be found in the provinces, which are traditionally always well represented in this segment of the market.

Stock (m ²)	2007	2008	2009	2010	2011	2012
Antwerp	5.640.000	5.662.000	5.875.000	5.905.000	6.090.000	6.255.000
East-Flanders	1.567.000	1.756.000	1.785.000	1.845.000	1.895.000	1.930.000
West-Flanders	1.137.500	1.165.000	1.175.000	1.200.000	1.230.000	1.240.000
Limburg	3.870.000	3.916.000	3.925.000	3.945.000	3.955.000	4.045.000
Flemish-Brabant	4.536.000	4.675.000	2.915.000	3.055.000	3.060.000	3.090.000
Brussels			795.000	810.000	835.000	845.000
Walloon Brabant			1.185.000	1.185.000	1.190.000	1.190.000
Liège	2.387.000	2.435.000	2.445.000	2.485.000	2.495.000	2.525.000
Namur	600.000	600.000	600.000	610.000	610.000	610.000
Hainaut	1.565.000	1.636.000	1.775.000	1.940.000	1.955.000	1.990.000
Luxembourg	637.500	665.000	670.000	680.000	680.000	680.000
TOTAL	21.940.000	22.510.000	23.145.000	23.660.000	23.995.000	24.400.000

Projects

The speculative development of new projects in the logistics sector has become the exception. The construction of huge logistics warehouses is driven mainly by current building techniques that have become so rapid that there is no longer an economic need to build up speculative stocks that often do not meet the specific needs of end-users. Given the relatively low rents and high cost of land and building, there is little room for manoeuvre left for developers.

On the semi-industrial market, though, some speculative developments are only possible in view of the limited volume of suitable units of less than 500 m², with the associated lower level of risk. Caution is also the order of the day here given that the financial strength of the target audience, SMEs, is also likely to be under pressure. In Flanders, developments are mainly private, whereas in Wallonia, the initiative is usually taken by one of the regional development companies.

²⁵ Source: De Crombrugghe & Partners NV for the property market in Belgium and Deloitte France for the property market in France.

Projects (m ²)	Semi-industrial	Logistics (2013 - 2016)	Logistics (> 2016)	Total
Antwerp	34.370	270.608	141.400	446.378
East-Flanders	29.900	74.799	208.000	312.699
West-Flanders	12.700	-	117.000	129.700
Limburg	4.000	40.000	-	44.000
Flemish-Brabant	4.536	50.000	-	54.536
Brussels	-	63.000	55.000	118.000
Walloon Brabant	612	27.000	-	27.612
Liège	4.000	23.000	265.000	292.000
Namur	1.000	-	-	1.000
Hainaut	1.852	12.500	244.000	258.352
Luxembourg	14.000	-	110.000	124.000
TOTAL	106.970	560.907	1.140.400	1.808.277

Hence we are talking about the not insignificant development potential of $\pm 7\%$ of existing stocks. Often, the development of some major logistics projects sits in the pipeline for years, but bringing them to fruition depends on actual demand from an end-user or tenant. Currently, however, this demand is very limited.

The main projects that include a number already at the take-up stage because they are a development for own usage include:

Village	Adresse / Project	Type	Superfaces (m ²)	Availability
2830 Willebroek	De Hulst	logistique	200.000	2013-2014
2830 Willebroek	Antwerp South Logistics (fase 3 & 4)	logistique	70.000	(*)
9100 Sint-Niklaas	Lidl	logistique	46.000	2013
2870 Puurs	Vandeputte Safety (Puurs Pullar)	logistique	18.000	2013
4684 Haccourt	Trilogiport	logistique	200.000	> 2013
1931 Brucargo	DHL	logistique	23.000	déc 2012
1931 Brucargo	St Jude Medical	logistique	7.700	2013
1120 Brussels(N-O-Heembeek)	Katoennatie (ex Marly)	logistique	63.000	(*)
9052 Zwijnaarde	Eiland Zwijnaarde	ind./logistique	250.000	2014

** : end of project ± 1 year after signature of lease contract*

Vacancies

The relatively good uptake in 2012 resulted in a reduction in total vacancies. A distinction needs to be made here between the larger units (>5,000 m²) and the smaller units (<5,000 m²). With a lack of speculative logistics development, there was a fall in the purely logistical segment, despite weaker uptake in 2012. This is the logical consequence of the increasingly used 'built-to-suit' principle, whereby buildings are no longer constructed without the prior involvement of a tenant/end-user. This means that the number of immediately available quality premises is also rather restricted.

In the semi-industrial segment, however, there was an increase in vacancies despite good progress being made in the take-up figures for 2012. One possible explanation for this is the building of numerous new semi-industrial premises aimed at SMEs, leading to older semi-industrial sites coming under pressure and higher vacancy rates as a result. These older buildings no longer meet requirements, making the purchase of a new, compact business unit preferable to renting out-of-date premises.

Availability (m ²) 2012				Availability (€/m ² /year) 2012		
	< 5.000 m ²	> 5.000 m ²	Total	< 5.000 m ²	> 5.000 m ²	Weighted average
Antwerp	156.170	511.851	668.021	39	37	37
East-Flanders	111.290	253.306	364.596	35	35	35
West-Flanders	55.413	-	55.413	24	-	24
Limburg	68.717	56.000	124.717	38	36	37
Flemish-Brabant	103.197	71.742	174.939	46	36	42
Brussels	56.098	9.319	65.417	47	42	46
Walloon Brabant	41.230	12.320	53.550	47	42	46
Liège	48.515	128.621	177.136	34	26	28
Namur	11.745	12.500	24.245	37	50	44
Hainaut	64.113	71.286	135.399	36	33	34
Luxembourg	1.110	-	1.110	39	-	39
TOTAL	717.598	1.126.945	1.844.543			

In absolute figures, vacancies represent $\pm 7.50\%$ of existing stock.

4.2.1.1.2 Demand

Take-up

The take-up rate for industrial property in 2012 was at a comparable volume to 2011. In general, it can be said that it was mainly the semi-industrial segment that kept take-up rates steady and that the loss of the logistics market was compensated for by the sharp gain by the semi-industrial segment. This segment made strong advances (driven mainly by purchases for own use). The logistics market on the other hand experienced a clear-cut decline caused by the wait-and-see attitude of the main logistics players in the light of the poor economic situation. Any movements, such as the strong performances of West Flanders and Liège in 2012, are often the result of one or more larger transactions (purchase for own use or to let) that have a significant effect on the annual figure.

Take-up (m ²)*	2010			2011			2012		
	< 5.000 m ²	> 5.000 m ²	Total	< 5.000 m ²	> 5.000 m ²	Total	< 5.000 m ²	> 5.000 m ²	Total
Antwerp	164.137	132.557	296.694	231.708	346.723	578.430	308.696	137.465	446.161
East-Flanders	100.141	38.608	138.749	115.485	32.291	147.776	163.947	26.237	190.184
West-Flanders	8.106	9.184	17.290	26.233	31.610	57.843	56.811	83.107	139.918
Limburg	7.116	27.619	34.735	18.872	132.402	151.273	29.606	54.934	84.540
Flemish-Brabant	55.720	96.048	151.768	85.299	54.915	140.214	118.385	29.003	147.388
Brussels	119.859	5.900	125.759	15.762	34.593	50.355	27.290	12.870	40.160
Walloon Brabant	18.505	8.115	26.620	18.738	12.650	31.388	25.053	-	25.053
Liège	42.280	17.322	59.602	28.180	62.120	90.299	79.205	124.952	204.157
Namur	4.100	-	4.100	5.877	10.120	15.997	5.950	28.012	33.961
Hainaut	32.256	59.645	91.901	29.822	54.914	84.735	16.968	18.273	35.241
Luxembourg	-	-	-	-	-	-	1.055	-	1.055
TOTAL	552.220	394.998	947.218	575.974	772.337	1.348.311	832.964	514.853	1.347.817

* acquisitions and lease renewals included

When planned projects are added to the space currently existing and these are then related to the historic take-up, this provides an idea of the number of years needed to take up or absorb this volume. The relatively good take-up figures and the returning sense of reality in future project supply are reducing this take-up period. Liège and Hainaut, based on currently supply and projects, offer the widest choice in the search for new space. It is no coincidence that both provinces include a number of larger projects, such as TrilogiPort or Magna Park. The options in Flemish Brabant are rather more limited. Finding large logistics spaces of good quality is by no means straightforward.

The overall reduction in the number of years' absorption time needs to be put in perspective with the current demand for large new spaces on account of the poor economic situation. This means that some caution is required in projecting historical data into the future.

Logistics & Semi-industrial	Availability (m ²) *	Projects (m ²)	Historical Take up (m ²)**	Absorption (years)
Anvers	246.500	446.000	433.500	1,6
FL-Orientale	126.500	312.500	141.000	3,1
FL-Occidentale	42.500	129.500	50.000	3,4
Limbourg	100.500	44.000	78.000	1,9
Brabant Flamand	170.000	54.500	138.000	1,6
Bruxelles	10.000	118.000	64.000	2,0
Brabant Wallon	25.500	27.500	22.500	2,4
Liège	85.000	292.000	86.000	4,4
Namur	23.000	1.000	15.500	1,5
Hainaut	49.500	258.000	67.500	4,6
Luxembourg	<i>not-representative</i>			
TOTAL	879.000	1.683.000	1.096.000	2,6

* : without projects ** : 5 last years

Rents

Rents in 2012 were flat. However, location continues to play a crucial role in defining rent and also needs to be taken into account with more building-related parameters. Free height, the presence of sprinklers and the number of loading docks per m² are just some examples of this. Apart from the location, the rent also depends on the intrinsic qualities of the building. Rents for a lot of older industrial sites are still only achieving basement prices. Although they still meet a certain type of demand in the marketplace, they are often not very functional and score poorly in terms of energy efficiency. At the same time, this is slowing down the development of new projects. Given the high cost of land and building costs that also continue to rise, low rents offer little margin for developers. The table below provides a summary of rents for logistics property in the various provinces.

Province/region	Minimum logistics 2011 €/m ² /year	Maximum logistics 2010 €/m ² /year	Maximum logistics 2011 €/m ² /year	Maximum logistics 2012 €/m ² /year	Evolution
Anvers	36	46	46	46	=
FL-Orientale	35	40	42	41	=
FL-Occidentale	34	38	38	38	=
Limbourg	33	39	39	40	=
Brabant Flamand					
Bruxelles	38	50	50	51	=
Brabant Wallon					
Liège	34	39	39	40	=
Namur	35	40	40	40	=
Hainaut	34	37	38	38	=
Luxembourg	30	35	35	35	=

4.2.1.2 The investment market

Investment volume

The investment market fell slightly compared with 2011. This was logical given the limited number of large deals in the logistics segment and the focus on buying for own use in the semi-industrial sector. Hence the logistics sector is unable to benefit in full from the decline in investment volume on the office space market. In the past year, any resources released found their way mainly into retail property. There is also a shortage of investment items that are suitable for professional investors and in the larger logistics developments, there are end-users who would rather purchase for their own use.

Evolution investment volume		
2004		140.000.000 €
2005		99.000.000 €
2006		305.000.000 €
2007		600.000.000 €
2008		431.500.000 €
2009		135.000.000 €
2010		145.000.000 €
2011		165.000.000 €
2012		155.000.000 €

The most noteworthy investment transactions were made by the Belgian property trusts Montea, WDP and Intervest Offices & Warehouses, although the pension insurer Intégrale also remains an active player on the market. The table below shows some of the transactions.

Places	Surface (m ²)	Investor	Type	Yield/Sale price
Brucargo DHL	28.236	Montea	Logistics	7,50%
Forest (Gutenberg)	29.000	Intégrale	Semi-Industrial	6,97%
Oevel	11.496	Intervest O/W	Logistics	7.900.000 €
Biplanstraat, Haren	5.539	Intégrale	Semi-Industrial	6.600.000 €
Zwijndrecht	20.000	WDP	Logistics	8.500.000 €

As in previous years, therefore, it was Belgian investors who were the most active on the market. They were also driven by demand from end-users who provided part of the take-up and pricing.

Yields

There were few movements of note in yields for industrial property compared with 2011. The best yields were around the 7% mark, although buildings with long-term rental security were sometimes lower. An example of this are the investments by Intégrale. Unsurprisingly, these are long-term leases to Belgian government departments. The prime yields for industrial buildings are in a bandwidth between 6.90% to 8.25%. In the meantime, Belgian long-term rates have plumbed new depths. Although this pushes down funding costs, limited appetite for risk and the stricter credit provision policy applied by the financial institutions ensure that there are no derailments.

4.2.1.3 Outlook

The economic expectations for 2013 look poor, with zero growth forecast after going backwards in 2012 (-0.2%). In this context, patience still needs to be exercised before there is any clear-cut recovery in economic activity. Although Belgium's central location is an important feature here, competition from surrounding countries is increasing. The low rents for logistics property are unable entirely to offset a number of the weaker parameters, such as higher wages costs. In the LPI (Logistic Performance Index) for 2012, drawn up by the World Bank, Belgium again climbed up to seventh position, which isn't bad. However, competition with the Netherlands (fifth) and Germany (fourth) for attracting possible new EDCs (European Distribution Centres) is high, creating yet another major challenge.

Given expected economic growth of zero, predictions for the industrial property market in 2013 are extremely difficult to estimate. One assumption is the further stabilising of rents and yields. An evening out of take-up in the semi-industrial segment would appear difficult to achieve. The logistics segment, we need to wait for a recovery in the economy before new projects can get underway again.

4.2.1.4 SWOT

S <ul style="list-style-type: none"> - CENTRAL POSITION IN W.EUROPE - STRONG SME MARKET IN FLANDERS - HIGHER DEMAND BECAUSE OF NEED FOR RENOVATION OF EXISTING OBSOLETE BUILDINGS - COMPETITIVE LEASE PRICE in respect to SURROUNDED REGIONS 	W <ul style="list-style-type: none"> - HIGH LABOUR COST - CHANGING FINANCIAL CLIMAT - TAX RECOVERY BY END USERS (PME) (acquisition versus lease) - PRICE SENSITIVITY FROM L AND SI REAL ESTATE
O <ul style="list-style-type: none"> - SANITATION OF OLDER BUILDINGS - DEVELOPMENT PORTFOLIO OF EPB BUILDINGS - DEMAND FOR LEASING IN STEAD OF BUYING BY END USERS WITH WEAK FINANCIAL BASIS - MULTI MODALITY - PRICE INCREASES BECAUSE OF SCARCITY 	T <ul style="list-style-type: none"> - DELAY OF INVESTMENTS IN MISSING LINKS - TRAFFIC CONGESTION AND MODERNIZATION ROAD SYSTEM - ABRUPT RISE OF ENERGY PRICES - DECREASE OF INDUSTRIAL SECTOR IN FAVOUR OF SERVICES - MOVE TOWARDS EASTERN EUROPE

4.2.2 The property market in France

4.2.2.1 Economic background

After the economic crisis of 2009, the following two years saw a slight recovery of the economy in France, posting growth of 1.5% in 2010 and then 1.7% in 2011. In 2012, though, the French economy entered a phase of virtual recession. Growth across the whole of the year was 0.2%. The debt crisis experienced by European economies pulled down their fundamentals, raising doubts as to their economic and social sturdiness, as well as their businesses' ability to create value and their opportunities for development. The economic background for 2012 was beleaguered with uncertainty, but current estimates for 2013 do not expect the situation to become any worse. The OECD, IMF and the European Commission are expecting growth in France to be between 0.3% and 0.4%. On a Europe-wide level, GDP fell by 0.4% in 2012 and 2013 is likely to record a new fall of 0.2% under the pressure from the faltering economies in the South.

In 2012, consumption in French households, traditionally the driving force behind the economy, rose slightly by 0.4%, compared with 0.6% in 2011 and 1.5% in 2010. The gradual reduction in the rate of growth for consumption is explained by the poor level of confidence that households have in the future. According to a CSA survey conducted in November 2012, 60% of interviewees were of the opinion that France will not emerge from crisis before 2016.

In the same way, perception of the “fixed” nature of the crisis in Europe has crystallised fear for the future and prompted people to make savings for a rainy day, which in turn is having an impact on consumption. This pessimism is backed by an unemployment rate that is high and rising, reaching 10.5% in November 2012 compared with 10% at the end of 2011. Finally, the prospect of an increase in mandatory taxes and the announcement of various social plans (Arcelor Mittal, PSA Peugeot Citroën, Renault, etc.) are hardly helping to kick-start consumption.

Investments by companies remained stable in 2012 at +1%. However, the latest forecasts from the Bank of France appear to point towards these investments falling in 2013 by around 2%. This negative forecast comes amid funding for an economy suffering from the application of the new Basle III prudential regulations for financial institutions. As a result of having to comply with the new rules and see their rating retained, the banks are becoming increasingly difficult when it comes to granting loans to businesses (SMEs), while funding on the financial markets is virtually zero. Year on year, France’s balance of trade improved slightly in 2012, but still remained in the red to the tune of € 67 billion, compared with a deficit of € 74 billion in 2011. The French economy suffered on account of the recession among its European partners, with exports trending downwards while imports remained stable. Outside the eurozone, exports are suffering from a recurrently strong euro, with the euro-dollar exchange rate at 1.35 in February 2013, compared with 1.30 in February 2012.

Elsewhere, there is significant uncertainty about French fiscal policy. To be able to continue borrowing at low rates on the markets, France needs to maintain a delicate balance between a policy of budgetary rigour (reduction in government assistance) and one that promotes the competitiveness (increase in government assistance) of businesses (in particular as the result of the Competitiveness Plan). While current State funding conditions are very good and on a par with Germany, they could deteriorate if market perception of France worsens, as it did when Moody’s downgraded its rating from AAA to AA1 last May. However, the markets responded little to that announcement and investors remained confident of France’s ability to meet its obligations.

The situation for 2013 is difficult to forecast. France is part of a fragile European situation that is governed by one-off pronouncements. As for its domestic policy, France is showing real intent to reduce its deficit and to restart the economy. While 2013 may not signal a return to growth, the latest estimates at least allow us to hope that the year will be slightly more positive.

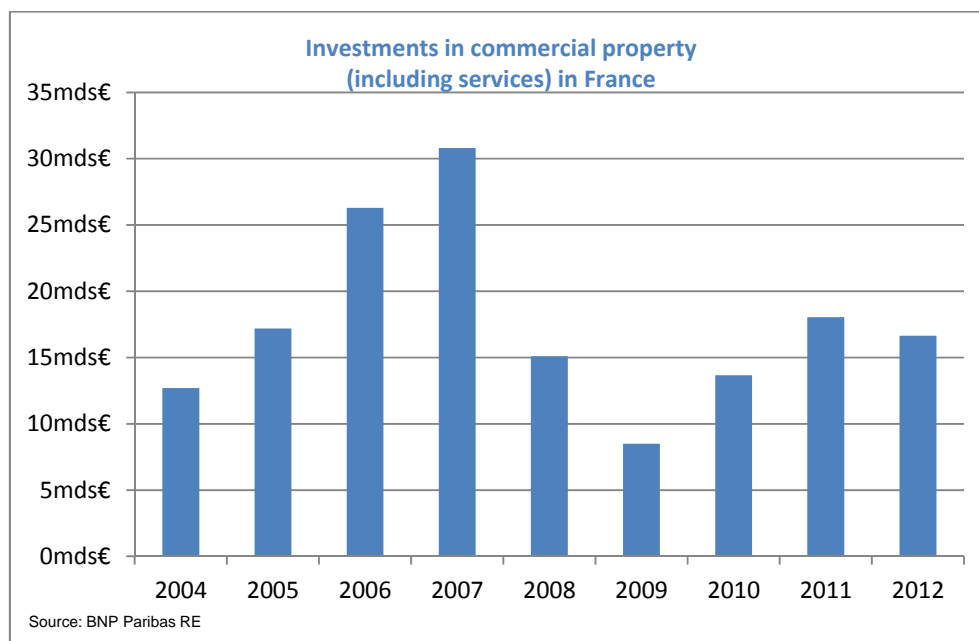
4.2.2.2 Overall view of the professional property market

The professional property market in France has held its own particularly well against an economic background of stress. Yet there has been no clear-cut upturn in activity and results are uneven, depending on the type of asset involved.

On the investment market, the overall volume for business property (services included) in France in 2012 was € 16.6 billion²⁶, which was a modest decline of 8% compared with 2011. This fall was the same in Ile-de-France and the Regions. By contrast, the trends differed considerably depending on the type of asset, with a more marked decline on the market for office space (-16%).

²⁶

Source BNP R.E.



The large number of sizeable transactions, in particular in portfolios as well as a few mega-deals, enabled the market to stay afloat, especially during the 4th quarter. As a result, forty or so transactions – or half of total investments – were for amounts in excess of € 100 million, mainly in Ile-de-France. These included the acquisitions:

- by the Qatar Investment Authority of the Neo and Retiro buildings in Paris, as well as 52-60 Champs Elysées, representing € 322 million, € 300 million and € 500 million respectively;
- by a fund advised by JP Morgan AM of the Avant-Seine building and 52 Avenue Hoche in Paris for € 508 million;
- off-plan (VEFA) by Union Investment of the whole of the CityZen offices in Bois-Colombes for € 240 million;
- by AXA of the mixed Carré building in Saint-Germain in Paris for € 148 million.

87% of transactions exceeding € 200 million involved international investors. 2012 saw the re-internationalisation of the investment market in Ile-de-France, with foreigners only representing a quarter of the amounts invested in the regions. The French market also witnessed a diversification in the origin of these investors. Almost 30% of the volume invested²⁷ came from investors who were neither French, Anglo-Saxon or German (15% Middle Eastern and 4% Asian). The financial tensions that led to some France investors to withdraw from iconic assets, generated a negative investment balance approaching € 1.3 billion²⁸.

Geographically speaking, offices in Paris and city centre retail space in the major conurbations focused half of the funds committed in 2012. Office-related transactions remained very much in the majority (69% of overall volume), but their weight fell to a historically low level in favour of other types of asset, particularly retail space. Investments in retail space in France have been virtually stable for the past three years, at around the € 3 billion mark. In Ile-de-France, they recorded their best performance, exceeding the record year of 2010 (€ 1.7 billion). The investment markets for logistics and semi-industrial premises also turned in good results in 2012, with an overall year-on-year growth of 40%. These deals represented 9% of the total volume invested in business property in 2012, representing € 1.4 billion, driven by portfolio sales.

²⁷ Source CBRE.

²⁸ Source DTZ.

Rate ranges widened further in 2012, on the one hand with heightened competition for the “best” assets, but also with difficulties in accepting the repricing of secondary assets. This enabled more opportunistic policies to be conducted by some parties, particularly foreign players. Prime rates stabilised at the end of the year at a floor level of 4.25% for offices²⁹ and 4% for retail space²⁹. For prime logistics assets, rates rose slightly during the year, reaching between 7.25% and 7.50% for a new class A property, with a very good location, offering a firm commitment period in excess of 6 years.

Forecasts are cautious for 2013, with the more optimistic among them expecting property business levels similar to 2012.

On the office rental market, nearly 2.4 million m² were placed in Ile-de-France³⁰, down slightly by 3% over the year. As in the previous year, the third quarter was particularly busy, setting the best mark (830,000 m²)²⁸ for twelve years. However, we should point out that the Defence Ministry took a position on 135,000 m² to build in the 15th *arrondissement*, which was 16% of the volume invested during the quarter.

Major transactions (> 5,000 m²) continued to be signed in 2012 (+8% over the year)³¹:

- Ministry of Ecology – 54,000 m² (Tour Esplanade) at La Défense
- Sanofi – 50,000 m² at Gentilly
- Thalès – 49,000 m² at Vélizy Villacoublay
- Allianz – 35,000 m² (Tour Athéna) at La Défense
- PPR – 17,000 m² (Laennec) in Paris
- Samsung – 14,500 m² (Ovalie) in Saint-Ouen

There were some major geographic disparities in 2012. The Inner Ring of the city was particularly active (+38%), while La Défense saw the greatest advances over the year (+40%), after a number of lacklustre quarters. This was due to the signing in Q4 of the two major transactions already mentioned. By contrast, activity was down in the other sectors, especially in Paris where it fell by approximately 10% over the year. But as the result of limited structural supply, the market in the capital remains stretched, with a vacancy rate of between 3.5% and 5.2%, depending on the sub-sector.

The Inner Ring benefited from a high proportion of advance sales and turnkey projects. In 2012, these represented two-thirds of the transactions for large spaces, compared with only 37% on average over the past ten years⁵. Users are positioning themselves more and more upstream of transactions, which is not enough to absorb the existing supply. The level of immediate supply remained stable in Ile-de-France, at 3.6 million square metres as of 31 December 2012.

The scarcity effect associated with the supply of prestigious addresses helped support “prime” prices within Paris, estimated at € 820 per m² for the CBD, in particular with four transactions in excess of € 800 per square metre³². On the outskirts of the city, though, headline rental values have begun falling, to € 440 per m² at La Défense (-11%) and € 430 per m² in the Croissant Ouest area³³. Secondhand values moved little in 2012 and were at € 320 per m² on average in Ile-de-France³³. The various rental markets remain in the hands of users, while real rents could be impacted by as much as 25% by the accompanying measures, depending on the sector.

²⁹ Source CBRE.

³⁰ Source Immostat.

³¹ Source BNPP RE.

³² Source Cushman & Wakefield.

³³ Source Immostat.

4.2.2.3 Rental market in relation to logistics (warehouses > 5,000 m²)

TAKE-UP

In 2012, the rental market for warehouses > 5,000 m² contracted by 35% year on year, with 1.9 million m² traded³⁴. This was the lowest level since 2008. This fall is explained in part by the poor results from Ile-de-France compared with 2011, which was an exceptional year.

Despite some very uneven results, the Ile-de-France region is ranked ahead of the Rhône Corridor (Rhône-Alpes), the Far North and the Far South, with 24% (0.46 million m²), 21% (0.4 million m²), 16% (0.31 million m²) and 9% (0.18 million m²) respectively of the overall volume invested⁹. But the gap between Ile-de-France and the other regions closed significantly. Some of the secondary markets stood out in 2012, such as Normandy which garnered 10% of the volume traded, the equivalent of the Far South, in particular with the lease taken on by Schneider Electric for 43,000 m² in Evreux.

The very strong start to the year in **Ile-de-France** did not flow through into the second half. Taken over the whole of 2012, the demand catered for in the Ile-de-France region fell by 60%. 40% of the deals were transacted in Q1, including Intermarché taking 95,000 m² in Vert-Saint-Denis. This user sale alone, put together at the end of 2011, represented 15% of activity in Ile-de-France in 2012. In the same way as this acquisition, half of the demand met was for class B property. 2012 also saw a decline in major transactions and turnkey projects, by minus 45% and minus 62% respectively compared with 2011. Traditionally, demand provided for is focused to the North and South of Ile-de-France, representing over three-quarters of transactions there, shared mainly between the two main sectors, if the Vert-Saint-Denis transaction is excluded.

Business in the Far North also fell back compared with 2011 (-17% year on year), despite the signing of two large-scale turnkey rental deals: Amazon taking 90,000 m² in Lauwin-Planque and Décathlon 57,000 m² in Valenciennes. This decline was worse in Picardie (-70% over the year, to 31,000 m²) than in Nord-Pas-de-Calais (-4% year-on-year, to 285,000 m²).

With rental activity up 16% over the year, the **Lyon region** regained second place behind Ile-de-France and ahead of the Far North. Unlike the previous year, when 83% of transactions were for small and medium-sized spaces, 2012 saw a number of large-scale transactions, with 61% of the space transacted being in excess of 20,000 m². These included:

- Darty – turnkey project of 59,500 m² in Pusignan
- Fiducial – 43,000 m² in Satolas-et-Bonce
- Ceva Freight Management – 31,500 m² in Corbas
- Geodis – 26,000 m² in St Quentin Fallavier
- Conforama – 25,000 m² in St Georges d'Espérance

The recovery in rental activity in the **Far South** did not continue in 2012 (-52%), with a return to more usual volumes for this market. This year, the Distriport sector lacked activity, unlike Clésud (Intermarché, Transports Lurit and Gifi) albeit for small spaces.

Generally speaking, shipping agents were particularly busy in the Dorsale region, representing 61% and 70% respectively of demand met in number and volume³⁵, driven mainly by the major mass retail operators (56% of agents).

³⁴ Source CBRE.

³⁵ Source JLL.

SUPPLY

CB Richard Ellis recorded 3.7 million m² of space available in France as of 1st January 2013, up 5% over the year. This increase has been restricted by the lack of “blank” launches over the past three years. This has created a reduction in the quality of stock. As a result, the level of new stock (350,000 m²) has not been this low for 10 years, according to BNP Paribas RE. In Lyon for example, the proportion of class A warehouses fell from one-half to one-third of vacancies over the year³⁶. In Ile-de-France by contrast, despite the lack of new building starts, the supply of class A premises remains above 800,000 m², representing over half of the available space in the region.

There are major disparities depending on the sector: the vacancy rate was particularly low in the Far North as of 31st December 2012 (3.5%)³⁷, whereas it was at a significant level in the Lyon region (10.4%). Ile-de-France and Marseille were somewhere in the middle, with 7.5% and 6.3% of vacant space respectively.

Despite the poor rental results in 2012, the immediate supply in Paris fell slightly by about 3% to the end of 2012. In Lyon, the supply of class A premises diminished considerably to 160,000 m² (-51%). More generally, the stock of immediate supply was down 18%. But the region remained over-supplied in relation to the average level of annual demand met over ten years. In terms of location, quality and size of premises, supply is out of kilter with user demand. In both of these regions, the availability of large buildings is beginning to dry up. In Marseille, immediate supply remained virtually unchanged year on year, at 125,000 m². The PACA region offers significant opportunities for developing major projects. In the North, immediate supply fell by approximately 35% and is becoming negative in relation to the average annual level of demand met over 10 years³⁵.

Turnkey transactions continued to be important in 2012, representing 30% of the space transacted in the Dorsale region. But generally speaking, and especially in the Lyon region, there is a lack of supply of property. The launch of new programmes is becoming urgent if the market is to be supplied in new premises over the coming years.

VALUES

Reflecting a market favourable to users, the gap widened between the rents requested (presentation rents) and those actually transacted. It was the same with the economical rents resulting from the accompanying measures, which could be as much as 20% in both cases.

In 2012, headline rental values remained steady on the whole across the country. “Prime” value ranges again widened, spread as follows in terms of extremes:

“Prime” headline rental values (in € per m² per annum, excl. tax and commission)

Source	Paris	Lyon	Lille	Marseille
JLL	47-52	40-46	42-43	42-48
CBRE	46-54	42-44	38-45	40-48

³⁶ Source CBRE.

³⁷ Source JLL.

4.2.2.4 Rental market in relation to logistics (semi-industrial and small warehouses < 5.000 m²)

TAKE-UP

There are few statistics available about the stock of semi-industrial premises, an area that is much older and more varied than logistics.

Transactions in relation to semi-industrial premises and small warehouses (< 5,000 m²) in France in 2012 reached 2.1 million³⁸ m²:

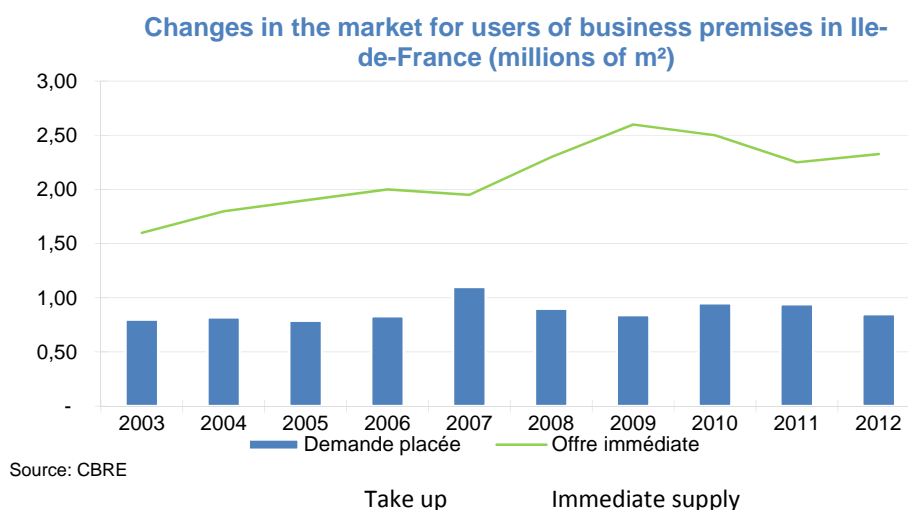
- Ile-de-France represented 40% of demand met, down 12%³⁹ at approximately 850,000 m² in 2012. However, the decline was relative, with demand met fluctuating between 0.8 and 1.1 million m² for the past 10 years.
- 1.25 million m² were placed in the regions³⁸, up 10%. On the Lyon region, 310,000 m²⁴⁰ of space was accommodated in 2012, which was steady year on year. East Lyon (from the A42 to Feyzin) continues to focus 75% of the Lyon market.

SUPPLY

Stock of immediate supply reached 6.2 million m² in France as of 1st January 2013. In Ile-de-France, it rose slightly to 2.3 million m² (+4% year on year), whereas it fell by 9% over the year to 3.8 million m² in the regions³⁸.

In Lyon, 670,000 m² of semi-industrial premises were available at the end of 2012⁴⁰, a significant rise of 17.5% over the year. The proportion of new premises represented only 10% of that supply, underlining the recurrent problem of stock obsolescence and its renewal.

The imbalance between supply and demand persists with this class of property. The lack of products, combined with the deterioration in conditions for obtaining loans, led to a decline in sales. In Ile-de-France, one-third of supply was available for acquisition. Sales represented barely a quarter of the transactions conducted in 2012 (-3 points year on year).



³⁸ Source Gemofis.

³⁹ Source CBRE.

⁴⁰ Source Fnaim Entreprises CecimObs.

VALUES

Rental values remained steady overall in 2012, but the very broad ranges demonstrate deep-seated structural disparities in this market where properties are traditionally varied. Any slight repricing only affected properties the furthest from Paris, in particular in the East. We have summarised value by geographical zone below:

Rental values on business premises in Ile-de-France (in €, excl. tax and commission per m ² per annum) At 31st December 2012			
Geographical zone	Products	New / Restructured	Usage status
North	Within the A86	90-115	60-107
	Between the A86 and Ile-de-France	60-85	45-75
	Beyond Ile-de-France	N.S	N.S
West	Within the A86	100-120	75-90
	Between the A86 and Ile-de-France	75-85	40-80
	Beyond Ile-de-France	75-85	40-80
East	Within the A86	80-90	75-80
	Between the A86 and Ile-de-France	80-85	65/75
	Beyond Ile-de-France	75-90	35-60
South	Within the A86	80-95	65-90
	Between the A86 and Ile-de-France	70-85	60-75
	Beyond Ile-de-France	65-85	60-70

N.S: Not significant

source: CBRE

Rental values for business premises in the Lyon region (in €, excl. tax and commission per m ² per annum) As of 31st December 2012		
	Min	Max
New	60	75
Old	40	55

source: Fnaim Entreprises

Selling price of business premises in Ile-de-France (in €, excl. tax and commission per m ² per annum) As of 31st December 2012				
Geographical zone		Minimum	Average	Maximum
Inner Ring		550	1030	1550
	North	280	640	900
Remainder of Ile-de-France	West	250	520	800
	East	290	500	1100
	South	350	580	1350

source: CBRE

Selling price of business premises in the Lyon region (in €, excl. tax and commission per m ² per annum) As of 31st December 2012		
	Min	Max
New	750	1000
Old	350	700

source: Fnaim Entreprises

4.2.2.5 Investment market

VOLUME

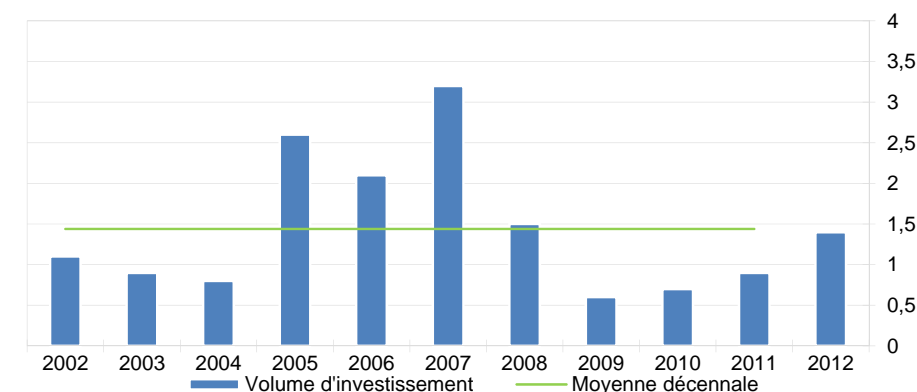
€ 16.6 billion⁴¹ was invested in business property (including services) in France over the whole of 2012. This level of commitment was down 8% compared with 2011, affected by a slowdown in the market for office space (-16%).

The volume of investments in the logistics and semi-industrial premises markets exceeded the threshold of € 1 billion, reaching the ten-year average of € 1.4 billion. As the result of 40% growth, the share of logistics/ semi-industrial in the investment market was up, year on year, to almost 9% of overall volume.

€ 1.1 billion was invested in the logistics market alone, an increase of 47% over the year, which contrasts with the overall trend on the investment property market, especially for offices.

On the market for semi-industrial premises, the 18% increase in investments year on year (€ 290 million) was slightly more moderate, although in line with the previous year.

Volume of investments in logistics in France (Billions of €)



As was the case last year, the breakdown of investments was very uneven throughout the year, with the first six months representing barely more than 20% of the annual volume (€ 315 million) and a fourth quarter generating half of the annual volume with € 670 million committed to logistics.

As in 2011, the market was propped up by sales of portfolios, which represented 57% of overall volume (€ 635 million). Blackstone made a major return to the logistics market, with the acquisition during the first six months of 28 assets from Gecina, totalling € 203 million, followed in the second half by 480,000 m² from Prologis, for € 215 million. The British property company, Segro, also bought 255,000 m² of logistics space from Foncière Europe Logistique for a total amount of € 160 million. Two portfolios of couriers were also sold to Etche for € 40 million and Roche Dubar for € 11 million. Outside portfolios, we did not record any significantly large investment transaction (> 50,000 m²).

⁴¹ Source BNPP RE.

The Argan property company continued to be a major player in acquisitions in 2012, mainly in Ile-de-France, with 6 transactions totalling 124,000 m²:

- 1 logistics platform off-plan (2nd section of the Actilogis business park) leased on binding terms for 9 years to Auchan at Le Coudray-Montceaux (91),
- 1 logistics platform leased to L'Oréal at Mitry-Mory (77),
- 1 new logistics platform, temperature-controlled, leased to Casino in Wissous (91),
- 1 logistics platform leased to Fnac on binding terms for 9 years in Wissous (91),
- 1 logistics platform leased to Kuehne + Nagel on binding terms for 6 years in Ferrières en Brie (77),
- 1 new logistics platform leased on binding terms for 10 years to Celio in Oise (Amblainville).

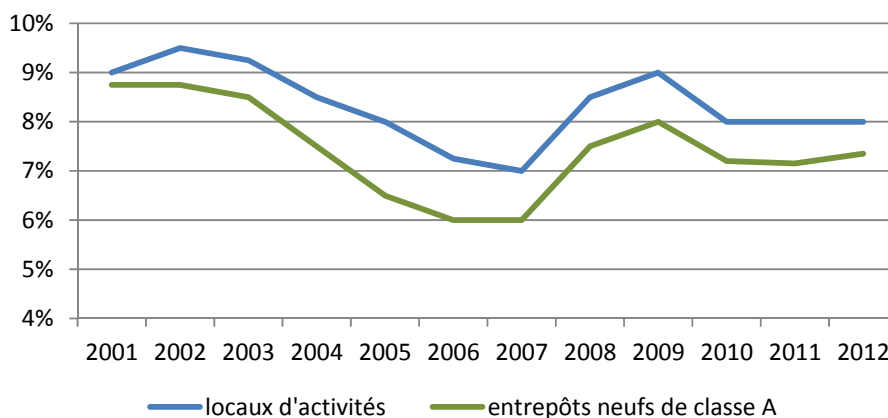
"Blank" off-plan premises have still not made a return to the logistics market and the scarcity of new production is leading to a shortage of prime supply on the investment market.

VALUES


Contrary to what we were expecting at the end of 2011, rates of return did not reach the 7% mark and rose slightly to between 7.25% and 7.50% by the end of 2012 for a prime logistics platform. The rate range was very wide, varying between 8% and 10% for portfolios or secondary assets.

On the market for semi-industrial premises, the variation in product types continued to produce a wide range of return on prime property of between 7.75% according to BNP Paribas Real Estate and 8.75% according to CB Richard Ellis. We believe that the prime rate has remained stable over recent months at around 8%. For secondary assets, returns quickly reach two figures.

Movements in "prime" return rates in France



4.2.3 Montea's property portfolio on 31/12/2012

	Total 31/12/2012	Belgium	France	Total 31/12/2011
Real estate portfolio - Buildings				
Number of sites	32	17	15	31
Warehouse space (m ²)	466.042	262.667	203.375	416.283
Office space (m ²)	48.725	33.434	15.291	44.630
Total space (m ²)	514.767	296.101	218.666	460.913
Development potential (m ²)	90.500	54.500	36.000	90.500
Fair value (EUR)	283.678.000	165.318.000	118.360.000	246.987.000
Investment value (EUR)	295.039.331	170.020.857	125.018.473	256.623.000
Annual contractual rents (EUR)	22.641.245	12.055.948	10.585.297	20.167.157
Gross yield (%)	7,98%	7,29%	8,94%	8,17%
Gross yield on 100% occupancy (%)	8,25%	7,76%	8,94%	8,50%
Un-let property (m ²)	18.260	18.260	0	15.985
Rental value of un-let property (EUR)	772.425	772.425	0	830.075
Occupancy rate (% of m ²)	96,27%	93,25%	100,00%	96,45%
Occupancy rate (% of rental value)	96,71%	93,98%	100,00%	96,05%
Real estate portfolio - Solar panels				
Fair value (EUR)	7.777.132	7.777.132	0	7.902.183

The fair value of the investment in solar panels is included under heading "D" of fixed assets in the balance sheet.

The total surface of the property portfolio is 514,767 m², spread across 17 sites in Belgium and 15 sites in France.

The total initial acquisition value of the portfolio in Belgium is EUR 155.9 million and EUR 113.2 million in France⁴².

There was a rise of EUR 36.69 million in the fair value of the property portfolio buildings to EUR 283.68 million. This rise is attributable mainly to:

- the purchase of two logistics platforms, one in Saint-Laurent-Blangy and the other in Saint-Martin-de-Crau (EUR +17.19 million);
- the acquisition of a built-to-suit development for DHL Global Forwarding at Brussels Airport (EUR +26.50 million);
- the sale of the sites at Aartselaar and Berchem (EUR -4.50 million);
- the negative variation in fair value of the investment properties amounting to EUR -2.50 million (-1%).

4 of the 32 sites each represent more than 5% of the consolidated property portfolio and together represent 36.5% of the total fair value of the property portfolio:

⁴² The acquisition value of the part-portfolio in Belgium is defined on the one hand as the input value of the total portfolio at the time of the stock exchange listing in October 2006 and, on the other, as the total acquisition value, including all costs associated with the purchase of the site. The acquisition value of the part-portfolio in France is defined as the total acquisition value, including all costs associated with the purchase of the site.

	<u>Fair values</u>	<u>Client(s)</u>
<ul style="list-style-type: none"> • Saint-Cyr-en-Val, Orléans <i>this site represents 12.8% of the total fair value of the portfolio</i> <i>(the net rental income on this site for 2012 represented EUR 3.1 million, i.e. 15.7% of the total net rental income for 2012)</i> 	EUR 35.7 million	FM Logistics
<ul style="list-style-type: none"> • Brucargo - Zaventem <i>this site represents 9.3% of the total fair value of the portfolio</i> <i>(the net rental contract with DHL Global Forwarding starts at 1 January 2013 and does not represent a rental income for 2012)</i> 	EUR 26.5 million	DHL Global Forwarding
<ul style="list-style-type: none"> • Aalst Tragel <i>this site represents 8.0% of the total fair value of the portfolio</i> <i>(the net rental income on this site for 2012 represented EUR 1.9 million, i.e. 9.5% of the total net rental income for 2012)</i> 	EUR 22.7 million	Jan de Nul, Barry Callebaut
<ul style="list-style-type: none"> • Vorst <i>this site represents 6.5% of the total fair value of the portfolio</i> <i>(the net rental income on this site for 2012 represented EUR 1.0 million, i.e. 5.2% of the total net rental income for 2012)</i> 	EUR 18.5 million	Unilever

The total development potential is approximately 90,500 m², approximately 60% of which is in Belgium. This potential in no way relates to the land bank for new sites to be developed, but to possible extensions at existing sites (4 sites in Belgium and 2 sites in France). Montea is constantly in contact with existing customers at these sites regarding possible further development.

In 2012, the cost for taxes and maintenance of the redevelopment potential was EUR 256 000 (sites at Puurs, Rijksweg and Vorst, Salvesen) and EUR 371 000 for vacancies.

The gross property return⁴³ on the total of the portfolio was 7.76% in Belgium and 8.94% in France, based on a totally leased portfolio and taking account of the estimated rent on vacant property (the gross property returns for Belgium and France were 7.29% and 8.94% respectively, not taking account of the estimated rent on vacant property).

The occupancy rate achieved by Montea on the total portfolio, expressed in % of the estimate rental value, was 96.71% and, based on the number of m² occupied, 96.27%⁴⁴.

The annual contractual rental income (excluding rental guarantees) was EUR 22.6 million, an increase of 12.3% (EUR 2.5 million) compared with the situation at 31st December 2011. This rise was derived mainly from the purchase of the platforms in Saint-Laurent-Blangy (Arras – France) and Saint-Martin-de-Crau (Marseille – France) and the acquisition of the built-to-suit development for DHL Global Forwarding at Brussels Airport (Zaventem – Belgium), which more than makes up for the annual contractual rental income from the divestments.

⁴³ The gross property return is defined as follows: contracted rental income divided by the fair value of the property portfolio.

⁴⁴ When calculating this occupancy rate, no account is taken of the non-lettable m² intended for redevelopment or in the land bank, either in the denominator or in the numerator.

Contractual rental income in Belgium was EUR 12.1 million, 6.2% higher than the estimated rental value of the leased space. Contractual rental income in France was EUR 10.6 million, 5.3% higher than the estimated rental value of the leased space⁴⁵.


Montea strives to compose its property portfolio with a healthy mix of clients from both the industrial sector (e.g. Coca-cola, Jan De Nul, Barry Callebaut, Unilever) and the logistics sector (e.g. FM Logistics and DHL and Norbert Dentressangle). The industrial sector is characterised by longer lease contract periods, but also often require larger investments. The logistics sector is usually characterised by typical 3, 6, 9-year leases (shorter terms). This is because the logistics sector is highly dependent on the economic situation and the specific logistical requirements of its customers.

The average lease term, up to and including the first break option, is 5.6 years. Montea strives to make this term as long as possible, but the sicafi is operating in a market where contracts are normally for 3, 6, 9 years.

Montea also invested in solar panels in 2011. As of 31/12/2012, the total fair value of the solar panels was EUR 7.8 million. These solar panels are installed at 4 sites in Flanders (Grimbergen, Puurs, Bornem and Herentals) representing a total investment value of EUR 7.5 million. Montea also funded the investment in solar panels at 1 site in Wallonia (Coca-Cola – Heppignies), representing a total investment value of EUR 0.3 million.

These solar panels provide an estimated additional annual net income of approximately EUR 0.9 million, generated mainly by the yield from green energy certificates over a fixed term of 20 years.

The following table provides a summary of the property portfolio per site.

	Construction year / Year most important renovations	Offices m ²	Warehouses m ²	Total m ²	Contracted Rent Income	Occupancy rate (as % of total m ²)
Belgium						
AALST (ABCDEF), TRAGEL 48-58	(1975 - 2002) 2009	2.098	17.833	19.931	639.344	100,0%
AALST (HIJ), TRAGEL 48-58	2000 - 2002	540	17.740	18.280	989.822	100,0%
AALST (KLM), TRAGEL 48-58	1985 - 2009	1.397	4.591	5.988	261.276	100,0%
BORNEM, INDUSTRIEWEG 4-24	1977	1.437	13.163	14.600	414.100	100,0%
GRIMBERGEN, EPPEGEMSESTWEG 31-33	1980 - 1995 - 1996 / 2003	2.478	23.758	26.236	964.797	100,0%
LAKEN, EMIEL BOCKSTAELLAAN 74	1945 / 2003	340	5.085	5.425	246.351	100,0%
VILVOORDE, SCHAARBEEL 207-213	1976 / 1998 - 1999 - 2004	3.060	970	4.030	74.493	
HOBOKEN SMALLANDLAAN 7	2001	393	836	1.229	229.885	100,0%
MEER EUROPA STRAAT 28	1990 - 2006	775	9.455	10.230	350.666	100,0%
PUURS RIJKSWEG 89 & 85	1975 - 1982 - 1984 - 1991	1.150	8.945	10.095	0	
HERENTALS, TOEKOMSTLAAN 33	2004	1.642	12.954	14.596	753.165	100,0%
NIVEL, RUE DE L'INDUSTRIE	2000	1.385	12.649	14.034	0	
PUURS, SCHOONMANSVELD 18	1998	1.334	11.907	13.241	760.724	100,0%
EREMBODEGEM, INDUSTRIELAAN 27	1973 / 2007	4.074	13.181	17.255	986.541	98,6%
MECHELEN, ZANDVOORT STRAAT 16	1984 - 1990 - 1998	768	22.190	22.958	690.289	82,7%
VORST, HUMANITEITSIN 292, SITE LIPTON	1984	778	4.819	5.597	337.441	100,0%
VORST, HUMANITEITSIN 292, SITE CM	1966 / 2007	0	7.150	7.150	349.654	100,0%
VORST, HUMANITEITSIN 292, SITE RESTAURANT (STATION)	1971 / 1995	2.110	920	3.030	225.595	100,0%
VORST, HUMANITEITSIN 292, SITE SALVESIN (COOLED WAREHOUSE)	1966 - 1979	1.538	9.974	11.512	0	
MILMORT, AVENUE DU PARC INDUSTRIEL	2000	1.225	27.112	28.337	1.087.619	100,0%
HEPPIGNIES, RUE BRIGADE PIRON	2011	730	13.381	14.111	725.000	100,0%
ZAVENTEM, BRUCARGO	2012	4.470	23.766	28.236	1.969.186	100,0%
Total Belgium		33.722	262.379	296.101	12.055.948	93,2%
France						
SAVIGNY LE TEMPLE, RUE DU CHROME	1992 / 2007	646	15.650	16.296	648.150	100,0%
FEUQUIERES, ZI DU MOULIN 80	1995 - 1998 - 2000	763	8.230	8.993	352.242	100,0%
CAMBRAI, P. d' A. ACTIPOLE	2008	682	10.588	11.270	552.943	100,0%
ROISSY, RUE DE LA BELLE ETOILE 280	1990 - 2001	737	3.548	4.285	357.550	100,0%
BONDOUFLE, RUE HENRI DUNANT 9-11	1990	1.307	2.478	3.785	227.269	100,0%
DECINES-CHARPIEU, RUE ARTHUR RIMBAUD 1	1996	1.108	2.713	3.821	363.667	100,0%
LE MESNIL AMELOT, RUE DU GUE 4 & RUE DE LA GRANDE BORNE 11	1992	1.348	7.311	8.659	691.387	100,0%
ALFORTVILLE, LE TECHINIPARC	2001	382	1.665	2.047	231.228	100,0%
ROISSY, RUE DE LA BELLE ETOILE 383	2001	1.965	4.492	6.457	649.052	100,0%
LE MESNIL AMELOT, RUE DU GUE 1-3	1998	1.211	4.043	5.254	462.556	100,0%
SAINT PRIEST, RUE NICEPHORE NIEPCE	2008	906	15.120	16.026	694.704	100,0%
SAINT-CYR-EN-VAL, RUE DES GENETS 660	1996 - 2006	1.655	73.797	75.452	3.182.700	100,0%
MARENNES, LA DONNIERE	1998 - 2000 / 2001	524	19.965	20.489	765.362	100,0%
SAINT-LAURENT-BLAGNY, ACTIPARK	2006	757	15.328	16.085	624.360	100,0%
SAINT-MARTIN-DE-CRAU	2002	1.300	18.447	19.747	782.127	100,0%
Total France		15.291	203.375	218.666	10.585.297	100,0%
Total		49.013	465.754	514.767	22.641.245	96,3%


⁴⁵ If we take into account the estimated rental value of the total portfolio (including the estimated rental value on vacant property), the percentage of contracted rental income in relation to the total rental value of the portfolio was 98.5% and 104.2% for Belgium and France respectively. When calculating the percentage for Belgium, the estimated rental values of the site at Puurs Rijksweg and Vorst Salvesin have not been taken into account, because these sites are to be redeveloped.

The table below gives details, ranked by the initial year of construction or the year of the most significant renovation. The table shows that 70% of the portfolio is no older than 10 years of age.


Construction year / Year most important renovations	Offices m ²	Warehouses m ²	Total m ²	% of total
1977	1.437	13.163	14.600	2,84%
1979	1.538	9.974	11.512	2,24%
1984	778	4.819	5.597	1,09%
1990	1.307	2.478	3.785	0,74%
1991	1.150	8.945	10.095	1,96%
1992	1.348	7.311	8.659	1,68%
1995	2.110	920	3.030	0,59%
1996	1.108	2.713	3.821	0,74%
1998	3.313	38.140	41.453	8,05%
2000	3.373	47.991	51.364	9,98%
2001	4.001	30.506	34.507	6,70%
2002	1.840	36.187	38.027	7,39%
2003	2.818	28.843	31.661	6,15%
2004	4.702	13.924	18.626	3,62%
2006	3.187	98.580	101.767	19,77%
2007	4.720	35.981	40.701	7,91%
2008	1.588	25.708	27.296	5,30%
2009	3.495	22.424	25.919	5,04%
2011	730	13.381	14.111	2,74%
2012	4.470	23.766	28.236	5,49%
Total	49.013	465.754	514.767	100,00%

MONTEA SPACE FOR GROWTH	Total m ²	Contracted Rent Income	Estimated Rental Value	Occupancy rate (as % of total m ²)
Belgium				
AALST (ABCEDEFG), TRAGEL 48-58	19.931	639.344	613.695	100,0%
AALST (HIJ), TRAGEL 48-58	18.280	989.822	807.822	100,0%
AALST (KLM), TRAGEL 48-58	5.988	261.276	242.015	100,0%
BORNEM, INDUSTRIEWEG 4-24	14.600	414.100	533.961	100,0%
GRIMBERGEN, EPPEGEMSESTWEG 31-33	26.236	964.797	1.078.245	100,0%
LAKEN, EMIEL BOCKSTAELLAAN 74	5.425	246.351	176.263	100,0%
VILVOORDE, SCHAARBEKELEI 207-213	4.030	74.493	289.475	
HOBOKEN SMALLANDLAAN 7	1.229	229.885	63.733	100,0%
MEER EUROPA STRAAT 28	10.230	350.666	319.538	100,0%
PUURS RIJKSWEG 89 & 85	10.095	0	336.850	
HERENTALS, TOEKOMSTLAAN 33	14.596	753.165	583.790	100,0%
NIJVEL, RUE DE L'INDUSTRIE	14.034	0	583.170	
PUURS, SCHOONMANSVELD 18	13.241	760.724	607.210	100,0%
EREMBODEGEM, INDUSTRIELAAN 27	17.255	986.541	861.145	98,6%
MECHELEN, ZANDVOORTSTRAAT 16	22.958	690.289	847.773	82,7%
VORST, HUMANITEITSLIN 292, SITE LIPTON	5.597	337.441	269.260	100,0%
VORST, HUMANITEITSLIN 292, SITE CM	7.150	349.654	268.125	100,0%
VORST, HUMANITEITSLIN 292, SITE RESTAURANT (STATION)	3.030	225.595	209.900	100,0%
VORST, HUMANITEITSLIN 292, SITE SALVESSEN (COOLED WAREHOUSE)	11.512	0	546.944	
MILMORT, AVENUE DU PARC INDUSTRIEL	28.337	1.087.619	1.000.323	100,0%
HEPPIGNIES, RUE BRIGADE PIRON	14.111	725.000	568.723	100,0%
ZAVENTEM, BRUCARGO	28.236	1.969.186	1.976.585	100,0%
Total Belgium	296.101	12.055.948	12.784.545	93,2%
France				
SAVIGNY LE TEMPLE, RUE DU CHROME	16.296	648.150	634.188	100,0%
FELQUIERES, ZI DU MOULIN 80	8.993	352.242	314.755	100,0%
CAMBRAI, P. d' A. ACTIPOL	11.270	552.943	495.488	100,0%
ROISSY, RUE DE LA BELLE ETOILE 280	4.285	357.550	353.118	100,0%
BONDOUFLE, RUE HENRI DUNANT 9-11	3.785	227.269	221.925	100,0%
DECINES-CHARPIEU, RUE ARTHUR RIMBAUD 1	3.821	363.667	339.490	100,0%
LE MESNIL AMELOT, RUE DU GUE 4 & RUE DE LA GRANDE BORNE 11	8.659	691.387	654.955	100,0%
ALFORTVILLE, LE TECHNI-PARC	2.047	231.228	216.160	100,0%
ROISSY, RUE DE LA BELLE ETOILE 383	6.457	649.052	627.210	100,0%
LE MESNIL AMELOT, RUE DU GUE 1-3	5.254	462.556	395.005	100,0%
SAINT PRIEST, RUE NICEPHORE NIEPCE	16.026	694.704	666.180	100,0%
SAINT-CYR-EN-VAL, RUE DES GENETS 660	75.452	3.182.700	3.004.800	100,0%
MARENNES, LA DONNIERE	20.489	765.362	865.599	100,0%
SAINT-LAURENT-BLAGNY, ACTIPARK	16.085	624.360	560.855	100,0%
SAINT-MARTIN-DE-CRAU	19.747	782.127	807.710	100,0%
Total France	218.666	10.585.297	10.157.438	100,0%
Total	514.767	22.641.245	22.941.983	96,3%

Montea analyses its property portfolio based on the business of its clients. The table below shows the various percentages based on rental income, indicating that tenants from the logistics sector and consumer goods represent over 75% of the portfolio.

 MONTEA SPACE FOR GROWTH	% based on rental income
Logistics	31,5%
Healthcare	3,7%
Consumer goods	43,9%
Services	5,8%
Technology	0,2%
Industrial	14,9%
	100,0%

The Montea portfolio can also be analysed according to the type of user:

 MONTEA SPACE FOR GROWTH	% based on rental income
End user	55,0%
Logistics	45,0%
	100,0%

4.2.4 Conclusions of the property assessor⁴⁶

Determining the value	<p>Determining the value of the investment items in the portfolio is supported by the following methods: the rental value capitalisation method and the income approach based on a DCF (Discounted Cash Flow) model, with measurement of the unit prices obtained.</p> <p>The market value is determined based on the economic market rental value of the lettable floor space, capitalised on the basis of a yield considered to be realistic under current market conditions. This yield and the economic market rental value are based on an assessment of the market, the location and the features of the property.</p>
Movements in value	<p>The Fair Value, in accordance with IAS40, rose on an annual basis in 31/12/2012 from EUR 246,987,000 to EUR 283,687,000⁴⁷ as of 31/12/2012. This Fair Value of EUR 283,687,000 corresponds with an investment value of EUR 295,039,319 with no additional costs payable by the purchaser.</p> <p>The initial yield (the rental income considered in relation to the investment value) of the whole portfolio is 7.72%.</p>
Assets	<p>Assets currently are \pm 466,042 m² of warehouse space and \pm 48,725 m² of office space, or a total area of 514,767 m². These assets are situated at 32 sites, 15 of which are in France. Two properties (Grimbergen and Brucargo at Brussels Airport) are held on a concession basis. The increase in the market value of the portfolio is due mainly to the acquisition of sites at Saint-Laurent-Blangy and Saint-Martin-de-Crau in France and Zaventem-Brucargo in Belgium. Two properties at Berchem and Aartselaar were also divested.</p>

⁴⁶ The property assessor's entire report is not included in this annual report, but only the conclusions. This is because the entire report contains confidential information that could be of importance for the competition.

⁴⁷ The difference with EUR 282,119,000, recorded in the balance sheet, relates on the one hand to the amount for the assets held for sale that was not included (site in Vilvoorde) and on the other hand to recording the own offices.

Apart from the 15 sites in France, the current properties are situated mainly in Flanders. Two buildings (Laken and Vorst) are in the Brussels-Capital Region and three are located in Wallonia, specifically in Milmort, Nivelles and Heppignies. Of the 15 sites in France, seven are located in the Paris region (Savigny-le-Temple and Roissy, Bondoufle, Le Mesnil Amelot, Alfortville) and the eight others in the provinces (Lyon, Saint-Priest, Cambrai, Arras, Feuquières-en-Vimeu, Orléans, Saint-Cyr-en-Val and Marseille).

Rental income

The effective rental income is calculated after deducting the property tax when it is to be paid by the owner and only in rare cases as an average rental income up until the next due date if there are rent discounts or if the rent is not charged on a constant basis contractually.

This annual rental income was EUR 22,767,573 per year as of 31/12/2012. Current lease contracts were 6.3% higher than the corresponding estimated market rental value.

The rental amounts stated are net rental income, separate from additional payments for communal charges and any insurance premiums.

The occupancy rate for the entire portfolio, calculated based on floor space, is $\pm 96.3\%$.

Source: De Crombrugghe & Partners, Herman-Debrouxlaan 54, 1160 Brussel, represented by Pascal Van Humbeek.

4.3 Major achievements during the financial year

4.3.1 Investment activity during 2012 in Belgium and France

➤ 20th June 2012 – Collaborative agreement with Office Depot in Europe for the purchase of its site in Puurs (Belgium)

Office Depot Europe, a company that supplies office items and solutions, decided to centralise its Benelux business in the Netherlands, resulting in its Belgian centre in Puurs becoming available. Montea has signed a collaborative agreement with Office Depot Belgium in relation to the purchase of this logistics centre. Montea will be marketing the premises for leasing and will purchase the building, subject to its being leased, at the latest by 20th June 2013. If the warehouse space has not been leased by that time, Office Depot has guaranteed

Montea the rental income for an additional period of 9 months (until 20/03/2014). Montea is confident that this site will be fully leased before this date is reached.



Montea «Space for Growth» - Site Puurs Schoonmansveld 58

The building is situated on land extending over 30,600 m² and contains a modern warehouse area of 12,000 m², as well as office space of 1,600 m². The site is extremely well located in the Pullar logistics zone, with fast connections with both the A12 arterial road between Brussels and Antwerp, and the N16 state road leading to the E17. There are also very few vacancies in the Puurs area. Montea is investing in this property on the basis of an initial return of 8.15%, representing an investment value of EUR 7.9 million.

➤ **20th June 2012 - Purchase of a logistics platform in the region of Arras (France) from CBRE Global Investors**

Montea purchased a logistics platform in the Arras area from CBRE Global Investors. The building is leased to Vertdis, a company that specialises in the distribution of items for the garden. The lease agreement has a minimum term of 7 years remaining. The building consists of 12,600 m² of warehousing, 750 m² of office space and 2,600 m² of outdoor storage. The site is situated between Arras, Lens and Hénin-Beaumont, offering fast



access to the A1, A26 and A2 motorways. Montea is investing in this property on the basis of an initial return of 8.00%, representing an investment value of EUR 7.5 million.

Montea « Space for growth » - Site Saint-Laurent-Blangy - Arras (FR)

➤ **September 2012 – Binding preliminary agreement with Office Depot for the site in Marseille (France)**

In September 2012, Montea has entered into a binding preliminary agreement with Office Depot for the purchase of a logistics platform in Saint-Martin-de-Crau. The site has a total surface of 19,370 m². Montea invested in this property on the basis of an initial return of 8.00%, representing an investment value of EUR 9.9 million. The site is entirely leased to Office Depot, a company that supplies office items and solutions. Office Depot will lease the platform for a fixed term of nine years, based on a yearly gross rental income of EUR 0.8 million.



Montea «Space for Growth» - Site Saint-Martin-de-Crau (FR)

4.3.2 Development activity during the year 2012

- **20 June 2012 - In-principle agreement with MG REAL Estate (De Paepe Group) for the acquisition of a customised development for DHL Global Forwarding at Brussels Airport (Brucargo)**
- **20 December 2012 – Acquiring shares of Warehouse 9 through capital increase**

From January 2013, DHL Global Forwarding Belgium will be combining all of its airfreight activities at Brussels Airport under a single roof as part of a new development by De Paepe Group at Brucargo. The development encompasses 23,000 m² of warehouse space and 5,300 m² of office space and social areas. DHL Global Forwarding will lease the building for a period of 15 years, with the option to terminate after 10 years. The new distribution centre is expected to be operational by the first quarter of 2013.

De Paepe Group obtained building rights for 50 years for this project from The Brussels Airport Company that can be renewed for a further 50 years. Montea acquired the project, based on an initial return of 7.50%, representing an investment value of EUR 26.2 million. Montea announced in its press release of 11th of December 2012, a



Montea «Space for Growth» - Site Brussels Airport – Brucargo West (BE)

capital increase for the acquisition of the shares of Warehouse Nine NV, owner of the aforementioned customized development for DHL Global Forwarding at Brussels Airport. Montea acquired the aforementioned shares through a successful capital increase of EUR 21,103,699 through the issue of 814,148 new shares⁴⁸.

- **13th September 2012 – Collaborative agreement with The Brussels Airport Company for the development of phase 3 at Brucargo West⁴⁹ | 20th December 2012 – Agreement for right of superficies**

The Brussels Airport Company and Montea signed a collaborative agreement for the development of logistical airfreight building on the adjacent plot of land of approximately 31,000 m² at Brucargo West. In doing so, Montea signed a (renewable) 50-year building agreement with the airport. As with the DHL project, Montea will work also with the Depaepe Group.

Through the intermediation of Cushman & Wakefield, Montea has reached a first long-term lease agreement for part of this land with St Jude Medical, a company that operates in the medical sector. The building will feature 6,000 m² of warehousing, a 1,700 m² mezzanine area and 1,900 m² of office space to create the European distribution centre for St Jude Medical.

Discussions are also underway with potential tenants for the remaining 10,000 m² at the site, which can be customised to suit their requirements.



Montea «Space for Growth» - Site St Jude Medical – Brucargo Ouest (BE)

⁴⁸ For more information, see [www.montea.com/investors/capital increase](http://www.montea.com/investors/capital%20increase).

⁴⁹ For more information, see the press release dated 13/09/2012 or www.montea.com.

The development of this third plot will be the final piece in the development of Brucargo West, representing a total development of approximately 70,000 m² of high-quality warehousing and 12,000 m² of office space.

4.3.3 Divestment activity during 2012 in Belgium⁵⁰

➤ 20 December 2012 – Sale of non-strategic sites

Montea proceeded with the sale of a semi-industrial building of 7,015 m² in Aartselaar. This transaction was completed for an amount of EUR 2.67 million. The amount for the sale is in line with the fair value for the site at 30/09/2011.

➤ 20 December 2012 – Sale of 3 sites at Berchem, Laeken and Vilvoorde

As part of the dynamic management of its property portfolio, Montea has sold the following semi-industrial premises:



Berchem: the site consists of 1,000 m² of office space and 1,446 m² of warehousing. This transaction was conducted with Gecodam, through Cushman & Wakefield, for EUR 2.33 million.

Laeken: the site consists of 340 m² of office space and 5,085 m² of warehousing and was sold to an end-user. This transaction was conducted through Property Partners for EUR 2.90 million.



Vilvoorde: this is a mixed site consisting of 3,000 m² of office space and 1,000 m² of warehousing. This transaction was conducted through Verac for EUR 2.45 million.

The signing of the deeds relating to the sites Laeken and Vilvoorde are scheduled in the first half of 2013.

These transactions were carried out in line with or above the fair value as of 30th September 2012. These divestments form part of Montea's strategy of disposing of semi-industrial premises so that it can focus more closely on purchasing larger logistics platforms. As a result of the transactions detailed above, the share of semi-industrial properties in the Montea portfolio fell to 11%.

4.3.4 Rental activity during 2012 in Belgium and France

2012 was marked by high lease activity, with in excess of 20,000 m² of renewals of existing lease agreements being signed. Each one of these renewals involved an extension to the average lease term.

⁵⁰ For more information, see the press release dated 20/06/2012 or www.montea.com.

Montea also signed approximately 21,000 m² of new lease agreements, which boosted the occupancy rate to 96.27%⁵¹ at 31/12/2012 compared with 96.45% at 31/12/2011.

➤ **6th February 2012 – New tenant and occupancy rate of 100% for the site at Milmort (Liège)**⁵²

Montea and Galler Chocolatiers NV have signed a new lease agreement for a fixed period of nine years for the lease of 5,219 m² of warehouse space and 959 m² of office space. This transaction means that the site is fully leased. With total floor space of 28,340 m², the building in Herstal-Milmort represents 10% of Montea's total portfolio in Belgium.

➤ **1st May 2012 – New tenant for the site at Erembodegem (Aalst)**

Montea and Cegelec Fire Solutions have signed a new lease agreement for 9 years (with an option to terminate after 3 years) for 400 m² of office space. Cegelec Fire Solutions specialises in the installation and maintenance of sprinkler systems and is part of the VINCI-Energies Group, one of the four divisions of VINCI and is an important player on the European market. VINCI Energies Belgium offers its customers strong solutions in the following markets: buildings, infrastructure, industry, service sector and telecommunications.

➤ **14th June 2012 – New tenant and 100% occupancy rate at the site Savigny-le-Temple (France)**⁵³

Montea and Toys R US, a wholesale distributor of toys, have signed a new short term lease agreement for 6 months (until 31/12/2012) for the remaining 7,559 m² of space at the site in Savigny-le-Temple. This allows to avoid further vacancy costs in 2012. Montea is currently negotiating with a number of applicant tenants.

➤ **1st December 2012 – Extension of the lease agreement with Norbert Dentressangle for the site at Marennes (France)**

Montea and Norbert Dentressangle have replaced their current lease agreement with a new lease agreement to run for 9 years (with the option to terminate after 2 years for part of the total area leased) for the lease of 19,965 m² of warehousing and 524 m² of office space at the Marennes site.

The site in Marennes is a "class A" logistics platform, situated in the "La Donnière" logistics zone alongside the A46 motorway and in the vicinity of Lyon Saint-Exupéry airport.

➤ **20th December 2012 – New lease agreement signed with TNT Innight for a fixed term of six years**

TNT Innight, a leading player in overnight distribution, signed a lease agreement with Montea for a fixed term of six years for a cross-dock warehouse at 16 Zandvoortstraat, Mechelen Noord. The lease is for +/- 986 m² of office space and +/- 4,600 m² of warehouse and archive space with an adjoining area with a range of loading docks. The brokers for this transaction were Jones Lang Lasalle and DTZ.

⁵¹ The occupancy rate for the entire portfolio is calculated based on floor space (m²). When calculating the occupancy rate, no account is taken either in the denominator or in the numerator of the m² intended for redevelopment. As of 31/12/2012, this amount was 25,491 m². Hence in calculating the occupancy rate, the total lettable floor space of 489,276 m² was taken into account.

⁵² For more information, see the press release dated 06/02/2012 or www.montea.com.

⁵³ For more information, see the press release dated 08/11/2012 or www.montea.com.

➤ **20th December 2012 – Additional lease agreement with DHL Freight for the Mechelen site**

As part of its ongoing expansion, DHL Freight has leased additional space of approximately 1,500 m² plus adjoining truck parking facilities at Zandvoortstraat in Mechelen.

4.3.5 Impact of the aforementioned activities on Montea's main considerations

The events mentioned above relating to lease activity, investments, developments and divestments have an impact on the following important considerations:

	2012	2011
Portfolio		
Fair value of the portfolio	EUR 283.7	EUR 247.0
Occupancy rate ⁵⁴	96.3%	96.5%
Average terms of leases ⁵⁵	5.6 years	5.4 years
Financial		
Operating margin ⁵⁶	84.1%	81.5%
Net current result per share ⁵⁷	EUR 2.00	EUR 1.82
Gross dividend per share	EUR 1.93	EUR 1.84
Debt ratio	51.3%	49.9%

4.3.6 The total bank debt due in 2012 (EUR 25 million) was successfully refinanced – Financial charges reduced to 3.74%⁵⁸

For a property trust (sicafi) with an average debt ratio of 50%, the annual interest charge is far and away the largest cost item. Consequently, controlling those charges is crucial. Locating funding and hedging debt are also two constant areas of attention for Montea.

Over the past year, Montea was successful in refinancing its total due bank debt of EUR 30 million. It also restructured its current hedging contracts. These 2 objectives for the year resulted in finance charges being lowered to 3.74%⁵⁹.

4.3.7 Changes to the organization in 2012

➤ **01 July 2012 – Griet Cappelle becomes a member of the management team as Chief Development Officer**

In July 2012 Montea decided to recruit a Chief Development Officer. With the appointment of Griet Cappelle, Civil Engineer-Architect Montea will continue to focus on new developments. Griet Cappelle (34) was since 2009 responsible as an Asset Manager for Eastern Europe for ULogis Group. Previously she worked as Head of Project – Engineering on different development projects of the IIG Group (Immo Industry Group). Before that she worked as a civil engineer for different companies in the construction sector. The new CDO will assist the management team with Jo De Wolf (CEO), Peter Snoeck (COO Belgium), Peter Verlinde (CFO), Peter Demuyne (CCO) and Jean de Beaufort (Directeur Général France).

⁵⁴ In m².

⁵⁵ Untill first break.

⁵⁶ Without taken into account the one-off provision of EUR 1.2 million of last year.¹

⁵⁷ Without taken into account the one-off provision of EUR 1.2 million of last year

⁵⁸ This is the financial cost on the basis of the financial position at 31 December 2012.

⁵⁹ Average financial cost on December 31, 2012, based on a total of EUR 146.5 million term bank loans and a total of EUR 128.4 million in hedging contracts (type IRS), taking into account the applicable EURIBOR rates on 31 December 2012.

4.3.8 Other events during 2012

➤ **15th May 2012 – Appointment of 2 new directors and reappointment of 4 directors as the representatives of major shareholders**

At the general meeting of shareholders held on 15th May 2012, 2 new directors were appointed for a term of 3 years and another 4 directors were reappointed (until the general meeting of shareholders in 2015):

New appointments:

- Jean-Marc Mayeur, Chief Investment Officer, representing the shareholder Federale Verzekering;
- Dirk Vanderschrick, Head of Treasury & Financial Markets, representing the shareholder Belfius Insurance Belgium NV;

Reappointments:

- BVBA DDP Management, whose permanent representative is Dirk De Pauw, and BVBA PSN Management, whose permanent representative is Peter Snoeck, representing the shareholder Family De Pauw;
- BVBA André Bosmans Management, whose permanent representative is André Bosmans, and BVBA Stratefin Management, whose permanent representative is Christian Terlinden, representing the shareholder Banimmo.

4.3.9 Successful capital raising of EUR 21,103,699 achieved through the issue of 814,148 new shares in return for a contribution in kind

In its press release dated 11th December 2012, Montea announced a capital raising through a contribution in kind for the acquisition of a built-to-suit development for DHL Global Forwarding at Brussels Airport (via W9 NV)⁶⁰. This capital raising was successfully finalized for an amount of EUR 21,103,699 through the issue of 814,148 new shares at an issue price of EUR 25.9212 per new share, which corresponded with the 30-day average prior to the date of the contribution agreement, adjusted by the proposed gross dividend of EUR 1.93 per share for the financial year ending 31st December 2012. This capital raising was conducted in the context of authorized capital.

⁶⁰ For more information, see the press releases dated 20/6/2012 and 11/12/2012 or www.montea.com.

4.3.10 The net current result⁶¹ was EUR 11.25 million (EUR 2.00 per shares), an increase of 9.8% on a recurrent basis compared with the same period last year

Foreword:

The figures for 2011 included a one-off provision of EUR 1.20 million⁶² under the heading "other operating revenue and costs". If this one-off provision is disregarded:

- *the operating margin in 2011 was EUR 15.71 million;*
- *the net current result in 2011 was EUR 10.25 million (EUR 1.82 per share).*

In the tables below, the comparisons in the figures are always made with this one-off provision excluded.

Montea's net current result was EUR 11.25 million (EUR 2.00 per share) in 2012, compared with EUR 10.25 million during the same period last year (EUR 1.82 per share). This is a 9.8% rise in the net current result.

This growth of EUR 1.00 million is mainly the result of:

- the increase in the net rental result of EUR 0.65 million (+3.4%);
- the increase in the property result over and above the rise in rental income of EUR 0.79 million;
- the increase in property charges, general company overheads and other operating costs and revenue of EUR 0.39 million;
- the limited increase in the net financial result of EUR 0.05 million.

4.3.11 Proposal to pay a dividend of EUR 1.93 per share

The result available for distribution was EUR 11.33 million (EUR 2.01 per share). Based on this result, the Montea Board of Directors will propose paying a gross dividend of EUR 1.93 per share⁶³, which represents a payout percentage of 96.0% in relation to the result available for distribution, and 96.5% in relation to the net current result. This corresponds with a net dividend of EUR 1.4475 per share⁶⁴.

The Board of Directors will propose to the general meeting of shareholders that it also offer an optional dividend.

4.3.12 Information regarding the current lawsuits

4.3.12.1 Agreement to include certain buildings as a result of the initial public offering

In 2006, the company entered into certain agreements enabling certain properties to be included under certain circumstances by way of merger or other transaction. These agreements were subject to a number of conditions precedent relating mainly to compliance with town-planning requirements that had to be fulfilled prior to 31st March 2007.

⁶¹ Net result excluding result on the property portfolio (codes XVI, XVII, XVIII and XIV of the profit-and-loss account) and excluding the variation in the fair value of the rate hedging instruments (code XXIII of the profit-and-loss account).

⁶² After the financial results were announced on 16th February 2012, Montea, pursuant to a court ruling, set aside a provision of EUR 1.2 million. For more information about this ruling, please see the 2011 annual report (www.montea.com).

⁶³ Calculated on the basis of 5,634,126 shares. The total number of share at 31st December 2012 was 6,448,274. On 20th December 2012, Montea conducted a capital raising of EUR 21.1 million through the issue of 814,148 new shares. These new shares are of the same type and have the same rights as the existing shares in Montea, on the understanding however that they are not entitled to the dividend for the 2012 financial year (which will be granted at the general meeting of shareholders on 21st May 2013). In other words, these shares were issued ex Coupon 10.

⁶⁴ A slight fall of 0.4% as the result of the 25% withholding tax in 2012 (compared with 21% in 2011).

Montea has already reported that a third party issued Montea with a writ in 2008 because it was of the opinion that it had entitlements over the input of certain properties by way of merger or other transaction. Montea had rejected this contribution because based on certain objective elements, it believed that the terms of the contract had not been fulfilled. The party in question then lodged a claim against Montea for EUR 5.4 million. Montea is of the opinion that this claim is without grounds.

In its ruling on 28th April 2009, the commercial tribunal in Brussels found in favour of Montea. However in the ruling dated 21st February 2012 received by Montea on 29th February 2012, the court of appeal in Brussels ruled partly in favour of the other side and awarded it compensation of EUR 961 000 in capital.

Following a decision taken by the Montea Board of Directors, an appeal in cassation has been lodged. A ruling is expected to be handed down by the Court of Cassation by the end of 2013 or the beginning of 2014.

4.3.12.2 Sale of the building at Grobbendonk

On 1 June 2010, Montea sold a property for EUR 4.2 million. According to the purchaser, there were hidden flaws in the sale.

The purchaser claimed EUR 1.4 million, plus court interest from the summons on 13/12/2011, an administrative fee of EUR 16,500, costs, case listing fees and EUR 263.45 of writ fees. The hearing was set down for 5/02/2013. The parties agreed to suspend this hearing and settle the matter out of court.

In the figures at 31/12/2012, Montea set aside a provision of EUR 105 000 in the result of the property portfolio. This provision has no impact of any kind on the net current result.

4.4 Synthesis of the financial results

4.4.1 Shortened consolidated summary of results before profit distribution as of 31 December 2012 (in thousands of euro)


Foreword:

The figures for 2011 included a one-off provision of EUR 1.20 million⁶⁵ under the heading "other operating revenue and costs". If this one-off provision is disregarded:

- the operating margin in 2011 was EUR 15.71 million;
- the net current result in 2011 was EUR 10.25 million (EUR 1.82 per share).

In the tables, the comparisons in the figures are always made with this one-off provision included.

In the notes relating to the financial figures, the comparisons in the figures are always made with this one-off provision excluded.

 ABBREVIATED CONSOLIDATED PROFIT & LOSS ACCOUNT (EUR) Analytical	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
CURRENT RESULT			
NET RENTAL RESULT	19.927	19.275	17.041
PROPERTY RESULT	20.508	19.069	16.523
% compared to net rental result	102,9%	98,9%	97,0%
TOTAL PROPERTY CHARGES	-1.046	-992	-833
PROPERTY OPERATING RESULT	19.462	18.078	15.690
General corporate expenses	-2.938	-2.620	-2.399
Other operating income and expenses	231	-952	-73
OPERATING RESULT BEFORE THE PORTFOLIO RESULT	16.756	14.506	13.218
% compared to net rental result	84,1%	75,3%	77,6%
FINANCIAL RESULT	-5.469	-5.424	-5.280
PRE-TAX RESULT (*)	11.287	9.082	7.938
Taxes	-39	-38	0
NET CURRENT RESULT	11.248	9.044	7.938
<i>per share</i>	2,00	1,61	1,79
NON-CURRENT RESULT			
Result on disposals of investment properties	362	0	548
Result on disposals of other non-financial assets	0	0	0
Changes in fair value of investment properties	-6.692	-4.420	-1.906
Other portfolio result	0	0	0
PORTFOLIO RESULT	-6.330	-4.420	-1.358
Changes in fair value of financial assets and liabilities	-8.023	-4.918	1.643
RESULT IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	-8.023	-4.918	1.643
NET RESULT	-3.106	-293	8.224
<i>per share</i>	-0,55	-0,05	1,41

⁶⁵ After the financial results were announced on 16th February 2012, Montea, pursuant to a court ruling, set aside a provision of EUR 1.2 million. For more information about this ruling, please see the 2011 annual report (www.montea.com).

✓ **The net rental result was EUR 19.93 million (+3.4%) – Increase in the operating result before the result on the property portfolio (+6.7%)**

The **net rental result** was EUR 19,93 million, a rise of 3.4% compared with the same period in 2011 (EUR 19,28 million). This increase of EUR 0.65 million is attributable mainly to:

- the increase in rental income of EUR 0.48 million. The net increase in this rental income is the result of:
 - the increase in rental income of EUR 0.54 million resulting from the investments made in 2012 (Saint-Laurent-Blangy and Saint-Martin-de-Crau);
 - the impact of the full year's income for the investments made in 2011 (Coca-Cola in Heppignies and Norbert Dentressangle in Marennes) of EUR 0.81 million;
 - the fall in rental income as the result of the sale of the sites in Berchem and Aartselaar (EUR 0.53 million);
 - the impact of the break and end dates that fell on 31/12/2011 and during the course of 2012, representing an amount of EUR 1.30 million (the end of the DHL lease at the Nivelles sites on 31/12/2011 had the greatest impact);
 - the impact of new leases signed during 2012 for EUR 0.40 million;
 - an overall index adjustment of EUR 0.56 million.
- the positive impact of lease-related costs of EUR 0.17 million from the write-back of provisions previously set aside for dubious debtors that were collected during 2012.

The **operating result before the result on the property portfolio** rose from EUR 15.71 million last year to EUR 16.76 at 31/12/2012. This increase in the operating result before the result on the property portfolio with 6.7% (EUR 1.05 million) is mainly the result of:

- the increase in the net rental result of EUR 0.65 million (see above);
- the increase in the property result over and above the rise in rental income of EUR 0.79 million, mainly as the result of:
 - the slightly negative impact of EUR 0.10 million incurred as the result of not passing on a number of costs caused by vacancies;
 - the increase in income from the solar panels of EUR 0.35 million as the result of having the full annual income from the panels compared with only half a year in 2011;
 - the increase in miscellaneous other income of EUR 0.47 million as the result of compensation paid for breaking leases, one-off insurance revenue resulting from claims at the sites in Aartselaar and Puurs, and one-off revenue from Parts Express after their early departure from the site in Mechelen;
 - the increase in income from property management fees of EUR 0.07 million;
- the increase in property costs and general company overheads of EUR 0.39 million.

The **operating margin**⁶⁶ was 84.1% for the full year 2012, compared with 81.5% during the same period last year.

The investments made in the structure of Montea during 2011 and 2012 (strengthening of the team in Belgium and establishment of the operating structure in France) are now beginning to bear fruit. Montea is well on the way to achieving its target operating margin of >85% in the medium term.

⁶⁶ The operating result before the result on the real estate portfolio compared to the net rental result.

- **The financial result (excl. the valuation of the hedging instruments) was EUR -5.47 million, a slight rise of +0.8% compared with the same period last year and very much determined by lower finance charges notwithstanding the higher financial debt**

The **financial result** at 31/12/2012 was EUR -5.47 million, a slight rise of +0.8% compared with the same period last year (EUR -5.42 million). The average debt burden rose by EUR +22.66 million. By contrast, the average finance charge fell during the year from 4.35% to 3.84%⁶⁷. Because the lower financial cost offset the higher debt burden, the total finance charge rose by only EUR +0.05 million.

The fall in finance costs (in %) was the result of:

- the fall in the hedging percentage for bank debt through interest rate hedging contracts enabling Montea to benefit from the lower variable interest rates on the part not hedged (not subject to interest rate hedging);
- the restructuring of the hedging strategy implemented by Montea in the second quarter of 2012, under which existing IRS contracts were converted into new ones with a lower finance charge.

↳ As of 31/12/2012, Montea had total bank debt of EUR 146.50 million. Montea has opted for a responsible policy in this regards, whereby its bank debt is covered 87.7% by IRS-type interest rate hedging contracts (Interest Rate Swap).

- ✓ **The negative result on the property portfolio was EUR -6.33 million**

The **result on the property portfolio** was EUR -6.33 million at 31/12/2012. This negative result can be attributed to:

- a. a negative variation in the fair value of the property portfolio in Belgium of EUR 5.04 million, determined mainly by total investments at existing sites of EUR 3.29 million, the vacancy adjustment resulting from the imminent end of the lease in Herentals and the adjustment to the market yield at six sites;
- b. a negative variation in the fair value of the property portfolio in France of EUR 1.65 million, due in the main to total investments of EUR 0.25 million, the adjustment to the market yield at the site in Feuquières-en-Vimeu and the adjustment to the market rent value of the property at Savigny-le-Temple.

This negative result was affected favourably slightly by the profit of EUR 0.36 million on the sale of the sites in Aartselaar and Berchem.

With regard to the valuation of the solar panels, these gains have been recorded in a separate component of shareholders' equity. Losses are also featured in this component, except where they have been realized or unless the fair value falls below the original cost.

- ✓ **The negative result on hedging instruments was EUR -8.02 million caused by the fall in long-term interest rates during the year**

The **result on the hedging instruments** was EUR -8.02 million at 31/12/2012. This negative result can be attributed to the further decline in long-term interest rates during 2012.

↳ NB: the rate for a 5-year IRS instrument was 1.57% at 31/12/2011 and fell further to 0.90% by the end of 2012.

⁶⁷ This financial cost is an average over the full year, leasing debts in France and Belgium included, and was calculated based on the total financial cost compared to the average of the initial and end balance of the debt cost of 2012.

- **The net result was EUR -3.11 million. This was affected strongly by the negative change in the valuation of the interest rate hedging instruments (EUR -8.02 million) and the negative change in the fair value of the property portfolio (EUR -6.33 million)**

The **net result** at 31/12/2012 was EUR -3.11 million (EUR -0.55 per share) compared with EUR -0.29 million for the same period in 2011. This year's result was affected strongly by the negative movement in the fair value of the property portfolio (EUR -6.33 million) and the negative movement in the value of the hedging instruments (EUR -8.02 million). These latter negative changes are not cash costs and have no impact whatsoever on the net current result.


- **Net current result of EUR 2.00 per share – The distributable result was EUR 2.01**

The **net current result** at 31/12/2012 was EUR +11.25 million, which was an increase of +9.8% compared with the same period last year. The distributable result amounts to EUR +11.33 million.

Based on the distributable result, Montea will propose a gross dividend of EUR 1.93 per share, an increase of 5% compared with the dividend of the previous year. This corresponds with a net dividend of EUR 1.4475 per share⁶⁸.

The Board of Directors will propose to the general meeting of shareholders the possibility of offering an optional dividend.

4.4.2 Shortened consolidated balance sheet as of 31 December 2012

 CONSOLIDATED BALANCE SHEET (EUR)	31/12/2012 Conso	31/12/2011 Conso	31/10/2010 Conso
NON-CURRENT ASSETS	290.229.600	253.630.935	236.465.744
CURRENT ASSETS	17.268.629	15.850.598	22.401.920
TOTAL ASSETS	307.498.229	269.481.533	258.867.664
SHAREHOLDERS' EQUITY	123.763.016	117.000.632	124.106.557
Shareholders' equity attributable to shareholders of the parent company	123.663.108	116.896.333	124.005.824
Minority interests	99.908	104.299	100.733
LIABILITIES	183.735.212	152.480.901	134.761.108
Non-current liabilities	141.897.714	116.055.455	69.539.252
Current liabilities	41.837.498	36.425.446	65.221.856
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	307.498.229	269.481.533	258.867.664

- As of 31/12/2012, the **total assets** (EUR 307.50 million) consisted mainly of investment property (92.2% of the total) and the solar panels (2.5% of the total). The remainder of the assets (5.3% of the total) consisted of intangible, other tangible and non-current financial assets and current assets, including cash investments, trade and tax receivables and assets held for sale.

⁶⁸ A slight fall of 0.4% resulting from withholding tax of 25% in 2012 (compared with 21% in 2011).

- The **total liabilities** consisted of shareholders' equity of EUR 123.76 million and total debt of EUR 183.74 million.

The total debt of EUR 183.74 million consisted of:


- drawn-down lines of credit of EUR 146.50 million (79.7%);
- leasing debts still to be settled of EUR 6.72 million (3.5%);
- the cumulative negative value of the hedging instruments of EUR 19.33 million (10.5%);
- a total of EUR 11.19 million in trading debts, other debts and accruals.

- ↳ Montea currently has lines of credit contracted with 4 Belgian financial institutions totalling EUR 165 million, of which EUR 146.50 million has already been drawn down (88.5%).

During 2012, EUR 25 million of the debt existing at the time (EUR 125 million) was refinanced with Belgian financial institutions. In addition, for the purpose of funding the new investments made in 2012, additional lines of credit totalling EUR 35 million were also put in place. Finally, a debt of EUR 5 million was taken on as part of the transaction with Warehouse Nine.

In 2013 and 2014 respectively, EUR 30 million and EUR 26.67 million in lines of credit fall due.

- Montea's **debt ratio**⁶⁹ was **51.3%**. This slight increase in the debt ratio compared to 31/12/2011 (**49.9%**) can be attributed mainly to funding Saint-Laurent-Blangy and Saint-Martin-de-Crau with bank debt, offset by the strengthening of equity capital as the result of the additional acquisition of the DHL project at Zaventem airport through the contribution in kind of shares in Warehouse Nine.
- ↳ Montea also complies with all of the covenants in terms of debt ratio that it has entered into with its financial establishments under which Montea may not have a debt ratio greater than 60%.
- The **net asset value** at 31/12/2012 was EUR 19.18 per share, although this was penalised significantly by the negative change in fair value of the hedging instruments. If no account is taken of the net negative change in fair value of the hedging instruments (IAS 39), the net asset value is EUR 22.17 per share.

 NET ASSET VALUE PER SHARE (EUR)	31/12/2012	31/12/2011	31/12/2010
Net asset value based on fair value ('000 euro)	123.663	116.896	124.006
Number of shares in circulation entitled to the result of the period	6.448.274	5.634.126	5.634.126
Net asset value per share (fair value) (*)	19,18	20,75	22,01
Net asset value per share (fair value, excl. IAS 39) (*)	22,17	22,75	23,14

⁶⁹ Calculated in accordance with the Royal Decree of 7th December 2010.

Notwithstanding the positive net current result, net assets per share fell by 9.5% (from EUR 20.75 to EUR 19.18). This was due to the negative variation in the value of the hedging instruments (EUR -8.023 million) and the negative variation in the value of the property portfolio (EUR -6.692 million), which was partly offset by the issue of new shares resulting from the contribution in kind under which the new shares were issued at a value higher than EUR 20.75 per share.

4.5 Financial structure of the company

4.5.1 Overall financing policy

The financing cost is the largest expense item in the Montea result. Montea therefore proactively manages the cost of its financing. First of all, the sicafi wants to guarantee that its various funds are available for the longest possible period of time. Additionally, the sicafi aims to secure financing with a variable rate of return, the largest part of which is covered by hedging instruments such as IRSs (Interest Rate Swaps).

This policy is based on the fact that doing so provides protection against disruptive swings in the economic cycles.

During economic boom times, the financing cost may well rise. This is compensated in theory by higher operational incomes (such as higher occupancy and higher inflation). This compensation is rather limited. Therefore there was a transfer to a hedging policy, and one that hedges the greatest portion of the debt.

At 31/12/2012, the main characteristics of Montea's financial structure were:

- total financial debt of EUR 153.76 million, consisting of EUR 146.50 million of bilateral lines of credit and EUR 6.72 million of leasing debts and EUR 0.54 million of rent guarantees deposited;
- a debt ratio of 51.3%⁷⁰;
- a weighted average term of financial debt of 2.7 years;
- a policy to hedge against rate risk that makes it possible to limit any sudden significant increases in short-term interest rates;
- an average funding cost in 2012 (including margin and hedging costs) of 3.75%⁷¹;
- an interest coverage ratio of 3.06x (compared with 2.67x in 2011 and 2.50x in 2010).

4.5.2 Debt structure

The company ensures that any funding required in is place in timely fashion. In doing so, the balance between the cost of funding, term and diversification of the sources of finance always come first.

The total financial debt of Montea is EUR 153.76 million (EUR 121.91 million long term and EUR 31.85 million short term) and consists of:

- total drawn-down lines of credit of EUR 146.50 million. As of 31/12/2012, Montea had total confirmed bilateral lines of credit of EUR 165 million with 4 Belgian financial institutions, of which 88.8% is drawn down. At 31/12/2012, the weighted average term of these lines of credit was 2.7 years. In 2012, a total of EUR 25 million was refinanced.

⁷⁰ The debt ratio is calculated in accordance with article 53 of the RD on Sicafi and may not exceed 65%.

⁷¹ This funding cost is an annual runrate, based on the total lines of credit drawn down at 31/12/2012, the hedging instruments in place at 31/12/2012 and the short-term interest rate (Euribor 3 months) at 31/12/2012.

The amount to be financed in 2013 is EUR 30 million, with a further EUR 26.76 million in 2014.

Additional lines of credit were also drawn down amounting to EUR 35 million and the existing EUR 5 million debt of Warehouse Nine NV was acquired.

- total leasing debts of EUR 6.72 million. This total corresponds with the leasing instalments for the following 3 sites:
 - Milmort – Liège: EUR 2.80 million
 - Orléans – Saint-Cyr-en-Val: EUR 3.51 million
 - Roissy: EUR 0.41 million
- a total of EUR 0.54 million in guarantees deposited.
Instead of establishing a rent guarantee, a number of French clients have deposited a security that serves as a rent guarantee.

4.5.3 Coverage of the rate risk

As already stated, Montea has a funding policy whereby a large proportion of its bank debt is hedged. As of 31/12/2012, 74.01% of the lines of credit drawn down was covered by IRS-type hedging instruments. Montea tries at all times to have between 70% and 100% hedged for a period of 3 to 10 years.

As of 31/12/2012, the company had a total of EUR 108.43 million of IRS-type hedging instruments in place.

Note 16 provides an overview of the hedging instruments in place.

4.5.4 Financial plan (Art. 54 of the Royal Decree of 7/10/2010)

4.5.4.1 General

If the consolidated debt ratio of a public property trust (sicafi) and its subsidiaries is greater than 50% of its consolidated assets, minus the permitted financial hedging instruments, that public property trust is required to draw up a financial plan with an implementation schedule setting out details of the measures that will be taken to prevent the consolidated debt ratio amounting to more than 65% of the consolidated assets.

A special report will be drafted by the auditor about the financial plan confirming that the auditor has verified the way in which the plan has been drawn up, in particular in terms of its economic reasoning, and stating that the figures included in the plan correspond with those in the accounts of the public property trust.

The financial plan and special report from the auditor are submitted to the FSMA by way of information.

The general guidelines of the financial plan are included in detail in the annual and six-monthly financial reports. In these reports it is set out and justified (a) how the financial plan has been implemented during the period under review, and (b) how the public property trust will implement the plan in the future.

4.5.4.2 Abbreviated form of the consolidated balance sheet at 31/12/2012

Based on the figures at 31/12/2012, the consolidated debt ratio of the Property Trust was 51.33%. For more information about the abbreviated form of the consolidated balance sheet at 31/12/2013, please see point 4.4.2 in this annual report.

4.5.4.3 Changes to the debt ratio of the Property Trust

Historically, Montea's debt ratio rose to its highest level since the end of 2008, and above 50%, in mid-2010 when it rose to 57.62%. On 2nd July 2010, a capital raising was conducted, taking the debt ratio back under 50%.

The debt ratio rose to 55.29% in September 2012. However, on 20th December 2012, a capital raising operation generating EUR 21.1 million was conducted to fund the project at Brucargo for DHL Global Forwarding. This pushed the debt ratio back down to 51.33%.

The debt ratio at Montea has never reached an alarming level, even during the periods of financial crisis that occurred from the end of 2008.

4.5.4.4 Montea's investment potential in the future

The debt ratio is currently at 51.33%. Based on this ratio, the investment potential would reach almost EUR 120 million⁷², fully funded by debt (a rise of almost 43%) without exceeding the maximum debt ratio level of 65%.

Montea has covenants with a number of banking institutions under which the debt ratio may not exceed 60%. Based on these covenants and using the same method of calculation, Montea's investment potential would be EUR 67 million.

The calculations above do not take account of any variations in the value of the property portfolio. Any variations could also have a major impact on the debt ratio.

Based on current equity capital, only if there were a negative variation in the fair value of the investment properties of over EUR 65 million would the maximum debt ratio allowed of 65% be exceeded. This would correspond with a fall in the existing portfolio of almost 23%.

Since it was established, Montea has absorbed a total negative variation in the value of its property portfolio of EUR 32 million, the majority of this being caused by the recent financial crisis at the end of 2008 and 2009. Based on the current state of Montea's portfolio and the value placed on that portfolio by an independent assessor, Montea does not foresee any substantial negative variations in the fair value in the future.

Montea is of the opinion that the current debt ratio of 51.33% provides a sufficient buffer for absorbing any possible further negative variations in the existing portfolio.

⁷² This calculation does not take account of variations in the fair value of the investment properties, nor of any variations in accruals in the liabilities.

4.5.4.5 Movements in the debt ratio forecast in 2013

The table below indicates movements in the debt ratio up to and including 31/12/2013.

	31/12/2012	+/-	30/06/2013	+/-	31/12/2013
Vastgoedbeleggingen	282.100.119	10.402.000	292.502.119		292.502.119
Andere activa	25.398.110	899.459	26.297.569	7.003.172	33.300.741
TOTAAL ACTIVA	307.498.229	11.301.459	318.799.688	7.003.172	325.802.860
Eigen vermogen	123.763.016	899.459	124.662.476	7.003.172	131.665.648
Verplichtingen	183.735.212	10.402.000	194.137.212	-	194.137.212
Langlopende verplichtingen	141.897.714	10.402.000	152.299.714	-	152.299.714
Voorzieningen	-		-		-
Andere langlopende financiële verplichtingen	19.327.307		19.327.307		19.327.307
Uitgestelde belastingen - verplichtingen	-		-		-
Andere kortlopende verplichtingen	122.570.407	10.402.000	132.972.407		132.972.407
Kortlopende verplichtingen	41.837.498	-	41.837.498	-	41.837.498
Voorzieningen	208.000		208.000		208.000
Andere kortlopende financiële verplichtingen	-		-		-
Overlopende rekeningen	6.363.536		6.363.536		6.363.536
Andere langlopende verplichtingen	35.265.962		35.265.962		35.265.962
TOTAAL PASSIVA	307.498.229	11.301.459	318.799.688	7.003.172	325.802.860
Schuldgraad	51,33%		52,77%		51,64%

These changes in the debt ratio are based on:

- for a debt ratio of 52.77% at 30/06/2013:
 - the implementation of the current investment programme;
 - the implementation of the current divestment programme;
 - payment of the dividend, taking account of 50% of shareholders opting for the optional dividend;
 - profit expectations for the first half of the year.
- for a debt ratio of 51.64% at 31/12/2013:
 - the profit expected for the second half of 2013, taking any vacancies into account.

These calculations do not take account of any variations in the value of the property portfolio.

4.5.4.6 Conclusion

Montea believes that its debt ratio will not exceed 65% and that no additional measures need be taken based on the planned changes to the composition of the property portfolio and the expected changes in equity capital.

Montea's aim remains to fund itself with a debt ratio of approximately 55% and to ensure that it never has a debt ratio of more than 60% (covenants agreed with the banks).

The debt ratio of 55% is entirely justified given the nature of the property in which Montea invests, i.e. logistics and semi-industrial property with an average yield of about 8%. Should a situation arise in which certain events were to necessitate an adjustment to Montea's strategy, it would make this adjustment without delay and notify shareholders accordingly in the annual and six-monthly financial reports.

4.6 Conclusions for the financial year 2011

For Montea, financially, 2012 was mainly characterized by generally good operating results in a still difficult economic context. The net current result increases by 9.8% compared to the same period last year.

Within this scope, the rental activity including maintaining the occupancy rate (>95%) was one of the priorities for 2012. Moreover, the investments in the sites of Saint-Laurent-Blangy and Saint-Martin-de-Crau and the completion of the built-to-suit project of DHL Global Forwarding have contributed to increasing the net current result.

4.7 Appropriation of profit

Based on the results of 31 December 2012, the Board of Directors of Montea Management NV proposes at the General Meeting of Shareholders paying out a gross dividend of EUR 1.93 gross per share. This represents a payout ratio of 96.5% compared to the net current result of EUR 2.00 per share. This corresponds with a net dividend of EUR 1.4475 per share⁷³.

The Board of Directors will propose to the general meeting of shareholders the possibility of offering an optional dividend.

4.8 Important post balance sheet date events

There have been no events of note since 31/12/2012.

4.9 Forecasts for the financial year 2013

4.9.1 General

Montea's business activities are affected in part by the overall economic climate. Lower economic growth can have an indirect effect on the occupancy rate and rental income. It also increases the risk that some tenants will be unable to fulfil their obligations.

At Montea, this risk is partly offset by the diversification of income streams (e.g. solar panels), geographic diversification (Belgium and France) and signing leases for longer terms with good-quality tenants from a range of different sectors.

In 2013, Montea will concentrate on the growth of its portfolio (external growth), on an improvement of the quality of the buildings (internal growth), on the diversification of its income.

- **External growth**

Due to the growing interest from institutional investors for logistics property in its two home markets (Belgium and France), the returns are currently under pressure and this will make it more difficult for Montea to purchase A properties at acceptable yields. Montea will therefore need to capitalise on its expertise and experience in order to differentiate its external growth. Thus, priority will go to:

⁷³ A slight fall of 0.4% resulting from withholding tax of 25% in 2012 (compared with 21% in 2011).

- Sale & rent back dossiers, whereby Montea takes over existing property from companies wishing to shed their property. Montea has had a first experience in this field with the take-over of Unilever's logistics site in Vorst (2008);
- Build-to-suit projects, whereby Montea, operating in an open book system, seeks the best logistics solution for a specific end user. Montea has a first experience in similar dossiers with the construction of a new distribution centre for Coca-Cola (2010-2011) and the customized development with Group De Paepe for DHL Global Forwarding on Brussels Airport.
- Collaboration with other property players, whereby Montea becomes involved at an earlier stage of the development process on the basis of its expertise and experience in the logistics market, thereby realising a portion of the development margin.
- Prospecting related acquisitions and/or acquiring portfolios of buildings that are not core investments and are not the priority of various investment groups.

- **Internal growth or quality improvement**

In addition to external growth, Montea will focus on enhancing its existing portfolio. Montea sees 3 major opportunities:

- Development of its land bank, in which Montea will work actively on marketing the remaining parcels of land in the portfolio. Montea still has opportunities in Erembodegem, Nivelles, Mechelen, Vorst, Puurs and Cambrai, for a total area of 90,500 m² ⁷⁴.
- The redevelopment of the 3.5 hectares in Puurs .
- Improvements to the quality of the portfolio in which Montea will conduct a comprehensive examination of its portfolio in order to gain a clear picture of any increases in value that can be created by making in-depth adjustments/improvements to products to meet the expectations and requirements of the market, as well as to ensure sustainable development.

- **Divestments**

Finally, Montea will divest a number of small, non-strategic properties that no longer fit its long-term strategy, for an estimated value of EUR 6 million ⁷⁵.

4.9.2 Specific prospects for Montea

- **Occupancy rate**

As of 31/12/2012 the occupancy rate was 96.3%. After the end of 2012, the following transactions have had an effect on the occupancy rate:

- lease of 5,586 m² to TNT Innight at the site in Mechelen;
- expiration of the short-term contract with DHL Freight at the site in Mechelen;
- expiration of the short-term contract with Toys R Us in Savigny-le-Temple (7,500 m²);
- sale of the site at Vilvoorde.

Montea does not currently expect to have any further vacancies at its sites in 2013.

Montea tries to achieve an occupancy rate of 95%.

⁷⁴ In calculating the occupancy rate, no account has been taken of this expansion potential.

⁷⁵ The estimated future fair value.

- **Investment capacity of EUR 25 million with debt ratio of 55%**

With a debt ratio of 55%, Montea still has an investment capacity of EUR 25 million (fully funded by debt). Using this additional investment potential and rental activity, Montea will be trying to increase the net current result per share by 5%.

Montea also intends to expand further based on its existing investment pipeline. To find additional funding for these projects, Montea is currently examining various financing opportunities.

4.10 Corporate Governance statement

4.10.1 Applicable legislation and reference code

This corporate governance statement contains the most important rules that the Montea has adopted the legislation and provisions on corporate governance in its practise.

Montea is thus incorporating the provisions recorded in the Belgian Corporate Governance Code 2009 (www.corporategovernancecommittee.be) Should it deviate from this, it shall include this deviation in this corporate governance statement, pursuant to Article 96, §2 of the Belgian Company Code. This should at least take into account the size of the company and the nature of its activity. Sicafi typically have a light structure with limited staff and this has impact on the corporate governance.

The relevant legislation includes not only the Companies Code, but also the Act of 3 August 2012 on certain forms of collective management of investment portfolios (Act of 3 August 2012) and the Royal Decree of 7 December 2010 relating to sicafi.

This statement of corporate governance is part of this annual report, pursuant to Article 96, §2 and § 3 of the Company Code.

Montea's company type is a General Partnership share and has only one appointed statutory manager. This Statutory Manager, Montea Management, is a Limited Liability Company (the **Statutory Manager**). As general partner, it is jointly and severally liable without limitations for all of Montea's obligations.

The Company and its Statutory Manager respect the provisions of the Belgian Corporate Governance Code 2009 and the legal recommendations on corporate governance by applying these within the Statutory Manager. As Manager of the property investment company on shares, it is the Board of Directors of Montea Management NV, which collegially takes decisions concerning the values and the strategies of Montea, on the principal policy lines and its willingness to take risk. The structure of the property investment company on shares is thus considered as transparent in terms of corporate governance.

In the corporate governance charter and in this corporate governance statement, the term "board of directors" also refers to the board of directors of Montea's statutory manager, Montea Management NV.

The executive management shall be organized within the legal entity Montea Comm.VA and is under the supervision of the board of directors of the statutory manager.

The Company has so far complied with the provisions of the Corporate Governance Code with the exception of the following provisions:

- pursuant to provision 4.6 of the Corporate Governance Code 2009, the mandate of director shall not be more than four years. The shareholders of the Manager have opted at 1 Oktober 2006 upon appointment of the directors to appoint certain directors for a period of more than four years.

For more information, please see the table in section 4.10.3.2, (iii) (Board of Directors – Composition).

- in view of the limited size of the company, the Board of Directors of the company's business-owner has decided not to establish a separate appointments committee, departing from item 5.3 of the Belgian Corporate Governance Code 2009. The duties of the appointments committee will be handled by the remuneration committee, in the remuneration and appointments committee;
- pursuant to provision 2.9 of the Belgian Corporate Governance Code 2009, the Board of Directors of the Manager must appoint a secretary who advises the Board on all governance matters. This has not happened as yet, given the limited complexity of the company's organisation.

4.10.2 Report internal audit and risk management systems

4.10.2.1 General

The board of directors of the Company's Business Manager is responsible for assessing the risks that are characteristic of the Company and also for assessing the effectiveness of internal auditing.

In turn, the Company's executive management is responsible for putting in place a system for monitoring risk management and the effectiveness of internal auditing.

Montea organises the way the Company's internal auditing and risks are managed by:

- defining its audit environment (general legal, financial and operational context);
- identifying and ranking the main risks⁷⁶ to which the Company is exposed;
- analysing the extent to which the Company manages these risks.

As part of this process, special attention is also paid to the reliability of the reporting and financial communication process.

⁷⁶ We refer to chapter 1: Risk factors for the description of these risks.

4.10.2.2 The audit environment

The main features of the audit environment consist of:

- **The culture of risk:**
Montea conducts itself responsibly in order to generate steady and recurrent revenue. Montea adopts a cautious approach regarding its investment policy and will avoid any speculative projects.
- **A clear description of the Company's purpose:**
Montea is a leading sicafi, listed on the stock exchange, which specialises in semi-industrial and logistics property. Montea has set itself the aim of building up a diversified property portfolio that generates stable and recurrent income. In doing so, Montea allows itself to be guided by the interests of the logistics world in Belgium and France.
- **A definition of the role of the various management bodies:**
Montea has a Board of Directors, an audit committee, a remuneration and appointments committee and an investment committee. The audit committee has the specific task of handling the company's internal auditing and risk management. For the accountancy of the French companies, Montea is assisted by a third party, Primexis, which provides Montea with material support only (this is in no way a delegation of management tasks).
- **Company organisation:**
The Company is organised into various departments, which are shown in an organisation chart. Each person within the organisation is aware of what powers and responsibilities have been allocated to them.
- **Measures to ensure sufficient capabilities:**
The Company assures itself that the following have sufficient skills and capabilities:
 - directors (see below): in view of their experience the directors have the skills they need to carry out their mandate, including in the area of accountancy and general financial matters, and the logistics market;
 - executive management and staff: carrying out the various functions within the Company is assured by:
 - ↳ a recruitment process based on carefully defined employee profiles;
 - ↳ an assessment policy and appropriate remuneration based on achievable and measurable objectives;
 - ↳ appropriate training for all positions within the Company.

4.10.2.3 Risk analysis and audits

Based on prioritising the risks in question, an assessment of the Company's main risks is carried out twice a year. These risks are discussed in the chapter on "Risk factors" in this report.

The Company's specific audit processes can be subdivided into the following categories:

- **audits based on statutory requirements:**
Every transaction involving the purchase or sale of property can be traced in terms of origin, the parties involved, the nature of the transaction and the time it was carried out, by using official notarised documents. For this purpose, a compliance check is carried out by an external party on behalf of the audit committee in line with the Company's articles of association.

- audits based on internal procedures:
 - any purchase, sale and lease contract is signed by the permanent representative of the Business Manager and at least one of the Business Manager's directors;
 - incoming invoices are approved by at least 2 people (the person responsible and the manager of each department);
 - outgoing payments are approved by at least 2 people (CFO and 1 effective manager). All payments are also additionally approved by the CEO.
- audits on financial matters:
 - the Company is assisted by an external adviser with regard to consolidation and accounting practices;
 - an overview is conducted systematically of any discrepancies in the actual figures, compared with the budget and actual figures of the previous year;
 - ad hoc samples are taken according to their material importance.
- audits in the area of the main financial risks, such as:
 - consulting external database in relation to the creditworthiness of customers;
 - the proactive monitoring of interest rate risks, in which the Company is assisted by external hedging consultants.

4.10.2.4 Financial information and communication

General communication within the Company is tailored to the size of the Company. It is based mainly on general staff communication, internal work meetings and general e-mail traffic.

The process of financial information is based on retroplanning made on a quarterly, half-yearly and annual basis. The internal accounting team in Belgium and the external office in France provide the accounting figures. These figures are consolidated and verified by the controlling team, which reports to the CFO.

4.10.2.5 Supervision and assessment of internal auditing

The quality of internal auditing is assessed during the course of the financial year by:

- the audit committee;
- the Auditors as part of their half-yearly and annual audit of the financial figures.

4.10.3 Board of Directors and committees

4.10.3.1 General

Montea has the legal form of a partnership limited by shares and gained accreditation from the FMSA as a sicafi on 26 September 2006. This accreditation came into effect on 1 October 2006.

In accordance with the Company Code and its articles of association, Montea is managed by a statutory Business Manager/Partner, Montea Management NV ("Montea Management" or the "Business Manager"), a partnership that is jointly and severally liable, without limitation, for all commitments made by Montea and which itself is represented by its permanent representative, Jo De Wolf.

Montea Management is operated by a Board of Directors that is composed in such a way that Montea can be run autonomously and in the sole interests of its shareholders. The Board includes at least three independent directors in the sense of article 526c of the Companies' Code and in compliance with the terms of the Act of 3rd August 2012 and the RD on Sicafi.

The structure of the partnership limited by shares is totally transparent. This means that all of the rules of the RD on sicafi apply to its management body, the statutory Business Manager, Montea Management, and the directors of Montea Management.

In this regard, Montea has expanded the principles in the area of corporate governance to the directors of the statutory Business Manager, Montea Management.

Montea's corporate governance structure, in accordance with the Belgian Corporate Governance Code 2009, can be shown diagrammatically as follows:

- the management bodies, on two levels:
 - the statutory Business Manager, Montea Management NV, represented by its permanent representative, Mr Jo De Wolf;
 - the board of directors and the individuals to whom the day-to-day management of Montea Management NV is entrusted;
- the supervisory bodies:
 - internal: supervision over day-to-day management by effective managers;
 - external: the auditors and the FSMA.

The Manager represents the company in any legal or extrajudicial steps. Pursuant to Article 9, § 2, of the RD on sicafi, the company is represented, for any action regarding access to its property within the meaning of Article 2.20° of the aforementioned RD, by the statutory Manager, who is represented by the permanent representative of the Manager, Mr Jo De Wolf and at least one Director of the manager, PSN Management BVBA, represented by Mr Peter Snoeck.

The individuals who form part of the company's Board and senior management have their business address at Montea's registered offices (solely for matters relating to Montea).

4.10.3.2 Board of Directors

A. Composition Board of Directors

(i) Appointment

The members of the Board are appointed by the General Meeting of Montea Management NV by a general majority from a list of candidates presented by the Board of Directors on the advice of the Remuneration and Nomination Committee. At present, the General Meeting of the Manager is solely composed of the five children of the late Mr Pierre De Pauw, who each hold 20% of the shares.

The directors are in principle appointed to a maximum period of four years, however, in deviation from provision 4.6 of the Belgian Corporate Governance Code 2009, this limit may be waived to be able to ensure a secure rotation within the Board.

Montea shall inform the FSMA in advance of the nomination for appointment or renewal of appointment, of non-renewal of appointment or of the dismissal of directors pursuant to Article 38, §3 of the Act of 3 August 2012.

The nomination process is led by the Chairman of the Board of Directors. Candidate directors or candidates for renomination as directors are nominated by the Board of Directors to the shareholders of the Manager for approval by the Remuneration and Nomination Committee.

Before any new appointment, an evaluation is made of the skills, knowledge and experience already present on the Board and for which there remains a need. This ensures the necessary diversity and complementarity of the diverse backgrounds and skills of the directors. A profile of the required role is detailed.

Non-executive directors are made aware of the extent of their duties at the time of their candidacy nomination.

(ii) Qualification requirements

The members of the Board of Directors are evaluated on the basis of the following criteria:

- knowledge of the sector of semi-industrial real estate, of the transport and logistics sector in Belgium and in Europe;
- knowledge of the operation of seaports and of the contacts with their operators;
- knowledge of the construction industry and of the market for logistics and semi-industrial property in Belgium and France;
- knowledge of the logistical property flows;
- knowledge in the field of real estate development projects;
- experience in leading a Board of Directors or in participating in such a board, of a listed (real estate) business;
- financial knowledge and knowledge of corporate finance in the context of complex real estate transactions.
- knowledge of accountancy codes including the IFRS rules.

Non-executive directors may not hold more than five (5) directorships in listed companies simultaneously. Any changes to their other commitments outside Montea are to be reported to the Chairman and the Remuneration and Nomination Committee in a timely manner.

Pursuant to article 9, §1 of the RD on sicafo, at least three directors must be independent, in the sense of article 526ter of the Company Code. Pursuant to Article 526 of the Company Code, the following independent directors meet the independence criteria of the aforementioned Article 526:

- Gerard Van Acker BVBA, with its permanent representative Gerard Van Acker,
- Mr Eddy Hartung,
- the BVBA Philippe Van gestel, represented by Philippe Van gestel, and
- NV First Stage Management with its permanent representative Mr Hugo Van Hoof.

(iii) Composition

The Board of Directors consists of eleven members⁷⁷:

⁷⁷ The smooth and efficient functioning of the Board of Directors is not impeded by its relatively comprehensive composition.

Name	Acting as/Function	Start of mandate	End of mandate	Annual meeting 15/05/2012
Jo De Wolf BVBA, represented by Jo De Wolf	Managing director, Chief Executive Officer (CEO).	19/10/2010 (6 years)	Annual meeting 2016	-
DDP Management BVBA, represented by door Dirk De Pauw	Executive administrator, chairman of the investment committee and responsible for business development in France	01/10/2006 (6 years)	15/05/2012	Prolongation mandate for 3 years (till AM 2015)
PSN Management BVBA, represented by Peter Snoeck	Executive administrator, Chief Operating Officer (COO)	01/10/2006 (6 years)	15/05/2012	Prolongation mandate for 3 years (till AM 2015)
André Bosmans Mgt BVBA, represented by André Bosmans	Non-executive administrator	01/10/2006 (6 years)	15/05/2012	Prolongation mandate for 3 years (till AM 2015)
Stratefin Mgt BVBA, represented by Christian Terlinden	Non-executive administrator	01/10/2006 (6 years)	15/05/2012	Prolongation mandate for 3 years (till AM 2015)
Gerard Van Acker BVBA, represented by Gerard Van Acker	Independant administrator, Chairman of the Board of Directors	01/10/2006 (6 years)	15/05/2012 Advanced renewal in 2011 for 3 years (till AM of 2014)	-
First Stage Management NV, represented by Hugo Van Hoof	Independant administrator	01/10/2006 (5 years)	17/05/2011 Prolongation till AM 2013	-
Eddy Hartung	Independant administrator	01/10/2006 (5 years)	17/05/2011 Prolongation till AM 2013	-
Philip Van gestel BVBA, represented by Philip Van gestel	Independant administrator	01/10/2006 (4 years)	18/05/2010 Prolongation till AM 2016; Shortened in 2011 till AM 2013	-
Federale Verzekering, represented by Jean-Marc Mayeur	Non-executive administrator	15/05/2012 (3 years)	AM 2015	(First nomination)
Belfius Insurance Belgium NV (before Dexia Insurance Belgium NV), represented by Dirk Vanderschrick	Non-executive administrator	15/05/2012 (3 years)	AM 2015	(First nomination)

- On the advice of the remuneration and appointments committee, the Board of Directors has verified that the independent directors fulfil the independence criteria set by article 526c of the Companies' Code.

The notification from the public limited company in liquidation, 'Gemeentelijke Holding', whose registered office is situation at 68b Sint Annadreef, 1020 Brussels, company number 0203.211.040, RPR Brussels, with Mr Carlos Bourgeois as its permanent representative, states that it resigned as director of Montea Management, with effect from 24th January 2012. This resignation was accepted by the general meeting of shareholders on 15th May 2012.

The Board of Directors currently has no female members. The Board of Directors is aware that by 1st March 2017, at least 1/3 of directors' mandates must be held by persons of the other gender. In view of the fact that the mandate of 3 independent directors will expire at the general meeting of shareholders in May 2013, the Board of Directors is undertaking the necessary action to have these directors' mandates filled by persons of the other gender. To achieve this aim, Montea is using a selection procedure by which each director nominates a number of candidates in view of the fact that by 1st March 2017, at least 1/3 of directors' mandates must be held by persons of the other gender. At the next general meeting of shareholders, the Board of Directors will already put forward one female candidate director.

(iv) Curricula

Following is the brief curriculum of each of the directors or, in case of the companies being directors, of their permanent representatives, with report of the other mandates they have fulfilled in the course of the past five years as members of the administrative, management or supervisory bodies in other companies (with the exception of the subsidiaries of the Company).

Van Acker Gerard BVBA, represented by Gerard Van Acker

Chairman of the Board and Independent Director

Start of mandate: 1/10/2006 – End of mandate: 15/05/2012 – Prolonged till May 2014

Gerard Van Acker, born in 1943, studied law and political and administrative science at the Vrije Universiteit Brussel.

- a. The mandates that have lapsed in the past five years:
- b. L&C NV, Cerestre, Accent Jobs for People nv and Trust Capital nv.
- c. The current mandates:

He is administrator of the companies Exequates Group, Elsyca, Capricorn Venture Partners, Qbic nv and Chairman of the Board of Directors of Capital E, Capital E II and BI3 Fund. He is also administrator of the companies Imec vzw and VIB vzw. In some of these companies and non-profit associations he is also chairman or member of the Audit Committee and/or of the remuneration and nomination committee. He is also chairman of Plan Belgium. As of 5 November 2008, with Mr Gerard Van Acker as permanent representative, in accordance with Article 39 of the Act of 3 August 2012.

First Stage Management NV, represented by Hugo Van Hoof
Vice-Chairman of the Board and Independent Director
Start of mandate: End of mandate: 2014 17/05/2011 – Prolonged till May 2013

Hugo Van Hoof, born in 1946, is a civil architectural engineer (KUL: Katholieke Universiteit Leuven) and obtained a diploma in applied economics from the same university.

- a. The mandates that have lapsed in the past five years:
Until May 2011: Director of BVS-UPSI (Professional Association of the Property Sector).
- b. The current mandates:
He is currently Chairman, Managing Director of Resiterra NV and Chairman of Barbarahof NV. He is permanent representative of Innovi NV and Chairman of Biominerals NV, Conforma NV; administrator of Sofrigam SA in France.

Jo De Wolf BVBA, represented by Jo De Wolf
Managing Director and CEO
Start of mandate: 19/10/2010 - End of mandate: 15/02/2016

Jo De Wolf, born in 1974, holds a Master's degree in Applied Economics from KU Leuven, an MBA from the Vlerick Leuven Ghent Management School and pursued the Master's Real Estate programme at the KU Leuven.

- a. The mandates that have lapsed in the past five years:
In 2006 (until October 2010), he headed the real estate division of The Brussels Airport Company, where he was responsible for the redevelopment strategy and the expansion of the Brucargo logistics area at Brussels Airport.
- b. The current mandates:
As of 19 October 2010, Jo De Wolf BVBA, represented by Mr Jo De Wolf, was appointed as effective leader of Montea Comm. VA, in accordance with Article 38 of the Act of 20 July 2004 (at present Article 39 of the Act of 3 August 2012). Since May 2011: Director of BVS-UPSI (Professional Association of the Property Sector).

Jo De Wolf BVBA, represented by Mr Jo De Wolf, is appointed as effective leader of Montea Comm. VA, in accordance with Article 39 of the Act of 3 August 2012.

PSN Management BVBA, represented by Peter Snoeck
Representative of the Family De Pauw - Director and COO
Start of mandate: 1/10/2006 - End of mandate: 15/05/2012 – Prolongation till May 2015

Peter Snoeck, born in 1957, received his diploma in industrial engineering in electromechanics in Ghent. He then studied business management at the KUL (Katholieke Universiteit Leuven) and pursued training to become a realtor.

- a. The mandates that have lapsed in the past five years: none
- b. The current mandates:
Since 2006, Peter Snoeck has been executive director of the Manager of Montea. He holds the position of COO and represents the Pierre De Pauw family on the Board of Directors.

DDP Management BVBA, represented by Dirk De Pauw

Representative of the family De Pauw - Director and Chairman of the Investment Committee

Start of mandate: 1/10/2006 - End of mandate: 15/05/2012 – Prolongation till May 2015

Dirk De Pauw, born in 1956, is one of the founding shareholders of Montea. He received his diploma in accounting and business management from the INHUS in Ghent, followed by additional training at the Vlerick Leuven Gent Management School.

- a. The mandates that have lapsed in the past five years: none
- b. The current mandates:

Since 1982 he has been managing director of the NV CLIPS in Asse. Dirk De Pauw is Director of the sicafi manager and Chairman of the sicafi's Investment Committee; he represents the Pierre De Pauw family on the Board of Directors.

André Bosmans Management BVBA, represented by André Bosmans

Representative of Banimmo - Director

Start of mandate: 1/10/2006 – End of mandate: 15/05/2012 – Prolongation till May 2015

André Bosmans, born in 1954, earned a law degree (State University of Ghent - RUG) and earned a diploma in 1978 as notary public at the RUG.

- a. The mandates that have lapsed in the past five years:
 - Gérardchamps Invest NV: administrator till 2008
 - Gordinco BV: director till 2008
 - Picardie Invest NV: administrator till 2009
 - H4 Invest NV: administrator till 2009
 - PPF Brittany GP Sàrl: Manager till 2010
- b. The current mandates:

Since 1996, he has been Secretary-General and member of the management committee of Banimmo. In 2007 he became member of the management committee of Banimmo and in 2011 he became administrator of Banimmo. Since August 2006, he has, through his management company, been director of various companies (Banimmo, NV Conferinvest, Comulex, Immo Property Services – IPS and Lex 84, Luso Invest). He is also director on his own behalf of the NV Grondbank The Loop, Cardev NV and Schoonmeers Bugten NV and manager of CVBA P.D.S.M. Finally, he is an independent director of NV VEDIS on his own behalf and of the NV International Commerce and Trading, through its management company.

Stratfin Management BVBA, represented by Christian Terlinden

Representative of Banimmo - Director

Start of mandate: 1/10/2006 - End of mandate: 15/05/2012 – Prolongation till May 2015

Christian Terlinden, born in 1959, holds a degree in law (UCL: Catholic University of Louvain) and applied economics (UCL); he also earned an MBA from Cornell University in the United States.

- a. The mandates that have lapsed in the past five years:
 - Cevimo Consult: administrator until June 2008
- b. The current mandates:

Since 2005, he has been Chief Financial Officer, Member of the management committee and director of Banimmo and a number of companies belonging to the Banimmo group (Tradecorp, Interpec Iberia, Sapec SGPS, Sapec Immobiliaria).

Eddy Hartung**Independent Director****Start of mandate: 1/10/2006 - End of mandate: 17/05/2011 – Prolongation till May 2013**

Hartung Eddy, born in 1952, obtained a degree in law (ULB, 1975) and a business management degree at UCL (IAG) in 1983.

a. The mandates that have lapsed in the past five years: none

b. The current mandates:

He is Managing Director of HARMONT INVEST NV, management company and equity company (shares and investment property); Director of CETIM S.A. (Luxembourg); Manager (Gérant) of CETIM sarl and of DDS sarl (France); Manager (Geschäftsführer) van Deutsche Lagerhaus Trilogiport GmbH & Co KG (Germany and Belgian fixe institution); as permanent representative of Harmont Invest NV, Chairman of the Board of CETIM NV (Belgium); Manager of MITEC 181 BVBA (Belgium); director and/or chairman of various ad hoc real estate companies in Luxembourg, Belgium and France (in the context of a private real estate fund, Immo Optimum SICAR, abbreviated as OPTIMMO, in Luxembourg): VDA SA, VDA Secundo SA and V-Holding SA in Luxembourg, Optimland Hold NV in Brussels and SAS Immo Parc Orsay, SAS Immo Secundo, SAS 21 Fortuny, SAS 107 Malesherbes, SAS 197 Malesherbes, all SAS are located in France.

Philip Van gestel BVBA, represented by Philip Van gestel**Independent Director****Start of first mandate: 1/10/2006****Renewal of mandate: 18/05/2010 - End of mandate: May 2016 – Shortened till May 2013**

Philip Van gestel, born in 1958, earned a degree in applied economics, sea and transport law from the UFSIA and a D.E.S.S. (Diplôme d'Etudes Supérieures Spécialisées) in applied marketing at the Université d'Aix-Marseille.

a. The mandates that have lapsed in the past five years: none

b. The current mandates:

Since 2004 has been Executive Chairman of Noord Natie Terminals NV (storage tanks in Antwerp), International Distribution Partners (cold stores in Antwerp), Civitavecchia Forrest and Fruit Terminal (Italy), Noord Natie Ventspils terminals (Latvia) and the Nortrop group (agencies). He holds the following mandates: Chairman of Noord Natie Holding CVBA, Chairman of Katholieke Media Fondsen (media), member of the Board of Directors of BNP Paribas Fortis Bank, Antwerp – Kempen area, Director of Acerta (Secretariat for social security matters), Director of EFICO NV and SEABRIDGE NV (coffee trade and storage). Honorary chairman of the Algemene Beroepsvereniging voor de Antwerpse Stouwers (General Association for the Antwerp Stevedores) and Judge for Commercial Matters at the Antwerp Commercial Court.

Federale Verzekering NV, its permanent representative Mr Jean-Marc Mayeur**Director****Start of mandate: 15/05/2012 – End of mandate: May 2015**

Jean-Marc Mayeur, born in 1970, has a degree in Commercial Engineering (Solvay Business School – ULB).

a. The mandates that have lapsed in the past five years: none

b. De current mandates:

Since May 2012 he has represented Federale Verzekering as Chief Investment Officer as a director of Montea.

Belfius Insurance Belgium NV (before Dexia Insurance Belgium NV), its permanent representative Mr Dirk Vanderschrick

Director

Start of mandate: 15/05/2012 – End of mandate: May 2015

Dirk Vanderschrick, born in 1965, is a graduate in Commercial and Financial Sciences and a Master of Business Administration from K.U. Leuven.

- a. Mandates that have expired in the past five years:
AAMC, Livingstone Building, Realex, Corona, DIB Invest, DELP Invest, DIS Finance SA, Dexia Re, Eurco RE, Eurco Ltd, IWI (International Wealth Insurer).
- b. Current mandates:
Belfius Bank, Belfius Insurance, Belfius Ireland, Quest for Growth, Capricorn Health-tech Fund, Auxipar, Promotion Leopold.
Since May 2012 he has represented Belfius Insurance Belgium NV as a director of Montea.

Dirk Vanderschrick is a member of the Management Board of Belfius Bank with responsibility for Treasury and Financial Markets.

The company confirms that the non-executive directors mentioned above (see table p. 42) meet the terms of item 4.5 of the Belgian Corporate Governance Code 2009 (see (iii) Composition), which states that non-executive directors may not have mandates in more than five listed companies.

B. Duties of the Board of Directors

Montea Management NV acts, in carrying out its duties in the capacity of Manager, in the exclusive interest of the shareholders of Montea. The Board of Directors of Montea Management NV has the following specific duties in this context:

- defining the strategy of Montea, its risk profile and in particular defining the sectors and the geographical area in line with the relevant legal requirements;
- approval of investment decisions in line with relevant legal requirements;
- monitoring and approval of periodic financial information;
- oversight of the executive management, particularly in light of strategy monitoring;
- approval of public offering information;
- proposal of profit distribution;
- other duties expressly assigned by the Belgian Company Code to the statutory manager (strategy and budget, annual, quarterly and half-yearly accounts, use of the authorized capital, approval of the merger/break-up reports, convening of the Ordinary and Extraordinary General Meetings, organising the decision-making bodies and appointing their members).

C. Activity Report of the Board of Directors

The Board of Directors met on five occasions in 2012. Because Gemeentelijke Holding resigned on 24th January 2012, it no longer took part in Board meetings in 2012. Belfius Insurance Belgium NV (previously Dexia Insurance Belgium NV) and Federale Verzekering were only represented in Board meetings after their appointment at the general meeting of shareholders in May 2012. Directors attended meetings as shown in the table below:

Name	Function	Administrator, represented by	End date of mandate	Attendance list in 2012
Van Acker Gerard SPRL, represented by Gerard Van Acker	Chairman	Independant Administrator	May 2014	5/5
First stage management SA, represented by par Hugo Van Hoof	Vice-president	Independant Administrator	May 2013	5/5
Jo De Wolf SPRL, represented by Jo De Wolf	Delegated Administrator and CEO (*)	Delegated Administrator	May 2016	5/5
André Bosmans Management SPRL, represented by André Bosmans	Administrator	Banimmo	May 2015	5/5
Stratèfin Management SPRL, represented by Christian Terlinden	Administrator	Banimmo	May 2015	4/5
DDP Management SPRL, represented by Dirk De Pauw	Administrator	Family De Pauw	May 2015	4/5
PSN Management SPRL, represented by Peter Snoeck	Administrator and COO	Family De Pauw	May 2015	5/5
Eddy Hartung	Independant Administrator	Independant Administrator	May 2013	5/5
Philip Van gestel SPRL, represented by Philip Van gestel	Independant Administrator	Independant Administrator	May 2013	5/5
Jean-Marc Mayeur	Bestuurder	Federale Verzekering	May 2015	2/5
Dirk Vanderschrick	Bestuurder	Belfius Insurance Belgium	May 2015	2/5

The issues addressed at the Board of Directors' meetings include the following issues:

- examination and discussions about the reports from the remuneration and appointments committee;
- examination and discussions about the reports from the audit committee;
- examination and discussions about the reports from the investment committee;
- deliberation and decisions regarding investments and divestments based on advice from the investment committee;
- deliberation and decisions regarding the quarterly, six-monthly and annual consolidated and statutory financial statements and press releases;
- discussion and approval of the annual budget;
- evaluation and follow-up of the strategy set;
- use of authorized capital at 20th December 2012.

D. Operation of the Board of Directors

In order to optimise the operation of the Board of Directors, it has established two advisory committees within itself and answerable to it:

- the Audit Committee
- the Remuneration Committee, which also functions as a Nomination Committee given the limited size of the Company.

The Board of Directors assesses the effectiveness of its committees.

After each committee meeting the Board of Directors receives a report on that committee's findings and recommendations.

In between meetings, ad hoc information is sent to the directors and any director may demand any information at first request at any time through the Chairman of the Board of Directors.

Individual directors and the committees may at any time, through the Chairman of the Board of Directors, request the Board of Directors to call upon external experts (legal advisors, tax advisors etc., in accordance with Article 4.11 of the Belgian Corporate Governance code 2009) under the aegis of the company. These external experts may be appointed in the light of new purchases, divestments and new regulations on environmental and legal matters. The Board of Directors is obliged to examine such questions from a director or committee if they are approved by a majority of the directors.

The Board of Directors is advised on investment projects by an investment committee, of which the composition is determined by the Board.

Given the size of the company, its activities and the efficiency of its decision-making process, there is no need to formally designate a secretary.

The board of directors has, after the reappointment of certain directors, reevaluated last year the composition of the committees after advice of the remuneration and nomination committee.

E. Chairman of the Board of Directors

The Chairman of the Board is chosen by the Board of Directors from amongst its members. The Chairman is appointed on the basis of his knowledge, skills, experience and mediation abilities.

The post of Chairman may not be combined with that of CEO.

The Chairman has the special duty to:

- promote the leadership and proper functioning of the Board of Directors;
- act as intermediary between the Board and the CEO;
- ensure that the directors and its committees have accurate, timely and clear information for the meetings and if necessary, between the meetings. In this context, the agenda of the Board and its committees is set at the beginning of each calendar year;
- to chair, lead and ensure the smooth running of the shareholders' meetings.

F. Professional development of directors

Professional development of directors is guaranteed by:

- on the one hand, the personal development of each director in their own field of expertise by attending various seminars and the change in the property market;
- and on the other, by the organisation of various in-house trainings and seminars.

G. Evaluation of directors

The evaluation of the directors is done at different levels:

- the Board performs an annual evaluation of its size, composition, functioning and performance, as well as that of the committees and the interaction with executive management;
- the directors evaluate each other on a permanent basis and may put problems or comments about the contribution of a director on the agenda for the Board or may discuss this with the Chairman. The Chairman can then, at his discretion, take the necessary steps.

The board of directors is assisted in this by the remuneration and nomination committee, as well as by any external experts, as required.

The contribution of each director is assessed on a periodic basis so that in the event of changing circumstances, the composition of the board of directors can be modified. In the event of a re-appointment, an assessment is conducted of the director's contribution based on a previously defined and transparent procedure.

The board of directors ensures that directors can be monitored. It also sees to it that all appointments and re-appointments of both executive and non-executive directors allow for an even balance of qualifications and experience within the board of directors to be maintained.

4.10.3.3 Audit committee

A. Composition of the audit committee

(i) Set-up

The audit committee was established under Article 526bis of the Belgian Company Code put into effect on 1 January 2009 and assists the Board of Directors in fulfilling its oversight role on the internal and external audit in the broad sense of the term.

(ii) Composition

The audit committee consists of 3 independent directors:

- First Stage Management NV, represented by Hugo Van Hoof, chairman of the audit committee;
- Van Acker Gerard BVBA, represented by Gerard Van Acker, vice-chairman;
- Mr Eddy Hartung.

According to Article 526bis of the Belgian Company Code, at least one member of the Audit Committee must have the necessary expertise in the field of accountancy and auditing. We refer to the wide experience and expertise of Van Acker Gerard BVBA, represented by Gerard Van Acker. Mr Gerard Van Acker has among others the relevant experience:

- with the establishment of the Accounting Standards Commission, member for several years and thereafter honorary member;
- (former) chairman or member of several audit committees in listed and unlisted companies, as well as non-profit organizations.

When the audit committee deliberates on the annual financial audit, an external financial adviser and/or Auditor can also be invited to attend the meeting, if so desired.

B. Duties of audit committee

The audit committee is charged with the legal duties in accordance with Article 526bis of the Belgian Company Code. The duties of the audit committee include:

- assisting the Board of Directors in its supervisory responsibilities, particularly with regard to providing information to shareholders and third parties;
- monitoring of the financial reporting process, particularly of the quarterly, half-yearly and annual results and annual statutory accounts;
- monitoring of the legal control of the annual statutory accounts and the consolidated financial statements;
- monitoring the effectiveness of the systems for internal control and risk management of the company;
- monitoring the internal audit and its effectiveness;
- assessing and monitoring the independence of the auditor, and approving the remuneration of this auditor, with particular reference to the provision of additional services to the sicafi;
- analysing the observations made by the auditor, and, where necessary, making recommendations to the Board of Directors;
- ensuring that all legislation relating to any conflict of interest is strictly applied.

In addition, the recommendation to appoint (or renew an appointment) of the Auditor made by the Board at the General Meeting can only be made upon proposal by the Audit Committee.

The Audit Committee regularly reports to the Board on the performance of its duties, and at least when the Board drafts the annual account and the consolidated annual account, and, as the case may be, the shortened financial summary intended for publication.

C. Audit Committee activity report

In 2012 the audit committee was convened six times. The members' attendance was as shown in the table below:

Name	Function	Attendance list in 2012
First stage management SA, represented by Hugo Van Hoof	Administrator and Chairman	6/6
Van Acker Gerard SPRL, represented by Gerard Van Acker	Independant Administrator	6/6
Eddy Hartung	Independant Administrator	6/6

At these meetings the issues dealt with included the following:

- discussing the quarterly, half-yearly and annual consolidated and statutory accounts statements;
- discussing and evaluating the internal audit systems: (i) follow-up of financial solvency of clients, (ii) follow-up and analysis of current legal matters, (iii) follow-up and analysis of liquidity needs;
- discussing the annual financial figures audited by the auditor-revisor;
- reporting to the full Board of Directors regarding the main conclusions of the Audit Committee.

At two meetings, previous points were also discussed with the auditor. At all meetings, previous points were also discussed with the CEO and the CFO.

D. Evaluation of the audit committee

The most important criteria for evaluating the audit committee and its members are:

- experience in the field of accounting and auditing;
- experience in sitting on other audit committees;
- experience in the analysis, control and monitoring of financial and business risks.

The evaluation of the members and operation of the audit committee is done on a permanent basis (i) both by itself and colleagues and (ii) by the full Board of Directors. If someone has questions regarding the contribution of a fellow colleague/member, he can discuss this with the chairman. The chairman can then, at his discretion, take the necessary steps.

4.10.3.4 Remuneration and Nomination Committee

A. Composition of Remuneration and Nomination Committee

(i) Set-up

The Board of Directors has established an internal Remuneration Committee in accordance with Article 526quater of the Belgian Company Code. The Remuneration Committee also functions as a Nomination Committee. given the limited size of the sicafi.

(ii) Composition

The Remuneration and Nomination Committee consists of the following members:

- Van Acker Gerard BVBA, represented by Gerard Van Acker, chairman of the committee, independent director;
- Stratefin Management BVBA, represented by Christian Terlinden, non-executive director;
- Mr Eddy Hartung, independent director.

This composition ensures that the committee has the necessary expertise in the area of remuneration policy on account of their far-ranging professional experience. Reference can be made in the matter to the broad experience and expertise of Van Acker Gerard BVBA, represented by Gerard Van Acker. Among other things, Mr Van Acker has the following relevant experience:

- former chairman of the remuneration and nomination committee for the BESIX group (2003-2005);
- current member of the remuneration and nomination committee for IMEC vzw and VIB vzw.

B. Duties of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee performs the following activities on its behalf:

- make proposals to the Board on the remuneration policy for directors and members of executive management and, where applicable, on the resulting proposals that should be submitted to the shareholders by the Board of Directors;
- make proposals to the Board on the individual remuneration of directors and members of executive management, including variable remuneration and long-term performance bonuses, whether or not linked to shares in the form of stock options or other financial instruments, and of severance pay, and where appropriate, the resulting proposals that should be submitted to the shareholders by the Board of Directors;
- preparing the remuneration report that will be added by the Board of Directors in the corporate governance statement in the annual report;
- the explanation of the remuneration report at the Annual General Meeting of shareholders

C. Activity report of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee met five times in 2012: The members' attendance was as shown in the table below:

Name	Function	Attendance list in 2012
Van Acker Gerard SPRL, represented by Gerard Van Acker	Independant Administrator	5/5
Stratefin Management SPRL, represented by Christian Terlinden	Administrator	4/5
Eddy Hartung	Independant Administrator	5/5

At these meetings the following issues were discussed:

- evaluation of the management and discussion of the goals for 2013;
- discussion and evaluation of the overall staff policy;
- discussion and approval of option plan (see 4.10.5.4. C);
- discussion and preparation of the remuneration report 2012.

The CEO attends the meetings of the Remuneration and Nomination Committee whenever it discusses the goals of the committee and the remuneration of the executive management and its staff.

D. Evaluation of the Remuneration and Nomination Committee

The functioning of the Remuneration and Nomination Committee is evaluated by means of the following criteria:

- experience in the field of personnel management, remuneration policy and remuneration systems;
- experience in sitting on other remuneration committees.

The evaluation of the members and operation of the Remuneration and Nomination Committee is done on a permanent basis (i) both by itself and colleagues and (ii) by the full Board of Directors. If someone has questions regarding the contribution of a fellow colleague/member, he can discuss this with the chairman. The chairman can then, at his discretion, take the necessary steps.

4.10.3.5 Investment Committee

A. Composition of the investment committee

(i) Set-up

The Board of Directors has established an Investment Committee with an eye towards obtaining professional advice on investment projects.

(ii) Composition

The Investment Committee consists of the following parties⁷⁸:

- DDP Management BVBA, represented by Mr Dirk De Pauw, Chairman of the Investment Committee, Director and responsible for business development in France;
- First Stage Management NV, represented by Hugo Van Hoof, vice president, independent director;
- Jo De Wolf BVBA, represented by Mr Jo De Wolf, Managing Director and Chief Executive Officer (CEO);
- PSN Management BVBA, represented by Mr Peter Snoeck, Director and Chief Operating Officer (COO);
- Amaury De Crombrughe BVBA, represented by Mr Amaury De Crombrughe, responsible for investments of the reference shareholder Banimmo;
- Peter Verlinde (CFO);
- PDM cv, represented by Peter Demuynck (COO);
- Jean de Beaufort (Directeur Général of the French business unit);
- GCA Consult BVBA, represented by Mrs Griet Cappelle, Chief Development Officer (CDO).

B. Duties of the Investment Committee

The investment committee is responsible for the preparation of investment and divestment files for the Board of Directors. The investment committee also follows the negotiations with the various counterparties of Montea Comm. VA. These negotiations are mainly related to the acquisition (in any form) and the divestment of property, the conclusion of major lease agreements and/or acquisitions of property companies.

⁷⁸ In 2012 the executive management and the investment committee was completed upon the appointment of Griet Cappelle, in the position of Chief Development Officer (CCO). See press release dated 13 September 2012.

C. Investment Committee activity report

In 2012, the Investment Committee met nine times. The members' attendance was as shown in the table below:

Name	Function	Attendance list in 2012
DDP Management SPRL, represented by Dirk De Pauw	Chairman	9/9
First stage management SA, represented by Hugo Van Hoof	Member	9/9
Jo De Wolf SPRL, represented by Jo De Wolf	Member	8/9
Amaury de Crombrughe SPRL, represented by Amaury de Crombrughe	Member	9/9
PSN Management SPRL, represented by Peter Snoeck	Member	9/9
Peter Verlinde	Member	9/9
PDM cv, represented by Peter Demuynck	Member	9/9
Jean de Beaufort	Member	9/9
GCA Consult BVBA, vertegenwoordigd door Griet Cappelle	Member	9/9

4.10.4 Executive management and daily management

A. Composition of the executive management and daily management

(i) Set-up

The Board of Directors has entrusted the executive and daily management of Montea to the executive management.

On 31 December 2012, the executive management consisted of⁷⁹:

- (i) Jo De Wolf BVBA, represented by Mr Jo De Wolf, in the position of CEO;
- (ii) PSN Management BVBA, represented by Mr Peter Snoeck, in the position of COO;
- (iii) Peter Verlinde, in the position of CFO;
- (iv) Peter Demuynck cv, represented by Mr Peter Demuynck, in the position of CCO;
- (v) Jean de Beaufort, in the position of Director France;
- (vi) GCA Consult BVBA, represented by Mrs Griet Cappelle, in the position of CDO.

Jo De Wolf BVBA, represented by Mr Jo De Wolf and PSN Management BVBA, represented by Mr Peter Snoeck, both qualify as effective leaders in accordance with Article 39, §1 of the Act of 3 August 2012.

B. Duties of the executive management and daily management

The executive management is responsible for the following:

- preparation of decisions that must be taken by the Board in order to fulfil its obligations and the timely delivery of the information pertaining thereto;
- implementation of the decisions of the Board of Directors;
- establishment of internal controls, subject to the supervisory role of the Board, based on that which is approved by the Board;
- proposing complete, timely, reliable and accurate preparation of the annual financial statements to the Board;
- preparation of the publication of the annual financial statements and other material financial and non-financial information;

⁷⁹ In 2012 the executive management was completed upon the appointment of Griet Cappelle, in the position of Chief Development Officer (CDO). See press release dated 13 september 2012. Mr Peter Verlinde, PDM cv, represented by Mr Peter Demuynck, Mr Jean de Beaufort and GCA Consult BVBA represented by Griet Cappelle, have no decision-making powers.

- proposing a balanced and comprehensible assessment of the financial situation to the Board;
- accountability to the Board regarding the performance of its duties.

The executive management is specifically responsible for property management, financing property, the overall management of staff and staff policy, preparation of all legally required information, financial and otherwise, and reporting and providing all required information to the public or public authorities.

C. Functioning of the executive management and daily management

The executive management works closely together and in constant consultation. Important decisions are taken by consensus. When the executive management does not reach an agreement, the decision is left to the Board of Directors.

The executive management meets weekly. An agenda is drawn up in advance of each meeting, which must be sent to all members of the executive management in a timely manner. On this agenda are, inter alia, the operational decisions regarding the executive management, the status of current projects and leases and evaluation of new projects under study.

The executive management regularly reports to the Board on the fulfilment of its mission.

The executive management provides the Board with all relevant business and financial information. These include: key figures, an analytic presentation of the results versus the budget, a summary of the evolution of the property portfolio, the consolidated YTD financial statement and details on the consolidated YTD financial statement.

Proposals for decisions that the Board must take are explained to the Board of Directors by the CEO.

D. Evaluation of the executive management and daily management of the statutory Manager

The executive management is evaluated by the Board of Directors on the basis of performance and objectives.

4.10.5 Remuneration Report

4.10.5.1 The Statutory Manager

A. Remuneration policy

The articles of association of the Manager make provision for remuneration of the contract of Montea Management NV as statutory Manager of the sicafi. This remuneration consists of two parts: a fixed part and a variable part.

The fixed part of the remuneration of the Manager is established every year by the Annual General Meeting of the sicafi. This lump sum cannot be less than EUR 15,000 per year.

The variable statutory portion is equal to 0.25% of the amount equal to the sum of the adjusted results⁸⁰ and of the net gains on disposal of property not exempt from the mandatory payment. The Manager is entitled to reimbursement of the actual costs incurred, directly related to his/her mission and of which sufficient proof is provided.

B. Remuneration for the financial year 2012

During the financial year ending on 31 December 2012, the fee of the Manager was EUR 470,640.54 VAT excluded (fixed and variable parts). This amount includes the total remuneration charge for the business-owner's Board of Directors, the remuneration of the managing director and the operating costs of Montea Management NV.

4.10.5.2 The Board of Directors and its committees

A. Remuneration policy

The continuity principle is applied for non-executive directors. They are reimbursed in the form of attendance fees per Board of Directors meeting attended and for those of committees within the Board of Directors. Next to the attendance fees, the Chairman of the Board of Directors receives a fixed remuneration.

This disbursement of "attendance fees" does not apply to managing directors, the operational director or the Chairman of the Investment Committee. They are separately compensated for their duties. In accordance with the principles regarding Corporate Governance, the compensation of directors is proportionate to their responsibilities and to the time they devote to their functions.

The amount for the attendance fees for non-executive directors is approved every year through the General Meeting on the proposal of the Board of Directors, prepared by the Remuneration Committee. All members of the Board are also covered by a civil liability insurance for directors, whose total premium of EUR 20,358.74 for all directors together is borne by Montea Comm. VA.

There are no additional fees (company car, pension, options, mobile phones etc.) paid to the directors. The non-executive directors are not eligible for the award of variable compensation.

B. Remuneration for the financial year 2012

The attendance fee for FY 2012 for the above-mentioned directors was established at EUR 1,000 per meeting for all directors who actually participate in the Board of Directors.

The Chairman of the Board receives an additional annual fee of EUR 50,000.

Members of the specialized committees within the Board of Directors (Audit Committee, Remuneration and Nomination Committee) receive an additional attendance fee for each committee meeting actually attended. The attendance fees for FY 2012 were set at: EUR 500 per meeting for the chairman of the committee and EUR 300 per meeting for members.

⁸⁰ The corrected result = Net income + Depreciation + Amortization - Reversal of losses - Reversals transferred and discounted rent +/- Other non-monetary items +/- Result of sold property +/- Variations in the fair value of property. The variable remuneration amounts to EUR 20,640.54 and was calculated on basis of the corrected result.

For directors, this means that for FY 2012, they received the following compensation:

Name	Function	Administrator, representative of	Board of Directors, fixed annual remuneration	Board of Directors, representation fee	Audit committee, representation fee	Remuneration committee representation fee	Total
Van Acker Gerard BVBA represented by Gerard Van Acker	Chairman	Independant administrator	€ 50.000,00	€ 5.000,00	€ 1.800,00	€ 2.500,00	€ 59.300,00
First Stage Management NV represented by Hugo Van Hoof	Vice-president	Independant administrator		€ 5.000,00	€ 3.000,00		€ 8.000,00
Jo De Wolf BVBA represented by Jo De Wolf	Statutory manager and CEO	Statutory manager					€ 0,00
André Bosmans Management BVBA represented by André Bosmans	Administrator	Banimmo		€ 5.000,00			€ 5.000,00
Stratefin Management BVBA represented by Christian Terlinden	Administrator	Banimmo		€ 4.000,00		€ 1.200,00	€ 5.200,00
Federale Verzekeringen represented by Jean-Marc Mayeur	Administrator	Fédéral Assurance		€ 2.000,00			€ 2.000,00
Belfius Insurance Belgium represented by Dirk Vanderschrick	Administrator	Belfius Insurance Belgium		€ 2.000,00			€ 2.000,00
DDP Management BVBA represented by Dirk De Pauw	Administrator	Family De Pauw					€ 0,00
PSN Management BVBA represented by Peter Snoeck	Administrator and COO	Family De Pauw					€ 0,00
Philip Van gestel BVBA represented by Philip Van gestel	Independant administrator	Independant administrator		€ 5.000,00			€ 5.000,00
Eddy Hartung	Independant administrator	Independant administrator		€ 5.000,00	€ 1.800,00	€ 1.500,00	€ 8.300,00
			€ 50.000,00	€ 33.000,00	€ 6.600,00	€ 5.200,00	€ 94.800,00

4.10.5.3 The Investment Committee

Remuneration policy and remuneration for the financial year 2012

Only Amaury de Crombrugghe BVBA and First Stage Management NV receive a compensation of EUR 1,000 per meeting attended.

4.10.5.4 The executive management

A. Remuneration policy

Members of executive management who are also directors receive no remuneration for the performance of their directorship.

The remuneration for people responsible for day-to-day management consists of two parts: a fixed part and a variable part. The amount of these two parts is determined by the Board of Directors, taking into account the responsibilities and the time required for these functions, as well as the industry standard practice.

Nor the fixed remuneration, nor the variable remuneration of members of the executive management may not be determined based on the executed operations and transactions by Montea or its subsidiaries.

For example, if they are eligible for variable remuneration, the criteria that make up all or part of the variable remuneration that depends on the results must relate exclusively to the consolidated net result, with the exception of any fluctuations in the fair value of the assets and hedging instruments.

Each year, at the proposal of the remuneration and appointments committee, the Board of Directors decides on the variable compensation that members of the executive management are entitled to in relation to their activities for the following financial year. The Board of Directors also defines the amounts of variable compensation, as well as the performance criteria on which this compensation depends. Where appropriate, the terms of articles 520*b*, 520*c* and 525 of the Companies' Code are complied with.

B. Remuneration in the financial year 2012

The variable remuneration of the CEO was set at the beginning of FY 2012 by the Remuneration Committee based on the four following targets, representing each 25% of the possible variable remuneration:

- external growth of the portfolio as a result of the implementation of the proposed investment plan;
- internal growth of the portfolio as a result of the establishment and implementation of the proposed investment plans on the existing portfolio that improve the quality of the portfolio;
- maintaining the occupancy rate at the level of the previous year;
- the development of "property management" in France;

Each year, through an assessment interview with the Chairman of the board of directors, it will be determined whether the proposed objectives have been achieved, either in full or in part. This assessment (and any variable remuneration) will be discussed by the remuneration and nomination committee and then submitted to the next meeting of the board of directors.

The variable remuneration for the FY 2012 of the other members of the executive management was set at the beginning of FY 2012 by the Remuneration Committee based on:

- the further growth of the portfolio as a result of the implementation of the proposed investment plans;
- the development of the sustainable development plans for the existing portfolio;
- the implementation of the proposed divestment plan;
- the leasing vacant space in Belgium and France;
- the further development of investor relations.

Each year, through an assessment interview with the CEO, it will be determined whether the proposed objectives have been achieved, either in full or in part. This assessment (and any variable remuneration) will be discussed by the remuneration and nomination committee and then submitted to the next meeting of the board of directors.

At the remuneration committee meeting held on 22 January 2013, the following objectives for 2013 for the executive management were discussed and established:

- for the CEO:
 - Investment of EUR 60 million via internal and external growth in Belgium and France;
 - further development of investor relations with institutional parties in Belgium and France in order to support further growth;
 - development of relations with French banks;
 - redefining the corporate image of Montea;
 - maintaining a 95% occupancy rate in Belgium and France;
 - redevelopment of the sites in Vorst and Puurs.

- for the other members of executive management:
 - Investment of EUR 60 million via internal and external growth in Belgium and France;
 - development of cooperation with third parties;
 - development of the existing land bank with focus on Vorst and Puurs;
 - further divestment of 3 sites;
 - maintaining a 95% occupancy rate in Belgium and France;
 - further development of investor relations with institutional parties in Belgium and France in order to support further growth;
 - development of relations with French banks;

The contracts of executive management do not provide for any claim back clauses in relation to variable remuneration granted on the basis of incorrect financial data.

During the financial year ending 31 December 2012, executive management⁸¹ received the following fixed and variable remuneration:

Name	Fixed remuneration	Variable remuneration	Pension compensation	Other remunerations and advantages (*)	Total
Jo De Wolf SPRL represented by Jo De Wolf	€ 250.586,97	€ 80.000,00	€ 0,00	€ 0,00	€ 330.586,97
Other members of the executive management	€ 150.535,91	€ 13.500,00	€ 9.832,40	€ 5.060,56	€ 178.928,87
	€ 401.122,88	€ 93.500,00	€ 9.832,40	€ 5.060,56	€ 509.515,84

(*) Other elements contain the benefit of hospitalisation insurance, company car and mobile phone.

The remuneration of the other members of the company's executive management includes amounts invoiced from the management companies (Jo De Wolf BVBA, PDM cv, PSN Management BVBA and GCA Consult BVBA) as well as the full salary cost for Peter Verlinde and Jean de Beaufort.

C. Share options and share buy-back programme

A share option plan was approved at the meeting of the board of directors held on 14 November 2011 for all members of executive management, including executive directors. The main features of the share option plan are as follows:

- Option plan to run for 10 years (expiry date 31/12/2021);
- Allocation of the number of shares based on one-third per year for the first three years;
- Retention period of 3 years during which the options cannot be exercised;
- Option exercise price of EUR 24.06.

As part of the approved option plan, the Board of Directors decided on 5th November 2012 to allocate a further 1,046 additional options to Jo De Wolf BVBA, represented by Mr Jo De Wolf, on the advice of the remuneration and appointments committee. This option plan is not linked in any way to any targets that any member of executive management may have in exercising their tasks.

⁸¹ Executive management consists of six members (see point 5.10.4).

The table below provides a summary of the beneficiaries from the option plan, with the number of options allocated.

Name	Number of options
Jo De Wolf BVBA, represented by Jo De Wolf	6.446
PSN Management BVBA, represented by Peter Snoeck	3.900
PDM cv, represented by Peter Demuynck	3.900
Peter Verlinde	3.900
DDP Management BVBA, represented by Dirk De Pauw	1.300
Jean de Beaufort	3.900

On 17th September 2012, Montea announced its decision to implement a programme to buy back its own shares up to a maximum of EUR 0.75 million, based on the consent granted at the extraordinary general meeting of shareholders on 17th May 2011. The buy-back of the company's shares is part of the option plan for the management of Montea mentioned above. This programme began on 18th September 2012 and ended on 31st December 2012. This buy-back programme was part of the option plan mentioned above.

In total, 23,346 Montea shares were bought back for a total acquisition value of EUR 636,329. In line with IFRS rules, a separate reserve for this amount was established in the consolidated accounts.

D. Payments made on departure

The management agreement entered into between the CEO and Montea provides for a one-off equivalent payment of 6 months (fixed and variable part) in the event of the agreement being terminated prematurely.

The management agreements of the other members of executive management provide for the allocation of a one-off equivalent payment of 1 to 12 months in the event of the agreement being terminated prematurely. The statutory terms regarding employment agreements are not departed from in the employment agreements.

The summary below gives an overview of the payments made on departure for members of executive management.

Name	Departure fees
Jo De Wolf BVBA, represented by Jo De Wolf	6 months
PSN Management BVBA, represented by Peter Snoeck	12 months
PDM cv, represented by Peter Demuynck	3 months (*)
Peter Verlinde	(**)
Jean de Beaufort	(**)
GCA Consult BVBA, represented by Griet Cappelle	3 months (*)

(*) this is increased by 1 month for each year of service, with a maximum of 6 months.

(**) payments made on departure are determined in accordance with the statutory terms regarding employment agreements.

4.10.6 Audit - Internal supervision - Supervision of the daily management

The supervision of the executive management, in accordance with the Belgian Corporate Governance Code 2009, is the responsibility of the full Board of Directors of the Statutory Manager. In fulfilling this supervisory remit, the Board of Directors is assisted by two individuals, namely the Chairman of the Board of Directors of the Manager, and Mr Eddy Hartung, who jointly collect the information required by the full Board of Directors for its deliberations and planning issues.

This supervision does not check the content of any acts by the persons responsible for daily management.

4.10.7 Prevention of market abuse

In its Corporate Governance Charter, Montea has special regulations to prevent market abuse.

It was within the framework of these special regulations for the prevention of market abuse that Mr Peter Verlinde (CFO) was appointed Compliance Officer of Montea.

4.10.8 Other persons involved

4.10.8.1 Auditor

The Auditor is appointed by the General Meeting of shareholders, and is chosen from the list of auditors approved by the FSMA. The Auditor is Ernst & Young Bedrijfsrevisoren, with registered office at 1831 Diegem, De Kleetlaan 2, represented by Ms Christel Weymeersch.

In accordance with the Belgian Company Code, the Auditor must perform the following duties. These duties are mainly related to the audit of accounting information in the annual financial statements.

1. The Auditor exercises supervision over the financial statements and the consolidated financial statements and makes a detailed written report on these annually.
2. A special report by the auditor is furthermore required in the following cases:
 - for contribution in kind;
 - for quasi-contribution;
 - when issuing shares below the par value of the old shares;
 - in the event of reduction or waiver of the right to a capital increase or the issuance of convertible bonds or warrants;
 - in the event of conflict of interest of a director (no separate report is necessary but the information should be included in the auditor's annual report);
 - in the event of power advantage given to an influential shareholder of a listed company (no separate report is necessary but the information should be included in the auditor's annual report);
 - when changing the purpose of the company;
 - when converting the company into another company type;
 - with mergers and divisions;
 - when proposing to dissolve the company and the conclusion of the liquidation.

The Auditor furthermore cooperates with the supervision by the FSMA and shall agree to:

1. make sure in advance that the collective investment undertaking has taken the appropriate measures for the administrative, accounting, financial and technical organisation and for the internal audit in compliance with the Act of 3 August 2012, its implementation decrees and regulations, management rules and articles of association;
2. confirm that the annual and semi-annual reports delivered by the collective investment undertaking, under Article 88 of the Act of 3 August 2012, are correct and in accordance with the established rules;

3. periodically report to the FSMA or, at its request, make a special report on the organization, the activities and financial structure of the collective investment undertaking;
4. report to the FSMA as soon as he becomes aware of:
 - a) decisions, facts or developments that may significantly affect or influence the position of the collective investment undertaking financially or in terms of its administrative, accounting, financial or technical organisation or its internal control;
 - b) decisions or facts that may indicate the violation of the Belgian Code of Companies, the articles of association, the Act of 3 August 2012 and decisions and regulations to be implemented thereof;
 - c) other facts or decisions that may lead to a refusal to certify the accounts or to the creation of a reservation.

For the financial year ending on 31 December 2012, the fixed fee from the auditor Ernst & Young Bedrijfsrevisoren, represented by Ms Christel Weymeersch, for the investigation and auditing of the statutory and consolidated accounts of the Montea group amounted to EUR 39,478.38 (excl. VAT). Besides the mentioned fees, no other fees paid are to the Auditor.

4.10.8.2 Property expertise

Article 6 of the Royal Decree regarding sicafis, provides that the sicafi's property should be valued by one or more independent property experts. The expert shall act in full independence and have the necessary professional reliability in real estate valuation and appropriate experience and has a suitable organisation for the fulfilment of its missions. The expert is appointed for a renewable term of three years. He may only be charged with the valuation of a particular property for a maximum period of three years.

The experts are "Crombrugghe & Partners", Herman-Debrouxlaan 54, 1160 Brussels, for the assets in Belgium, and "Drivers Jonas France", 11 rue Scribe, 75009 Paris, for property located in France.

At the meeting of the board of directors held on 14 November 2011, the appointment of Crombrugghe & Partners NV, represented by Mr Pascal van Humbeeck was approved for a period of 3 years. The contract may be terminated on an annual basis and is drawn up in accordance with the new RD.

Pursuant to Article 6, § 1, last paragraph of the Royal Decree regarding sicafis, the remuneration of the expert may be neither directly nor indirectly related to the value of the property submitted for his expertise.

The fees of the property experts are calculated on the basis of a fixed cost per site in Belgium and France. The experts may also receive fees in connection with specific assignments.

These experts will determine and report the market value of the property in compliance with the applicable legal provisions for the valuation of the properties of the sicafi, which the expert shall take into account. The agreements between the parties remain subject and subordinate to the provisions of the Royal Decree of 7 December 2010 regarding sicafis, and in general to all the sicafi-applicable legal provisions, and to all current legal provisions, applicable to the sicafi, that may supplement or supersede them.

For the financial year ending 31 December 2012 the total amount of fees paid in the context of these tasks was EUR 58,270.00 (excl. VAT) in Belgium and EUR 68,241.00 (excl. VAT) in France.

4.10.8.3 Depository bank and entities charged with financial services

Pursuant to the new RD on sicafi, the obligation to appoint a depository contained in the amended articles of association of 7 May 2011 was removed. The contract with the depository was terminated on 31 August 2011 and came into effect 3 months after the date of the registered letter, i.e. 30 November 2011.

The entities charged with the financial services of the company are:

- Belgium: Euroclear Belgium NV
- France: Société Générale

Implementation of these financial services had a total cost of EUR 9,199.84 in 2012 (EUR 4,011.34 fixed remuneration and EUR 5,188,50 variable remuneration). This fee includes both a fixed fee per year and a variable fee for each dividend paid for non-registered shares.

4.10.9 Activities in the field of research and development

Montea has no activities in the field of research and development.

4.10.10 Conflicts of Interest

In accordance with Article 523 of the Belgian Company Code, any director who, directly or indirectly, holds a real estate interest that conflicts with a decision or action falling under the jurisdiction of the Board, must disclose this to the other members of the Board and must abstain from the deliberations of the Board.

In accordance with Article 524 of the Belgian Company Code, any decision or operation relating to the relations between the company and an affiliated company (other than the subsidiaries) and between the subsidiaries of the company and an affiliated company (other than a subsidiary), must be the subject of a special report to be prepared by three independent directors who are assisted by an independent expert.

During the year 2012, the Board of Directors did not need to apply the procedures in Articles 523 and 524 of the Code of Companies.

In accordance with Article 18 of the Royal Decree regarding sicafis, the FSMA must be informed when an operation should result in any advantage for certain parties listed in this Article. The sicafi should report the importance of the operation and the fact that the proposed operation is situated within the investment field. These operations must also be made on market conditions and should be made public immediately. Pursuant to Article 31, § 2 of Royal Decree of 7 December 2010, the fair value, as determined by the expert in a transaction with the listed parties in Article 18, shall be the maximum price when the sicafi acquires property or the minimum price when the sicafi disposes property. It should also be explained in the annual report.

During the course of the financial year, the sicafi carried out no transactions in the sense of art. 18 of the RD regarding sicafi.

4.10.11 Transparency Reporting

Any person who directly or indirectly acquires voting securities of the company, should declare to the FSMA, as well as to the company, the number of securities that he/she owns, when voting rights pertaining to the voting rights securities that he/she holds, actively or passively exceed the statutory threshold of 3% of the total voting rights pertaining to the securities of the company. The same notification is also required to transfer, directly or indirectly, voting rights securities, if as a result, the voting rights fall below this 3% threshold. The provisions of Articles 6 to 17 of the Act of 2 May 2007, on the disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market, shall apply to the aforementioned quotas.

This provision is without prejudice to the obligation to notify in case the legal thresholds⁸² of 5%, 10%, 15%, etc., each time at intervals of 5% points, are reached or fall below that threshold.

➤ **23rd January 2012 – Notification by Gemeentelijke Holding pursuant to the Act of 2nd May 2007**

Prior to this notification, Gemeentelijke Holding held 3.62% of the voting rights. As of 23rd January 2012, Gemeentelijke Holding no longer held any voting rights in Montea Comm. VA (0 shares out of a denominator of 5,634,126 shares).

➤ **23rd January 2012 – Notification by Federale Verzekeringen pursuant to the Act of 2nd May 2007**

Prior to this notification, Federale Verzekeringen held 4.44% of the voting rights. As of 23rd January 2012, Federale Verzekeringen held 8.09% of the voting rights in Montea Comm. VA (456,041 shares out of a denominator of 5,634,126 shares).

➤ **29th March 2012 – Notification by Federale Verzekeringen pursuant to the Act of 2nd May 2007**

Prior to this notification, Federale Verzekeringen held 8.09% of the voting rights. As of 29th March 2012, Federale Verzekeringen held 10.30% of the voting rights in Montea Comm. VA (580,041 shares out of a denominator of 5,634,126 shares).

➤ **29th March 2012 – Notification by Belfius Insurance Belgium pursuant to the Act of 2nd May 2007**

Prior to this notification, Dexia Insurance Belgium (DIB) held 7.81% of the voting rights. As of 29th March 2012, Dexia Insurance Belgium (DIB) held 10.01 % of the voting rights in Montea Comm. VA (564,000 shares out of a denominator of 5,634,126 shares).

➤ **20th December 2012 - Notification by De Paepe pursuant to the Act of 2nd May 2007**

Further to the capital raising with the issue of new shares, the capital in Montea Comm. VA was increased by a contribution in kind by M.G. Invest NV and M.G. Holding NV (both owned by Group De Paepe) of the 429 shares (100%) that they owned in Warehouse Nine NV. In return for this contribution in kind, M.G. Invest NV and M.G. Holding NV acquired 791,375 and 22,773 respectively of new shares in Montea Comm. VA. On 20th December 2012, these new Montea shares were transferred back by M.G. Invest NV and M.G. Holding NV.

⁸² Act of May 2, 2007 concerning the disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market.

4.10.12 Protection against public takeover bids - Elements that may have an impact in the event of a public takeover bid (in accordance with Article 34 of the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market)⁸³

4.10.12.1 Capital structure (on 31 December 2012)

The capital is represented by 6,448,274 shares. There are no privileged shares. Each of these shares confer one vote at the General Meeting and these shares represent therefore the denominator for purposes of notification in case of reaching, exceeding or falling below the statutory or regulatory thresholds (transparency regulations).

4.10.12.2 Decision-making bodies

Montea is headed by a Manager, Montea Management NV, in its capacity as managing partner. Montea Management NV was appointed statutory as of 1 October 2006 for a period of 10 years. The main consequence of the fact that Montea is a general partnership is that the Manager, Montea Management NV, has, under the articles of association, extensive powers and even a veto right regarding important decisions and statute amendments⁸⁴.

Montea Management NV, for the performance of the contract as Manager for and on behalf of the company, is represented by a permanent representative in accordance with Article 61 para 2 of the Company Code. The Manager may submit his/her resignation at any time.

The mandate of Manager can only be revoked by a court order after a claim by a General Meeting of Montea on the basis of reasonable grounds is established.

When the general meeting must decide on this issue, the Manager shall not vote. The Manager continues to exercise his duties until his resignation, following a court decision, which has the force of res judicata. The Manager must be organized in such a way that, in the framework of its Board of Directors, at least two individuals in a group are jointly responsible for monitoring the person(s) responsible for the executive management of operations in the interest of Montea.

The members of the supervisory bodies of the Manager need to possess the professional reliability and the required experience as prescribed by the RD on sicafi and the Act of 3 August 2012.

Respecting the members of the supervisory body or executive committee of the Manager, in case of loss of the professional reliability and the required experience, as required by the Royal Decree on sicafi, the Manager or the auditor(s) must convene a General Meeting of Montea Comm.VA with on the agenda the possible adoption of the loss of these requirements and the actions to be taken.

⁸³ Unless stated otherwise in the following paragraph, Montea confirms that the other elements of Article 34 of the Royal decision of November 14, 2007 do not apply.

⁸⁴ See also Article 28 of the articles of association of Montea Comm. VA concerning the decision-making.

If one or more members of the bodies entrusted with the management or the executive management of the Manager no longer meet the above requirements, the Manager must replace them within the month. When this period has expired, a General Meeting of Montea must be convened, as described above, without prejudice to the measures that can be taken by the FSMA in connection with the exercise of its powers.

The mission of the Manager consists, in particular, of taking all actions that are useful or necessary for achieving the civic objectives of Montea, with the exception of those that are reserved by law or under the articles of association for the General Meeting of Montea. The Manager may increase the capital of Montea within the limits of the authorised capital.

4.10.12.3 Authorised capital

The Manager has the explicit authorisation of increasing the share capital one or more times, to a maximum amount of EUR 108,000,000 and in accordance with the procedures approved by the Manager and in accordance with the rules established by the Belgian Company Code and the Royal Decree on sicafi. The Manager was authorized for this by the extraordinary general meeting of 17 May 2011. Pursuant to Article 7 of the Montea Comm. VA articles of association, this authorisation is granted for a period of 5 years (until 22 June 2016). These capital increases may be in cash, by contribution in kind or by the conversion of reserves.

Following the decision by the Board of Directors in the context of the authorized capital for the capital raising on 20th December 2012, the balance of the authorized capital is now EUR 86,896,301. The balance of the authorized capital takes account of the issue premium.

4.10.12.4 Buyback of shares

Montea can repurchase its own shares or pledge these in accordance with a decision by the General Meeting, pursuant to the provisions of the Belgian Company Code. The same Meeting also sets the conditions for the disposal of these shares.

On 17th September 2012, Montea announced its decision⁸⁵ to implement a programme to buy back its own shares up to a maximum of EUR 0.75 million, based on the consent granted at the extraordinary general meeting of shareholders on 17th May 2011. This programme began on 18th September 2012 and ended on 31st December 2012. This buy-back programme was part of the approved option plan at Montea.

In total, 23,346 Montea shares were bought back for a total acquisition value of EUR 636,329. In line with IFRS rules, a separate reserve for this amount was established in the consolidated accounts.

4.10.12.5 Contractual conditions

There are no significant agreements to which Montea is party and that are liable, have been modified or have expired, when the monitoring of the issuer would change as a result of a public takeover bid.

⁸⁵ See press release of 17 September 2012.

5. The Montea share

5.1 Evolution of the Montea share

The Montea share is aimed at private and institutional investors from Belgium and overseas who are attracted by an indirect investment in logistics and semi-industrial property (industrial parks) and who aim at a high dividend return with a moderate risk profile.

Since October 2006 the Montea share is listed on Euronext Brussels' continuous market (MONT) and since January 2007 on Euronext Paris (MONTP). It is part of the compartment C (Small Caps).


Based on the closing price on 31/12/2012 (EUR 28.40), Montea shares were 28.0% above the value of the net assets per share (excl. IAS39).

2012 was characterised in general by the economic and financial crisis. Taking account of the closing price on 31/12/2012, Montea shares, in the difficult year of 2012, rose by 11.7% (6.8% if the average price over 2012 and 2011 is taken into account).

Montea's board of directors will propose to the General Meeting that a dividend of EUR 1.93 per share be paid. This corresponds with a net dividend of EUR 1.4775 per share.

The Board of Directors will also propose to the general meeting of shareholders the possibility of offering an optional dividend.

Key figures for the Montea share:

 STOCK MARKET PERFORMANCE	31/12/2012	31/12/2011	31/12/2010	31/12/2009	31/12/2008	31/12/2007
Share price (€)						
At closing	28,40	24,52	23,49	24,89	27,00	31,99
Highest	28,70	26,00	26,89	30,99	35,25	37,00
Lowest	23,91	22,65	19,80	21,81	23,00	30,21
Average	26,27	24,60	23,83	24,69	30,84	33,82
Net asset value / share (€)						
Incl. IAS 39 (*)	19,18	20,75	22,01	23,53	28,60	31,10
Excl. IAS 39 (*)	22,17	22,75	23,14	25,53	30,26	30,80
Premium / (discount) (%)	28,1%	7,8%	1,5%	5,8%	-5,6%	2,9%
Dividend return (%)	6,8%	7,5%	7,7%	8,5%	6,8%	7,4%
Dividend (€)						
Gross	1,93	1,84	1,84	2,09	2,09	2,49
Net	1,45	1,45	1,56	1,78	1,78	2,12
Volume (number of securities)						
Average daily volume	1.027	1.378	1.740	1.033	1.061	1.333
Volume of the period	261.919	354.053	450.701	264.394	271.641	341.241
Number of shares	6.448.274	5.634.126	5.634.126	3.585.354	3.585.354	2.855.607
Market capitalisation ('000 euro)						
Market capitalisation at closing	183.131	138.149	132.346	89.239	96.805	91.351
Free Float	40,8%	35,2%	31,3%	30,1%	30,1%	37,3%
Ratios (%)						
Velocity	4,1%	6,3%	9,8%	7,4%	7,6%	11,9%
Free Float velocity	10,0%	17,9%	31,7%	24,5%	25,1%	32,0%

Return on Dividend (%):

Gross dividend divided by the average share price.

Gross Return (%):

Evolution of the share since the IPO + dividends, divided through the average share price.

"Velocity":

Volume over the period divided by the number of shares.

Free Float "Velocity":

Volume over the period divided by the number of shares of the Free Float.

(*) net asset per share including the rectification (row 31/12/2011.)

5.2 Shareholder status of Montea per 31 December 2012

Number of shares	6,448,274	
Family De Pauw	1,426,287	22.12%
Banimmo	833,934	12.93%
Federale Verzekering	661,056	10.25%
Dexia Insurance Belgium (DIB)	648,873	10.06%
Family De Smet	248,959	3.86%
Own shares	23,346	0.36%
Free Float	2,605,819	40.42%

All shareholders have the same voting rights. Each share gives the right to one vote. Major holdings about which Montea was briefed in application of the transparency legislation are posted on www.montea.com, based on the transparency disclosures that Montea has received.

As a statutory manager Montea Management NV has, in accordance with Article 659 of the Belgian Company Code, a veto against decisions of the General Meeting representing the interests of the Company to third parties or which relate to amending the articles of association.

The silent partners are responsible for the debts and losses of Montea only up to the sum of their contribution, on condition that they do not carry out any act of management.

Typical of the limited partnership by shares is that the statutory Manager has a veto on all important decisions of the General Meeting.

5.3 Family relationships between shareholders, directors and effective leaders

A. Family De Pauw

The Family De Pauw consists of:

- Dirk De Pauw, Marie Christine De Pauw, Bernadette De Pauw, Dominika De Pauw and Beatrijs De Pauw (brother and four sisters);
- the De Pauw joint ownership;
- The NV Montea Management, controlled by the five aforementioned De Pauw siblings.

They own 22.12% of the voting rights of Montea Comm. VA.

The family De Pauw acts in concert. This is also shown in the notifications made to the FSMA, in press releases and this information can also be found on the Montea website.

Dirk De Pauw is permanent representative of BVBA DDP Management, as already mentioned in the annual report. The BVBA DDP Management is director of the Montea Management NV. Peter Snoeck is permanent representative of BVBA PSN MANAGEMENT, as already mentioned in the annual report. Peter Snoeck is the husband of Dominika De Pauw.

B. Family De Smet

The Family De Smet consists of:

- the cousins Erik De Smet and Guy De Smet
- De Smet Investments NV (Erik and Guy De Smet control the De Smet Investments NV).

They own 3.86% of the voting rights of Montea Comm. VA.

The Family De Smet act in concern as shown by the notification that was given to the FSMA and in the information that can be found on the Montea website.

5.4 Shareholders agenda

- 07/02/2013 Annual results per 31/12/2012
- 16/05/2013 Interim statement – results per 31/03/2013
- 21/05/2013 Annual General Meeting of shareholders
- 22/08/2013 Half-yearly financial report – results per 30/06/2013
- 07/11/2013 Interim statement – results per 30/09/2013

6. Corporate social responsibility

As a benchmark player in the logistics and semi-industrial property sector, Montea makes every effort to conduct itself as a socially responsible company. For this reason, Montea is involved in an ongoing improvement process in which economic, environmental and social considerations are systematically taken into account in the way the business is conducted on a day-to-day basis. Montea aims not only to comply with statutory requirements, but through its initiatives and actions, seeks to go further than the legislation in effect.

Montea's management is convinced that taking a responsible approach to these activities is a decisive factor in the company's sustainability.

Montea's most important values are focused on:

- strong personal commitment to its customers, the team, stakeholders, shareholders and partners;
- creativity, flexibility, innovation and dynamism;
- integrity, trust and pragmatism;
- respect for others and for the environment;
- ambition and perfectionism.

Montea applies the following principles based on these values:

- creating a committed work environment that is pleasant and positive and has respect for others;
- contributing positively to the environment on a day-to-day basis;
- the importance of diversity for the proper operation of the organisation;
- applying higher quality standards as part of strategy and the goals established.

6.1 Implementation of the "Blue Label" plan

Montea recently began using its own "Blue Label". Montea developed this "Blue Label" plan further, in conjunction with outside specialists. The plan encompasses Montea's overall approach with regard to sustainability, both for its existing portfolio and for new investments.



There are various standards worldwide in relation to sustainability for the property sector. The best known of these are: HQE (France), BREEAM (UK standard) and LEED (US standard). Montea has included the most important standards in its "Blue Label" plan.

“Blue Label” includes:

- an efficient approach to energy, water and waste management;
- cost-conscious and proactive maintenance management;
- limiting CO2 emissions;
- creating comfort and safety in the work environment;
- risk management;
- monitoring and improving energy consumption;
- document management and making documents available to customers and partners;
- the repeated screening of the property portfolio and related activities.

6.2 Sustainable development

As a responsible company, Montea is well aware of the potential consequences of its business activities for the environment in the broad sense of the word and as such it subscribes to targets in relation to sustainable development.

The company undertakes to manage its property assets with respect for the following aspects.

6.2.1 Energy management

Montea has developed a rational policy aimed at optimising the use of energy.

In 2012, the programme for conducting energy scans was advanced further with the implementation of Life Cycle Analyses. Using these detailed analyses and additional energy calculations, a total study was conducted for the sites at Mechelen and Puurs.

This total study enables Montea to draw up a full investment programme with the following headings:

- investments that have an immediate energy impact;
- investments in consultation with the tenant based on the tenant’s operations;
- refurbishment proposals and replacement investments;
- investments from a commercial point of view.

Through these in-depth studies, Montea is able to confirm its focus on optimising the sustainability and quality of its property portfolio.

In 2012, monitoring systems were introduced to the sites in Erembodegem, Mechelen, Milmort and Heppignies. Through periodic reporting, Montea is able to monitor energy usage carefully and to make adjustments in the event of extreme consumption.

6.2.2 Solar panels

The aforementioned monitoring shows that the total of energy produced by the solar panel installations seems to correspond to the outlook: 2.35 MWh were produced by the solar panels, or an economy of 600 tons of CO2 emission.

Depending on the business they run our tenants use up to 90% of the solar energy produced. We inform our tenants on a quarterly basis on the solar energy produced, the solar energy locally used and the financial benefit.

6.2.3 Facility Management programme

At the end of 2011, the implementation of a Facility Management programme was introduced. This programme consists on the one hand of an internal management system, while also offering tenants access to a secure webportal, "My Montea". The Facility Management programme provides a/o the following applications:

- by using the "work order" module in "My Montea", Montea is able to monitor work orders and their due dates accurately and to follow up on the reports to be generated for each site, project and if required, for each tenant;
- tenants can also use our web portal "My Montea" to record and track all reports/problems/requests so that service and communication about building management can run in a smooth and clear-cut manner.
- the maintenance module was introduced at 4 sites so that the orders for maintenance in relation to these buildings are generated automatically and maintenance can be monitored accurately. In 2013, a maintenance plan will be introduced for all sites.


Implementation of the facility management programme fits in perfectly with the "Blue Label" plan, as well as the transparency that Montea seeks to give tenants and partners.

6.2.4 Waste management

Montea encourages its tenants to sort their waste, making separate containers available and offering solutions for waste collection.


7. Consolidated and statutory financial statements as of 31 December 2012 ⁸⁶

7.1 Consolidated balance sheet as of 31 December 2012

 CONSOLIDATED BALANCE SHEET (EUR)		Note	31/12/2012 Conso	31/12/2011 Conso	31/12/2010 Conso
I.	NON-CURRENT ASSETS		290.230	253.631	236.466
A.	Goodwill		0	0	0
B.	Intangible assets	19	141	52	83
C.	Investment properties	20	282.100	245.131	233.452
D.	Other tangible assets	21	7.883	8.087	995
E.	Non-current financial assets	22	0	0	1.359
F.	Finance lease receivables		0	0	0
G.	Trade receivables and other non-current assets	23	105	361	576
H.	Deferred taxes (assets)		0	0	0
I.	Participations in associates and joint ventures according to the equity method		0	0	0
II.	CURRENT ASSETS		17.269	15.851	22.402
A.	Assets held for sale	24	2.225	2.541	0
B.	Current financial assets		0	0	0
C.	Finance lease receivables		0	0	0
D.	Trade receivables	25	5.720	6.269	6.215
E.	Tax receivables and other current assets	26	844	989	1.409
F.	Cash and cash equivalents	27	7.007	4.948	14.119
G.	Deferred charges and accrued income	28	1.472	1.104	659
	TOTAL ASSETS		307.498	269.482	258.868
	TOTAL SHAREHOLDERS' EQUITY		123.763	117.001	124.107
I.	Shareholders' equity attributable to shareholders of the parent company		123.663	116.896	124.006
A.	Share capital	29	128.340	107.329	107.329
B.	Share premiums	29	533	543	543
C.	Reserves	30	-2.108	9.322	7.923
D.	Net result of the financial year	31	-3.102	-297	8.211
II.	Minority interests	32	100	104	101
	LIABILITIES		183.735	152.481	134.761
I.	Non-current liabilities		141.898	116.055	69.539
A.	Provisions	33	208	0	0
B.	Non-current financial debts	34	121.913	104.320	61.424
C.	Other non-current financial liabilities	35	19.327	11.304	7.746
D.	Trade debts and other non-current debts		0	0	0
E.	Other non-current liabilities	36	450	431	369
F.	Deferred taxes - liabilities		0	0	0
II.	Current liabilities		41.837	36.425	65.222
A.	Provisions	37	0	1.200	0
B.	Current financial debts	34	31.851	26.782	56.781
C.	Other current financial liabilities		0	0	0
D.	Trade debts and other current debts	38	3.184	2.735	3.264
E.	Other current liabilities	38	439	194	785
F.	Accrued charges and deferred income	39	6.364	5.514	4.393
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		307.498	269.482	258.868

⁸⁶ The compared figures of the financial year 2012 with 2011 and 2010, were also modified according to the new scheme in accordance with the new Royal Decree of 7 December 2010 on Sicafi.

Below you'll find a fair value hierarchy and a comparison between the fair value and the accounting value of all financial assets and liabilities according to IFRS 7 paragraph 25 and 27A.

	 CONSOLIDATED BALANCE SHEET (EUR x 1,000)	31/12/2012 Conso	31/12/2012 AC (1)	31/12/2012 Level 1 (2)	31/12/2012 Level 2 (3)	31/12/2012 Level 3 (4)
I.	NON-CURRENT ASSETS	290	8	0	0	282
A.	Goodwill	0	0	0	0	0
B.	Intangible assets	0	0	0	0	0
C.	Investment properties	282	0	0	0	282
D.	Other tangible assets	8	8	0	0	0
E.	Non-current financial assets	0	0	0	0	0
F.	Finance lease receivables	0	0	0	0	0
G.	Trade receivables and other non-current assets	0	0	0	0	0
H.	Deferred 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	17	15	0	0	2
A.	Assets held for sale	2	0	0	0	2
B.	Current financial assets	0	0	0	0	0
C.	Finance lease receivables	0	0	0	0	0
D.	Trade receivables	6	6	0	0	0
E.	Tax receivables and other current assets	1	1	0	0	0
F.	Cash and cash equivalents	7	7	0	0	0
G.	Deferred charges and accrued income	1	1	0	0	0
	TOTAL ASSETS	307	23	0	0	284
	SHAREHOLDERS' EQUITY	124	124	0	0	0
I.	Shareholders' equity attributable to the shareholders of the parent company	124	124	0	0	0
A.	Share capital	128	128	0	0	0
B.	Share premiums	1	1	0	0	0
C.	Reserves	-2	-2	0	0	0
D.	Net result of the financial year	-3	-3	0	0	0
II.	Minority interests	0	0	0	0	0
	LIABILITIES	184	164	0	19	0
I.	Non-current liabilities	142	123	0	19	0
A.	Provisions	0	0	0	0	0
B.	Non-current financial debts	122	122	0	0	0
C.	Other non-current financial liabilities	19	0	0	19	0
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	42	42	0	0	0
A.	Provisions	0	0	0	0	0
B.	Current financial debts	32	32	0	0	0
C.	Other current financial liabilities	0	0	0	0	0
D.	Trade debts and other current debts	3	3	0	0	0
E.	Other current liabilities	0	0	0	0	0
F.	Accrued charges and deferred income	6	6	0	0	0
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	307	288	0	19	0

(1) Amortized costs

(2) Market value in the active market based on a same product or activity


(3) Market value in the active market based on a similar product or activity

(4) Market value in the active market based on other valuation methods

7.2 Consolidated summary of realised and non-realised results before profit distribution as of 31 December 2012


Foreword:

The figures for 2011 included a one-off provision of EUR 1.20 million⁸⁷ under the heading "other operating revenue and costs". In what follows, the comparisons are always made with this one-off provision included.


		CONSOLIDATED PROFIT & LOSS ACCOUNT (EUR x 1,000)	Note	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
I.	Rental income		1	19.849	19.372	17.097
II.	Write-back of lease payments sold and discounted			0	0	0
III.	Rental-related expenses		2	78	-97	-56
	NET RENTAL RESULT			19.927	19.275	17.041
IV.	Recovery of property charges			0	0	0
V.	Recovery of charges and taxes normally payable by tenants on let properties		3	3.546	3.256	2.519
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		3	-4.463	-4.069	-3.596
VIII.	Other rental-related income and expenses		4	1.498	607	560
	PROPERTY RESULT			20.508	19.069	16.523
IX.	Technical costs		5	-29	-53	-110
X.	Commercial costs		6	-91	-135	-93
XI.	Charges and taxes of un-let properties		7	-174	0	0
XII.	Property management costs		8	-637	-702	-520
XIII.	Other property charges		9	-115	-102	-111
	PROPERTY CHARGES			-1.046	-992	-833
	PROPERTY OPERATING RESULT			19.462	18.078	15.690
XIV.	General corporate expenses		10	-2.938	-2.620	-2.399
XV.	Other operating income and expenses		11	231	-952	-73
	OPERATING RESULT BEFORE PORTFOLIO RESULT			16.756	14.506	13.218
XVI.	Result on disposal of investment properties		12	362	0	548
XVII.	Result on disposal of other non-financial assets			0	0	0
XVIII.	Changes in fair value of investment properties		13	-6.692	-4.420	-1.906
XIX.	Other portfolio result			0	0	0
	OPERATING RESULT			10.425	10.086	11.860
XX.	Financial income		14	178	84	13
XXI.	Net interest charges		15	-5.537	-5.478	-5.276
XXII.	Other financial charges		16	-110	-30	-17
XXIII.	Change in fair value of financial assets & liabilities		17	-8.023	-4.918	1.643
	FINANCIAL RESULT			-13.492	-10.341	-3.637
XXIV.	Share in the result of associates and joint ventures			0	0	0
	PRE-TAX RESULT			-3.067	-255	8.223
XXV.	Corporation tax		18	-39	-38	0
XXVI.	Exit tax			0	0	0
	TAXES			-39	-38	0
	NET RESULT			-3.106	-293	8.224
	Attributable to:					
	Shareholders of the parent company			-3.102	-297	8.212
	Minority interests			-4	4	12
	NET CURRENT RESULT			3.224	4.127	9.582
	NET CURRENT RESULT (excl. IAS 39)			11.248	9.044	7.938
	Number of shares in circulation entitled to the result of the period (SHARES)			5.634	5.634	4.610
	NET RESULT PER SHARE (EUR)			-0,55	-0,05	1,41
	NET CURRENT RESULT PER SHARE (excl. IAS 39) (EUR)			2,00	1,61	1,79

⁸⁷ After the financial results were announced on 16th February 2012, Montea, pursuant to a court ruling, set aside a provision of EUR 1.2 million. For more information about this ruling, please see the 2011 annual report (www.montea.com).


7.3 Consolidated overall result before the distribution of profit as of 31 December 2012

 ABBREVIATED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Net result	-3.106	-293	8.224
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investments properties	-1.068	-1.099	-1.394
Impact of changes in fair value of solar panels	-128	1.566	0
Changes in the effective part of the fair value of authorized cash flow hedges	0	0	0
Comprehensive income	-4.302	173	6.830
Attributable to:			
Shareholders of the parent company	-4.297	170	6.817
Minority interests	-4	4	12

7.4 Consolidated cash flow summary as of 31 December 2012

 CONSOLIDATED CASH FLOW STATEMENT (EUR x 1.000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	4.948	14.119	4.077
Net result	-3.106	-293	8.224
Non-cash elements to be added to / deducted from the result	13.231	10.811	-63
Depreciations and write-downs	77	274	222
Depreciations/write-downs (or write-back) on intangible and tangible assets (+/-)	155	177	166
Write-downs on current assets (+)	26	136	73
Write-back of write-downs on current assets (-)	-104	-39	-17
Other non-cash elements	13.154	10.538	-285
Changes in fair value of investment properties (+/-)	6.692	4.420	1.906
IAS 39 impact (+/-)	8.023	4.918	-1.643
Other elements			
Realized gain on disposal of investment properties	-362	0	-548
Provisions	-1.200	1.200	0
NET CASH FROM OPERATING ACTIVITIES BEFORE CHANGE IN WORKING CAPITAL REQUIREMENTS	10.125	10.518	8.160
Change in working capital requirements	2.201	42	699
Movements in asset items	658	40	-3.256
Trade receivables	256	215	191
Other long-term non-current assets	626	-151	-3.159
Other current assets	144	420	-273
Deferred charges and accrued income	-368	-445	-15
Movements in liability items	1.543	2	3.954
Trade debts	244	-790	778
Taxes, social charges and salary debts	205	261	587
Other current liabilities	246	-591	0
Accrued charges and deferred income	849	1.122	2.590
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	17.275	24.679	12.936
Investment activities	-43.152	-24.312	-29.457
Acquisition of intangible assets	-119	0	-7
Investment properties and development projects	-47.633	-20.751	-37.595
Other tangible assets	-9	-21	-152
Solar panels	-2	-6.336	0
Disposal of investment properties	4.612	2.796	8.297
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B)	-43.152	-24.312	-29.457
FREE CASH FLOW (A+B)	-25.877	367	-16.521
Change in financial liabilities and financial debts	22.681	12.960	-773
Increase (+)/Decrease (-) in financial debts	22.661	12.897	-789
Increase (+)/Decrease (-) in other financial liabilities	19	63	0
Increase (+)/Decrease (-) in trade debts and other non-current liabilities	0	0	16
Change in other liabilities	208	0	0
Increase (+)/Decrease (-) in other liabilities	208	0	0
Increase (+)/Decrease (-) in other debts	0	0	0
Change in shareholders' equity	9.995	-8.379	31.414
Increase (+)/Decrease (-) in share capital	21.011	0	38.907
Increase (+)/Decrease (-) in share premium	-10	0	0
Increase (+)/Decrease (-) in consolidation differences	0	0	0
Dividends paid	-10.367	-8.379	-7.493
Increase (+)/Decrease (-) in reserves	-639	0	0
Increase (+)/Decrease (-) in changes in fair value of financial assets/liabilities	0	0	0
Disposal of treasury shares	0	0	0
Dividend paid (+ profit-sharing scheme)	0	0	0
Interim dividends paid (-)	0	0	0
NET FINANCIAL CASH FLOW (C)	32.884	4.581	30.640
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR (A+B+C)	7.007	4.948	14.119

7.5 Summary of the variation in the consolidated equity capital as of 31 December 2012

 CHANGES IN SHAREHOLDERS' EQUITY (EUR x 1,000)	Share capital	Share premiums	Reserves	Result	Deduction of transfer rights and costs	Minority interests	Shareholders' equity
ON 31/12/2010	107.329	543	16.460	8.211	-8.537	101	124.107
Elements directly recognized as equity							
Capital increase	0	0	0	0	0	0	0
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	1.099	0	-1.099	0	0
Positive change in value of solar panels (IAS 16)	0	0	1.566	0	0	0	1.566
Minority interests	0	0	0	-4	0	0	-4
Subtotal	107.329	543	19.125	8.207	-9.636	101	125.669
Dividends	0	0	-8.379	0	0	0	-8.379
Result carried forward	0	0	8.211	-8.211	0	0	0
Result for the financial year	0	0	0	-293	0	4	-289
ON 31/12/2011	107.329	543	18.958	-297	-9.636	104	117.001
Elements directly recognized as equity							
Capital increase	20.998	0	0	0	0	0	20.998
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	1.068	0	-1.068	0	0
Positive change in value of solar panels (IAS 16)	0	0	-127	0	0	0	-127
Own shares	0	0	-639	0	0	0	-639
Own shares held for employee option plan	3	0	0	0	0	0	3
Minority interests	0	0	0	0	0	-4	-4
Corrections	10	-10	0	0	0	0	0
Subtotal	128.340	533	19.260	-297	-10.704	100	137.232
Dividends	0	0	-10.367	0	0	0	-10.367
Result carried forward	0	0	-297	297	0	0	0
Result for the financial year	0	0	0	-3.102	0	0	-3.102
ON 31/12/2012	128.340	533	8.596	-3.102	-10.704	100	123.763

For more information about the table above, please see Notes 29, 30, 30.1, 30.2, 31 and 32.

7.6 Appendices to the consolidated financial statements as of 31 December 2012

7.6.1 Background

7.6.1.1 Statement of compliance

The financial statements of the company are prepared in accordance with the requirements of the International Financial Reporting Standards (IFRS), with those approved by the EU, with those issued by the International Accounting Standards Board (IASB) and with those interpreted by the International Financial Interpretations Committee of the IASB. The consolidated financial statements are prepared on the basis of historical cost except for the investment property (including the projects) and financial instruments that are booked at fair value assets. When the figures are indicated in thousands of euro, there may be slight rounding-off differences.

7.6.1.2 Consolidation principles

Subsidiaries

Subsidiaries are entities over which the company exercises control. By "control" over a company is meant the power by law or in fact to exert a decisive influence on the appointment of the majority of directors or managers or on the orientation of the policy (for more information on "control" refer to IAS27). The financial statements of subsidiaries are included into the consolidated annual accounts from the date of acquisition up to the end of the company's exercise of control. Where necessary, the valuation of the subsidiaries is amended to be consistent with the principles adopted by the group management.

The financial statements of subsidiaries apply to the same accounting period as that of the consolidating company. The minority interests are the interests in the subsidiaries that are not held directly or indirectly by the group.

Intercompany transactions

Intra-group balances and transactions and any unrealized profits within the group are eliminated in proportion to the Group's interest in the company. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no indication of value loss ("impairment").

7.6.1.3 Use of estimates and assessments

The preparation of consolidated financial statements in accordance with IFRS requires good management to make assessments, estimates and assumptions that may apply to the policies and regulations, and reporting the assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical events and various factors that are considered reasonable in such circumstances. The actual results may deviate from these estimates. The estimates and underlying assumptions are revised on an ongoing basis. Revision and accounting estimates are recognized in the period in which the estimate is revised, both when the estimate impacts the audited financial year and when the estimate impacts the future. As of 31 December 2012, there are no significant assumptions concerning the future and other key sources of estimation uncertainty on the balance sheet, which would carry a significant risk of material adjustment to the book value of assets and liabilities for the next financial year.

7.6.2 Valuation rules

7.6.2.1 Investment property

Investment properties comprise all lands and buildings that can be leased and which (wholly or partly) generate rental income, including buildings where a limited portion is held for the firm's own use. In accordance with IAS 40, investment property is valued at fair value. An external, independent expert, De Crombrugghe & Partners in Belgium and Drivers Jonas in France⁸⁸ make a quarterly valuation of the property portfolio. Any gain or loss, after the acquisition of a building, as a result of a change in fair value is booked in the income statement. The valuation is carried out in accordance with the method of incorporation of rental income as set forth in the International Valuation Standards 2005, published by the International Valuation Standards Committee.

The fair value corresponds to the price a third party investor would be willing to pay for each of the buildings in the portfolio acquisition. The fair value should reflect the current leases, the current cash flows and reasonable assumptions regarding the expected rental income and expenses. The sale of an investment property is usually subject to payment to the public authorities of the registration fees or a tax on added value. As to the extent of these registration rights, the Belgian Association of Asset Managers (BEAMA) published a communication on this issue on 8 February 2006. After analyzing a large number of transactions it was decided that the impact of the acquisition costs on significant investment property that exceeds a value of EUR 2,500,000, shall be limited to 2.5%. The investment value corresponds to the fair value with an additional 2.5% for acquisition costs.

⁸⁸ Drivers Jonas observes the valuation regulations as defined by De Crombrugghe & Partners and the Sicafi.

The fair value is thus to be calculated by dividing the value less legal charges by 1.025. Items below the threshold of EUR 2,500,000 remain subject to the usual registration fee and their fair value therefore corresponds with the value exclusive of registration, notary and VAT, and taking into account the current leases. The impact on the fair value of the estimated cost to change rights and notional transfer of the investment property is shown as a separate section of shareholders' equity (section I.F.). The net change in fair value of investment property is shown in the income statement under the section XVIII.

7.6.2.2 Project developments

Property to be constructed or developed for future use as investment property is recorded under the heading "investment properties" (incl. project developments) and will be valued at fair value.

All costs directly related to the development are capitalized, and the directly attributable interest expenses are capitalized in accordance with the provisions of IAS 23-financial costs.

7.6.2.3 Other tangible current assets

All tangible current assets which neither meet the definition of investment property, nor the definition of development project have been catalogued under this section. Other tangible current assets are initially recorded at cost and valued in accordance with the cost model. Grants are deducted from the cost. Additional costs are only capitalised if the future economic benefits related to tangible current assets increase for the company. Other tangible current assets are depreciated on the basis of the linear depreciation method. The following rates will apply on an annual basis:

- plant, machinery and equipment: 20%-25%
- furniture and rolling stock: 20%
- IT equipment: 33%
- real estate for own use: 2%

If the asset is subject to a special value loss, the book value is compared to the recoverable value. If the latter is lower, a special write-in will be taken dependent on the outcome for the difference.

Solar panels are valued on the basis of the revaluation model in accordance with IAS 16 – Tangible non-current assets. After the initial take-up, an asset for which the fair value can be reliably established needs to be entered in the accounts at the revalued value, i.e. the fair value at the time of revaluation, minus any depreciations accumulated later and any extraordinary reductions in value accumulated later. The fair value is determined based on the discounting method of future returns.

The service life of the solar panels is estimated at 20 years.

The solar panels are evaluated on a quarterly basis.

Gains recorded at the start-up of a new site are stated in a separate component of shareholders' equity. Losses are also recorded in this component, except where they are realized or unless the fair value falls below the initial cost. In these latter cases, they are recorded in the result.

7.6.2.4 Long-term receivables

Long-term receivables are valued on the basis of their discounted value according to the prevailing market rate at the time of their issuance. A reduction is booked where there is uncertainty regarding the full payment of the claim at maturity.

7.6.2.5 Financial current assets

Financial current assets are valued at the purchase price or contribution value. The claims and guarantees for the receivables are instead booked at face value. A reduction is made in the case of a permanent write-down or devaluation.

7.6.2.6 Cash and cash equivalents

Cash and cash equivalents include bank accounts, cash and short-term investments.

7.6.2.7 Equity

The capital includes net cash obtained from creation, merger or capital increase whereby the direct external costs are deducted (such as registration fees, notary and publication costs, etc.) The difference between the fair value of the property and the investment value of the property as determined by the external experts, is included in the section "Reserve for the impact on fair value of estimated change rights and costs to the notional transfer of investment property" of the equity.. If the company proceeds to buy back own shares, the amount paid, including directly attributable costs, is deducted from equity (restricted reserves). Dividends are a part of retained earnings until the General Shareholders Meeting grants dividends.

7.6.2.8 Provisions

A provision is made if the company has a legal or contractual obligation as a result of an event from the past and where it is probable that a cash outflow will be required to meet the obligation. Provisions are valued at the discounted value of expected future cash flows to the market rate.

7.6.2.9 Debts

Trade and other debts are valued at their face value on the balance sheet date. Interest-bearing debts are initially recorded at cost, less any directly attributable costs. Then the difference between the book value and the refundable amount is included in the income statement over the period of the loan using the actual interest method.

7.6.2.10 Revenues

Revenues include gross rental income and proceeds resulting from the services and the management of the buildings. Revenue is measured at the fair value of the indemnity that is received or is entitled. Revenue is recorded only from the time that it is sufficiently certain that the economic benefits will accrue to the company. Gratuity costs and benefits granted to the tenants are recognized to reduce the rental income over the term of the lease, the period between the entry into force and the first break option. Indemnification for early termination of lease is immediately included in the income statement.

7.6.2.11 Costs

The costs are measured at the fair value of the indemnity that is paid or owed.

Executed works in the buildings

Concerning work executed in the buildings, a distinction is made between:

- maintenance and repairs: these are costs that do not increase the expected future economic benefits of the building, and as such are integrally dependent on the outcome of the period in which they are paid;
- extensive renovation work: these are costs as a result of occasional work on the building, which will significantly increase the expected economic benefits of the building. The direct costs attributable to such work
- rental advantages: this is provided by the lessor to the lessee to convince the latter to rent existing or additional space. These costs are spread over the period from the commencement of the lease to the first break and may be deducted from the rental income.

Commissions paid to real estate brokers

Commissions regarding the rental of buildings are charged against profits in the period in which they were paid. Commissions relating to the purchase of buildings, registration fees and other additional costs are considered as part of the purchase price of the building and are consequently capitalised. Commissions paid by selling buildings are deducted from the selling price obtained for the realized gain or loss to be determined.

General expenses

General expenses are expenses associated with the management and overall operation of the Sicafi. These include general administrative costs, staff costs for general management, and depreciation of assets used for general management.

7.6.2.12 Financial result

The financial result consists on the one hand of interest costs on loans and associated costs, and on the other hand of the investment income and value variations of hedging instruments. Interest income is recognised pro rata temporis in the income statement. Dividend income is booked in the income statement on the day the dividend is granted.

7.6.2.13 Taxation and exit fees

The tax on the profit for the year comprises the current tax burden. The tax on profit or loss is recognized in the income statement with the exception of the elements recorded directly in equity. Deferred tax assets and liabilities are recorded based on the liability method for all temporary differences between the taxable basis and book value for financial reporting purposes, for both assets and liabilities. Deferred tax assets are only recognized if it is probable that these could be compared against taxable profits in the future.

The exit tax is the tax on the capital gains resulting from a merger, division, contribution in kind or transfer of a sicafi with a company that is not sicafi⁸⁹.

If the latter is incorporated for the first time in the consolidation of the Group, a provision for exit fees is included together with a revaluation value equal to the difference between the fair value of the building at the time of acquisition and book value. The exit tax is generally payable by the contributor of a property or company but the sicafi must record these due to the fact that the tax is only assessed after a certain time. This tax is deducted from the value of the property or company to be transferred.

Any subsequent adjustment of the exit fee liability is included in the income statement. The amount of the exit tax can vary even after the transfer or merger from which this variation may arise.

7.6.2.14 Derivative financial instruments

Montea provides loans to financial institutions with a variable interest rate. The sicafi uses financial hedging instruments of the IRS type (Interest Rate Swaps) to hedge against the risk of increases to these variable interest rates. In so doing, the loans linked to variable interest rates are swapped against a fixed interest rate. In accordance with its financial policy and in application of its regulations, Montea holds no derivative instruments nor would it issue any for speculative purposes.

The hedging instruments do not satisfy the conditions for the type of "hedging" as defined in IAS 39, whereby all movements in the real value of the instrument are included in the income statement. The market-to-market balance sheet date is used to determine the fair value.

7.6.2.15 Off balance sheet rights and obligations

These rights and obligations are valued at face value based on the amount stated in the contract. If there is no face value or if valuation is not possible, the rights and obligations are reported as token entries.

7.6.2.16 New standards and interpretations not yet applied

7.6.2.16.1 Changes to the bases issued and in effect on the date on which Montea's annual accounts are published

– IAS 12 *Taxation on profits (Change) – Deferred taxes: Recovery of Deferred Tax Receivables*

This change to IAS 12 clarifies the valuation of deferred taxes on investment properties processed at fair value and introduces a rebuttable assumption that the book value of this property investment will be recouped by way of a sale. In addition, the entity in valuing a deferred tax as the result of the valuation of a non-depreciable asset using the IAS 16 revaluation model, is always obliged to use the assumption of a future sale. The initial application of this change had no effect on the company's annual accounts.

– IFRS 1 – First adoption of IFRS (Change) - Hyperinflation and the Removal of Fixed Data for First-time Adopters

Through this change, the IASB makes it clear that an entity is required to draw up an IFRS annual account again when its operating currency is no longer subject to hyperinflation. The initial application of this change had no effect on the company's annual accounts.

⁸⁹ The exit tax is the tax on the difference between the fair value and book value and is 16.5% + crisis tax.

— **IFRS 7 Financial Instruments: Disclosures (Change) — Transfer of financial assets**

The change requires additional disclosures about assets that have been transferred but not fully written off. In this case, the entity is required to provide information that enables users to understand the relationship between the assets that have not been written off and the obligations relating to them. The change also requires information to be disclosed about assets that have been fully written off, but where there is still continuing involvement. In this case also, the information must enable users to assess the nature and risks associated with the continuing involvement in the assets written off. The change came into effect for financial years commencing on or after 1st July 2011. There are no obligations with regard to comparative figures. The initial application of this change had no effect on the company's annual accounts.

7.6.2.16.2 Changes to the bases issued and not (yet) in effect on the date on which Montea's annual accounts are published

— **IFRS 1 First adoption of IFRS**

These changes oblige entities on first application to apply standard IAS 20 Administrative processing of government subsidies and disclosing information about government support from the transition date. The changes will have no impact on the company's balance sheet or the results and will apply to financial years commencing on or after 1st January 2013.

— **IFRS 7 Financial Instruments: Disclosures**

These changes oblige an entity to disclose information about the rights to compensation and associated rules (such as guarantees). The new disclosures are required for all financial instruments on the balance sheet that are in line with IAS 32 Financial Instruments: Presentation compensated. Entities are also required to disclose additional information about financial instruments on the balance sheet that are the subject of 'master netting' or similar rule, regardless of whether they were eligible for compensation under IAS 32. The changes will have no impact on the company's balance sheet or the results and will apply to financial years commencing on or after 1st January 2013.

— **IFRS 9 Financial Instruments**

The current version of IFRS 9 introduces the first phase of the IASB project to replace IAS 39 and applies to the classification and valuation of financial assets and obligations. The IASB has decided to postpone the obligatory introduction date from 1st January 2013 to 1st January 2015. The IASB will deal with reductions in value and hedging in subsequent phases. The company will assess the effect of this and the subsequent phases on its annual accounts in their entirety so that it can obtain a complete picture.

— **IFRS 10 Consolidated Annual Accounts**

IFRS 10 replaces the part of IAS 27 Consolidated and Simple Annual Accounts that deals with drawing up consolidated annual accounts. It will also replace interpretation SIC – 12 Consolidation – For entities established for a specific purpose. The standard introduces a control model that should apply to all entities (including entities established for a specific purpose). On the initial application of IFRS 10, management must determine which entities are controlled by the company and hence which need to be consolidated. The company is currently still assessing the effect of this standard, but is not expecting any major changes in the consolidation group as a result of the application of the new control model. The European Union has decided that the standard will apply to financial years commencing on or after 1st January 2014.

— **IFRS 11 Joint Regulations**

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Entities for which control is exercised jointly – Non-monetary contributions by participants in a joint venture. The standard requires the entity to apply a single accounting method of processing interests in jointly controlled entities. Given that the company has no associated holdings or joint regulations, it is not expected that the changes will have any effect on the company's balance sheet or results. The European Union has decided that the standard will apply to financial years commencing on or after 1st January 2014.

— **IFRS 12 Disclosure about Interests in Third Parties**

The standard includes all of the disclosures in IAS 27 in relation to the consolidated annual accounts and the disclosures in IAS 31 and IAS 28. These relate to the company's interests in subsidiaries, joint regulations, associated holdings, entities established for a specific purpose and other entities not included in the balance sheet. A number of new disclosures have been introduced into the standard that also have no impact on the company's balance sheet or results. The European Union has decided that the standard will apply to financial years commencing on or after 1st January 2014.

— **IFRS 13 Determining Fair Value**

IFRS 13 deals with the practical application of determining fair value when this is required or allowed by another standard. IFRS 13 does not intend to define the circumstances under which assets or obligations have to be processed into the fair value. The standard applies to financial years that commenced on or after 1st January 2013 and provides a definition of fair value and one source only of defining fair value and disclosing its application in IFRS. The company is currently assessing the effect of this standard, but based on a provisional analysis, no material impact is expected.

— **IAS 1 Presentation of the Annual Accounts**

The changes have an effect on the presentation of the elements in the non-realised results. Elements that may have an effect on the profit-and-loss account (such as actuarial profits and losses on defined benefit pension plans and the revaluation of land and buildings) should be kept separate from other items (such as net profits on hedging of net investments in a foreign entity, exchange rate differences in the consolidation of a foreign business, net changes to cashflow hedging and net losses or profits on financial assets available for sale). The changes have an effect on the presentation but no effect on the company's balance sheet or results. The changes come into effect for financial years commencing on or after 1st July 2012.

— **IAS 19 Staff Benefits**

The IASB has published a whole range of changes to IAS 19. These include fundamental changes such as removing the 'corridor method', as well as simply clarifications or adjustments to the wording. Given that the company has no pension arrangements, it is expected that the change will have no effects on the company's balance sheet or results. The modified standard comes into effect for financial years commencing on or after 1st January 2013.

— **IAS 28 Investments in Associated Holdings and Joint Ventures**

As a result of the new standards IFRS 11 Joint regulations and IFRS 12 Disclosures about Interests in Third Parties, the heading of standard IAS 28 Investments in Associated Holdings has been changed to IAS 28 Investments in Associated Holdings and Joint Ventures. The modified standard deals with the application of the equity method on investments in joint ventures and associated holdings. The modified standard applies to financial years commencing on or after 1st January 2014. Given that the company has no associated holdings or joint arrangements, the changes are not expected to have any effect on the company's balance sheet or results.

— **IAS 32 Financial Instruments: Presentation**

These changes clarify the meaning of 'a legally enforceable entitlement to compensation'. The changes also clarify the application of the compensation terms of IAS 32 on settlement systems (as with centralised clearing houses) that do not make settlements simultaneously. The changes apply to financial years commencing on or after 1st January 2014. The company does not expect the changes to have an impact on the balance sheet or results.

— **IFRIC 20 Disposal costs during the operation of an open mine**

This interpretation applies to the costs involved for removing waste ('stripping') produced during the operation of a mine. The interpretation deals with the processing in the books of the economic benefit resulting from this activity and applies to financial years commencing on or after 1st January 2013. The new interpretation will have no impact on the company.

Annual Improvements to IFRS (May 2012)

These improvements, which will have no impact on the company, are as follows:

— **IFRS 1 First adoption of IFRS**

This improvement clarifies the repeated application of IFRS 1. It states that in the event of a repetition of the initial application of IFRS, an entity has the choice of applying IFRS 1 again or to adjust the past retroactively to IFRS standards.

— **IAS 1 Presentation of Annual Accounts**

This improvement clarifies the difference between the voluntary provision of comparative figures and the minimal requirements. As a rule, the required figures include those from the previous financial year.

— **IAS 16 Tangible fixed assets**

This improvement points out that significant spare parts and maintenance equipment that meet the definition of tangible fixed assets cannot be considered as stock.

— **IAS 16 Materiële vaste activa**

Deze verbetering verduidelijkt dat belangrijke vervangstukken en onderhoudsgereedschap die aan de definitie van materiële vaste activa voldoen niet als voorraad kunnen worden beschouwd.

– **IAS 32 Financial Instruments: Presentation**

This improvement clarifies that taxes on profits that result from the paying of dividends to shareholders must be included under IAS 12 Taxes on Profits.

– **IAS 34 Interim Financial Reporting**

The aim of this change in interim reporting is to have disclosures about the assets in segments correspond with disclosures about the requirements of segments. This clarification also ensures that interim disclosures are comparable with the information contained in the annual accounts.

These improvements come into effect for financial years commencing on or after 1st January 2013.

7.7 Notes to the consolidated financial statements as of 31 December 2012

7.7.1 Comments to the consolidated balance sheet and income statement

Note 1: Rental income

RENTAL INCOME (EUR x 1,000)		31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Belgium		10.122	10.902	11.111
Aalst	Tragel 48-58	1.919	1.901	1.757
Aartselaar	Helstraat 47	4	257	259
Berchem	Vosstraat 200	197	203	207
Bornem	Industrieweg 4-24	413	378	363
Buggenhout	Kalkestraat 7	0	0	33
Grimbergen	Eppegemsestwg 31-33	1.012	1.012	1.012
Laken	Emiel Bockstaellaan 74	244	237	231
Moorsel	Waverstraat 3	0	265	330
Vilvoorde	Schaarbeeklei 207-213	103	109	122
Hoboken	Smallandlaan 7	230	223	218
Meer	Europastraat 28	330	353	321
Puurs	Rijksweg 85 89	0	0	0
Schoten	Brechtsebaan 4	0	0	0
Schoten	Jagersdreef 1	0	0	0
Grobbendonk	Bouwerven 16	0	0	347
Herentals	Toekomstlaan 33	739	715	699
Nivelles	Rue de la Technique 11	0	717	699
Puurs	Schoonmansveld 18	747	727	711
Erembodegem	Industrielaan 27	881	803	802
Mechelen	Zandvoortstraat 16	653	623	483
Vorst	Humaniteitslaan 292	1.030	1.401	1.371
Milmort	Avenue du Parc Industriel	895	796	1.032
Heppignies	Rue Brigade Piron	725	181	0
Damages for breach of contract		0	0	116
France		9.727	8.470	5.986
Savigny-le-Temple	Rue du Chrome 2	593	437	360
Feuqueires	Zoning Industriel du moulin	344	335	331
Bondoufle	Rue Henrie Dunant 9-11	228	221	218
Saint-Priest	Chemin de la Fouilousse	695	675	655
Cambrai	P.d. Activité Actipole	535	513	534
Roissy	Rue de la Belle Etoile 280+ 383	1.018	981	828
Décines	Rue a Rimbaud 1	357	345	342
Alfortville	Le Techniparc	224	221	250
Le Mesnil Amelot	Rue du Gué 1-3	1.180	1.148	1.123
Orléans	Rue des Genêts 660	3.132	3.041	1.345
Marennes	La Donnière	884	553	0
Saint-Laurent-Blangy	Actipark	326	0	0
Saint-Martin-de-Crau	Ecopole	211	0	0
TOTAL		19.849	19.372	17.097

Montea leases its investment properties under leases. The revenue generated by those leases appears under this heading. Above you will find a list of rental income return per site.

The rental income increased in 2012 by 2.46% to EUR 19,849K. This increase is the net result of increased rental income in France with EUR 1,257K (14.84%) that compensated for the loss of rental income in Belgium (EUR 780K or 7.15%).

The decline in rental income in Belgium is mainly the result of the loss of rental income after divestments (Moorsel in 2011 and Aartselaar in 2012), as well as the decrease in rental income at the site in Vorst (departure of tenant Salvesen) and Nivelles (departure of tenant DHL).

The decrease in rental income in Belgium has been partly offset by the additional rental income generated by the indexation of leases and the rise in rental income at the site in Milmort (new tenant Galler) and Heppignies (new tenant Coca-Cola).

The increase in rental income in France is mainly the result of the newly purchased sites in Saint-Laurent-Blangy and Saint-Martin-de-Crau and the full year's rent from the site in Marennnes (site purchased in 2011).

When we take into account all of the premises that have been in the Montea portfolio over the past 3 years (i.e. without taking account of the acquisition of new sites or divestments – total of 25 sites), rental income is as following:

- 2010: EUR 15,573K;
- 2011: EUR 17,654K (+13.36%);
- 2012: EUR 17,702K (+0.27%).

RENTAL INCOME (EUR x 1,000)		31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Belgium		9.397	9.737	9.587
Aalst	Tragel 48-58	1.919	1.901	1.757
Aartselaar	Helstraat 47	4	257	259
Berchem	Vosstraat 200	197	203	207
Bornem	Industrieweg 4-24	413	378	363
Grimbergen	Eppegemsestweg 31-33	1.012	1.012	1.012
Laken	Emiel Bockstaellaan 74	244	237	231
Vilvoorde	Schaarbeeklei 207-213	103	109	122
Hoboken	Smallandlaan 7	230	223	218
Meer	Europastraat 28	330	353	321
Herentals	Toekomstlaan 33	739	715	699
Puurs	Schoonmansveld 18	747	727	711
Erembodegem	Industrielaan 27	881	803	802
Mechelen	Zandvoortstraat 16	653	623	483
Vorst	Humaniteitslaan 292	1.030	1.401	1.371
Milmort	Avenue du Parc Industriel	895	796	1.032
France		8.305	7.917	5.986
Savigny-le-Temple	Rue du Chrome 2	593	437	360
Feuqueires	Zoning Industriel du moulin	344	335	331
Bondoufle	Rue Henrie Dunant 9-11	228	221	218
Saint-Priest	Chemin de la Fouilousse	695	675	655
Cambrai	P.d. Activité Actipole	535	513	534
Roissy	Rue de la Belle Etoile 280+ 383	1.018	981	828
Décines	Rue a Rimbaud 1	357	345	342
Alfortville	Le Techniparc	224	221	250
Le Mesnil Amelot	Rue du Gué 1-3	1.180	1.148	1.123
Orléans	Rue des Genêts 660	3.132	3.041	1.345
TOTAL		17.702	17.654	15.573

At 10 of these 25 sites, new leases were signed or existing leases renewed, resulting in no major changes in the average rental price per square metre. When signing and renewing these agreements, exceptional use was made of an average rent-free period of 2 to 6 months. No major incentives were given in this context.

Below is a breakdown of the rental income, broken down by the term of the leases until the first break, including the following subdivisions:

- Break during 2013
- Break during 2014 and 2015
- Break > 2015

RENTAL INCOME (EUR x 1,000)		31/12/2012 12 months	0 - 1 year	1 - 3 years	> 3 years
Belgium		10.122	1.488	3.060	5.574
Aalst	Tragel 48-58	1.919	11	0	1.908
Aartselaar	Helstraat 47	4	4	0	0
Berchem	Vosstraat 200	197	197	0	0
Bornem	Industrieweg 4-24	413	0	413	0
Buggenhout	Kalkestraat 7	0	0	0	0
Grimbergen	Eppegemsestweg 31-33	1.012	0	1.012	0
Laken	Emiel Bockstaellaan 74	244	0	244	0
Moorsel	Waverstraat 3	0	0	0	0
Vilvoorde	Schaarbeeklei 207-213	103	103	0	0
Hoboken	Smallandlaan 7	230	0	0	230
Meer	Europastraat 28	330	0	0	330
Puurs	Rijksweg 85 89	0	0	0	0
Schoten	Brechtsebaan 4	0	0	0	0
Schoten	Jagersdreef 1	0	0	0	0
Grobbendonk	Bouwelven 16	0	0	0	0
Herentals	Toekomstlaan 33	739	739	0	0
Nivelles	Rue de la Technique 11	0	0	0	0
Puurs	Schoonmansveld 18	747	0	0	747
Erembodegem	Industrielaan 27	881	145	335	400
Mechelen	Zandvoortstraat 16	653	290	346	17
Vorst	Humaniteitslaan 292	1.030	0	224	807
Milmort	Avenue du Parc Industriel	895	0	485	410
Heppignies	Rue Brigade Piron	725	0	0	725
Damages for breach of contract		0	0	0	0
France		9.727	986	2.846	5.897
Savigny-le-Temple	Rue du Chrome 2	593	155	0	438
Feuqueires	Zoning Industriel du moulin	344	0	0	345
Bondoufle	Rue Henrie Dunant 9-11	228	0	0	228
Saint-Priest	Chemin de la Fouilousse	695	0	695	0
Cambrai	P.d. Activité Actipole	535	0	535	0
Roissy	Rue de la Belle Etoile 280+ 383	1.018	184	178	657
Décines	Rue a Rimbaud 1	357	0	0	357
Alfortville	Le Techniparc	224	0	224	0
Le Mesnil Amelot	Rue du Gué 1-3	1.180	647	330	203
Orléans	Rue des Genêts 660	3.132	0	0	3.132
Marennes	La Donnière	884	0	884	0
Saint-Laurent-Blangy	Actipark	326	0	0	326
Saint-Martin-de-Crau	Ecopole	211	0	0	211
TOTAL		19.849	2.473	5.906	11.471

The rental income for the sites in Aartselaar and Berchem lapse in 2013 on account of divestment.

Note 2: Rental-related expenses

RENTAL-RELATED EXPENSES (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Depreciations on trade receivables	-26	-136	-73
Write-back of write-downs on trade receivables	104	39	17
TOTAL	78	-97	-56

The increase in the reversals of value reductions on trade receivables was caused by the payments of provisions previously set aside from tenants Culobel, Indoorkarting Aalst and Smart Packaging Solutions.

Montea always applies the principle of caution. When for the purpose of collecting rent and other monies Montea calls on external legal advice, a provision for dubious debts is set aside immediately. When these monies are received, the reversal of the reduction in value is then recorded.

Note 3: Rental charges and taxes on rented buildings taken by the lessee and recuperation of these rental charges and taxes

RENTAL CHARGES AND TAXES NORMALLY BORNE BY THE TENANT ON LET PROPERTIES (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Recovery of charges and taxes normally payable by tenants on let properties	3.546	3.256	2.519
Reinvoicing of rental charges borne by the landlord	1.621	1.228	781
Reinvoicing of taxes on let properties	1.924	2.028	1.738
Charges and taxes normally borne by the tenant on let properties	-4.463	-4.069	-3.596
Rental charges borne by the landlord	-1.832	-1.586	-1.110
Taxes on let properties	-2.631	-2.483	-2.487
TOTAL	-918	-813	-1.078

The increase in the net impact to EUR 918 000 is attributable mainly to the decrease of the occupancy rate to 96.27%, as well as to the effect of a full year's vacancy at the site in Vorst (after the departure of the tenant Salvesen). This means that the insurances, communal charges and property tax could not be passed on in part to the tenants.

Of the net impact of EUR 918 000 31.70% (or EUR 291 000) cannot be passed on to the tenants under their leases.

When there is a vacancy, the highest cost is property tax and any insurance that may or may not be passed on. Property taxes and taxes on leased premises were EUR 2.6 million in 2012 (13% of the rental income).

When there is 100% vacancy, there is an additional cost of EUR 0.7 million for maintenance and insurance in addition to the charge of EUR 2.6 million (property tax).

Note 4: Other rental-related income and expenditure

OTHER RENTAL-RELATED INCOME AND EXPENDITURE (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Property management fee	172	114	160
Income from the solar panels	769	421	0
Other	557	72	400
TOTAL	1.498	607	560

Income from the solar panels is made up of the electricity generated, which is passed on to the tenants and the distribution grid manager (9.1%), as well as revenue from green power certificates (90.9%).

The solar panels on the buildings at the sites in Bornem (EUR 218 000), Grimbergen (EUR 184 000), Herentals (EUR 117 000) and Puurs Schoonmansveld (EUR 250 000) together generated EUR 769 000 of revenue.

The charges passed on were recorded under "Other" in 2010. In 2011 and 2012, they were entered under "Rental charges and taxes borne by the tenant on leased buildings".

The one-off charges resulting from insurance issues at the sites in Aartselaar and Puurs Rijksweg, as well as the compensation received by Montea from outgoing inventories at the sites in Nivelles, Mechelen and Vorst, were entered under "Other" in 2012.

Note 5: Technical costs

TECHNICAL COSTS (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Recurring costs	-32	-53	-110
Maintenance and repairs	-21	-42	-106
Insurance premiums	-10	-11	-4
Non-recurring costs	3	0	0
Major repairs	0	0	0
Claims	3	0	0
TOTAL	-29	-53	-110

The reduction in these charges is the result of the lower amount of repairs to the building in Moorsel as a consequence of the divestment of the site in 2011.

Note 6: Commercial costs

COMMERCIAL COSTS (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Brokers' fees	-65	-65	-39
Publicity	0	-1	0
Lawyer fees and legal expenses	-26	-69	-53
TOTAL	-91	-135	-93

The fall in legal fees is the result of the lower number of pending legal cases.

Note 7: Property management charges

PROPERTY MANAGEMENT COSTS (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Internal property management costs	-618	-665	-490
External property management costs	-20	-36	-29
TOTAL	-637	-702	-520

These charges include on the one hand costs relating to the staff responsible for managing and marketing the property, plus costs that can be allocated directly to management.

This fall in internal management charges relates mainly to the divestment of labour-intensive sites in Moorsel (sold in 2011) and Aartselaar (sold in 2012).

Note 8: Charges and taxes on unlet premises

CHARGES AND TAXES OF UN-LET PROPERTIES (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Charges	-67	0	0
Property tax	-86	0	0
Insurances	-21	0	0
TOTAL	-174	0	0

Charges and taxes on unlet premises relate only to the costs of the totally vacant sites at Puurs Rijksweg and Nivelles. These charges were entered in 2010 and 2011 under the heading "Lease charges and taxes borne by the tenant on leased buildings".

Note 9: Other property charges

OTHER PROPERTY COSTS (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Concession rights	-82	-81	-78
Other property charges	-34	-21	-33
TOTAL	-115	-102	-111

Concession fees include the cost for the concession on the ground at the site in Grimbergen where DHL is our tenant. This concession agreement expires on 30 June 2017.

Note 10: General company overheads

GENERAL CORPORATE COSTS (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Office costs	-250	-149	-126
Representation costs	-82	-74	-50
Fees	-537	-540	-627
<i>Real estate expert</i>	-116	-149	-167
<i>Auditor</i>	-40	-41	-41
<i>Legal advisors</i>	-60	-80	-90
<i>Accounting and financial advisors</i>	-138	-151	-175
<i>Other</i>	-183	-119	-154
Listing fees	-114	-158	-111
Marketing and communication	-141	-127	-161
Personnel costs + fees business manager	-1.659	-1.395	-1.158
Amortizations	-155	-177	-166
TOTAL	-2.938	-2.620	-2.399

General overheads in the main include the costs associated with day-to-day management and the fees incurred as part of the obligations of listed companies.

In total, general overheads were EUR 3,974K. Of this amount EUR 419K (10.54%) the costs for internal project management which represent an added value for those sites, were activated. EUR 618K of costs (15.55%; see note 7) were transferred to property management charges. 73.91% of costs (EUR 2,938K) were retained as general company overheads.

The fees for the Company Auditors, E&Y Bedrijfsrevisoren, represented by Christel Weymeersch, in relation to the remuneration for its statutory task of researching and auditing the company and consolidated accounts, were EUR 39,478 excl. VAT (see auditors).

The company's general overheads rose in 2012 by 12.14%. To a large extent, this was the result of the increase in staffing costs, explained mainly by the appointment of Griet Cappelle (Chief Development Officer).

Apart from the fees for the Company Auditors, property assessors and the statutory Business Manager, no other significant remuneration was owed in 2012.

Note 11: Other operating income and expenses

OTHER OPERATING INCOME AND EXPENSES (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Other operating income	356	315	58
Other operating expenses	-125	-1.268	-131
TOTAL	231	-952	-73

Other operating revenue resulted mainly from the guarantee received by Montea as part of the bankruptcy of Scheuten.

The rise in other operating costs in 2011 was due to the compensation of EUR 1.2 million (EUR 960 000 + interest) that Montea had to pay pursuant to the ruling by the Court of Appeal handed down on 29th February 2012 (see also under point 4.3.12.1 for more details).

Other operating costs in 2012 relate to the charges incurred for a possible project that in the end was not carried out.

Note 12: Result on disposal of investment properties

RESULT ON DISPOSAL OF INVESTMENT PROPERTIES (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Net capital gain buildings sold	362	0	548
TOTAL	362	0	548

The capital gain of EUR 548 000 made in 2010 was the result of the sale of the sites in Schoten Brechtsebaan, Schoten Jagersdreef, Buggenhout and Grobbendonk.

The capital gain of EUR 362 000 made in 2012 was the result of:

- the sale of the sites in Aartselaar and Berchem for EUR 467 000;
- a provision of EUR 105 000 set aside for works yet to be carried out at the previously sold site in Grobbendonk.

Note 13: Changes in fair value of investment properties

CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Positive changes in fair value of investment properties	1.260	2.296	1.529
Negative changes in fair value of investment properties	-7.952	-6.716	-3.435
TOTAL	-6.692	-4.420	-1.906

The result on the property portfolio at 31 December 2012 was EUR -6.7 million. This negative result was attributable to:

- a) a negative variation in the fair value of the property portfolio in Belgium of EUR -5.0 million, mainly as the result of:
 - the negative variation in the fair value of the site in Vorst resulting from a revaluation of the development potential at this site and the imminent vacancy of the freezer buildings at the end of March 2012 (EUR - 2.4 million);
 - negative variation in the fair value of the site in Nivelles resulting from the expiration of the lease (EUR - 0.7 million);
 - negative variation in the fair value of the site in Herentals through the adjustment to the market yield (EUR -0.7 million);
 - the positive variation in the fair value (EUR +2.0 million) of the sites in Mechelen, Milmort and Aalst through the signing of new long-term leases;
 - the impact of the investments made that currently are not producing a direct positive variation in the fair value of the property investments (EUR -2.5 million), mainly at the sites in Mechelen and Milmort. These investments are part of the long-term plan and were entirely justified by the signing of long-term leases at these sites.

b) a negative variation in the fair value of the property portfolio in France of EUR -1.7 million as the result of:

- the positive variation in the fair value of the site in Orléans through the adjustment of the market yield to 8.0%; the site in Orléans was purchased in 2010 with an initial yield of 8.5% (EUR +0.3 million);
- the adjustment of the market rent value of the premises in Savigny-le-Temple (EUR -0.2 million);
- the adjustment of the market yield at the sites in Feuquières-en-Vimeu, Marennes, Cambrai and Saint-Laurent-Blangy, totalling EUR -1.1 million;
- the adjustment to the fair value of the site in Cambrai of EUR -0.4 million resulting from the IFRS regulation whereby the site does not come under VAT rules and hence comes under registration charges (approximately 6.2%);
- the impact of the investments made (EUR 0.3 million) at the site in Savigny-le-Temple. These investments are part of the long-term plan and are designed to lease the vacant space as quickly as possible.

For more information about the fundamentals of the valuation of the property portfolio, please refer to 4.2. Property Report.

Note 14: Financial income

FINANCIAL INCOME (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Interests and dividends received	177	82	10
Other	0	2	3
TOTAL	178	84	13

The increase in financial income since 2010 is mainly the result of interest collected on available funds.

Note 15: Net interest charges

NET INTEREST CHARGES (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Nominal interest charges on loans	-2.845	-2.578	-1.638
Reinstatement of the nominal amount for financial debts	50	74	95
Costs from authorized hedges	-2.739	-2.962	-3.731
Income from authorized hedges	0	0	0
Other interest charges	-3	-11	-2
TOTAL	-5.537	-5.478	-5.276

The average finance charge was 3.84%⁹⁰. This is the percentage for bank financing, including bank margins and taking account of the financial hedging instruments and finance charges on leasing debts.

Net interest charges increased by EUR 59K or 1.08%. The average debt burden rose by EUR 6,050K (also see the increase in the debt ratio from 49.9% to 51.3%). By contrast, the average finance charge fell during the year, from 4.35% to 3.84%.

The category "Reinstatement of the nominal amount for financial debts" relates solely to the interest collected on the additional works that were charged on at the site in Cambrai (France). The cost of these works was passed on by Montea to the existing tenant in accordance with a table of instalments. See also note 23.

⁹⁰ This financial cost is an average over the full year, leasing debts in France and Belgium included, and was calculated based on the total financial cost compared to the average of the initial and end balance of the debt cost of 2012.

Note 16: Other financial costs

OTHER FINANCIAL COSTS (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Bank charges and other commissions	-110	-29	-16
Other	0	-1	0
TOTAL	-110	-30	-17

The rise in bank charges in 2012 relates mainly to the arrangement fees for opening new lines of credit.

Note 17: Changes in fair value of financial assets and liabilities

FAIR VALUE OF THE HEDGES (EUR x 1,000)	Maturity	Nominal amount	Amount taken	Interest rate	Fair value 2012	Fair value 2011	Change in fair value
IRS	15/05/2012	27.249	0	4,31%	0	-386	386
Forward IRS	27/01/2016	15.000	15.000	1,35%	-495	0	-495
Forward IRS	30/05/2017	10.000	10.000	2,82%	-1.044	-579	-465
Multi-Callable Swap	15/09/2017	13.425	13.425	3,82%	-2.158	-1.824	-334
Multi-Callable Swap	01/09/2018	10.000	0	4,11%	0	-1.616	1.616
IRS	01/09/2018	25.000	0	4,49%	0	-4.484	4.484
Forward IRS	30/05/2019	10.000	10.000	3,07%	-1.441	-728	-713
Forward IRS	01/10/2019	10.000	10.000	2,66%	-1.197	-521	-676
Forward IRS	01/10/2020	10.000	10.000	2,77%	-1.353	-581	-772
Forward IRS	01/10/2020	10.000	10.000	2,77%	-1.348	-585	-763
Stepped IRS	01/07/2022	60.000	30.000	4,50%	-10.291	0	-10.291
TOTAL		200.674	108.425		-19.327	-11.304	-8.023

Montea's net debt position in relation to hedging instruments was EUR 19,327K.

At the end of 2012, Montea had hedging instruments for a nominal amount of EUR 108.425 million, made up of EUR 200.674 million - EUR 27.249 million (IRS contract expired on 15th May 2012) – EUR 35 000 (2 IRS contracts that were replaced by the new stepped IRS contract of EUR 60 million, of which only EUR 30 million was drawn down at 31/12/2013).

The amount under the heading "Variations in the fair value of financial assets and liabilities" (EUR 8.023 million) is the sum of the positive and negative variations in the fair value of the various hedging instruments. The fair value of the hedging instruments is to be found in the long-term financial debts in the liabilities on the balance sheet. This heading represents a debt position of EUR 19.327 million over 2012.

Montea had 2 multi-callable swaps in its portfolio totalling EUR 23.425 million. One of these has been replaced by the Stepped IRS for EUR 60 million. The other, for EUR 10 million, can be cancelled at any time and on any terms by the bank after a period of 5 years.

During the financial year, Montea signed 2 forward contracts that came into effect on 27th January and 30th May 2012. 2 contracts were also renewed. By signing these 2 forward contracts and renewing 2 contracts, average hedging costs fell from 4.09% to 3.82% on 1st October 2011 and to 3.53% on 30th May 2012 (given a constant perimeter).

Note 18: Company tax

CORPORATE TAXES (EUR x 1,000)	31/12/2012 12 months	31/12/2011 12 months	31/12/2010 12 months
Withholding tax	-26	-12	-1
Actual corporate taxes (profit)	-13	-26	1
TOTAL	-39	-38	0

Note 19: Intangible assets

INTANGIBLE ASSETS	(x EUR 1,000)
ON 31/12/2010	83
Acquisitions	0
Depreciations	-31
ON 31/12/2011	52
Acquisitions	118
Depreciations	-30
ON 31/12/2012	141

This item states the amounts of intangible assets for own use. These intangible assets mainly include the licence and development costs for property management and accounting software.

The increase in 2012 is the result of the introduction of a new facility management system.

Note 20: Investment properties

INVESTMENT PROPERTIES	(x EUR 1,000)
ON 31/12/2010	234.175
Investments	18.085
- new acquisitions	12.846
- acquisitions through share transactions	0
- transfer of development projects	0
- investment expenditure	5.061
- own personnel	177
- intercalary interests	0
- transfer of assets held for sale	0
Divestments	-2.709
Increase/decrease of the fair value	-4.420
ON 31/12/2011	245.131
Investments	45.217
- new acquisitions	44.051
- acquisitions through share transactions	0
- transfer of development projects	0
- investment expenditure	3.436
- own personnel	147
- intercalary interests	0
- transfer of assets held for sale	-2.416
Divestments	-1.954
Increase/decrease of the fair value	-6.294
ON 31/12/2012	282.100

The increase in investment properties was mainly the result of the handover of the development for DHL Global Forwarding in Belgium and the purchase of the sites in Saint-Laurent-Blangy and Saint-Martin-de-Crau in France.

Divestments include the fair value of the Berchem site, which was sold on 11th December 2012.

The decrease in fair value has to do with the adjustment in value of all sites, except for the one in Berchem (sold) and Vilvoorde (transferred to assets held for sale).

Note 21: Other tangible assets

OTHER TANGIBLE NON-CURRENT ASSETS	(x EUR 1,000)
ON 31/12/2010	272
Acquisition value 01/01/2011	494
Acquisitions	21
Divestments	7.902
Acquisition value 31/12/2011	8.416
Depreciations 01/01/2011	-222
Depreciations	-108
Depreciations 31/12/2011	-330
ON 31/12/2011	8.087
Acquisition value 01/01/2012	8.416
Acquisitions	9
Solar panels	-125
Acquisition value 31/12/2012	8.301
Depreciations 01/01/2012	-330
Depreciations	-88
Depreciations 31/12/2012	-418
ON 31/12/2012	7.883

The decrease in other non-current tangible assets mainly includes the loss on the solar panels at the sites in Bornem, Grimbergen, Herentals and Puurs Schoonmansveld.

SOLAR PANELS (EUR x 1,000)	Investments	Fair value 31/12/2012	Valuation
Solar panels on the site of Bornem	1.613	1.949	337
Solar panels on the site of Grimbergen	1.379	1.690	311
Solar panels on the site of Herentals	1.033	1.171	137
Solar panels on the site of Puurs, Schoonmansveld	2.115	2.767	653
Solar panels on the site of Heppignies	199	199	0
TOTAL	6.339	7.777	1.438

Solar panels are valued based on the revaluation model, in accordance with IAS 16 – Non-current tangible assets. After the initial take-up, assets whose fair value can be reliably determined are recorded at the revalued value, i.e. the fair value at the time of revaluation, minus any depreciations accumulated later and any extraordinary reductions in value accumulated later. The fair value is determined based on the discounting method of future returns.

With regard to the valuation of the solar panels, any gains (EUR 1,438K for 2012) are recorded in a separate component of shareholders' equity. Also see note 29.1.

Note 22: Non-current financial assets

NON-CURRENT FINANCIAL ASSETS	(x EUR 1,000)
ON 31/12/2010	1.359
Assets held till maturity	0
Participations in associates	0
Faire value of assets through the result	-1.359
Hedges	-1.359
ON 31/12/2011	0
Assets held till maturity	0
Participations in associates	0
Faire value of assets through the result	0
Hedges	0
ON 31/12/2012	0

Non-current financial assets in 2011 relate solely to the positive valuation of the hedging instruments.

The negative valuation of the hedging instruments for 2012 is to be found in note 35.

Note 23: Trade receivables and other non-current assets

TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS	(x EUR 1,000)
ON 31/12/2010	576
Guarantees paid in cash	15
Pre-financing site Cambrai	-230
ON 31/12/2011	361
Guarantees paid in cash	0
Pre-financing site Cambrai	-257
ON 31/12/2012	105

This amount relates to a non-current receivable against the tenant at the Cambrai site for the reimbursement of the invoiced supplemental work.

On acquisition of the Cambrai site in 2008, Montea carried out investments amounting to EUR 1,150K. These works were reinvoiced and are paid off on a quarterly basis according to an agreed payment schedule.

The non-current receivable is reported under this heading. The current receivables can be found under "tax receivables and other current assets" (see note 26). Financial returns on this transaction are listed under the financial income heading (see note 14). The total receivable, including interest, will be paid off on 28 February 2014.

Note 24: Property held for sale

ASSETS HELD FOR SALE	(x EUR 1,000)
OP 31/12/2010	0
Accounting value of the investment properties held for sale	2.541
OP 31/12/2011	2.541
Accounting value of the investment properties held for sale	-316
OP 31/12/2012	2.225

The variation in the book value of the investment properties held for sale of EUR -316 000 consists of:

- the site in Aartselaar (EUR 2.541 million) which was sold on 17th January 2012
- the site in Vilvoorde (EUR 2.225 million). During 2012, this site was transferred from the heading "Investment properties" to "Assets held for sale". This site will be sold in 2013. Given that the provisional sales agreement was signed on 11th June 2012, the book value was transferred at the end of the year to "Assets held for sale".

The capital gain made in relation to the site sold in Aartselaar and others is stated under Note 12 "Result from sale of investment properties".

Note 25: Current trade receivables

TRADE RECEIVABLES (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
Trade receivables - gross	6.209	6.835	6.685
Provisions for doubtful receivables	-489	-567	-470
ON 31/12/2012	5.720	6.269	6.215

As of 31 December 2012, the gross trade receivables amounted to EUR 6,209K, of which EUR 531K was to be invoiced, EUR 489K for dubious debtors and EUR 5,189K for trade receivables.

DOUBTFUL RECEIVABLES	(x EUR 1,000)
ON 31/12/2010	470
Provisions current financial year	81
ON 31/12/2011	551
Decrease provisions current financial year	-91
ON 31/12/2012	460

WRITE-DOWNS ON DOUBTFUL RECEIVABLES ACCOUNTED FOR	(x EUR 1,000)
ON 31/12/2010	470
Addition write-downs accounted for	97
ON 31/12/2011	567
Decrease write-downs accounted for	-78
ON 31/12/2012	489

TABLE OF MATURITY DATES OF TRADE RECEIVABLES	(x EUR 1,000)
Trade receivables, not due	4.496
Trade receivables, due 1 -30 days	174
Trade receivables, due 31 - 60 days	6
Trade receivables, due 61 - 90 days	201
Trade receivables, due > 90 days	312
TOTAL	5.189

In order to minimize the overdue accounts receivable, Montea manages its clients in an efficient manner. Montea's clients are subject to regular credit analyses. Similarly, Montea will always subject potential new clients to a credit analysis, before closing new contracts.

Note 26: Tax receivables and other current assets

TAX RECEIVABLES AND OTHER CURRENT ASSETS (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
TAXES	242	298	410
Value added taxes (VAT)	113	169	282
Corporation tax	129	129	129
OTHER CURRENT ASSETS	602	691	998
TOTAL	844	989	1.409

The amount of other current assets mainly includes the short-term receivable from the prefinancing of the site in Cambrai (EUR 257 000 – also see Note 23) and the receivable (current account; provision for payment of invoices) regarding the Business-owner.

Note 27: Cash and cash equivalents

CASH AND CASH EQUIVALENTS (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
Cash at banks	5.175	1.409	5.681
Term deposits	1.832	3.499	8.406
Cheques to be cashed	0	40	31
TOTAL	7.007	4.948	14.119

Term deposits relate to cash deposits in term accounts with credit institutions.

Note 28: Deferred charges and accrued income in the assets

DEFERRED CHARGES AND ACCRUED INCOME - ASSETS (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
Accrued and not due rental income	299	256	9
Prepaid property charges	572	153	0
Prepaid interests and other financial charges	345	312	55
Other	256	383	526
TOTAL	1.472	1.104	590

The increase in prepaid property charges is explained mainly by the rise in the start-up costs already incurred for possible new projects.

The item "Prepaid interest and other finance charges" consists mainly of capital and interest repayments already made on leasing debts for the Orléans project.

The item "Other" mainly relates to already paid brokers' fees for new lease contracts spread over the term of those lease contracts.

Note 29: Share capital and shares

SHARE CAPITAL AND SHARE PREMIUMS	Capital	Costs capital increase	Capital shares options staff	Subscription premium	Number of shares
ON 31/12/2010	108.373	-1.044	0	543	5.634.126
ON 31/12/2011	108.373	-1.044	0	543	5.634.126
Capital Increase on 20 December 2012	21.114	-106	3	-10	814.148
ON 31/12/2012	129.486	-1.150	3	533	6.448.274

Note 30: Reserves

(EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
Reserves	-2.108	9.322	7.923
Legal reserves	30	30	30
Reserve for the net amount of the changes in fair value of investment properties	-32.031	-25.211	-22.357
Reserves for the impact on the fair value of the estimated transfer rights and costs resulting from hypothetical disposal of investment properties	-10.704	-9.636	-8.537
Reserve for the net amount of the changes in fair value of authorized hedges qualifying for hedge accounting as defined by IFRS	0	0	0
Reserve for the net amount of the changes in fair value of authorized hedges not qualified for hedge accounting as defined by IFRS	-19.327	-11.294	-6.376
Reserve for the net amount of exchange rate differences on monetary assets and liabilities	0	0	0
Reserve for the translation differences coming from the conversion of activities abroad	0	0	0
Reserve for treasury shares	-639	0	0
Reserve for the net amount of the changes in fair value of financial assets held for sale	0	0	0
Reserve for actuarial gains and losses on defined benefit pension plans	0	0	0
Reserve for deferred taxes on investment properties located abroad	0	0	0
Reserve for received dividends, used for the reimbursement of financial debts	0	0	0
Other reserves	60.563	55.433	45.163
Results carried forward from previous financial years	0	0	0

The difference in the item "reserve for the balance of the variation in the fair value of property" compared with last year was EUR 6.82 million. The profit-and-loss account shows an amount of EUR 6.692 million. The difference of EUR 128 000 is explained entirely by the variation in the fair value of the solar panels, which under IFRS rules are recorded in reserves.

In determining the fair value and after an analysis of a large number of transactions conducted by a working group of specialists acting on behalf of listed property institutions, account was taken of 2.5% of total buying charges on major investment property (i.e. > EUR 2,500,000). This means that for all sites of EUR >2,500,000, the investment value needs to be divided by 1.025 to produce the fair value. For all other sites, 10% or 12.5% of registration charges are to be applied to reach the fair value.

This means that for 3 sites in Belgium (Vilvoorde, Laken and Hoboken) the 10% rule is applied (i.e. 3.4% of the portfolio).

In valuing the sites in France, an estimate is made of the total amount of purchase costs. This represents approximately 6.2%. This means that 6.2% has to be deducted from the investment amount to reach the fair value for the site.

Note 30.1: Reserve for the balance of the changes in fair value of property

RESERVE FOR THE BALANCE OF THE CHANGES IN FAIR VALUE OF PROPERTY	(x EUR 1,000)
Changes in fair value of investment properties 2007 (15 months)	5.629
Changes in fair value of investment properties 2008 (12 months)	-10.046
Changes in fair value of investment properties 2009 (12 months)	-16.034
Changes in fair value of investment properties 2010 (12 months)	-1.906
Changes in fair value of investment properties 2011 (12 months)	-4.420
Changes in fair value of investment properties 2012 (12 months)	-6.491
Revaluation gains solar panels 2011 (12 months)	1.566
Revaluation gains solar panels 2012 (12 months)	-128
ON 31/12/2012	-31.830

Note 30.2: Reserve for the balance of the changes in fair value of authorized hedging instruments not subject to hedge accounting, as defined in IFRS

RESERVE FOR THE BALANCE OF THE CHANGES IN FAIR VALUE OF AUTHORIZED HEDGES NOT SUBJECT TO HEDGE ACCOUNTING AS DEFINED IN IFRS	(x EUR 1,000)
changes in fair value of authorized hedges 2007 (15 months)	861
changes in fair value of authorized hedges 2008 (12 months)	-6.792
changes in fair value of authorized hedges 2009 (12 months)	-2.089
changes in fair value of authorized hedges 2010 (12 months)	1.643
changes in fair value of authorized hedges 2011 (12 months)	-4.917
changes in fair value of authorized hedges 2012 (12 months)	-8.033
ON 31/12/2012	-19.327

The changes in fair value of the hedges are entirely passed through the results.

Note 31: Result

RESULT (EUR x 1,000)	Result carried forward	Dividend payout	Result of the financial year	Result
ON 31/12/2010	3.043	0	5.168	8.211
Result 12 months	8.211	-8.211	-293	-293
Minority interests	0	0	-4	-4
ON 31/12/2011	11.254	-8.211	4.871	-297
Result 12 months	-297	-10.367	-3.102	-3.102
Minority interests	0	0	-4	-4
ON 31/12/2012	10.957	-10.367	1.765	-3.106

Note 32: Minority participations

MINORITY INTEREST	(x EUR 1,000)
ON 31/12/2010	101
5% of the result of SCI 3R on 31/12/2011	4
ON 31/12/2011	104
5% of the result of SCI 3R on 31/12/2012	-4
ON 31/12/2012	100

Note 33: Provisions

PROVISIONS (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
Pensions	0	0	0
Other	-208	0	0
TOTAL	-208	0	0

The provision relates to the estimated costs for the further reorganisation of the commercial team.

Note 34: Financial debts

FINANCIAL DEBTS (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
NON-CURRENT FINANCIAL DEBTS	121.913	104.320	61.424
Credit institutions	116.500	97.500	53.000
Securities and bank guarantees deposited	547	278	275
Financial leasing	4.865	6.542	8.150
CURRENT FINANCIAL DEBTS	31.851	26.782	56.781
Credit institutions	30.000	25.000	55.000
Financial leasing	1.851	1.782	1.781
TOTAL	153.763	131.102	118.205

Financial debts consist mainly of bilateral lines of credit with 4 Belgian financial establishments. As of 31/12/2012, Montea had a total of EUR 165,000K in contractual lines of credit, of which 89% (EUR 146,500K) was drawn down.

The difference with the previous year is the result of the refinancing of bank debt due (EUR 25 million) in 2012. Also, to fund new investments in 2012, an additional line of credit for EUR 35 million was concluded and an additional debt of EUR 5 million was taken from the company Warehouse Nine (development for DHL).

Next year, 20.4% (or EUR 30 million) of the drawn down debt expires.

CREDIT INSTITUTIONS	(x EUR 1,000)
Credit lines, with a maturity < 1 year	30.000
Credit lines, with a maturity 1 - 2 year	31.667
Credit lines, with a maturity 2 - 3 year	41.500
Credit lines, with a maturity > 3 year	43.333
TOTAL	146.500

We also refer to the covenants under point 4.4.2.

Note 35: Other non-current financial liabilities

OTHER NON-CURRENT FINANCIAL LIABILITIES (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
Authorized hedges	19.327	11.304	7.746
TOTAL	19.327	11.304	7.746

The other non-current financial liabilities consist solely of the negative valuation of the interest coverage instruments on 31/12/2012. In note 22, under financial current assets, are the positive changes in the value of interest hedging instruments. On balance, the interest hedging instruments on 31/12/2012 had a negative value of EUR 19,327K.

For the comparison of fair values to book values, see Note 17.

Note 36: Other non-current liabilities

OTHER NON-CURRENT LIABILITIES (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
Guarantees	450	431	369
TOTAL	450	431	369

The total relates to the guarantees lodged by French clients.

Note 37: Provisions

PROVISIONS (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
Pensions	0	0	0
Other	0	-1.200	0
TOTAL	0	-1.200	0

The increase in other provisions in 2011 is attributable to the compensation of EUR 1,200K (EUR 960K + interest) that Montea was required to pay in the context of the ruling by the Court of Appeal received by it on 29th February 2012. For this issue, please refer also to chapter 3.

Note 38: Trade debts and other current liabilities

TRADE DEBTS AND OTHER CURRENT DEBTS (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
Suppliers	1.648	1.405	2.194
Exit tax	-35	-35	-35
VAT and taxes	1.373	1.158	967
Salaries and social security	197	208	137
TOTAL	3.184	2.735	3.264

OTHER CURRENT LIABILITIES (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
Dividends	12	12	21
Intercompany liabilities	182	181	209
Other	245	0	555
TOTAL	439	194	785

The total for "Other" under "Other current liabilities" was mainly the advance payment Montea received within the scope of the sale of the site in Vilvoorde.

Note 39: Accrued charges and deferred income – Liabilities

ACCRUED CHARGES AND DEFERRED INCOME - LIABILITIES (EUR x 1,000)	31/12/2012	31/12/2011	31/12/2010
Property income received in advance	5.283	4.553	3.631
Interests and other charges accrued and not due	1.081	961	692
TOTAL	6.364	5.514	4.323

The increase in accrued charges and deferred income consists primarily of rental income billed in advance that relates to the first quarter of 2013.

7.7.2 Auditor's report on the consolidated financial statements for the year ended 31 December 2011

Free translation from the Dutch original

Statutory auditor's report to the general meeting of shareholders of montea comm. v.a. for the year ended 31 december 2012

In accordance with the legal requirements, we report to you on the performance of our mandate of statutory auditor. This report contains our opinion on the consolidated balance sheet on 31 December 2012, the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year ended 31 December 2012 and on the notes, and includes the required additional statement.

Report on the consolidated financial statements - unqualified opinion

We have audited the consolidated financial statements for the year ended 31 December 2012, prepared in accordance with International Financial Reporting Standards as adopted by the European Union with the balance sheet amounting to total assets of € 307.498 (000) and the statement of income with a loss for the year, share of the Group, of € 3.102 (000).

Responsibility of management for the preparation of the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union as well as the implementation of internal control, which it considers necessary for the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the statutory auditor

It is our responsibility to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the legal requirements and the International Standards on Auditing (ISA). Those standards require that we comply with the ethical requirements, plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

We have performed procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.



In making those risk assessments, we have considered internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. We have evaluated the appropriateness of accounting policies used, the reasonableness of significant accounting estimates made by the Group and the presentation of the consolidated financial statements, taken as a whole.

We have obtained from management the explanations and information necessary for executing our audit procedures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the consolidated financial statements of the company for the year ended 31 December 2012 give a true and fair view of the Group's assets and liabilities, its financial position as at 31 December 2012 and of the results of its operations and its cash flows in accordance with the International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements are the responsibility of management.

Within the context of our assignment, it is our responsibility to verify in all material respects, the compliance with certain statutory and regulatory obligations. On this basis, we make the following comment which do not modify the scope of our opinion on the consolidated financial statements:



- The directors' report on the consolidated financial statements includes the information required by law and is consistent with the consolidated financial statements and does not contain any significant inconsistencies with the information that we became aware of during the performance of our mandate.

Brussels, 8 April 2013

Ernst & Young Reviseurs d'Entreprises scrl
Statutory auditor
represented by



Christel Weymeersch
Partner

7.7.3 Segment information

With regard to the obligation of segment information, the company applies IFRS 8.

Geographically, the current portfolio is located in Belgium and France. The sicafi directs and coordinates its affairs on its geographic area and thus also reports according to geographic segmentation. The following tables show the balance sheet and the income statement according to the geographic segmentation.

(EUR x 1.000)		31/12/2012	31/12/2012	31/12/2012	31/12/2012
		BE	FR	Elim.	Conso
I.	NON-CURRENT ASSETS	171.765	118.465	0	290.230
A.	Goodwill	0	0	0	0
B.	Intangible assets	141	0	0	141
C.	Investment properties	163.740	118.360	0	282.100
D.	Other tangible assets	7.883	0	0	7.883
E.	Non-current financial assets	0	0	0	0
F.	Finance lease receivables	0	0	0	0
G.	Trade receivables and other non-current assets	1	105	0	105
H.	Deferred taxes (assets)	0	0	0	0
I.	Participations in associates and joint ventures according to the equity method	0	0	0	0
II.	CURRENT ASSETS	123.901	7.282	-113.914	17.269
A.	Assets held for sale	2.225	0	0	2.225
B.	Current financial assets	0	0	0	0
C.	Finance lease receivables	0	0	0	0
D.	Trade receivables	1.845	3.876	0	5.720
E.	Tax receivables and other current assets	99.648	430	-99.233	844
F.	Cash and cash equivalents	4.433	2.574	0	7.007
G.	Deferred charges and accrued income	15.751	402	-14.681	1.472
TOTAL ASSETS		295.666	125.746	-113.914	307.498
TOTAL SHAREHOLDERS' EQUITY		121.265	2.498	0	123.763
I.	Shareholders' equity attributable to the shareholders of the parent company	121.265	2.398	0	123.663
A.	Share capital	128.340	0	0	128.340
B.	Share premiums	533	0	0	533
C.	Reserves	-1.439	-669	0	-2.108
D.	Net result of the financial year	-6.168	3.067	0	-3.102
II.	Minority interests	0	100	0	100
LIABILITIES		174.401	123.249	-113.914	183.735
I.	Non-current liabilities	138.376	3.521	0	141.898
A.	Provisions	208	0	0	208
B.	Non-current financial debts	118.841	3.071	0	121.913
C.	Other non-current financial liabilities	19.327	0	0	19.327
D.	Trade debts and other non-current debts	0	0	0	0
E.	Other non-current liabilities	0	450	0	450
F.	Deferred taxes - liabilities	0	0	0	0
II.	Current liabilities	36.024	119.727	-113.914	41.837
A.	Provisions	0	0	0	0
B.	Current financial debts	30.461	1.389	0	31.851
C.	Other current financial liabilities	0	0	0	0
D.	Trade debts and other current debts	1.580	1.604	0	3.184
E.	Other current liabilities	257	114.097	-113.914	439
F.	Accrued charges and deferred income	3.726	2.637	0	6.364
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		295.666	125.746	-113.914	307.498

(EUR x 1,000)		31/12/2012	31/12/2012	31/12/2012	31/12/2012
		BE	FR	Elim.	12 months
I.	Rental income	10.122	9.727	0	19.849
II.	Write-back of lease payments sold and discounted	0	0	0	0
III.	Rental-related charges	91	-13	0	78
	NET RENTAL INCOME	10.213	9.714	0	19.927
IV.	Recovery of property charges	0	0	0	0
V.	Recovery of charges and taxes normally borne by tenants on let properties	1.839	1.707	0	3.546
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0	0	0
VII.	Charges and taxes normally borne by tenants on let properties	-2.406	-2.058	0	-4.463
VIII.	Other rental-related income and expenses	1.356	143	0	1.498
	PROPERTY RESULT	11.001	9.507	0	20.508
IX.	Technical costs	-29	0	0	-29
X.	Commercial costs	-65	-26	0	-91
XI.	Charges and taxes of un-let properties	-174	0	0	-174
XII.	Property management costs	-618	-20	0	-637
XIII.	Other property charges	-96	-19	0	-115
	PROPERTY CHARGES	-981	-65	0	-1.046
	PROPERTY OPERATING RESULT	10.020	9.442	0	19.462
XIV.	General costs of the company	-2.116	-822	0	-2.938
XV.	Other operating income and expenses	240	-9	0	231
	OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	8.145	8.611	0	16.756
XVI.	Result on disposal of investment properties	362	0	0	362
XVII.	Result on disposal of other non-financial assets	0	0	0	0
XVIII.	Changes in fair value of investment properties	-5.038	-1.655	0	-6.692
XIX.	Other portfolio result	0	0	0	0
	OPERATING RESULT	3.469	6.956	0	10.425
XX.	Financial income	4.022	0	-3.845	178
XXI.	Net interest charges	-5.511	-3.871	3.845	-5.537
XXII.	Other financial charges	-98	-12	0	-110
XXIII.	Changes in fair value of financial assets and liabilities	-8.023	0	0	-8.023
	FINANCIAL RESULT	-9.610	-3.882	0	-13.492
XXIV.	Share in the result of associates and joint ventures	0	0	0	0
	PRE-TAX RESULT	-6.141	3.074	0	-3.067
XXV.	Corporate taxes	-28	-11	0	-39
XXVI.	Exit tax	0	0	0	0
	TAXES	-28	-11	0	-39
	NET RESULT	-6.168	3.062	0	-3.106
	NET CURRENT RESULT (excl. IAS 39)	6.530	4.717	0	11.248
	Number of shares in circulation entitled to the result of the period	5.634	5.634	5.634	5.634
	NET RESULT PER SHARE	-1,09	0,54	0,00	-0,55
	NET CURRENT RESULT PER SHARE (excl. IAS 39)	1,16	0,84	0,00	2,00

In addition to the geographic segmentation, Montea also makes use of occupational segmentation in terms of the client base in order to spread their risk. Since risk spreading is very important in these times, the sicafi also makes the distinction in the current portfolio between the market for logistics and that for semi-industrial property. However for this segment information, the management believes that there is no distinction between business concerns, as both the nature of service and the distinctive character regarding the type of clients are not materially different.

7.7.4 Financial risk management

Exposure to foreign exchange, interest rates, liquidity and credit risks, can arise in the exercise of Montea's normal commercial activities. The company analyzes and reviews all risks and hereby defines the strategies in order to manage the economic impact on the performance of the company. The results of this analysis and proposed strategies are reviewed and approved by the Board of Directors on a regular basis.

The sensitivity analysis for the rate risk needs to be conducted on both the net result and equity capital. In view of the fact that there is no hedging, the impact will not differ.

7.7.5 Interest rate risk

The current and non-current financial debts of Montea consist solely of debts with floating interest. The sicafi uses financial hedging instruments of the IRS (Interest Rate Swaps) type to cover the interest rate risk. In note 17 there is an overview of the fair value of hedging instruments.

An increase or decrease of 1 basis point in the interest rates of our debts with floating interest rates would mean an increase or decrease in the market value of financial hedging instruments by EUR 0.13 million. This sensitivity is not a cash element and would have no impact on the net current result, but rather on the net result.

On 31/12/2012 the interest rate risk was 74.01% hedged so that an increase/decrease in interest rates could have a minimal impact on the sicafi's result. With an increase or decrease of 10 basis points, the annual interest burden for the company would only rise or fall by EUR 40K.

7.7.6 Credit risk

The credit risk is the risk of financial loss to the Sicaf if a client or counterparty fails to meet its contractual obligations. The management has a credit policy and the exposure to credit risk is managed on a continuous basis. Each new tenant must be independently examined for creditworthiness before the Sicaf makes a lease offer, taking into account a rental guarantee of 3 to 6 months.

7.7.7 Exchange rate risk

The sicafi's property portfolio consists exclusively of buildings in Belgium and France and all leases are in EURO. The company is thus not exposed to any exchange rate risk.

7.7.8 Liquidity risk

In note 34 there is an overview of the financial debts with their respective maturities. The company manages its liquidity risk by making sufficient credit resources⁹¹ available and by reconciling both receipts and payments as much as possible.

7.7.9 Transactions between affiliated companies

There are no transactions between affiliated companies.

7.7.10 Off balance sheet obligations

Montea had the right to buy the remaining 5% of the shares of SCI 3R by the end of 2012. This 5% is still owned by the current tenant, Debflex SA, which was the previous owner. The SCI 3R was the beneficiary of a leasing contract concluded on 25 July 1995. This contract fell under the SICOMI system.

Fundamentally, the companies which fall under the SICOMI system are obliged to realise their rental or leasing achievements in function of the companies which actually rent the rented buildings: they can therefore not apply a clause of sublease (Inst. 28 May 1970, 4H-11-70, No. 12).

The Administrative legal doctrine, however, makes an exception in the application of a sublease between two companies, if these are part of the same group or if these are related to each other in the sense of Article 145 of the "CGI". It is for this reason that the company DEBFLEX initially still had a shareholding of 10% in the company SCI 3R, until the time of raising of the purchase option of the building.

⁹¹ On 31/12/2012, Montea had EUR 165 million of credit lines, of which EUR 146.5 million is already drawn down. This means that Montea still had EUR 18.5 million available.

Additionally, the maintaining of subsidies, that are attributed by virtue of the financing of the building by "DRIRE" of PICARDIE, became dependent upon the continuing participation of DEBLEX in the SCI 3R for 5% (confirmed by "DRIRE" as of 13 August 2007).

Consequently, the participation of DEBFLEX in the SCI 3R was reduced from 10% to 5%.

7.7.11 Other important liabilities

There have been to date no major agreements concluded that do not fit into the normal business of the sicafi, of which the Montea group forms a part.

7.8 Statutory financial accounts in shortened form of Montea Comm. VA as of 31 December 2012

In accordance with the provisions in Article 105 of the Belgian Company Code, the financial statements of Montea Comm. VA is presented as follows in shortened format.

7.8.1 Statutory balance sheet as of 31 December 2012 (in thousands of EUR)

BALANCE SHEET	IFRS - 31/12/2012 12 maanden	IFRS - 31/12/2011 12 maanden	IFRS - 31/12/2010 12 maanden
ASSETS			
NON-CURRENT ASSETS	248.469	214.097	204.043
A. Goodwill	0	0	0
B. Intangible non-current assets	141	52	83
C. Investment properties	198.295	186.366	184.165
D. Other tangible non-current assets	7.883	8.087	995
E. Financial non-current assets	42.119	19.562	18.784
F. Finance lease receivables	0	0	0
G. Trade receivables and other non-current assets	31	30	15
H. Deferred taxes - Assets	0	0	0
I. Participations in associates and joint ventures according to the equity method	0	0	0
CURRENT ASSETS	49.474	51.796	51.982
A. Assets held for sale	2.225	2.541	0
B. Current financial assets	0	0	0
C. Finance lease receivables	0	0	0
D. Trade receivables	3.780	4.086	4.274
E. Tax receivables and other current assets	36.071	39.980	33.998
F. Cash and cash equivalents	5.957	4.120	13.191
G. Deferred charges and accrued income	1.441	1.070	519
TOTAL ASSETS	297.943	265.893	256.025
LIABILITIES			
SHAREHOLDERS' EQUITY	123.229	116.463	123.858
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	123.229	116.463	123.858
A. Capital	128.340	107.329	107.329
B. Share premium	533	543	543
C. Reserves	-2.541	8.888	7.775
D. Net result of the financial year	-3.102	-297	8.211
MINORITY INTERESTS	0	0	0
LIABILITIES	174.714	149.430	132.168
NON-CURRENT LIABILITIES	136.176	115.539	124.087
A. Provisions	208	0	0
B. Non-current financial debts	116.641	104.234	116.341
C. Other non-current financial liabilities	19.327	11.304	7.746
D. Trade debts and other non-current debts	0	0	0
E. Other non-current liabilities	0	0	0
F. Deferred taxes - liabilities	0	0	0
CURRENT LIABILITIES	38.537	33.891	8.081
A. Provisions	0	1.200	0
B. Current financial debts	31.851	26.782	1.781
C. Other current financial liabilities	0	0	0
D. Trade debts and other current debts	1.905	1.907	2.123
E. Other current liabilities	124	-121	922
F. Accrued charges and deferred income	4.657	4.124	3.256
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	297.943	265.893	256.025

7.8.2 Statutory profit and loss account as of 31 December 2012 (in thousands of EUR)

PROFIT AND LOSS ACCOUNT	IFRS - 31/12/2012 12 maanden	IFRS - 31/12/2011 12 maanden	IFRS - 31/12/2010 12 maanden
I. Rental income (+)	14523	14646	12996
II. Write-back of lease payments sold and discounted (+)	0	0	0
III. Rental-related charges (+/-)	91	-68	-56
NET RENTAL RESULT	14614	14578	12940
IV. Recovery of property charges (+)	0	0	160
V. Recovery of charges and taxes normally payable by tenants on let properties (+)	2465	2349	2310
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 borne by tenants on let properties (-)	-3004	-2764	-2813
VIII. Other rental-related charges and income (+/-)	1666	684	0
PROPERTY RESULT	15741	14847	12598
IX. Technical costs (-)	-29	-53	-4
X. Commercial costs (-)	-76	-133	-93
XI. Charges and taxes of un-let properties (-)	-174	0	0
XII. Property management costs (-)	-628	-688	-485
XIII. Other property charges (-)	-115	-102	-111
PROPERTY CHARGES	-1022	-976	-693
PROPERTY OPERATING RESULT	14719	13871	11905
XIV. General costs of the company (-)	-2764	-2464	-2218
XV. Other operating income and expenses (+/-)	230	-949	-51
OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	12185	10459	9635
XVI. Result on sale of investment properties (+/-)	362	0	548
XVII. Result on sale of other non-financial assets (+/-)	0	0	0
XVIII. Changes in fair value of investment properties (+/-)	-4760	-3856	519
XIX. Other portfolio result (+/-)	0	0	0
OPERATING RESULT	7787	6603	10702
XX. Financial income (+)	1396	1493	1249
XXI. Net interest charges (-)	-5575	-5551	-5369
XXII. Other financial charges (-)	-102	-23	-14
XXIII. Changes in fair value of financial assets and liabilities (+/-)	-6570	-2781	1643
FINANCIAL RESULT	-10850	-6863	-2491
XXIV. Share in the result of associates and joint ventures			
PRE-TAX RESULT	-3063	-260	8211
XXV. Corporate taxes (-)	-38	-37	0
XXVI. Exit tax (-)	0	0	0
TAXES	-38	-37	0
NET RESULT	-3102	-297	8211
Number of shares in circulation entitled to the result on the period	5634	5634	4610
NET RESULT PER SHARE in euro	-1	0	2

7.8.3 Proposal for appropriation as of 31 December 2012 (in thousands of EUR)

RESULT FOR APPROPRIATION	IFRS - 31/12/2012 12 maanden	IFRS - 31/12/2011 12 maanden
A. NET RESULT	-3.102	-297
B. ADDITION TO / WITHDRAWAL FROM RESERVES (-/+)	13.975	10.664
1. Addition to / withdrawal from reserves for the (positive or negative) net amount in the changes in fair value of investment properties (-/+)	4.760	17.448
1a. financial year	4.760	3.856
1b. previous financial years	0	13.592
1c. realisation of investment properties		
2. Addition to / withdrawal from reserves from the estimated transfer rights and costs resulting from hypothetical disposal of investment properties (-/+)	822	2.802
3. Withdrawal from the reserve for the net amount of the changes in fair value of authorized hedges qualifying for hedge accounting according to IFRS (-)	0	0
3a. financial year	0	0
3b. previous financial years	0	0
4. Withdrawal from the reserve for the net amount of the changes in fair value of authorized hedges qualifying for hedge accounting according to IFRS (-)	0	0
4a. financial year	0	0
4b. previous financial years	0	0
5. Addition to the reserve for the net amount of the changes in fair value of authorized hedges not qualifying for hedge accounting according to IFRS (-)	8.033	11.294
5a. financial year	8.033	4.918
5b. previous financial years	0	6.376
6. Addition to the reserve for the net amount of the changes in fair value of authorized hedges not qualifying for hedge accounting according to IFRS (-)	0	0
6a. financial year	0	0
6b. previous financial years	0	0
7. Addition to / withdrawal from reserves of the net amount of exchange rate differences on monetary assets and liabilities (-/+)	0	0
8. Addition to / withdrawal from reserves of deferred taxes on investment properties located abroad (-/+)	0	0
9. Addition to / withdrawal from reserves for the dividends received, used for the reimbursement of the financial debts (-/+)	0	0
10. Addition to / withdrawal from other reserves (-/+)	-2.951	-24.243
11. Addition to / withdrawal from results carried forward from previous financial years (-/+)	3.311	3.363
C. REMUNERATION OF THE CAPITAL IN ACCORDANCE WITH ART. 27, §1, subparagraph 1	6.344	10.367
D. REMUNERATION OF THE CAPITAL, - OTHER THAN C	4.529	0

7.8.4 Mandatory distribution as of 31 December 2012 (in thousands of EUR)

According to art. 27 Montea must pay out at least the positive difference between the following amounts and for the amount of the positive net result of the financial year and after auditing the transferred losses and the additives/extractions to/of the reserves as meant in " point B. Additives/extractions reserves " as defined in department 4 of part 1 of chapter 1 of the appendix C:

1. 80% of the amount stipulated in the schedule of chapter III of Appendix C; and
2. the net decrease of the debt of the Sicafe during the financial year.

ARTICLE 27 MANDATORY DISTRIBUTION		IFRS - 31/12/2012
		12 maanden
Positive difference (1) - (2)		6.344
80% of the amount defined by the scheme in Annex C of Chapter III (1)		6.344
Corrected result (A) + net gains (B)		7.931
Corrected Result + net realized gains on property not exempt from the mandatory distribution (A)		7.931
Net result		-3.102
+ Amortizations		155
+ Depreciations		14
- Write-back of depreciations		-104
- Write-back of lease payments sold and discounted		0
+/- Other non-monetary elements		6.570
+/- Result on sale of property		-362
+/- Changes in fair value of property		4.760
Realised net gains on property assets not exempt from the mandatory distribution (B)		0
+/- realized net gains and losses of the financial year		0
- realized net gains on property assets during the year, exempt from mandatory distribution if reinvested within 4 years		0
+ realized net gains on property assets previously exempt from mandatory distribution, that were not reinvested within 4 years		0
Net decrease of the debt (2)		0
The changes in debt in function of the calculation of the debt ratio		17.719
Total Liabilities		25.284
Non-current liabilities - authorized hedges		8.023
Non-current liabilities - provisions		208
Non-current liabilities - deferred taxes		0
Current liabilities - authorized hedges		0
Current liabilities - provisions		-1.200
Current liabilities - transitory Accounts		533

According to this calculation Montea is obliged to pay a dividend of EUR 6,344K.

7.8.5 Art. 617 Company Code

As a company, Montea is also required to abide by article 617 of the Company Code under which Montea may not pay a dividend if the net asset value, as the result of a payment being made, would be less than the amount of the capital combined with the reserves not available for distribution.

According to the table below, Montea still has a buffer of EUR 10,917K after paying the proposed dividend of EUR 10,874K.

ARTICLE 617 OF THE COMPANY CODE	IFRS - 31/12/2012 12 maand	IFRS - 31/12/2011 12 maanden	IFRS - 31/12/2010 12 maanden
Paid-up capital or if larger, called-up capital (+)	128.340	107.329	107.329
Share premium account unavailable for distribution according to the articles of association (+)	533	543	543
Reserve for the positive net amount of the changes in fair value of investment properties (+)	0	0	0
Reserve for the impact of the estimated transfer rights and costs resulting from hypothetical disposal of investment properties (-)	-7.499	-6.677	-6.165
Reserve for the net amount of the changes in fair value of authorized hedges qualifying for hedge accounting according to IFRS (+/-)	0	0	0
Reserve for the net amount of the changes in fair value of authorized hedges not qualified for hedge accounting according to IFRS (+/-)	-19.327	-11.294	-6.376
Reserve for the net amount of exchange rate differences on monetary assets and liabilities (+)	0	0	0
Reserve for the translation differences, coming from activities abroad (+/-)	0	0	0
Reserve for own actions	-639	0	0
Reserve for the net amount of the changes in fair value of financial assets held for sale (+/-)	0	0	0
Reserve for actuarial gains and losses on defined benefit pension plans (+)	0	0	0
Reserve for deferred taxes on investment properties located abroad (+)	0	0	0
Reserve for received dividends used for the reimbursement of financial debts (+)	0	0	0
Other reserves declared unavailable by the Annual General Meeting (+)	30	30	30
Legal reserve (+)	1	1	1
Non-distributable shareholders' equity in accordance with Article 617 of the company code	101.438	89.931	95.362
Net assets before distribution of dividends	123.229	116.463	123.858
Proposed dividend payments	10.874	10.367	8.379
Net assets after distribution of dividends	112.355	106.096	115.479
Remaining margin after dividend distribution	10.917	16.165	20.117

At the end of 2012, the remaining margin, after dividend payment, fell to EUR 10,917 due to the Trust's capital rising sharply and net assets (calculated in line with article 617 of the Companies' Code and hence stating EUR 0 as the fair value of the property) fell.

Net assets after dividend payment fell over the past two years by EUR 3.123 million (mainly due to dividends paid and the negative net result that was not offset in full by the increase in capital), while non-payable equity capital rose by EUR 6.076 million.

8. Permanent documents

8.1 General information

Montea Comm. VA is a real estate company (Belgian company: property investment company, French company listing: SIIC) specialised in logistics and semi-industrial real estate in Belgium and France. Montea has been listed on the NYSE Euronext Bruxelles since October 2006 and on the Euronext Paris since December 2006. The activities of Montea as a property investment company began on 1 October 2006, by joining different property portfolios. The company is a leading player on this growing market. In this context, Montea gives its clients flexible, innovative real estate solutions.

Montea is a member of AFILOG (the French Association of Logistics Operators), of Logistics in Wallonia and of the VIL (Flanders Institute for Logistics).

Montea is a public real estate investment company with fixed capital under Belgian law or a public sicafi under Belgian law.

Its French company listing is SIIC (Société d'Investissements Immobiliers Cotée).

8.1.1 Registered and Administrative office

The registered and administrative office in Belgium is at B-9320 Erembodegem (Aalst) Industrielaan 27. The headquarters of the permanent listing in France established on 1 October 2010 are located at F-75008 Paris, 18- 20 Place de la Madeleine.

8.1.2 Register of legal entities

The company is registered in the Register of Legal Entities (Dutch: RPR) of Dendermonde under the number 0417.186.211. Its VAT number is BE 0417.186.211.

The permanent listing in France is registered in the "registre du commerce et des sociétés" of Paris under the number 497 673 145. Its VAT number is FR 06497 673 145.

8.1.3 Founding, company type and publication

The General Partnership share under Belgian law, Montea⁹² was formed on 26 February 1977 in the form of a limited company under the name Parou, according to a deed executed before Notary Eric Loncin in Puurs, published in the Annexes to the Belgian Official Gazette on 16 March 1977, under number 836-1. Since 1 October 2006, Montea has been recognized as a public property investment company with fixed capital under Belgian law, or abbreviated public sicafi under Belgian law, registered with the Banking Finance and Insurance Commission. It is subject to the legal system of investment companies with fixed capital as defined in Article 18 of the Act of 3 August 2012 on certain forms of collective management of investment portfolios.

The articles of association have been amended several times and last amended on 20 December 2012 pursuant to a deed executed before Notary Vincent Vroninks, notary in Ixelles.

The company makes a public call on savings within the meaning of Article 438 of the Code of Companies.

8.1.4 Duration

The company was established for an indefinite duration.

8.1.5 Financial year

The financial year starts on 1 January and ends on 31 December of every year, except for the first fiscal year that started on 1 October 2006 and closed on 31 December 2007 and thus lasted 15 months.

⁹² On 26 February 1977, the NV Parou was established by Mr Pierre De Pauw, Mrs Marie-Christine De Pauw, Mr Albert De Pauw, Mr Jozef Roumieux, Mr Lucas Roumieux, Mr Joseph Molleman and Mrs Maria Biesemans. In 2006 the name was changed to Montea NV. By 1 October 2006 the public limited company was converted into a limited partnership on shares.

8.1.6 Places where the public documents can be consulted

The articles of association of the company can be found at the Registry of the Commercial Court of Dendermonde and at the Montea headquarters and on the website www.montea.com.

The statutory and consolidated accounts of Montea were deposited at the National Bank of Belgium, in accordance with statutory provisions. The decisions regarding appointment and dismissal of members of the Board, are published in the annexes to the Belgian Official Gazette.

The meeting notices of the General Meetings are published in the annexes to the Belgian Official Gazette and in two financial newspapers. These meeting notes and all documents relating to the General Meetings are also available on the website www.montea.com.

All press releases and other financial information distributed by Montea can be found on the website www.montea.com. The annual reports can be obtained at the registered office of the company or can be viewed on the website www.montea.com. Each year, they are sent to the shareholders and to the individuals requesting them. The annual reports include the reports of the property expert and of the auditor.

8.1.7 Group structure

The Montea Group included the following companies:

Montea Management NV

Industrielaan 27, bus 6, B-9320 Erembodegem (Aalst)
RCB Dendermonde 882.872.026 | VAT BE0882.872.026

On 1 October 2006, this company was appointed as Manager and in this capacity manages Montea Comm. VA and its subsidiaries. The company's purpose, in Belgium and abroad, in its own name or on behalf of third parties, for its own account or on behalf of third parties, is to perform actions that are necessary or useful for achieving the civic purpose of Montea Comm. VA. The company, as Manager of Montea Comm. VA, acts in the exclusive interest of all shareholders. The company assesses a fee from the sicafi each year for the carrying out of its functions⁹³.

Montea Comm. VA

Industrielaan 27, bus 6, B-9320 Erembodegem (Aalst)
RPR-RCB Dendermonde 417.186.211 | VAT BE0417.186.211

Warehouse Nine NV (100%)

Industrielaan 27, bus 6, B-9320 Erembodegem (Aalst)
RPR Dendermonde | VAT 0899.650.749

Montea SCA⁹⁴ (Branch office) (100%)

Registered office: FR-75008 Paris, 18-20 Place de la Madeleine
RCS PARIS 497 673 145 00023 | VAT FR06497673145

In order to expand its real estate activity in France, Montea established a branch office under the name Montea SCA, which also acquired the SIIC status as of 24 April 2007. Through this permanent establishment, Montea holds shares in seven French companies

⁹³ See chapter "Remuneration of the statutory Manager and the Board of Directors".

⁹⁴ Société d'Investissements Immobiliers Cotée.

SCI⁹⁵ Montea France (100%)

Registered office: FR-75008 Paris, 18-20 Place de la Madeleine
RCS PARIS 493 288 948 00018 | VAT FR33493288948

SCI 3R (95%)

Registered office: FR-75008 Paris, 18-20 Place de la Madeleine
SIRET business registration number: RCS NANTERRE 400 790 366 | VAT FR44400790366

By 1 October 2007 Montea had acquired, via its French permanent establishment, 95% of the shares in the French company SCI 3R for approximately EUR 1.8 million. SCI 3R owns a warehouse in Feuquières near Amiens that is let to Debflex for a fixed period of 9 years. The agreement was carried out through the purchase of shares of the company holding the leasing for the building. In the final quarter of 2007, the option for purchasing the building was also drawn up by SCI 3R⁹⁶.

SCI Actipole Cambrai (100%)

Registered office: FR-75008 Paris, 18-20 Place de la Madeleine
SIRET business registration number: RCS NANTERRE 501 414 254 | VAT FR45501414254

SCI Sagittaire (100%)

Registered office: FR-75008 Paris, 18-20 Place de la Madeleine
SIRET business registration number: RCS PARIS 433 787 967 | BTW FR79433787967

SCI Saxo (100%)

Registered office: FR-75008 Paris, 18-20 Place de la Madeleine
SIRET business registration number: RCS PARIS 485 123 129 | VAT FR23485123129

SCI Sévigné (100%)

Registered office: FR-75008 Paris, 18-20 Place de la Madeleine
SIRET business registration number: RCS PARIS 438 357 659 | VAT FR48438357659

SCI Socrate (100%)

Registered office: FR-75008 Paris, 18-20 Place de la Madeleine
SIRET business registration number: RCS PARIS 481 979 292 | VAT FR16481979292

8.2 Registered capital

Montea's consolidated company capital is EUR 129,486,434.61, including the costs for capital raising (EUR 1.15 million) and variations in the value of own shares (EUR -3 000).

⁹⁵ Société Civile Immobilière or civil property company.

⁹⁶ The current tenant Debflex is still owner of 5% of the shares of SCI 3R.

SHARE CAPITAL AND SHARES	(x EUR 1,000)	Number of shares
Foundation	62.380	2.855.607
ON 31/12/2007	62.380	2.855.607
Capital increase (press release 26 March 2008)	21.972	729.747
ON 31/12/2008	84.352	3.585.354
Capital decrease (press release 7 December 2009)	-15.388	0
ON 31/12/2009	68.964	3.585.354
Capital increase (press release 7 May 2010)	38.364	2.048.772
ON 31/12/2010	107.329	5.634.126
	0	0
ON 31/12/2011	107.329	5.634.126
Capital increase (press release 11 December 2012)	-10	814.148
ON 31/12/2012	107.318	6.448.274

The capital is represented by 6,448,247 completely common shares. There are no privileged shares. Each of these shares confer a vote at the General Meeting and these shares represent therefore the denominator for purposes of notification in case of reaching, exceeding or falling below the statutory or regulatory barriers (transparency regulations).

The Manager is authorised to approve increases to the registered capital on the dates and the conditions established by him one or more times, amounting to EUR 108,000,000. This authorisation is valid for a period of five years from the publication (14/06/2011) of the minutes of the extraordinary General Meeting. This authorisation is renewable.

To date, there has been one use of the authorised capital so that the amount of EUR 108,000,000 minus EUR 86,896,301 can be used by the manager as part of the authorised capital.

8.3 Explanations

8.3.1 Responsible persons

The statutory Manager of Montea Comm. VA is responsible for the information provided in this annual financial report. The statutory Manager has verified this information to the best of his ability. He certifies that, to his knowledge, the information contained in this annual financial report is in accordance with the facts, and that no information or data have been omitted, whereby the disclosure of which would change the purpose of this annual financial report.

The Board of Directors of Montea Management NV states that:

- the financial statements prepared in accordance with applicable accounting standards, give a true and fair view of the assets, financial situation and results of the issuer and its consolidated companies;
- the annual financial report includes a fair summary of the development and performance of the company and the position of the issuer and the companies included in the consolidation, as well as a description of the principal risks and uncertainties that they face.

8.3.2 Third-party information

Montea certifies that the information provided by the experts and the recognised auditor was faithfully reproduced. To the extent Montea is aware of and able to ensure this in the light of information published by third parties, no fact was omitted whereby the information shown could be wrong or misleading⁹⁷.

8.3.3 Forward-looking statements

This annual report includes forward-looking statements. Such statements are based on estimates and forecasts of the company and naturally contain unknown risks, uncertainties and other factors that could result in the results, financial situation, performance and current achievements being different from those expressed or implicitly indicated in these forward-looking statements. Given these uncertainties the forward-looking statements provide no guarantee.

8.3.4 Arbitration procedures

Apart from the lawsuits mentioned in point 4.3.12 "Information relating to pending lawsuits", the Board of Directors of Montea Management NV states that there are no government interventions, no lawsuits or arbitration proceedings pending that might have a relevant effect on the financial situation or profitability of Montea and that, to the Board's knowledge, there are no situations or incidents that might lead to such government interventions, lawsuits or arbitration proceedings.

8.3.5 Statements on Directors

The Board of Directors of Montea Management NV states that to their knowledge:

- during the previous five years (i) no single director was convicted of fraud, (ii) there was no director, in the capacity of member of the administrative, managerial or supervisory body, involved in a bankruptcy, suspension or dissolution, (iii) no director was accused and/or the subject of a public official nominative sentence pronounced by a statutory or regulatory body, and (iv) there was no director declared incompetent by a court to act as a member of the administrative, managerial or supervisory body of an issuer of financial instruments or to intervene in the management or administration of the affairs of an issuer or in connection with the management or the exercise of the activities of an issuing institution. Montea points out that one of its directors, for events prior to his post in Montea and without connection with Montea, had been the subject of a final administrative penalty in relation to Article 25, first paragraph, 1°, a) of the Act of 2 August 2002 on the supervision of the financial sector and financial services. This penalty was the subject of a non-personal notice. By "directors" are also meant the permanent representatives of the directors-legal entities.
- no employment contract was concluded with the directors providing for the payment of compensation by the end of the contract. There is a management contract between the Montea Management NV and the directors providing for the payment of a fee⁹⁸.

⁹⁷ Montea hereby confirms that it has received permission for publishing the information of third parties in this report.

⁹⁸ See chapter "Executive Management and executive board of the statutory Manager"

- the directors do not own shares of Montea.
- the fact that up to now, with exception of the executive directors, no options for shares of Montea have been confirmed.

No changes of any significance have occurred since 31st December 2012 in the group's financial and trading position for which controlled financial information has been published.

8.3.6 Statements on financial accounts

As from chapter 7 in this annual report, the consolidated and annual financial accounts of 2012 are compared with the financial accounts of 2011 and 2010. For more information regarding the notes over 2011 and 2010, we refer to the respectively annual reports of 2011 and 2010 published on the website of Montea (www.montea.com).

8.4 Articles of Association

The most recent version dates from the capital increase of 20 December 2012 and are only available in Dutch and in French. This is the Dutch version.

OPRICHTINGSAKTE:

De vennootschap werd opgericht krachtens akte verleden voor Meester Eric Loncin, Notaris te Puurs, op 26 februari 1977, bekendgemaakt in de Bijlage tot het Belgisch Staatsblad van 16 maart nadien, onder nummer 836-1.

WIJZIGENDE AKTEN:

- processen-verbaal opgemaakt door notaris François De Clippel, te Dendermonde, op 1 oktober 2006, houdende onder meer wijziging van het doel, omzetting van de vennootschap in een commanditaire vennootschap op aandelen met bevakstatuut, en houdende ondermeer voorwaardelijke fusies met verschillende vennootschappen en kapitaalverhogingen door inbrengen in natura, bekendgemaakt in de Bijlage tot het Belgisch Staatsblad ad van 24 oktober 2006 onder de nummers 20061024/0162795-0162796-0162797-0162798-0162799-0162800-0162801-0162802-0162803, welke akten werden bekrachtigd bij akte op 17 oktober 2006, bekendgemaakt in de Bijlage tot het Belgisch Staatsblad van 6 december daarna, onder nummer 20061206-0182828.
- proces-verbaal verleden voor notaris François De Clippel, te Dendermonde, op 19 december 2007, waarvan een uittreksel werd bekendgemaakt in de Bijlage tot het Belgisch Staatsblad van 18 januari 2008, onder nummer 08011153.
- proces-verbaal opgemaakt door notaris Vincent Vroninks, geassocieerd notaris te Elsene, op 25 maart 2008, houdende kapitaalverhoging als gevolg van de partiële splitsing van de vennootschap "Unilever Belgium", waarvan een uittreksel werd bekendgemaakt in de Bijlage tot het Belgisch Staatsblad van 9 april daarna, onder nummer 08052478.
- proces-verbaal opgemaakt door notaris Nicolas Moyersoën, notaris te Aalst, vervangende zijn ambtsgeenoot notaris Vincent Vroninks, notaris te Elsene, territoriaal belet, op 17 november 2008, houdende wijzigingen aan de statuten, waarvan een uittreksel werd bekendgemaakt in de Bijlage tot het Belgisch Staatsblad van elf december daarna, onder nummer 08191881.
- proces-verbaal opgemaakt door notaris Nicolas Moyersoën, notaris te Aalst, vervangende zijn ambtsgeenoot notaris Vincent Vroninks, notaris te Elsene, territoriaal belet, op 31 december 2009, houdende wijzigingen aan de statuten, waarvan een uittreksel werd bekendgemaakt in de Bijlage tot het Belgisch Staatsblad van 27 januari daarna, onder nummer 10014627.
- proces-verbaal opgemaakt door notaris Vincent Vroninks, voornoemd, op 2 juli 2010, houdende kapitaalverhoging en wijziging van artikel 6 van de statuten, waarvan een uittreksel werd bekendgemaakt in de Bijlage tot het Belgisch Staatsblad van 15 juli daarna, onder nummer 10105283.
- proces-verbaal opgemaakt door notaris Nicolas Moyersoën, voornoemd, vervangende zijn ambtsgeenoot notaris Vincent Vroninks, geassocieerd notaris te Elsene, territoriaal belet, op 17 mei 2011, houdende wijzigingen aan de statuten, waarvan een uittreksel werd bekendgemaakt in de bijlagen bij het Belgisch Staatsblad van 22 juni daarna, onder nummer 11092467.
- proces-verbaal opgemaakt door notaris Vincent Vroninks, geassocieerd notaris te Elsene, territoriaal belet, op 20 december 2012, houdende wijziging aan de statuten.

Deze lijst is afgesloten na het opstellen van de gecoördineerde tekst van de statuten naar aanleiding van het proces-verbaal, opgemaakt door notaris Vincent Vroninks, voornoemd, territoriaal belet, op 20 december 2012.

STATUTEN

20 december 2012

HOOFDSTUK I- NAAM- DUUR- ZETEL- DOEL**ARTIKEL 1. NAAM**

De vennootschap heeft de vorm van een Commanditaire Vennootschap op Aandelen naar Belgisch recht en draagt de benaming "Montea". Deze naam wordt onmiddellijk gevolgd door en alle stukken die van de vennootschap uitgaan, bevatten de vermelding "Vastgoedbeleggingsvennootschap met vast kapitaal naar Belgisch recht" of "Vastgoedbevak naar Belgisch recht". De vennootschap doet een publiek beroep op het spaarwezen in de zin van artikel 438, alinea 1, van het Wetboek van Vennootschappen. Zij is een openbare instelling voor collectieve belegging met een vast aantal rechten van deelneming onderworpen aan het wettelijk stelsel van de beleggingsvennootschappen en vast kapitaal, genaamd "Bevak", voorzien door artikel 19 van de wet van twintig juli tweeduizend en vier betreffende bepaalde vormen van collectief beheer van beleggingsportefeuilles. De vennootschap heeft geopteerd voor de categorie van beleggingen in vastgoed, zoals voorzien door artikel 7, lid 1, al. 5° van voornoemde wet. De vennootschap is onderworpen aan de relevante bepalingen van de Wet van twintig juli tweeduizend en vier betreffende bepaalde vormen van collectief beheer van beleggingsportefeuilles, evenals aan de Koninklijke besluiten genomen in uitvoering van de wet en van toepassing op openbare instellingen voor collectieve belegging met een vast aantal rechten van deelneming die beleggen in de in artikel 7, eerste lid, al. 5 van de wet bedoelde activa (vastgoed) (deze wet en deze Koninklijke besluiten worden hierna aangeduid gezamenlijk als de "vastgoedbevak wetgeving").

ARTIKEL 2. DUUR

De duur van de vennootschap is onbeperkt. Zij kan worden ontbonden door een beslissing van de algemene vergadering beraadslagend volgens de voorwaarden en vormen vereist voor een statutenwijziging. De vennootschap zal niet ontbonden worden door het ontslag, de uitwijzing, de herroeping, de uitkoop, de onbekwaam-verklaring, de verhinderende, de ontbinding of de faillietverklaring van de beherende vennoot.

ARTIKEL 3. ZETEL

De vennootschap is gevestigd te B-9320 Erembodegem, Industrielaan, 27. De zetel kan zonder statutenwijziging verplaatst worden in België bij besluit van de statutaire zaakvoerder, mits inachtneming van de taalwetgeving. De vennootschap kan bij eenvoudige beslissing van de statutaire bijkantoren of agentschappen oprichten zowel in België als in het buitenland.

ARTIKEL 4. DOEL

De vennootschap heeft tot doel het collectief beleggen van uit het publiek aangetrokken financieringsmiddelen in vastgoed, zoals gedefinieerd in de vastgoedbevak wetgeving en waaronder begrepen wordt:

1. onroerende goederen zoals gedefinieerd in de artikelen 517 en volgende van het Burgerlijk Wetboek en zakelijke rechten op onroerende goederen;
2. aandelen met stemrecht uitgegeven door vastgoedvennootschappen, die exclusief of gezamenlijk worden gecontroleerd door de vastgoedbevak;
3. optierechten op vastgoed;
4. aandelen van openbare of institutionele vastgoedbevaks, op voorwaarde dat hierover, in laatstgenoemd geval, een gezamenlijke of exclusieve controle wordt uitgeoefend;
5. rechten van deelneming in buitenlandse instellingen voor collectieve belegging in vastgoed, die zijn ingeschreven op de lijst bedoeld in artikel 129 van de wet van 20 juli 2004;
6. rechten van deelneming in instellingen voor collectieve I belegging in vastgoed die in een andere lidstaat van de Economische Ruimte zijn gevestigd en niet zijn ingeschreven op de voormelde in artikel 129 bedoelde lijst, voor zover zij aan een gelijkwaardig toezicht zijn onderworpen als de openbare vastgoedbevaks;
7. vastgoedcertificaten zoals omschreven in de toepasselijke financiële wetgeving;
8. rechten voortvloeiend uit contracten waarbij aan de vastgoedbevak een of meer goederen in leasing worden gegeven, of andere analoge gebruiksrechten worden verleend;
9. alsook alle andere goederen, aandelen of rechten die als vastgoed gedefinieerd worden door de vastgoedbevak wetgeving.

Binnen de grenzen van het beleggingsbeleid, zoals omschreven in artikel 5 van de statuten en in overeenstemming met de vastgoedbevak wetgeving, mag de vennootschap zich inlaten met:

- de aankoop, de verbouwing, het bouwen (zonder afbreuk te doen aan het verbod om op te treden als bouwpromotor, behoudens wanneer het occasionele verrichtingen betreft), de inrichting, de verhuur, de onderverhuur, het beheer, de ruil, de verkoop, de verkaveling, het onderbrengen onder het stelsel van mede-eigendom van vastgoed zoals hierboven beschreven, het verlenen van opstalrechten, vruchtgebruik, erfpacht;
- het verwerven en uitlenen van effecten conform de toepasselijke reglementering;
- onroerende goederen, met of zonder koopoptie, in leasing nemen; het in leasing geven van een of meer onroerende goederen met koopoptie mag evenwel slechts als bijkomende activiteit worden uitgeoefend, behalve indien die onroerende goederen bestemd zijn voor doeleinden van algemeen belang (in dat geval kan de activiteit in hoofdorde worden uitgeoefend);
- de vennootschap mag slechts occasioneel optreden als bouwpromotor.

De vennootschap mag tevens in overeenstemming met de vastgoedbevak wetgeving:

- ten bijkomende of tijdelijke titel, beleggen in effecten die geen vastgoed zijn en niet- toegewezen middelen bezitten. De beleggingen in effecten zullen, overeenkomstig de wettelijke bepalingen terzake, gediversifieerd zijn teneinde een gepaste verdeling van het risico te verzekeren.

De vennootschap kan ter financiering van deze politiek in de ruimst mogelijke mate beroep doen, binnen de grenzen van de vastgoedbevak wetgeving, op externe financiering, al dan niet hiervoor de nodige waarborgen, voorrechten en zekerheden verschaffen, overgaan tot uitgifte van nieuwe aandelen, obligaties of andere schuldtitels al dan niet converteerbaar, met warrant, achtergesteld of anderszins. De beleggingen in roerende waarden worden uitgevoerd overeenkomstig de criteria vastgesteld in de artikelen 56 en 57 van het Koninklijk Besluit van vier maart negentienhonderd eenennegentig tot bepaalde instellingen voor Collectieve Belegging.

ARTIKEL 5. BELEGGINGSBELEID

Het collectief beleggen in onroerende goederen door middel van kapitalen bijeengebracht door het publiek beroep op het spaarwezen in België of in het buitenland zal, overeenkomstig het Koninklijk Besluit van tien april negentienhonderd vijftien, gebeuren als volgt:

De vennootschap streeft ernaar een gediversifieerde onroerend goed portefeuille met beleggingen in kwalitatief hoogstaande projecten samen te stellen op basis van de volgende criteria:

- in hoofdoorde: kwalitatief hoogstaande semi-industriële en industriële gebouwen en/of gronden, bestemd voor fabricage, licht industriële activiteiten, distributie, opslag en andere logistieke functies, gelegen op toplocaties in België en in de omliggende landen;
- in bijkomende orde: kwalitatief hoogstaande residentiele, commerciële en kantoorpanden geografisch gespreid in heel België en in de omliggende landen;
- in laatste orde, wordt er gestreefd naar een goede diversificatie van de risico's door geografische spreiding over de hele Europese Unie met de nadruk op België en de omliggende landen en groeizones die daarvan in de toekomst deel kunnen uitmaken; productiespreiding; veelheid van panden en van huurders.

De vennootschap kan dit doel verwezenlijken door een gericht aan- en verkoopbeleid te voeren, eigen ontwikkelingen, renovaties en uitbreidingen te doen, lange- en/of korte termijn verhuuringen met solvabel geachte huurders af te sluiten; zij kan zelf of via derden het beheer van deze panden doen.

De vennootschap kan ter financiering van deze politiek in de ruimst mogelijke mate beroep doen binnen het wettelijk kader op extreme financiering, al dan niet hiervoor de nodige waarborgen, voorrechten en zekerheden verschaffen, overgaan tot uitgifte van nieuwe aandelen, obligaties of andere schuldtitels al dan niet converteerbaar, met warrant, achtergesteld of anderszins. De beleggingen in roerende waarden worden uitgevoerd overeenkomstig de criteria vastgesteld in de artikelen 56 en 57 van het Koninklijk Besluit van vier maart Negentienhonderd éénennegentig tot bepaalde instellingen voor Collectieve Belegging.

HOOFDSTUK II- KAPITAAL- AANDELEN

ARTIKEL 6. KAPITAAL

Het kapitaal van de vennootschap bedraagt honderdnegenentwintig miljoen vierhonderd zesentachtigduizend vierhonderd vierendertig euro en eenenzestig cent (129.486.434,61 EUR) en is vertegenwoordigd door zes miljoen vierhonderd achtenveertigduizend tweehonderd vierenzeventig (6.448.274) aandelen zonder vermelding van nominale waarde, die elk een/zes miljoen vierhonderd achtenveertigduizend tweehonderd vierenzeventigste (116.448.274ste) deel van het kapitaal vertegenwoordigen.

ARTIKEL 7. TOEGESTAAN KAPITAAL

De statutaire zaakvoerder is gemachtigd om het maatschappelijk kapitaal te verhogen op de data en tegen de voorwaarden die hij zal vaststellen, in een of meerdere keren, ten belope van honderd en acht miljoen euro (108.000.000,00 EUR). Deze machtiging is geldig voor een duur van vijf jaar vanaf de bekendmaking in de Bijlagen tot het Belgisch Staatsblad, van de statutenwijziging beslist door de buitengewone algemene vergadering van 17 mei 2011. Zij is hernieuwbaar. Binnen de hierboven gestelde grenzen en zonder afbreuk te doen aan de dwingende bepalingen van het Wetboek van Vennootschappen, kan de statutaire zaakvoerder beslissen het kapitaal te verhogen, hetzij door inbrengen in geld, hetzij door inbrengen in natura, hetzij door omzetting van reserves of uitgiftepremies, naar gelang het geval met of zonder uitgifte van nieuwe aandelen. Verder is de statutaire zaakvoerder gemachtigd door de algemene vergadering om andere effecten uit te geven, waaronder maar niet beperkt tot, converteerbare obligaties, warrants, aandelen zonder stemrecht, aandelen met een voorrecht op dividenden en/of liquidatievoorrecht. Het is de statutaire zaakvoerder verder toegestaan om het voorkeurrecht, verleend door het Wetboek van Vennootschappen aan de aandeelhouders, te beperken of uit te sluiten zelfs ten gunste van een of meerdere bepaalde personen die geen personeelsleden zijn van de vennootschap of van een van haar dochtervennootschappen mits aan de bestaande aandeelhouders een onherleidbaar toewijzingsrecht wordt verleend bij de toekenning van nieuwe effecten. Dat onherleidbaar toewijzingsrecht voldoet aan de voorwaarden opgelegd door de vastgoedbevak wetgeving en artikel 9.1 van de statuten. Dat recht moet niet worden verleend bij een inbreng in geld in het kader van de uitkering van een keuzedividend onder de voorwaarden voorzien door artikel 9.1 van de statuten. Kapitaalverhogingen door inbreng in natura worden verricht overeenkomstig de bepalingen van de vastgoedbevak wetgeving en artikel 9.1 van de statuten. Dergelijke inbrengen kunnen ook betrekking hebben op het recht op dividend in het kader van de uitkering van een keuzedividend. Onverminderd de machtiging verleend aan de statutaire zaakvoerder overeenkomstig de vorige alinea's, is de statutaire zaakvoerder gemachtigd het geplaatst kapitaal, eenmalig of in meerdere malen, te verhogen in geval van een openbaar overnamebod op alle aandelen van de vennootschap, mits inachtneming van de voorwaarden bepaald in artikel 607 van het Wetboek van Vennootschappen en voor zover de vennootschap de kennisgeving van het openbaar overnamebod van de Autoriteit Financiële Diensten en Markten of "FSMA" heeft ontvangen binnen een termijn van drie jaar na de buitengewone algemene vergadering van 17 mei 2011. In voorkomend geval dient de statutaire zaakvoerder het onherleidbaar toewijzingsrecht voorzien door de vastgoedbevak wetgeving na te leven. De kapitaalverhogingen waartoe wordt beslist in het kader van voornoemde machtiging, zullen in mindering worden gebracht van het resterende gedeelte van het toegestaan kapitaal voorzien in de eerste alinea. Indien de statutaire zaakvoerder naar aanleiding van zijn beslissing tot kapitaalverhoging de betaling van een uitgiftepremie vraagt, zal het bedrag van die premie besteed worden aan een onbeschikbare rekening, "uitgiftepremie" genoemd, die in dezelfde mate als het maatschappelijk kapitaal tot waarborg van derden kan strekken, en die onder voorbehoud van incorporatie in het kapitaal, enkel mag verminderd of afgeboekt worden bij beslissing van de algemene vergadering beraadslagend volgens de voorwaarden bepaald in artikel 612 van het Wetboek van Vennootschappen.

ARTIKEL 8. VERWERFING, VERVREEMDING EN INPANDNEMEN VAN EIGEN AANDELEN

8.1. De vennootschap kan haar eigen aandelen verwerven of in pand nemen onder de voorwaarden voorzien door de wet. De vennootschap kan, zonder voorafgaande machtiging van de al gemene vergadering, haar eigen aandelen ter beurse of buiten de beurs verwerven of vervreemden onder de voorwaarden opgelegd door de statutaire zaakvoerder.

8.2. De statutaire zaakvoerder is gemachtigd om, mits naleving van de bepalingen van artikel 620 en volgende van het Wetboek van Vennootschappen, te beslissen dat de vennootschap haar eigen aandelen kan verwerven, in pand nemen en vervreemden wanneer de verkrijging of vervreemding noodzakelijk is ter voorkoming van een dreigend ernstig nadeel voor de vennootschap. Deze bevoegdheid is drie (3) jaar geldig, te rekenen vanaf de datum van bekendmaking in de bijlagen tot het Belgisch Staatsblad van de buitengewone algemene vergadering van 17 mei 2011 en kan door de algemene vergadering verlengd worden met eenzelfde termijn.

8.3. De statutaire zaakvoerder is gemachtigd voor rekening van de vennootschap om voor een periode van vijf (5) jaar na de buitengewone algemene vergadering van 17 mei 2011, haar eigen aandelen te verwerven, in pand te nemen of te vervreemden (zelfs buiten de beurs) aan een eenheidsprijs die niet lager mag zijn dan 75% van de slotkoers van de dag voor de datum van de transactie (verwerving, vervreemding of inpandneming) en die niet hoger mag zijn dan 125% van de slotkoers van de dag voor de datum van de transactie (verwerving, vervreemding of inpandneming) zonder dat de vennootschap meer dan 20% van het totaal aantal uitgegeven aandelen mag bezitten.

8.4. Deze voorwaarden en grenzen gelden eveneens voor de verkrijgingen en vervreemdingen van aandelen van de vennootschap door dochtervennootschappen in de zin van artikel 627, alinea 1 van het Wetboek van Vennootschappen, alsook op deze verworven door personen die optreden in naam maar voor rekening van de dochtervennootschap.

ARTIKEL 9. WIJZIGING VAN HET KAPITAAL**9.1. Kapitaalverhoging**

Iedere kapitaalverhoging moet worden verricht in overeenstemming met artikelen 581 a 609 van het Wetboek van vennootschappen evenals de vastgoedbevak wetgeving. Het kapitaal van de vennootschap kan verhoogd worden door beslissing van de algemene vergadering, beraadslagend overeenkomstig het artikel 558 en, in voorkomend geval, artikel 560 van het Wetboek van Vennootschappen, of door beslissing van de statutaire zaakvoerder binnen het kader van het toegestaan kapitaal. Het is de vennootschap evenwel verboden rechtstreeks of onrechtstreeks in te tekenen op haar eigen kapitaal.

Bij een kapitaalverhoging door inbreng in geld beslist door de algemene vergadering of in het kader van het toegestaan kapitaal, kan het voorkeurrecht enkel worden beperkt of opgeheven als aan de bestaande aandeelhouders een onherleidbaar toewijzingsrecht wordt verleend bij de toekenning van nieuwe effecten. Dat onherleidbaar toewijzingsrecht voldoet aan de volgende voorwaarden opgelegd door de vastgoedbevak wetgeving:

1. het heeft betrekking op alle nieuw uitgegeven effecten;
2. het wordt aan de aandeelhouders verleend naar rato van het deel van het kapitaal dat hun aandelen vertegenwoordigen op het moment van de verrichting;
3. uiterlijk aan de vooravond van de opening van de openbare inschrijvingsperiode wordt een maximumprijs per aandeel aangekondigd, en
4. de openbare inschrijvingsperiode moet in dat geval minimaal drie beursdagen bedragen.

Het onherleidbaar toewijzingsrecht is van toepassing op uitgaven van aandelen, converteerbare obligaties (al dan niet achtergesteld) en warrants maar moet niet worden toegekend bij een inbreng in geld met beperking of opheffing van het voorkeurrecht, in aanvulling op een inbreng in natura in het kader van de uitkering van een keuzedividend, voor zover dit effectief voor alle aandeelhouders betaalbaar wordt gesteld.

Kapitaalverhogingen door inbreng in natura zijn onderworpen aan de regels voorgeschreven door artikelen 601 en 602 van het Wetboek van Vennootschappen.

Bovendien, moeten de volgende voorwaarden overeenkomstig de vastgoedbevak wetgeving worden nageleefd bij de uitgifte van effecten tegen inbreng in natura:

1. de identiteit van de inbrenger moet worden vermeld in het in artikel 602 van het Wetboek van Vennootschappen bedoelde verslag van de statutaire zaakvoerder alsook, in voorkomend geval, in de oproeping tot de algemene vergadering die voor de kapitaalverhoging wordt bijeengeroepen;
2. de uitgifteprijs mag niet minder bedragen dan de laagste waarde van (a) een netto-inventariswaarde die dateert van ten hoogste vier maanden voor de datum van de inbrengovereenkomst of, naar keuze van de vennootschap, voor de datum van de akte van kapitaalverhoging, en (b) de gemiddelde slotkoers gedurende de dertig kalenderdagen voorafgaand aan diezelfde datum.
Voor de toepassing van de vorige zin is het toegestaan om van het in punt (b) van vorig lid bedoelde bedrag een bedrag af te trekken dat overeenstemt met het deel van het niet-uitgekeerde bruto-dividend waarop de nieuwe aandelen eventueel geen recht zouden geven, op voorwaarde dat de statutaire zaakvoerder het af te trekken bedrag van het gecumuleerde dividend specifiek verantwoordt in haar bijzonder verslag en de financiële voorwaarden van de verrichting toelicht in het jaarlijks financieel verslag.
3. behalve indien de uitgifteprijs of, in het in artikel 9.6 hieronder bedoelde geval, de ruilverhouding, alsook de betrokken modaliteiten uiterlijk op de werkdag na de afsluiting van de inbrengovereenkomst worden bepaald en aan het publiek meegedeeld met vermelding van de termijn waarbinnen de kapitaalverhoging effectief zal worden doorgevoerd, wordt de akte van kapitaalverhoging verleden binnen een maximale termijn van vier maanden; en
4. het onder 1° bedoelde verslag moet ook de weerslag van de voorgestelde inbreng op de toestand van de vroegere aandeelhouders toelichten, in het bijzonder wat hun aandeel in de winst, in de netto-inventariswaarde en in het kapitaal betreft, alsook de impact op het vlak van de stemrechten. Deze bijkomende voorwaarden zijn niet van toepassing bij de inbreng van het recht op dividend in het kader van de uitkering van een keuzedividend, voor zover dit effectief voor alle aandeelhouders betaalbaar wordt gesteld.

Indien de algemene vergadering besluit om de betaling van een uitgiftepremie te vragen, dient deze op een beschikbare reserverekening te worden geboekt die slechts kan worden verminderd of weg geboekt door een besluit van de aandeelhoudersvergadering, genomen op de wijze die is vereist voor de wijziging van de statuten. De uitgiftepremie zal in dezelfde mate als het maatschappelijk kapitaal de waarborg voor derden uitmaken.

9.2. Kapitaalvermindering

Een vermindering van het geplaatst kapitaal kan slechts plaatsvinden indien de aandeelhouders die zich in gelijke omstandigheden bevinden, gelijk worden behandeld, en indien de voorwaarden gesteld door het Wetboek van Vennootschappen worden geëerbiedigd.

9.3. Fusies, splitsingen en gelijkgestelde verrichtingen

Overeenkomstig de vastgoedbevak wetgeving, zijn de bijkomende voorwaarden bij inbreng in natura zoals hierboven vermeld in artikel 9.1 mutatis mutandis van toepassing op de in de artikelen 671 tot 677, 681 tot 758 en 77211 van het Wetboek van vennootschappen bedoelde fusies, splitsingen en gelijkgestelde verrichtingen.

9.4. Kapitaalverhoging van een institutionele vastgoedbevak dochtervennootschap

Overeenkomstig de vastgoedbevak wetgeving, bij een kapitaalverhoging door inbreng in geld bij een institutionele vastgoedbevak dochtervennootschap tegen een prijs die 10 % of meer lager ligt dan de laagste waarde van (a) een netto-inventariswaarde die dateert van ten hoogste vier maanden voor de aanvang van de uitgifte, en (b) de gemiddelde slotkoers gedurende de dertig kalenderdagen voor de aanvangsdatum van de uitgifte, stelt de statutaire zaakvoerder van MONTEA een verslag op waarin hij toelichting geeft bij de economische rechtvaardiging van het toegepaste disagio, bij de financiële gevolgen van de verrichting voor de aandeelhouders van MONTEA en bij het belang van de betrokken kapitaalverhoging voor MONTEA. Dit verslag en de toegepaste waarderingscriteria en -methodes worden door de commissaris van MONTEA in een afzonderlijk verslag toegelicht. Voor de toepassing van de vorige alinea is het toegestaan om van het in punt (b) van het eerste lid bedoelde bedrag een bedrag af te trekken dat overeenstemt met het deel van het niet- uitgekeerde brute-dividend waarop de nieuwe aandelen eventueel geen recht zouden geven, op voorwaarde dat de statutaire zaakvoerder van MONTEA het af te trekken bedrag van het gecumuleerde dividend specifiek verantwoordt en de financiële voorwaarden van de verrichting in het jaarlijks financieel verslag toelicht. Indien de betrokken dochtervennootschap niet genoteerd is, wordt de in het eerste lid bedoelde disagio enkel berekend op basis van een netto-inventariswaarde die van ten hoogste vier maanden dateert. Artikel 9.4 is niet van toepassing op kapitaalverhogingen die volledig worden onderschreven door MONTEA of haar dochtervennootschappen waarvan het kapitaal rechtstreeks of onrechtstreeks volledig in handen is van MONTEA.

ARTIKEL 10. AARD VAN DE AANDELEN

De aandelen van de vennootschap zijn op naam, in gedematerialiseerde vorm of - zolang de wet dit toelaat - aan toonder, naar keuze van de aandeelhouder. De aandelen zullen steeds op naam zijn in de gevallen vereist door de wet. Binnen de termijnen opgelegd door de wet van 14 december 2005 houdende afschaffing van de effecten aan toonder, kunnen de aandeelhouders op hun kosten schriftelijk de omzetting vragen van aandelen aan toonder in aandelen op naam of in gedematerialiseerde aandelen. De aandeelhouders kunnen tevens op elk ogenblik schriftelijk de omzetting vragen van aandelen op naam in gedematerialiseerde aandelen of omgekeerd. Conform voornoemde wet zullen de aandelen die op 1 december 2014 nog niet automatisch werden omgezet in gedematerialiseerde aandelen of waarvan op die datum mag geen omzetting in aandelen op naam werd gevraagd, automatisch worden omgezet in gedematerialiseerde aandelen. Deze aandelen zullen op een effectenrekening op naam van de vennootschap worden geboekt, zonder dat de vennootschap hierdoor de hoedanigheid van eigenaar verwerft. De uitoefening van de rechten die verbonden zijn aan deze aandelen wordt geschorst totdat de aandeelhouder alsnog de omzetting vraagt en de aandelen op zijn naam worden ingeschreven in het register van aandelen op naam of op een effectenrekening gehouden door de vennootschap, een erkende rekeninghouder of een vereffeningsinstelling.

Een gedematerialiseerd aandeel wordt vertegenwoordigd door een boeking op rekening, op naam van de eigenaar of de houder, bij een erkende rekeninghouder of bij een vereffeningsinstelling en wordt overgedragen door overschrijving van rekening op rekening. De aandelen op naam worden ingeschreven in het aandelenregister dat wordt bijgehouden op de maatschappelijke zetel van de vennootschap. De eigendom van de aandelen blijkt uitsluitend uit de inschrijving in het aandelenregister. De effecten die aan toonder waren, reeds zijn uitgegeven en op een effectenrekening zijn ingeschreven, bestaan in gedematerialiseerde vorm naar aanleiding van de omzetting van rechtswege voorgezien door voornoemde wet. De andere effecten aan toonder zullen in gedematerialiseerde effecten automatisch worden omgezet door hun inschrijving op een effectenrekening. Houders van gedrukte aandelen aan toonder die deze aandelen bij een financiële instelling voorleggen teneinde de betaling te bekomen van hun dividend, dienen voorafgaand de inschrijving te vragen van hun aandelen op een effectenrekening. Zolang deze inschrijving op een effectenrekening niet wordt gevraagd, zal de betaling van het dividend verbonden aan deze aandelen worden geschorst.

ARTIKEL 11. UITOEFENING VAN DE AAN DE AANDELEN VERBODEN RECHTEN

De aandelen zijn ondeelbaar en de vennootschap erkent slechts een eigenaar per effect. Indien meerdere personen rechten hebben met betrekking tot eenzelfde aandeel, zal de uitoefening van de eraan verbonden rechten geschorst worden tot een enkele persoon is aangeduid als eigenaar van het effect ten opzichte van de vennootschap.

ARTIKEL 12. ANDERE EFFECTEN

De vennootschap is bevoegd om de - in artikel 460 van het Wetboek van vennootschappen bedoelde effecten uit te geven, met uitzondering van winstbewijzen en soortgelijke effecten en mits inachtneming van de specifieke regels voorgeschreven door de vastgoedbevak wetgeving en de statuten.

ARTIKEL 13. BEHERENDE EN STILLE VENNOTEN

De beherende vennoot, die de statutaire zaakvoerder is, staat hoofdelijk en onbeperkt in voor alle verbintenissen van de vennootschap. De beherende vennoot wordt benoemd in de statuten. De stille vennoten staan voor de schulden en verliezen van de vennootschap slechts in tot het beloop van hun inbreng, op voorwaarde dat zij geen enkele daad van bestuur stellen.

ARTIKEL 14. NOTERING EN TRANSPARANTIEMELDING

De aandelen van de vennootschap moeten toegelaten zijn tot de verhandeling op een Belgische gereguleerde markt overeenkomstig de vastgoedbevak wetgeving. Iedere aandeelhouder is verplicht kennis te geven aan de Autoriteit Financiële Diensten en Markten of "FSMA" van het houden van stemverlenende effecten, stemrechten of met stemrechtverlenende effecten gelijkgestelde financiële instrumenten overeenkomstig de bepalingen van de wetgeving betreffende de openbaarmaking van belangrijke deelnemingen. De quota waarvan de drempeloverschrijdingen verplichten tot een kennisgeving voor de toepassing van de wetgeving betreffende de openbaarmaking van belangrijke deelnemingen worden vastgelegd op 3, %, 5 % en de veelvoud van 5 %. Behoudens de uitzonderingen vermeld in het Wetboek van Vennootschappen, kan op de algemene vergadering niemand deelnemen voor meer stemrechten dan diegene verbonden aan aandelen waarvoor hij minstens twintig (20) dagen voor de datum van de algemene vergadering kennis heeft gegeven van zijn bezit.

HOOFDSTUK III- BESTUUR EN VERTEGENWOORDIGING**ARTIKEL 15. BENOEMING-ONTSLAG- VACATURE**

15.1. De vennootschap wordt bestuurd door een statutaire zaakvoerder, die de hoedanigheid van beherende vennoot heeft. Tot statutaire zaakvoerder wordt aangesteld voor een eerste beperkte duur van tien (10) jaar startende op een oktober tweeduizend en zes: de Naamloze Vennootschap "Montea Management", met zetel te B-9320 Erembodegem, Industrielaan, 27; ingeschreven in het rechtspersonenregister te Dendermonde en met ondernemingsnummer 0882.872.026 die verklaart dit mandaat te aanvaarden en meedeelt dat niets zich hier tegen verzet. De statutaire zaakvoerder wordt benoemd door een buitengewone algemene vergadering, ten overstaan van een notaris en met inachtneming van de vereisten voor statutenwijziging. Is de statutaire zaakvoerder een rechtspersoon, dan wordt hij voor de uitoefening van de opdracht van statutaire zaakvoerder in naam en voor rekening van de vennootschap vertegenwoordigd door een vaste vertegenwoordiger overeenkomstig artikel 61 § 2 van het Wetboek van vennootschappen.

15.2. De raad van bestuur van de statutaire zaakvoerder moet op een zodanige wijze zijn samengesteld dat MONTEA autonoom en in het uitsluitend belang van haar aandeelhouders kan worden bestuurd. De statuten van de statutaire zaakvoerder bepalen tevens dat deze raad van bestuur ten minste drie onafhankelijke leden telt in de zin van artikel 526ter van het Wetboek van Vennootschappen. De naleving van de in artikel 526ter bedoelde criteria wordt ook beoordeeld alsof het betrokken onafhankelijke lid van de raad van bestuur van de statutaire zaakvoerder dezelfde bestuurder van MONTEA zou zijn. De leden van de raad van bestuur van de statutaire zaakvoerder moeten de vereiste professionele betrouwbaarheid en de voor de uitoefening van hun taken passende ervaring bezitten overeenkomstig de vastgoedbevak wetgeving. Bovendien, moet de effectieve leiding van MONTEA worden toevertrouwd aan ten minste twee natuurlijke personen of eenhoofdiges besloten vennootschappen met beperkte aansprakelijkheid onder de voorwaarden opgelegd door de vastgoedbevak wetgeving.

15.3. De statutaire zaakvoerder kan te allen tijde zelf ontslag nemen. De opdracht van de statutaire zaakvoerder kan slechts worden herroepen bij rechterlijke uitspraak op vordering daartoe ingesteld door de algemene vergadering op grond van wettige redenen. De algemene vergadering dient daartoe te beslissen waarbij de statutaire zaakvoerder niet aan de stemming mag deelnemen. De statutaire zaakvoerder blijft zijn functie verder vervullen tot dat zijn afzetting bij een in kracht van gewijsde gegane rechterlijke beslissing is uitgesproken. Een statutaire zaakvoerder is verplicht na zijn ontslag zijn opdracht verder te vervullen totdat redelijkerwijze in zijn vervanging kan worden voorzien. In dat geval zal de algemene vergadering binnen een maand samenkomen om tot de vaste benoeming van een nieuwe statutaire zaakvoerder over te gaan.

15.4. Het overlijden, de onbekwaam-verklaring, de ontbinding, het faillissement, het ontslag, de afzetting bij rechterlijke beslissing van de statutaire zaakvoerder om welke reden ook of het vrijkomen van het mandaat van de statutaire zaakvoerder op enige andere wijze, zal niet tot gevolg hebben dat de vennootschap wordt ontbonden, doch hij zal worden opgevolgd door de opvolger-zaakvoerder, aangewezen door de buitengewone algemene vergadering van aandeelhouders, op voorwaarde dat hij, in voorkomend geval, aanvaardt toe te treden tot de vennootschap als beherende vennoot. Indien een statutaire zaakvoerder een rechtspersoon is, leidt de fusie, splitsing, de omzetting of elke andere vorm van vennootschapsrechtelijke herstructurering waarbij de rechtspersoonlijkheid van de statutaire zaakvoerder krachtens het toepasselijk recht voortgezet wordt, niet automatisch tot het ontslag of de vervanging van de statutaire zaakvoerder. In geval van het verlies, in hoofde van de leden van de raad van bestuur of het dagelijks bestuur van de statutaire zaakvoerder van de betrouwbaarheid, ervaring en autonomie vereist door de vastgoedbevak wetgeving, moet de statutaire zaakvoerder of de commissaris(sen) een algemene vergadering bijeenroepen met als agenda de eventuele vaststelling van het verlies van de vereisten en de te nemen maatregelen; deze vergadering moet binnen twee maanden samenkomen; indien enkel een of meerdere leden van de raad van bestuur of van dagelijks bestuur van de statutaire zaakvoerder niet meer aan de bovenvermelde vereisten voldoen, dient de statutaire zaakvoerder hen binnen de maand te vervangen; na deze termijn, zal de vergadering van de vennootschap zoals hierboven bijeengeroepen worden; dit alles in het een of ander geval, onder voorbehoud van de maatregelen die de Autoriteit Financiële Diensten en Markten of "FSMA" zou treffen krachtens haar bevoegdheden.

ARTIKEL 16. BEZOLDIGING

De statutaire zaakvoerder zal zijn mandaat bezoldigd uitoefenen. Deze bezoldiging telt twee gedeelten: een vast gedeelte en een variabel gedeelte. Het vast gedeelte van de bezoldiging van de statutaire zaakvoerder wordt jaarlijks vastgesteld door de algemene vergadering van Montea Comm. VA. Deze bezoldiging zal op jaarbasis niet minder dan vijftienduizend euro (15.000,00 EUR) bedragen. Het variabel statutair gedeelte is gelijk aan nul komma vijfentwintig procent (0,25%) van het geconsolideerde nettoresultaat van Montea Comm. VA, met uitsluiting van alle schommelingen van de reële waarde van de activa en de afdekkingsinstrumenten. Bovendien kan in overeenstemming met de vastgoedbevak wetgeving de vergoeding van de statutaire zaakvoerder niet worden toegekend in functie van een specifieke verrichting of transactie van de vennootschap of haar dochtervennootschappen. De statutaire zaakvoerder heeft ook recht op de terugbetaling van de kosten welke rechtstreeks met zijn opdracht verbonden zijn.

ARTIKEL 17. BEVOEGDHEDEN

De statutaire zaakvoerder is bevoegd om alle handelingen van bestuur te verrichten die nodig of dienstig zijn tot verwezenlijking van het doel van de vennootschap, met uitzondering van die handelingen waarvoor volgens de wet alleen de algemene vergadering bevoegd is. De statutaire zaakvoerder stelt driemaandelijks- en semesterverslagen op, evenals het ontwerp van jaarverslag. De statutaire zaakvoerder kan de vergoeding vaststellen van elke mandataris aan wie speciale bevoegdheden werden toegekend overeenkomstig de vastgoedbevak wetgeving. De statutaire zaakvoerder neemt alle beslissingen naar eigen inzicht.

ARTIKEL 18. VERTEGENWOORDIGING VAN DE VENNOOTSCHAP

De vennootschap wordt in al haar handelingen, in en buiten rechte, met inbegrip van de akten voor dewelke de tussenkomst van een openbaar ambtenaar of een notaris vereist is, rechtsgeldig vertegenwoordigd door de statutaire zaakvoerder. Voor elke daad van beschikking met betrekking tot een vastgoed zal de vennootschap moeten worden vertegenwoordigd door de permanente vertegenwoordiger van de statutaire zaakvoerder en ten minste een bestuurder van de zaakvoerder samen optredend. De hierboven vermelde regel is niet van toepassing wanneer een verrichting betrekking heeft op een goed waarvan de waarde minder bedraagt dan het laagste bedrag van 1 % van het geconsolideerde actief van de vennootschap en 2.500.000 EUR. De vennootschap is bovendien, geldig verbonden door bijzondere gevolmachtigden handelend binnen het kader van hun verleende opdracht, onverminderd de verantwoordelijkheid van de statutaire zaakvoerder in geval van overdreven volmacht.

ARTIKEL 19. BIJZONDERE VOLMACHTEN

De statutaire zaakvoerder kan gevolmachtigden van de vennootschap aanstellen. Alleen bijzondere en beperkte volmachten voor bepaalde of een reeks bepaalde rechtshandelingen zijn geoorloofd.

ARTIKEL 20. VERANTWOORDELIJKHEID VAN DE STATUTAIRE ZAAKVOERDER

De statutaire zaakvoerder is persoonlijk, hoofdelijk en onbeperkt verbonden door de verbintenissen van de vennootschap.

HOOFDSTUK IV- CONTROLE**ARTIKEL 21. CONTROLE**

De controle van de vennootschap wordt toevertrouwd aan een of meerdere commissarissen die de taken die hen toevertrouwd worden door het Wetboek van Vennootschappen en de vastgoedbevak wetgeving uitoefenen. De commissaris(sen) moet(en) worden goedgekeurd door de Autoriteit Financiële Diensten en Markten of "FSMA".

HOOFDSTUK V- ALGEMENE VERGADERING**ARTIKEL 22. DE ALGEMENE VERGADERING**

De gewone jaarlijkse algemene vergadering wordt ieder jaar gehouden op de derde dinsdag van de maand mei om tien uur of, indien deze dag een wettelijke feestdag is, op de voorgaande werkdag op hetzelfde uur. Een buitengewone of bijzondere algemene vergadering mag bijeengeroepen worden telkens als het belang van de vennootschap zulks vereist. Deze algemene vergaderingen mogen bijeengeroepen worden door de statutaire zaakvoerder of de commissaris(sen) en moeten bijeengeroepen worden telkens de aandeelhouders die samen een vijfde van het maatschappelijk kapitaal vertegenwoordigen er om vragen. De algemene vergaderingen worden gehouden op de zetel van de vennootschap of op iedere andere plaats in de oproepingsbrief of op andere wijze medegedeeld. Een of meer aandeelhouders die samen minstens 3 % bezitten van het maatschappelijk kapitaal van de vennootschap kunnen, overeenkomstig het Wetboek van Vennootschappen en binnen de perken hiervan, te behandelen onderwerpen op de agenda van de algemene vergadering laten plaatsen en voorstellen tot besluit indienen met betrekking tot op de agenda opgenomen of daarin op te nemen te behandelen onderwerpen. De bijkomende te behandelen onderwerpen of voorstellen tot besluit moeten uiterlijk op de tweeëntwintigste (22ste) dag voor de datum van de algemene vergadering door de vennootschap worden ontvangen.

ARTIKEL 23. BEVOEGDHEDEN VAN DE ALGEMENE VERGADERING

De algemene vergadering is bevoegd om te beraadslagen en te besluiten ter zake van:

- de vaststelling van de jaarrekening;
- de bestemming van de beschikbare winst;
- de benoeming en het ontslag van de commissaris(sen);
- de vaststelling van de vaste bezoldiging van de statutaire zaakvoerder en van de commissaris(sen);
- het instellen van de vennootschapsvordering tegen de statutaire zaakvoerder of de commissaris(sen) en het verlenen van kwijting.

De algemene vergadering heeft voorts alle bevoegdheden die voortvloeien uit de wet en is met name (zonder dat deze opsomming limitatief is) bevoegd om wijzigingen aan te brengen in de statuten, met name om te besluiten tot benoeming van een statutaire zaakvoerder, tot vervroegde ontbinding van de vennootschap, verhoging of vermindering van het geplaatst kapitaal, de mogelijkheid van een toegestaan kapitaal door besluit van de statutaire zaakvoerder, de aflossing van het kapitaal, fusie met een of meerdere vennootschappen, omzetting van de vennootschap in een vennootschap met een andere rechtsvorm.

ARTIKEL 24. BIJENROEPING

Overeenkomstig de bepalingen van artikel 533 van het Wetboek van vennootschappen moeten de oproepingen tot een algemene vergadering worden gedaan door middel van een aankondiging die tenminste 30 dagen vóór de vergadering wordt geplaatst in het Belgisch Staatsblad, in een nationaal verspreid blad (behoudens in de gevallen uitdrukkelijk voorzien door het Wetboek van Vennootschappen) en in media overeenkomstig de voorschriften van het Wetboek van vennootschappen. Aan de houders van aandelen, obligaties of warrants op naam, aan de houders van certificaten op naam, die met medewerking van de vennootschap werden uitgegeven, aan de bestuurders en aan de commissarissen worden de oproepingen binnen bovenvermelde oproepingstermijn meegedeeld; deze mededeling geschiedt door middel van een gewone brief tenzij de bestemmelingen individueel, uitdrukkelijk en schriftelijk hebben ingestemd om de oproeping via een andere communicatiemiddel te ontvangen.

Van de vervulling van deze formaliteit dient geen bewijs te worden voorgelegd. De oproeping bevat de agenda van de vergadering met opgave van de te behandelen onderwerpen en voorstellen tot besluit, naast datum, uur en plaats van de vergadering en de andere informatie voorgeschreven door het Wetboek van vennootschappen. De vereiste stukken worden ter beschikking gesteld en een afschrift ervan wordt naar de rechthebbenden gezonden in overeenstemming met de desbetreffende bepalingen van het Wetboek van Vennootschappen.

ARTIKEL 25. DEELNEMING AAN DE VERGADERING

25.1. Het recht om deel te nemen aan een algemene vergadering en om er het stemrecht uit te oefenen wordt slechts verleend op grond van de boekhoudkundige registratie van de aandelen op naam van de aandeelhouder, op de veertiende dag voor de algemene vergadering, om vierentwintig uur (Belgisch uur) (hierna de "registratiedatum"), hetzij door hun inschrijving in het register van de aandelen op naam van de vennootschap, hetzij door hun inschrijving op de rekeningen van een erkende rekeninghouder of van een vereffeninginstelling, hetzij door voorlegging van de aandelen aan toonder aan een financiële tussenpersoon, ongeacht het aantal aandelen dat de aandeelhouder bezit op de dag van de algemene vergadering.

25.2. De houders van gedematerialiseerde aandelen of aandelen aan toonder die wensen deel te nemen aan de algemene vergadering moeten een attest bezorgen afgeleverd door hun financiële tussenpersoon, of de erkende rekeninghouder of de vereffeninginstelling, waaruit blijkt met hoeveel aandelen aan toonder of gedematerialiseerde aandelen die respectievelijk zijn voorgelegd of op naam van de aandeelhouder op zijn rekeningen zijn ingeschreven op de registratiedatum, de aandeelhouder heeft aangegeven te willen deelnemen aan de algemene vergadering. De neerlegging cliënt te geschieden op de maatschappelijke zetel van de vennootschap of bij de daartoe door haar aangestelde persoon aangeduid in de oproepingen, uiterlijk op de zesde dag voor de datum van de vergadering.

25.3. De houders van aandelen op naam die wensen deel te nemen aan de algemene vergadering moeten kennis geven van hun voornemen om aan de vergadering deel te nemen bij een gewone brief, fax, e-mail, te richten aan de zetel van de vennootschap of aan het e-mailadres vermeld in de oproepingsbrief, uiterlijk op de zesde dag voor de datum van de vergadering.

25.4. Aandeelhouders zonder stemrecht en obligatiehouders hebben het recht aan de algemene vergadering deel te nemen met raadgevende stem. In de gevallen bepaald bij artikel 481 van het Wetboek van Vennootschappen hebben de houders van aandelen zonder stemrecht gewoon stemrecht.

25.5. De commissaris(sen) woont(wonen) de algemene vergadering bij wanneer de algemene vergadering te beraadslagen heeft op grond van een verslag dat door hem/hen werd opgemaakt.

ARTIKEL 26. STEMMING BIJ VOLMACHT

Elke aandeelhouder mag zich op een algemene vergadering doen vertegenwoordigen door een gemachtigde, al dan niet aandeelhouder. De aandeelhouder kan voor een welbepaalde algemene vergadering slechts een persoon aanduiden als volmacht houder, behoudens afwijkingen voorzien door het Wetboek van Vennootschappen. Elk verzoek tot verlening van een volmacht bevat, op straffe van nietigheid, ten minste de volgende vermeldingen: 1° de agenda, met opgave van de te behandelen onderwerpen en de voorstellen tot besluit; 2° het verzoek om instructies voor de uitoefening van het stemrecht ten aanzien van de verschillende onderwerpen van de agenda; 3° de mededeling hoe de gemachtigde zijn stemrecht zal uitoefenen bij gebreke van instructies van de aandeelhouder. De volmacht moet ondertekend zijn door de aandeelhouder en moet uiterlijk op de zesde dag voor de datum van de vergadering, worden neergelegd op de maatschappelijke zetel van de vennootschap of op de plaats aangeduid in de oproeping. De mede-eigenaars, de vruchtgebruikers en de naakte eigenaars, de pandhoudende schuldeisers en pandgevende schuldenaars moeten zich respectievelijk door een en dezelfde persoon laten vertegenwoordigen. Aandeelhouders kunnen kandidaat-gevolmachtigden, op initiatief van deze laatsten, volmacht verlenen om hen te vertegenwoordigen op de aandeelhoudersvergadering. Dergelijk openbaar verzoek tot het verlenen van volmachten teneinde het stemrecht uit te oefenen in de Vennootschap cliënt te geschieden conform de bepalingen van artikel 549, en in het bijzonder derde tot en met zesde lid, van het Wetboek van vennootschappen.

ARTIKEL 27. STEMMING PER BRIEF

Mits toestemming van de statutaire zaakvoerder in de oproeping, zullen de aandeelhouders gemachtigd zijn om per brief deel te nemen aan de stemming over de agendapunten door middel van een door de vennootschap ter beschikking gesteld formulier. Het formulier voor het stemmen op afstand bevat minstens de volgende vermeldingen: 1° de naam van de aandeelhouder en zijn woonplaats of maatschappelijke zetel; 2° het aantal stemmen dat de aandeelhouder tijdens de algemene vergadering wenst uit te brengen; 3° de vorm van de gehouden aandelen; 4° de agenda van de vergadering, inclusief de voorstellen tot besluit; 5° de termijn waarbinnen de vennootschap het formulier voor het stemmen op afstand dient te ontvangen en 6° de handtekening van de aandeelhouder. Dit formulier zal uitdrukkelijk vermelden dat het formulier ondertekend moet zijn door de aandeelhouder en uiterlijk op de zesde dag voor de datum van de algemene vergadering worden overgemaakt aan de vennootschap per aangetekende zending.

ARTIKEL 28. VOORZITTERSCHAP- BUREAU

Elke algemene vergadering wordt voorgezeten door de statutaire zaakvoerder. De voorzitter van de raad van bestuur van de statutaire zaakvoerder wijst een secretaris en stemopnemer aan, die geen aandeelhouder hoeft te zijn. Die twee functies kunnen uitgeoefend worden door een persoon. De voorzitter, de secretaris en de stemopnemer vormen samen het bureau.

ARTIKEL 29. VERLOOP VAN DE VERGADERING

29.1. De beraadslaging en stemming geschieden onder de leiding van de voorzitter en in overeenstemming met de gebruikelijke regels van een behoorlijke vergaderingstechniek. De statutaire zaakvoerder geeft antwoord op de vragen die hem tijdens de vergadering of schriftelijk worden gesteld door de aandeelhouders met betrekking tot hun verslag of tot de agendapunten, voor zover de mededeling van gegevens of feiten niet van dien aard is dat zij nadelig zou zijn voor de zakelijke belangen van de vennootschap of voor de vertrouwelijkheid waartoe de vennootschap of de statutaire zaakvoerder zich hebben verbonden. Zodra de oproeping tot een algemene vergadering gepubliceerd is, kunnen de aandeelhouders schriftelijk vragen stellen, die tijdens de vergadering zullen worden beantwoord, op voorwaarde dat de vennootschap de schriftelijke vragen uiterlijk op de zesde dag vóór de vergadering heeft ontvangen. De commissaris(sen) geeft (geven) antwoord op de vragen die hem (hen) worden gesteld door de aandeelhouders met betrekking tot zijn (hun) controleverslag.

29.2. De statutaire zaakvoerder heeft het recht, tijdens de zitting van een jaarvergadering, de beslissing met betrekking tot de goedkeuring van de jaarrekening drie weken uit te stellen, zonder dat deze beslissing enige motivering behoeft. Deze verdaging doet geen afbreuk aan de andere genomen besluiten, behoudens andersluidende beslissing van de algemene vergadering hieromtrent. De volgende vergadering heeft het recht de jaarrekening definitief vast te stellen. De statutaire zaakvoerder heeft tevens het recht elke andere algemene vergadering tijdens de zitting met drie weken uit te stellen, tenzij deze vergadering bijeengeroepen werd op verzoek van een of meer aandeelhouders die tenminste een/vijfde van het kapitaal vertegenwoordigen of door de commissaris(sen).

29.3. De algemene vergadering kan alleen rechtsgeldig beraadslagen of besluiten over punten die in de aangekondigde agenda zijn opgenomen of daarin impliciet zijn vervat. Over niet in de agenda begrepen punten kan slechts beraadslaagd worden in een vergadering waarin alle aandelen aanwezig zijn en mits daartoe met eenparigheid van stemmen besloten wordt. De vereiste instemming staat vast indien geen verzet is aangetekend in de notulen van de vergadering. De agenda moet, naast de te behandelen onderwerpen, de voorstellen tot besluit bevatten.

ARTIKEL 30. STEMRECHT

30.1. Elk aandeel geeft recht op een stem, onder voorbehoud van de gevallen voorzien door het Wetboek van Vennootschappen waar het stemrecht geschorst is.

30.2. Is een aandeel met vruchtgebruik bezwaard, dan wordt de uitoefening van het aan dat aandeel verbonden stemrecht uitgeoefend door de vruchtgebruiker behoudens verzet van de blote eigenaar.

30.3. De houders van obligaties en warrants mogen de algemene vergadering bijwonen, doch enkel met een raadgevende stem.

ARTIKEL 31. BERAADSLAGING

31.1. Gewone en bijzondere algemene vergaderingen

De gewone en de bijzondere algemene vergadering beraadslagen en besluiten op geldige wijze ongeacht het aantal aanwezige of vertegenwoordigde aandelen, doch mits aanwezigheid van de statutaire zaakvoerder. Is de statutaire zaakvoerder niet aanwezig, dan kan een tweede vergadering worden belegd, die beraadslaagt en besluit, ook al is de statutaire zaakvoerder afwezig. De besluiten worden genomen bij gewone meerderheid van stemmen en mits instemming van de aanwezige of vertegenwoordigde statutaire zaakvoerder bij handelingen, die de belangen van de vennootschap jegens derden betreffen, zoals dividenduitkering alsook elk besluit waarbij het vermogen van de vennootschap wordt aangetast.

Onthouding of blanco stemmen en de nietige stemmen worden bij de berekening van de meerderheid verwaarloosd. Bij staking van stemmen is het voorstel verworpen. Van elke algemene vergadering worden tijdens de vergadering notulen opgemaakt die ondertekend worden overeenkomstig artikel 33 van de statuten.

31.2. Buitengewone algemene vergaderingen

De buitengewone algemene vergadering kan over een statutenwijziging alleen op rechtsgeldige wijze beraadslagen en besluiten, wanneer zij die aan de vergadering deelnemen ten minste de helft van het maatschappelijk kapitaal vertegenwoordigen en mits aanwezigheid van de statutaire zaakvoerder. Is het genoemde quorum niet bereikt of is de statutaire zaakvoerder niet aanwezig, dan is een nieuwe bijeenroeping volgens artikel 558 van het Wetboek van Vennootschappen nodig; de tweede vergadering beraadslaagt en besluit op geldige wijze, ongeacht het aanwezige of vertegenwoordigde deel van het kapitaal en ongeacht de afwezigheid van de statutaire zaakvoerder. Een wijziging van de statuten is alleen dan aangenomen, indien zij goedgekeurd werd door de Autoriteit Financiële Diensten en Markten of "FSMA" en wanneer zij drie vierde van de stemmen verbonden aan de aanwezige of vertegenwoordigde aandelen heeft verkregen en met instemming van de aanwezige of vertegenwoordigde statutaire zaakvoerder. Bij de berekening van de vereiste meerderheid worden de stemmen van degenen die zich onthouden, de blanco stemmen en de nietige stemmen als stemmen tegen beschouwd.

ARTIKEL 32. NOTULEN

De notulen van de algemene vergadering worden ondertekend door de leden van het bureau en door de aandeelhouders die er om vragen. De afschriften of uittreksels in rechte of anderszins voor te leggen, worden door de voorzitter, de secretaris, stemopnemers of de statutaire zaakvoerder ondertekend.

HOOFDSTUK VI- BOEKJAAR- JAARREKENING- DIVIDENDEN

ARTIKEL 33. BOEKJAAR- JAARREKENING- JAARVERSLAG

Het boekjaar van de vennootschap gaat telkens in op een januari en eindigt op eenendertig december van ieder jaar. Op het einde van elk boekjaar worden de boeken en bescheiden afgesloten en maakt de statutaire zaakvoerder de inventaris op, alsmede de jaarrekening. De statutaire zaakvoerder stelt tevens een jaarverslag op waarin bij rekenschap geeft van zijn beleid. Met het oog op de algemene vergadering, stelt de commissaris ook een omstandig schriftelijk verslag op. Deze documenten worden overeenkomstig de wet opgesteld.

ARTIKEL 34. BESTEMMING VAN DE WINST

De vennootschap moet jaarlijks aan haar aandeelhouders, mits inachtneming van de beperkingen voorzien door het Wetboek van Vennootschappen en de vastgoedbevak wetgeving, een dividend uitkeren waarvan het minimum bedrag is opgelegd door de vastgoedbevak wetgeving.

ARTIKEL 35. INTERIMDIVIDEND

De statutaire zaakvoerder heeft de bevoegdheid om, met inachtneming van de relevante bepalingen van het Wetboek van Vennootschappen en de vastgoedbevak wetgeving, op het resultaat van het boekjaar een interim-dividend uit te keren en de betalingsdatum ervan vaststellen.

ARTIKEL 36. BETALING VAN DIVIDENDEN

De uitbetaling van dividenden waarvan de uitkering door de gewone algemene vergadering werd besloten, geschiedt op de tijdstippen en op de plaatsen bepaald door deze algemene vergadering of door de statutaire zaakvoerder. Elke uitkering van dividenden of interim-dividenden die gebeurde in strijd met de wet dient door de aandeelhouder die deze heeft ontvangen te worden terugbetaald, indien de vennootschap bewijst dat de aandeelhouder wist dat de uitkering te zijnen gunste in strijd met de voorschriften was of daarvan, gezien de omstandigheden, niet onkundig kon zijn.

ARTIKEL 37. FINANCIËLE DIENST

De statutaire zaakvoerder duidt een instelling aan die zal instaan voor de financiële dienst van de vennootschap overeenkomstig de vastgoedbevak wetgeving. De instelling die instaat voor de financiële dienst kan te allen tijde worden geschorst of ontstaan door de statutaire zaakvoerder. De vennootschap zorgt ervoor dat dergelijke schorsing of ontslag de continuïteit van de financiële dienstverlening niet benadeelt. De schorsingen en ontslagen hierboven vermeld zullen worden bekendgemaakt op de website van de vennootschap en door middel van een persbericht overeenkomstig de wettelijke bepalingen.

ARTIKEL 38. TERBESCHIKKINGSTELLING VAN HET JAARLIJKS EN HALFJAARLIJKS VERSLAG

Het jaarlijks en halfjaarlijks verslag, inclusief de statutaire en geconsolideerde jaar –en halfjaarlijkse rekening en het verslag van de commissaris, wordt ter beschikking gesteld van de aandeelhouders overeenkomstig de wettelijke bepalingen toepasselijk op emittenten van financiële instrumenten die zijn toegelaten tot de verhandeling op een gereguleerde markt en de vastgoedbevak wetgeving. Het jaarlijks en halfjaarlijks verslag van de vennootschap wordt op de website van de vennootschap gepubliceerd. De aandeelhouders hebben het recht om zonder kosten een kopie van het jaarlijks en halfjaarlijks verslag te verkrijgen op de maatschappelijke zetel van de vennootschap.

HOOFDSTUK VII- ONTBINDING- VEREFFENING**ARTIKEL 39. BENOEMING EN BEVOEGDHEID VEREFFENAARS**

In geval van ontbinding van de vennootschap, om welke reden of op welk tijdstip ook, geschiedt de vereffening door een of meerdere vereffenaar(s) benoemd door de algemene vergadering. De vereffenaar(s) treden/treedt slechts in functie na bevestiging van hun/zijn benoeming door de rechtbank van koophandel. Bij gebreke van benoeming van (een) vereffenaar(s), worden de statutaire zaakvoerder als vereffenaars beschouwd ten aanzien van derden. De vereffenaars vormen een college. Te dien einde beschikken/beschikt de vereffenaar(s) over de meest uitgebreide machten overeenkomstig de toepasselijke bepalingen van het Wetboek van Vennootschappen, behoudens beperkingen opgelegd door de algemene vergadering. De vereffenaar(s) zijn/is gehouden de algemene vergadering bijeen te roepen telkens wanneer de aandeelhouders die een vijfde van de in omloop zijnde effecten vertegenwoordigen het vragen. De algemene vergadering bepaalt de vergoeding van de vereffenaar(s). De vereffening van de vennootschap geschiedt overeenkomstig de bepalingen van het Wetboek van vennootschappen.

ARTIKEL 40. ONTBINDING

Vooraleer de vereffening wordt afgesloten, leggen de vereffenaars het plan voor de verdeling van de activa onder de verschillende schuldeisers voor akkoord voor aan de rechtbank van koophandel van het arrondissement waarbinnen de vennootschap haar zetel heeft. Na aanzuivering van alle schulden, lasten en kosten van de vereffening, wordt het netto- actief vooreerst aangewend om, in geld of in natura, het volgestorte en nog niet-terugbetaalde bedrag van de aandelen terug te betalen. Het overschot van de vereffening wordt verdeeld onder de aandeelhouders in verhouding met hun rechten.

HOOFDSTUK VIII- ALGEMENE BEPALINGEN ARTIKEL 41. KEUZE VAN WOONPLAATS

De statutaire zaakvoerder en vereffenaars van de vennootschap, worden gedurende de uitoefening van hun mandaat geacht keuze van woonplaats te hebben gedaan op de zetel van de vennootschap waar hen alle mededelingen, betekeningen en dagvaardingen geldig kunnen worden gedaan betreffende de zaken van de vennootschap. De houders van effecten op naam zijn verplicht de vennootschap kennis te geven van elke verandering van woonplaats. Bij ontstentenis van kennisgeving worden zij geacht te wonen op hun laatst gekende woonplaats.

ARTIKEL 42. RECHTSBEVOEGDHEID

Voor alle geschillen tussen de vennootschap, haar statutaire zaakvoerder, haar aandeelhouders en vereffenaars betreffende de zaken van de vennootschap en de uitvoering van de huidige statuten wordt uitsluitend bevoegdheid toegekend aan de rechtbanken van de zetel van de vennootschap, tenzij de vennootschap er uitdrukkelijk aan verzaakt.

ARTIKEL 43. GEMEEN RECHT

De bepalingen van onderhavige statuten die strijdig zijn met enige dwingende bepalingen van het Wetboek van Vennootschappen of de vastgoedbevak wetgeving worden als niet- geschreven geacht; de nietigheid of van een deel van een artikel van onderhavige statuten en andere artikelen.

8.5 The sicafi in Belgium and the Société d'Investissements Immobiliers Cotée (SIIC) in France

The sicafi in Belgium

The sicafi (investment company with fixed capital – sicafi) introduced by the law of 4 December 1990 (replaced by the law of 20 July 2004 replaced by the law of 3 August 2012), enables the creation of institutions in Belgium for investment in real estate, as for in many other countries: Real Estate Investments Trusts (REITs) in the United States, Fiscal Investment (FBI) in the Netherlands, G-REITs in Germany, Sociétés d'Investissements Immobiliers Cotées (SIIC) in France and the UK-REITs in the United Kingdom. In Belgium, the legal framework for sicafis has been in place since 1990, although many of the rights and obligations of this investment instrument were not specifically defined until 1995. This investment instrument was created by the public authorities to enable private investors to also have access to the professional property market and to invest in property projects, which were previously the preserve of institutional investors. The statute was the subject of a Royal Implementing Decree of 10 April 1995, superseded by the Royal Decree of 7 December 2010 relating to sicafis. The Law of 21 December 1994 containing social and various provisions, established the fiscal aspects of the recognition of the existing companies.

The major characteristics of the sicafi are:

- company with fixed capital and fixed number of shares;
- listing on the stock market;
- activities confined to investment property; at secondary title, the company may also invest its assets in securities;
- risk spreading: a maximum of 20% of the consolidated assets of the company may be invested in property that constitutes a single complex of buildings;
- the (individual and consolidated) debt is limited to 65% of the (statutory and consolidated) assets, the allocation of securities and mortgages is limited to 50% of the total fair value of the property of the sicafi and its subsidiaries and to 75% of the value of a specific property;
- very strict rules regarding conflicts of interest;
- regular assessment of property by an independent property expert ;
- entry of the buildings at their fair value, no depreciations;
- the results (rental income and capital gains on sales less the operating costs and financial expenses) are exempt from corporation tax for the sicafi (but not the subsidiaries thereof), but not from taxes and the irregular and favourable benefits;
- at least 80% of the amount of the adjusted result⁹⁹ and net gains on sale of property is not exempt from the payment obligation and must be paid;
- any decrease in debt ratio during the financial year may however be deducted from the mandatory amount to be paid;
- withholding tax of 25% (see footnote 18), exempt for individuals residing in Belgium;

⁹⁹ Calculated on the basis of the schedule specified in Section B of the Annex to the Royal Decree of 21 June 2006, replaced by the Royal Decree of 7 December 2010.

The companies seeking recognition as a sicafi or those which merge with a sicafi, are subject to a special tax (exit fee), which is equal to a liquidation tax on the net unrealized capital gains and on the exempted reserves of 16.5% (increased by a crisis contribution of 3%, or 16.995% in total).

The Société d'Investissements Immobiliers Cotées (SIIC) in France

Montea is also a SIIC (Société d'Investissements Immobiliers Cotées) in France and is also listed on the Second Market of Euronext Paris, the second listing after Euronext Brussels. In France, Montea opted for the SIIC status in 2007 to enjoy the benefits associated with the status of sicafi in this country as well. The tax characteristics of the sicafi and SIIC are quite similar: for example, they are both exempt from corporation tax on annual income and realised capital gains. The profits from activities other than leasing or selling real estate are subject to corporation tax.

When the status of sicafi or SIIC is obtained, the company must pay a single tax charge, or "exit fee" This is calculated based on the difference between the investment value of the portfolio and the tax book value of the property. The exit fee, which applies to SIIC is 16.5%. The payment of the exit fee for SIIC is spread over four years, with the payment of an initial tranche of 15% after the first year. In Belgium, at least 80% of the operating profits have to be distributed In France this percentage is 85%, but only after deduction of depreciation.

The provisions relating to the payment of capital gains on the sale of real estate differ substantially. In Belgium, a minimum of 80% has to be distributed unless it is reinvested. For SIICs however, at least 50% of the profits have to be distributed at the end of the year following that in which it was earned. Also with regard to SIICs, dividends from subsidiaries which are exempt from corporate taxation have to be entirely distributed during the year when they are received. In terms of the shareholding structure, at least 30% of the shares in sicafi have to be "free float", i.e. shares which are available for trading. In France, it has to be 40%. SIICs are not restricted to a maximum debt ratio. sicafi on the other hand previously had a maximum debt ratio of 50%, which has now been raised to 65% by the Royal Decree of 21 June 2006 (replaced by the RD of 7 December 2010).

9. Glossary

Classification 1510

French regulations on fire safety for warehouses, concerning the following aspects: (i) fire resistance of structural elements, (ii) fire resistance of secondary elements and (iii) overall behaviour of structures in fire.

Royal Decree on sicafi

Royal Decree of 7 December 2010 on sicafi, *B.S.* of 28 December 2010.

Royal Decree on Accounting

Royal Decree of 21 June 2006 on accounting, annual statements and consolidated statements of public sicafi.

IPO

Public offer of Montea shares that ended in admission of such shares to Euronext Brussels on 17 October 2006

Montea

Montea Comm. VA, a general partnership with share capital with registered office at Industrielaan 27, 9320 Erembodegem and registered in the Dendermonde Register of Legal Entities under the number of 0417.186.211.

Montea Management

Montea Management NV, a limited liability company with registered office at Industrielaan 27, 9320 Erembodegem and registered in the Dendermonde Register of Legal Entities under the number of 0882.872.026.